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Durham Region Transit Report

To: Durham Region Transit Executive Committee
From: General Manager, Durham Region Transit and Treasurer Durham Region Transit
Report: #2024-DRT-15
Date: September 4, 2024

Subject:

Critical Technology Upgrade

Recommendation:

That the Transit Executive Committee recommends to Regional Council:

- A) That staff be authorized to negotiate and award the procurement to Innovations in Transportation Inc.'s (INIT) for 175 COPILOTpc3 devices to replace all existing COPILOTpc2 devices on Durham Region Transit (DRT) vehicles at an estimated one-time capital cost of \$1,160,000;
 - B) That the 2024 unbudgeted costs for the purchase of the 175 COPILOTpc3 devices, estimated at \$1,160,000, be approved with financing to be provided from provincial gas tax funds; and
 - C) That the Commissioner of Finance be authorized to execute the necessary agreements.
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Report:

1. Purpose

- 1.1 The purpose of this report is to seek approval for the unbudgeted replacement of COPILOTpc2 devices onboard DRT vehicles, including the required procurement and financing approvals, to ensure uninterrupted transit service and bus data and communications due to the decision of Rogers Communications to advance their date for ceasing support of 3G technologies effective March 2025.

2. Background

- 2.1 DRT buses ordered before 2023 are equipped with INIT COPILOTpc2s devices. The replacement plan will encompass replacing all 160 existing COPILOTpc2s with COPILOTpc3s devices, and the procurement of 15 additional spare COPILOTpc3s to support regular maintenance and service requirements.
- 2.2 The COPILOTpc2 relies on 3G cellular connectivity to provide crucial functions and data for the operations of DRT in-service vehicles. This includes:
 - a. Computer Aided Dispatch and Automated Vehicle Location (CAD/AVL)
 - b. Service Reliability
 - c. Scheduling
 - d. On Time Performance
- 2.3 Functionality of these devices is required for DRT's Operations team to remotely manage service and for DRT's customers to plan their trips and receive real time information.
- 2.4 Rogers Communications, DRT's current cellular service provider, will no longer support their 3G service as early as March 31, 2025, which will result in all existing COPILOTpc2s no longer functioning.
- 2.5 Nationally, telecom companies had planned to disable 3G service in December 2025. In July 2024, DRT was informed by Rogers that the original December 2025 date was being accelerated to March 2025.
- 2.6 To explore all potential options, DRT staff engaged with both Bell and Telus and neither cellular provider confirmed they will continue to provide 3G service beyond March 31, 2025.
- 2.7 Replacing COPILOTpc2s with COPILOTpc3s will allow DRT vehicles to transmit their data over modern 5G cellular service, which in addition to ensuring the continued availability of the critical services listed under section 2.2 and 2.3, also ensures DRT is well positioned for future technology enhancements.
- 2.8 The COPILOTpc3s are expected to be in service for the foreseeable future. In addition, the COPILOTpc3s are compatible with existing infrastructure currently used within the fleet, meaning the devices are "plug and play" with no need for additional hardware.
- 2.9 The COPILOTpc3s will have a one-year manufacturer warranty from the date they arrive. Future repairs will be completed under the Region's existing End User Maintenance Agreement with INIT.

2.10 The COPILOTpc3s require approximately 4 months to be manufactured and arrive at DRT facilities. To meet the March 2025 deadline, the devices must be ordered in September 2024. The risk to delaying the purchase and installation of these devices is that buses will not have a cellular connection when on the road which will greatly impact DRTs ability to manage service and provide information to customers in real time, something that customers demand and expect from their public transit provider. In particular, the CAD/AVL system, a critical safety feature, allows DRT to always maintain up to date information on the location of its entire fleet and bus operators.

3. Previous Reports and Decisions

3.1 On January 30, 2013, the Transit Executive Committee (TEC) awarded Request for Proposals (RFP) 676-2012 to INIT Innovations in Transportation, Inc. (INIT) for the supply and implementation of a Smart Technology System for Durham Region Transit (DRT).

3.2 INIT was awarded a 5-year End-User Maintenance Agreement through [Report #2019-F-3](#) for a term ending on June 30, 2023 to minimize risks associated with critical system failures.

3.3 The INIT End-User Maintenance Agreement was extended for an additional 5 years, now ending June 30, 2028, in accordance with the Region's procurement by-law.

4. Financial Implications

4.1 Section 7.2 of the Region's Purchasing By-law 16-2020 permits limited tendering through negotiation for additional deliveries by an original supplier for goods and services not included in the initial procurement if a change of supplier cannot be made due to interchangeability/interoperability with existing goods and services from initial procurement and would cause significant inconvenience or substantial duplication of costs. It is recommended that staff be authorized to negotiate and procure 175 INIT COPILOTpc3 devices with Innovations in Transportation Inc. (INIT) under this provision of the Purchasing By-Law. Proceeding with another service provider would require significant additional hardware and software applications to provide the same levels of core service at a significant cost to the Region.

4.2 Section 14.2.2 of the Region's Budget Management Policy requires the approval of the Treasurer, CAO, the applicable Standing Committee and Regional Council where unbudgeted capital expenditures in excess of \$50,000 are to be incurred.

4.3 It is recommended that the 2024 unbudgeted costs for the COPILOTpc3 procurement, estimated at \$1,160,000, be approved with financing to be provided from provincial gas tax funds.

5. Relationship to Strategic Plan

5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Goal 5: Service Excellence. Objective: To provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery.
 - 5.1 Optimize resources and partnerships to deliver exceptional quality services and value.

6. Conclusion

6.1 It is recommended that all COPILOTpc2 devices be immediately replaced by COPILOTpc3 devices to ensure the continuity of services provided by DRT.

Respectfully submitted,

Original signed by

Bill Holmes
General Manager, DRT

Original signed by

Nancy Taylor, BBA, CPA, CA
Treasurer, DRT

Recommended for Presentation to Committee

Original signed by

Barb Goodwin, MPA, CPA/CGA,
B. Comm, CPM, CMMII
Acting Chief Administrative Officer