

Report to Council



Date: December 12, 2016
File: 1405-01
To: City Manager
From: Jerry Dombowsky, Transit and Programs Manager
Subject: Transit Real-Time Information, SmartBus Memorandum of Understanding

Recommendation:

THAT Council approve the City of Kelowna's participation in the real-time AVL component of the BC Transit SmartBus program as outlined in the Memorandum of Understanding attached to the report from the Transit and Programs Manager, dated December 12, 2016;

AND THAT the Mayor and City Clerk be authorized to execute the Memorandum of Understanding in this regard.

Purpose:

To confirm the City of Kelowna's participation in the real-time information AVL component of the BC Transit SmartBus project via execution of a Memorandum of Understanding(MOU). The MOU outlines the estimated budget required and the re-purposing of current budget to be used to fund this AVL initiative. It is understood that the estimated budget will be confirmed once details of the contract with the selected vendor have been determined.

The BC Transit SmartBus program includes the potential for implementation of real-time technology within the Kelowna transit system. The scope of the real-time project involves the installation of automatic vehicle locator (AVL) technology on all existing buses operating on conventional routes; passenger information displays at seven locations (UBCO, Queensway exchange, Westbank exchange, Orchard Park, Okanagan College, Mission, and Rutland exchange); corporate software for operational oversight; data analysis and reporting; and the integration of real-time information in a web and/or mobile-enabled format for customer information purposes.

This program has been approved under the Government of Canada's Public Transit Infrastructure Fund (PTIF), which will decrease the Local Government share of lease fees to 17 per cent for the first five years. The Government of Canada will fund 50 per cent, and the Province of British Columbia will fund the remaining 33 per cent. In order to qualify for the full share of federal funding, the project must be complete by no later than March 31, 2019.

Lease fees associated with the replacement of this technology once it has reached the end of its useful life (not anticipated to be earlier than year 6), as well as technology required for expansion buses, will be per the traditional funding splits of 53.31% paid by Local Governments and 46.69% paid by the Province. Based on the estimated costs below, the City will require an increase in budget to support this program in year 6 or beyond of an estimated \$67,315 dollars.

Anticipated replacement timing and costs for this technology is subject to the RFP process and vendor selection. Ongoing annual operating costs associated with this project, including cellular and WIFI charges, licensing fees, and maintenance support, will also be shared per traditional funding splits.

The City's capital and operating cost components are:

	Operating Costs	Lease Fees	Total
2017/18	\$59,244	\$31,516	\$90,760
2018/19	\$59,501	\$31,516	\$91,017
2019/20	\$60,380	\$31,516	\$91,896

The current INIT PID system active on the Rapid Bus line is incurring annual system operating costs over twice the estimated new system cost. The new system will make the existing system redundant, freeing up this budget for re-allocation to the new system. BC Transit has confirmed that this existing budget should cover operational costs associated with the full roll out with any surplus adjusted down to accommodate the lift on the capital lease fee.

Given the above information, confirmation of the City of Kelowna's participation in the project via execution of the Memorandum of Understanding is respectfully requested.

Internal Circulation:

Divisional Director Infrastructure
Integrated Transportation Manager
Financial Services Director

Financial/Budgetary Considerations:

The current Information Systems budget is \$313,659 and is fully sufficient to cover the cost of the lease fees and operating costs associated with this AVL initiative.

When the replacement of this AVL technology is required (not anticipated to be earlier than year 6) the City's share of this cost will increase from the reduced 17% share to the normal Local Government partner share of 53.31%. Estimated increased cost to the City after year 6 is \$67,315. This cost would be included in the budget for Council to approve as per the regular budget process.

Considerations not applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
Personnel Implications:
External Agency/Public Comments:

Communications Comments:
Alternate Recommendation:

Submitted by:

J. Dombowsky
Transit and Programs Manager

Approved for inclusion:



A. Newcombe, Divisional Director Infrastructure

Attach: Transit AVL MOU document

cc: R. Williams, Senior Regional Transit Manager, BC Transit
G. Davidson, Financial Services Director