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Durham Region Transit Report

To: Durham Region Transit Executive Committee
From: General Manager, Durham Region Transit
Report: #2025-DRT-21
Date: December 3, 2025

Subject:

Radio Communications System: Contract Amendment with Metrolinx

Recommendations:

That the Transit Executive Committee recommends to Council:

- A) That the contract with Metrolinx be amended, to renew for a period of three years effective January 1, 2026, expiring on December 31, 2028, with the option to extend for two additional one year terms, to continue to use Metrolinx's radio communication systems and regular maintenance services at an estimated annual operating cost of up to \$210,000 for the first year (2026), with a total estimated contract cost of \$1.5 million over five years, considering inflation and service costs for future growth vehicles, to be financed from DRT's annual Business Plans and Budget; and
- B) That the Commissioner of Finance be authorized to execute the necessary agreements.

Report:

1. Purpose

- 1.1 The purpose of this report is to seek authorization to award a sole source extension to the existing Metrolinx Radio Services Agreement. The term will be from January 1, 2026 to December 31, 2028, with the option to extend for two additional one year terms. This will allow DRT to continue to use Metrolinx's radio communication systems and receive regular maintenance services.

2. Background

- 2.1 When transit services were transferred from the local municipalities to the Region on January 1, 2006, DRT inherited four fleets that operated with four separate radio systems, no interoperability and limited communication with dispatch.
- 2.2 In 2009, the DRT capital budget provided \$3.9 million in one-time Provincial grant funding to finance the replacement and consolidation of the radio communication systems and awarded a five-year service contract to Metrolinx allowing DRT to have joint use of GO Transit's radio communications system.
- 2.3 The agreement with Metrolinx has been amended four times to:
- Extend the term from January 1, 2015 to December 2019
 - Replace 225 XTL radios and 17 XTS radios with new APX radios, with no cost to DRT and Metrolinx to retain ownership of the new radios
 - Extend an additional year from January 1, 2020 until December 31, 2020
 - Extend the term from January 1, 2021 until December 31, 2025

3. Previous Reports and Decisions

- 3.1 2009-F-77 – Durham Region Transit Radio Communications System Replacement and Consolidation
- 3.2 2015-F-24 – Durham Region Transit Radio Communications System, Renewal of Contract with Metrolinx
- 3.3 2016-F-17 – DRT Radio Communications System: Amendment to Contract with Metrolinx
- 3.4 2019-F-28 – Radio Communications System: One Year Extension of Contract with Metrolinx
- 3.5 2021-F-1 – Radio Communications System: Award of Contract to Metrolinx for Radio Services

4. Contract Negotiations and Current State

- 4.1 DRT engaged Metrolinx in August 2024 to negotiate a short-term extension of the Radio Services Agreement. .
- 4.2 Through negotiations, the following changes are included under the amending agreement:
- A five per cent administration fee that will be applied to all invoices. The administrative fee represents a necessary and deliberate measure to address

the escalating demands of Metrolinx, in managing core administrative functions, such as invoice generation, payment tracking, and regulatory compliance.

- DRT to include Metrolinx as an additional insured on its existing Commercial General Liability policy, in an amount of not less than five million dollars (\$5,000,000.00) per occurrence,
- 4.3 DRT is not considering a transition to the Regions NextGen radio system at this time, because it is a similar land-based radio technology used by Metrolinx. Instead, a Request For Information (RFI) will be issued in 2026 to assess the market for new and potential alternatives, such as Radio over Internet Protocol (RoIP) and Push-to-Talk over Cellular (PoC), that may better meet DRT operational requirements.

5. Financial Implications

- 5.1 As per section 8.4 of the Purchasing By-law #16-2020, authorization to award a sole source amendment to the Metrolinx Radio Service Agreement for a term of up to 5 years is required. This will enable DRT to continue to use Metrolinx's radio communication systems and regular maintenance service, to be financed from DRT's annual Business Plans and Budget.
- 5.2 The initial contract term will be three years, from January 1, 2026 until December 31, 2028. DRT will have the option to extend for two additional 1-year terms. A three-year term is the shortest contract term offered by Metrolinx.
- 5.3 The annual base price of the contract, which includes service for DRT's existing 296 radios, is \$195,360. The annual cost for 2026, inclusive of administrative fees, is estimated to be \$205,128.
- 5.4 Annually, there will be a two percent inflationary increase to the base price
- 5.5 As the DRT fleet grows, the radios will be supplied and owned by Metrolinx, at a cost of \$600 per vehicle. The monthly operational cost per radio is \$55, which is in addition to the base monthly fee.
- 5.6 Table 1 below reflects estimated annual costs over the term of the contract.

Table 1: Estimated annual costs over the term of contract with Metrolinx

Year	Estimated Annual Cost
2026	\$ 205,128.00
2027	\$ 209,230.56
2028	\$ 213,414.63
2029 (optional year)	\$ 217,683.52
2030 (optional year)	\$ 222,038.14

5.7 It is therefore recommended that, as per section 8.4 of the Purchasing By-law #16-2020, staff be authorized to award a sole source amendment to the Metrolinx Radio Service Agreement for a term of up to 5 years.

6. Relationship to Strategic Plan

6.1 This report aligns with/addresses the following Strategic Direction(s) and Pathway(s) in Durham Region's 2025-2035 Strategic Plan:

- Connected and Vibrant Communities
 - C3. Improve public transit system connectivity, reliability, and competitiveness.
 - C4. Improve road safety, including the expansion and connection of active transportation networks to enhance the range of safe mobility options.
- Strong Relationships
 - S3. Collaborate across local area municipalities, with agencies, non-profits, and community partners to deliver co-ordinated and efficient services.

7. Next Steps

7.1 In 2026, DRT will issue a Request For Information to support the development of the radio services specification, where appropriate.

7.2 Where the RFI does not identify a reasonable alternative communication system, DRT will evaluate the long-term impacts and costs of continuing to contract with Metrolinx, or transitioning to the NextGen radio system.

8. Conclusion

- 8.1 The continuation of the partnership with Metrolinx for radio communication services will ensure uninterrupted and reliable communication across DRT operations.
- 8.2 The proposed three-year base term provides DRT with the stability required to maintain seamless operations while allowing sufficient time to explore and assess the market for alternative radio communication technologies.
- 8.3 The Finance department and Legal Services have been consulted and concurs with the recommendations in this report.
- 8.4 For additional information, contact: Kris Hornburg. Deputy General Manager, Business Services, at 905-668-4113.

Respectfully submitted,

Original Signed by

Bill Holmes
General Manager, DRT

Recommended for Presentation to Committee

Original Signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer