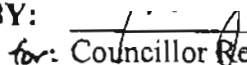


Item No. 11.4.1
Halifax Regional Council
December 3, 2013

TO: Mayor Savage and Members of Halifax Regional Council
Original Signed

SUBMITTED BY: 
for: Councillor Reg Rankin, Chair, and Members, Transportation Standing
Committee

DATE: November 19, 2013

SUBJECT: SmartTrip E-Pass Fare Medium and SmartTrip Membership Fee
Structure

ORIGIN

The Transportation Standing Committee considered and made recommendation on this matter at its November 13, 2013 meeting.

Refer to the Origin section of the September 25, 2013 staff report for further details on the origin of the HRM SmartTrip Program.

LEGISLATIVE AUTHORITY

A principle objective of the Transportation Standing Committee, as per its Terms of Reference, is to provide a forum for Council to address community, government and industry interests in Regional Transportation issues including Transportation Demand Management strategies, policies and traffic calming and mitigation and safety.

The Halifax Charter, section 79(o) states that: The Council may expend money required by the Municipality for public transportation services”.

RECOMMENDATION

That Regional Council:

1. Approve the SmartTrip E-Pass as a permanent employer-based annual transit pass fare medium, as described in the Discussion section of the September 25, 2013 report;
2. Authorize the Director of Metro Transit to enter into Agreements, in accordance with Attachment A of the September 25, 2013 report, on behalf of Halifax Regional Municipality with employers who agree to participate in the SmartTrip E-Pass Program and that any changes to the template shall be reviewed by Legal Services and approved by the CAO;

Recommendations continued on page 2

3. Allow modification of the SmartTrip membership fee structure to reduce fees following the initial year of membership in accordance with Table 2 of the September 25, 2013 report;
4. Include during the budget planning process of Regional Council consideration of the costs and benefits of commencing implementation of HRM's Smart Trip E-Pass program for HRM employees in 2014/15 fiscal year.

BACKGROUND

The Transportation Standing Committee considered and made recommendation on this matter at its November 13, 2013 meeting.

Refer to the September 25, 2013 staff report for detailed background on this initiative.

DISCUSSION

At the November 13, 2013 meeting, the Transportation Standing Committee discussed the September 25, 2013 report with staff. Staff clarified the following at the request of the Committee:

- The cost of the e-pass would be covered for the equivalent of 1.5 months by HRM and 1.5 months by the employer, providing the purchaser with a 12 month transit pass for the cost of nine months.
- The federal tax credit for transit passes would still apply for the e-pass.
- A larger marketing and outreach effort will take place in November and December of 2014 to expand the program for 2015.
- The passes will need to be easily distinguishable from the monthly transit passes, in order to be accepted and enforced by Metro Transit drivers, and will require a photo id, which would be arranged with a local business.

Commenting on the importance of HRM participating in its own program as an example, and noting that a report was requested by the Transportation Standing Committee in July 2013 requesting the implementation of the SmartTrip E-Pass program for HRM employees, the Committee agreed to the following amendment (recommendation #4) that was approved alongside the three recommendations set out in the September 25, 2013 staff report:

That Regional Council:

4. *Include during the budget planning process of Regional Council consideration of the costs and benefits of commencing implementation of HRM's Smart Trip E-Pass program for HRM employees in 2014/15 fiscal year.*

FINANCIAL IMPLICATIONS

Refer to the Financial Implications section of the September 25, 2013 staff report for information on the financial implications associated with recommendations 1-3.

With regard to Recommendation #4: That Regional Council “include during the budget planning process of Regional Council consideration of the costs and benefits of commencing implementation of HRM’s Smart Trip E-Pass program for HRM employees in 2014/15 fiscal year”, this will be brought forward for consideration with the proposed 2014/15 budget. Staff clarified at the November 13th Transportation Standing Committee meeting that they had already intended to bring forward the inclusion of HRM employees with the proposed 2014/15 budget, as per the July 2013 motion approved by the Transportation Standing Committee that requested the implementation of the SmartTrip E-Pass program for HRM employees.

COMMUNITY ENGAGEMENT

The Transportation Standing Committee is comprised of eight duly elected members of Regional Council. Meetings are held on a monthly basis and are open to the public (unless otherwise indicated). Agendas, reports and minutes are available on the HRM website.

Refer to the Community Engagement section of the September 25, 2013 staff report for further details.

ENVIRONMENTAL IMPLICATIONS

Refer to the Environmental Implications section of the September 25, 2013 staff report.

ALTERNATIVES

Regional Council may choose to not approve recommendation number 4, to include during the budget planning process of Regional Council the costs and benefits of commencing implementation of HRM’s SmartTrip E-Pass program for HRM Employees in 2014/15 fiscal year. Council may also bring forward any further alternatives as deemed appropriate.

Refer to the Alternatives Section of the staff report for discussion on further alternatives available.

ATTACHMENTS

Attachment A: Staff recommendation report dated September 25, 2013 “SmartTrip E-Pass Fare Medium and SmartTrip Membership Fee Structure”

**SmartTrip E-Pass Fare Medium & Membership Fee Structure
Council Report**

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December 3, 2013

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Jennifer Weagle, Legislative Assistant, 490-6517

**Transportation Standing Committee
November 13, 2013**

TO: Chair and Members of the Transportation Standing Committee

Original signed

SUBMITTED BY:

Jane Fraser, Director, Planning & Infrastructure

DATE: September 25, 2013

SUBJECT: SmartTrip E-Pass Fare Medium and SmartTrip Membership Fee
Structure

ORIGIN

Initiation of the HRM SmartTrip Program was recommended to Regional Council by the Transportation Standing Committee at its meeting of June 23, 2011. Regional Council approved the SmartTrip E-Pass – 2012 Pilot Project (item 11.2.1) at its meeting of November 15, 2011. At the July 5, 2011, meeting of Halifax Regional Council, a Memorandum of Understanding (MOU) for the SmartTrip Program was approved and the Manager, Strategic Transportation Planning, was authorized to enter into agreements with businesses wishing to participate in the program. At that time, the Committee requested periodic updates on the program.

LEGISLATIVE AUTHORITY

The Halifax Charter Section 79(o) states that: “The Council may expend money required by the Municipality for public transportation services”

RECOMMENDATION

It is recommended that the Transportation Standing Committee recommend to Regional Council:

1. the approval of the SmartTrip E-Pass as a permanent employer-based annual transit pass fare medium, as described in the Discussion section of this report;
2. to authorize the Director of Metro Transit to enter into Agreements, in accordance with Attachment A of this report, on behalf of Halifax Regional Municipality with employers who agree to participate in the SmartTrip E-Pass Program and that any changes to the template shall be reviewed by Legal Services and approved by the CAO; and
3. allow modification of the SmartTrip membership fee structure to reduce fees following the initial year of membership in accordance with Table 2.

BACKGROUND

HRM's SmartTrip program is an initiative under the Transportation Demand Management Functional Plan designed to encourage the use of sustainable transportation trips to and from work. The program works directly with employers to encourage employees to choose transit, active transportation and carpooling as their commuting options or to reduce the need to commute through flexible work (e.g. telework). The operation of the SmartTrip program is intended to be supported through an annual membership fee charged to the business members. SmartTrip is similar to commuter options programs that exist in municipalities across Canada.

A key program to encourage increased transit use under SmartTrip is the E-Pass. This transit fare medium is an annual transit pass that is offered to employees of participating employers. An Employee Transit Pass was a recommendation of both the Metro Transit Five-year Strategic Operations Plan and the Transportation Demand Management Functional Plan. Regional Council had previously approved a one year pilot project with a limit of 750 passes for 2013.

The E-Pass is offered to employers participating in the SmartTrip program at a bulk purchase rate equivalent to 87.5% of the cost of twelve monthly transit passes (either Conventional or MetroLink). Employers must then subsidize the E-Pass at a rate equivalent to at least 12.5% of the cost of 12 monthly passes. Employees typically pay their share through payroll deduction.

Participating employers also need to have signed an MOU with the SmartTrip program and pay an annual fee to HRM, as described in Table 2.

Four employers participated in the 2013 pilot project. These are: McInnes Cooper, Dalhousie University, Admiral Insurance and the Nova Scotia Utility and Review Board.

DISCUSSION

Pilot Project Results:

During the 2013 pilot phase of the program, 466 E-Passes were sold. A total of 257 of these E-Pass holders completed surveys detailing their commuting habits and transit spending previous to the E-Pass. About one third of the E-Pass holders were previously part-time, occasional or non-users of transit. This attraction of new and part-time transit users demonstrated the travel behaviour change impact of the program and ensured that the program was at least revenue neutral for HRM.

Reaction from employers and employees has been universally positive. Employers were motivated to join the program for the following reasons:

- provide a benefit for their employees;
- contribute to employer objectives to promote environmental sustainability; and
- mitigate parking constraints.

Employees report being motivated to participate in order to save money and, in particular, for the convenience of payroll deduction and not having to buy monthly passes.

All of the current employers have expressed their interest in continuing into 2014 and two other employers have expressed interest in starting in 2014. Additionally, there are two major employers (over 1,000 employees) who will access their ability to offer the E-Pass with a view to beginning implementation in 2015.

Complementary measures were implemented to incent E-Pass sales. These included:

- Dalhousie University offered reimbursements on parking passes when these were “traded in” for an E-Pass;
- CarShare Halifax offered a special membership rate for E-Pass holders; and
- Other SmartTrip programs such as the Guaranteed Ride Home Program were in place at participating employers.

Proposed E-Pass Terms and Fare Structure as a Permanent Fare Medium:

It is proposed that, starting in 2014, an unlimited number of E-Passes would be made available for sale and the E-Pass would be a permanent fare medium. Participating employers have to be members of the SmartTrip program and have signed a SmartTrip MOU. E-Passes would be sold as per the calendar year and would only be permitted to join the program in January of each year. Employers implementing the E-Pass would have to sign the attached agreement with HRM, which details the full terms of the program.

HRM would make each E-Pass available to participating employers at a rate equivalent to 87.5% of 12 monthly Conventional MetroPasses, 12 Monthly MetroLink Passes or 12 monthly MetroX passes. This amount reflects a bulk purchase rate. The MetroX Pass was not part of the pilot program but is proposed as part of the permanent E-Pass fare medium.

Employers are required to cover an amount equivalent to at least 12.5% of 12 monthly passes (Conventional, MetroLink or MetroX). Employers may cover more than 12.5%.

Employees of participating employers would cover an amount equivalent to up to 75% of 12 monthly passes (Conventional, MetroLink or MetroX). The employer can opt to have employees pay via payroll deduction.

If the E-Pass is approved as a permanent fare medium, HRM will market the program widely to our network of employers. A larger marketing and outreach effort will be made to expand the program for the 2015 calendar year.

Under the Metro Transit fare structure that came into effect on September 30, 2013, the cost of E-Passes would be as per Table 1.

Table 1: Proposed E-Pass Fare Structure

E-Pass Type	HRM E-Pass Annual Rate	Minimum Annual Employer Contribution per E-Pass	Maximum Annual Employee Contribution
Conventional	\$819.00	\$117.00	\$702.00
Conventional Child/Senior	\$609.00	\$87.00	\$522.00
MetroLink	\$992.25	\$141.75	\$850.50
MetroX	\$1,165.50	\$166.50	\$999.00

SmartTrip Membership Fee Structure:

During the pilot year of operating the SmartTrip E-Pass program, it became evident through discussion with member partners that the value of the program delivered during the first year of membership could not be sustained over subsequent years. Continued participation of businesses in the SmartTrip program can be achieved only through a reduced membership rate in subsequent years. The high value of the program in the first year is related to devices, materials and programs provided at no cost by the program, including:

- start-up workplace travel survey;
- preferential carpool parking signs;
- bike safety and effectiveness training; and
- start-up promotional and educational material.

The % change in our subsequent annual fees was based on two factors:

- our perception of the market value of our services after year one; and
- the business case that we have developed to cover SmartTrip program costs.

Table 2: Proposed SmartTrip Membership Fees:

Workplace Size (# Employees)	First-Year Fee	Subsequent Annual Fee	Subsequent-Year Fee as Pct of First-Year Fee
1-20	\$170	\$70	41%
21-50	\$400	\$160	40%
51-100	\$700	\$280	40%
101-200	\$1,550	\$600	39%
201-500	\$3,000	\$1,200	40%
501-1,000	\$5,200	\$2,000	38%
1,001-2,000	\$8,500	\$3,200	38%
2,001 or more	\$10,500	\$4,000	38%

FINANCIAL IMPLICATIONS

E-Pass Terms and Fare Structure as a Permanent Fare Medium:

A survey was completed by 257 of the 466 participants enrolled in the 2013 SmartTrip E-Pass pilot program. Based on the results of the survey (Table 3), a revenue gain is generated by the program. This additional revenue is generated through shifting part-time, occasional and non-transit users to purchasing the E-Pass.

Table 3: Revenue Impact From Survey of E-Pass Purchasers

Transit use before E-Pass	Respondents	Total Revenue Before E-Pass	Total Revenue E-Pass	Impact to HRM Revenue
Previous full-time transit users	189	\$147,488	\$138,915	(-\$8,574)
Previous part-time transit users	50	\$18,279	\$36,750	\$18,471
Previous occasional and non-transit users	18	\$1,520	\$13,230	\$11,710
Total	257	\$167,287	\$188,895	\$21,607

Even if the balance of E-Pass purchasers (an additional 209 not surveyed) were all previously full-time transit users, the program would still generate a small increase in revenue. If it is assumed that these 209 E-Pass holders who were not surveyed have the same change in transit expenditures as those surveyed, then the total impact to HRM revenue of all E-Pass sales would be an increase of approximately \$39,000. Regardless of the exact impact on revenue, it is clear that the E-Pass is attaining its goal to be at least revenue neutral.

Within the 2013/14 budget process, Council approved a transit fare increase. This increase will be applied to the cost of the E-Pass as described in the Discussion section above.

HRM would continue to monitor the modal shift and revenue impact of the E-Pass. Total revenue from E-Pass sales in 2013 will be approximately \$350,000.

SmartTrip Membership Fee Structure:

For sustained self-sufficiency, the SmartTrip Program will require approximately \$30,000 per year from program membership. Attachment "B", "SmartTrip Membership Fee Revenue Scenario", outlines how the proposed fee structure can achieve this revenue by adding about five new business members per year.

COMMUNITY ENGAGEMENT

No formal community engagement has taken place. Regular informal communications with participating employers and employees on the program have been universally favourable. An evaluation of the overall SmartTrip program, including an impact survey, will be planned in 2014 and implemented in 2015.

ENVIRONMENTAL IMPLICATIONS

About one third of E-Pass holders in the pilot phase of the program either increased their transit use or switched completely to transit for their commute to and from work (previously they traveled alone or as passengers in motor vehicles). This results in reduced greenhouse gas emissions and other pollutants.

ALTERNATIVES

The committee may choose to not make this fare offering permanent and end the initiative. This would likely hinder the success of the overall SmartTrip program as transit is considered the key modal shift opportunity and the E-Pass is a key motivator for employers to become involved in the SmartTrip Program.

The committee may choose to extend the pilot for one more year with a limited number of passes available. This is not recommended because the fare offering has already demonstrated that it has achieved its objectives and is supporting HRM TDM and transit functional plans.

ATTACHMENTS

Attachment A: SmartTrip E-Pass Template Agreement with Employers
Attachment B: SmartTrip Membership Fee Scenario

**SmartTrip E-Pass Fare Medium and
Membership Fee Structure
Transportation Standing Committee Report**

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November 13, 2013

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: David MacIsaac, Transportation Demand Management Program Supervisor, 490-1665

Original signed

Report Approved by: Austin French, Manager Planning, 490-6717

Original signed

Report Approved by: Eddie Robar, Director, Metro Transit, 490-6720

Original signed

Financial Approval by: Greg Keefe, Director of Finance & ICT/CFO, 490-6308

THIS AGREEMENT dated as of _____.

BETWEEN:

The Halifax Regional Municipality, a body corporate,
incorporated pursuant to the laws of the Province of Nova
Scotia, (“HRM”)

- and -

xxxxxxx (hereinafter referred to as “Employer”)

WHEREAS on July 5, 2011, the Council passed a motion to authorize the Manager, Strategic Transportation Planning to enter into a Memorandum of Understanding on behalf of HRM with businesses who agree to participate in the SmartTrip program;

AND WHEREAS on xxxx, 2013, the Council passed a motion to approve the SmartTrip EPass program and authorized the Director of Metro Transit to enter into Agreements, on behalf of HRM, with employers who agree to participate in the SmartTrip EPass program;

AND WHEREAS the Employer has executed a Memorandum of Understanding to participate in the SmartTrip program and wants to participate in the SmartTrip EPass program;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, it is hereby agreed as follows:

Definitions

1. In this agreement:
 - (a) “Access-A-Bus Service” means the door to door bus service for registered users who are unable to use conventional fixed route transit services;
 - (b) “Conventional Transit Pass” means the monthly fare set, from time to time, by the HRM for Conventional Transit Service;
 - (c) “Conventional Transit Service” means the fixed route bus service (excluding the MetroLink Service and MetroX Service) and the Alderney and Woodside ferries;
 - (d) “Council” means the Regional Council of the HRM;

Attachment A

- (e) “Eligible Employees” means full time or part time employees of the Employer, or employees on fixed term contracts, but excludes any other form of employment with the Employer including casual employees, independent contractors, and retirees;
- (f) “MetroLink Pass” means the monthly fare set, from time to time, by HRM for the MetroLink Service;
- (g) “MetroLink Service” means the bus service provided by HRM under the MetroLink banner;
- (h) “MetroX Pass” means the monthly fare set, from time to time, by HRM for the MetroX Service;
- (i) “MetroX Service” means the bus service provided by HRM under the MetroX banner;
- (j) “Participating Employees” means the Participating Employees of the Employer who enroll in the SmartTrip EPass program;
- (k) “SmartTrip EPass” means the discounted transit pass purchased by Participating Employees of the Employer; and
- (l) “Transit Service” means Conventional Transit Service, MetroLink Service, and MetroX Service.

Passes Generally

- 2. The parties agree that:
 - (a) subject to the terms of this agreement, a SmartTrip EPass is available to Eligible Employees; and
 - (b) there are three types of SmartTrip EPasses: a Conventional SmartTrip EPass (Adult and Child/Senior options); a MetroLink SmartTrip EPass (Adult option only); and a MetroX SmartTrip EPass (Adult option only).

Term of Agreement

- 3. The parties agree:
 - (a) the term of this agreement is for 12 months commencing January 1, xxxx, and terminating at 11:59 pm on December 31, xxxx; and
 - (b) this agreement shall automatically renew for additional one year terms unless notice of intent not to renew or notice of termination is provided in writing by either party to the other at least sixty (60) days prior to the end of the then current term or

renewal term.

Employer Arrangements with Participating Employees

4. The Employer agrees to create, amend and otherwise implement any documents, contracts or policies relating to its Participating Employees necessary to comply with the Employer's obligations under this agreement.

SmartTrip EPass Appearance

5. The parties agree HRM will determine, at its sole discretion, the form and appearance of the SmartTrip EPass and that each SmartTrip EPass shall contain a photo of the Participating Employee.

Photographs

6. HRM agrees that the taking of the ID photographs and production of the SmartTrip EPass will be at HRM's expense.

7. The Employer agrees to allow HRM, at times agreeable to by both parties, to use and enter space made available by the Employer to HRM for the purpose of taking the ID photographs.

8. The Employer agrees to make every reasonable accommodation to HRM for the purposes of taking photographs for SmartTrip EPasses including scheduling time off for its Participating Employees during regular business hours.

Issuance of SmartTrip EPass

9. HRM agrees to issue the completed SmartTrip EPasses to the Employer.

10. The Employer agrees to issue a SmartTrip EPass to each Participating Employee within fifteen (15) calendar days of receiving the SmartTrip EPass from HRM.

11. The Employer agrees that all unused, unissued or expired SmartTrip EPasses must be returned to HRM.

12. The parties agree that:

(1) A SmartTrip EPass is only valid:

- a) during the calendar year in which it is issued; and
- b) during any subsequent year if affixed with a renewal sticker issued by HRM.

(2) HRM shall provide the Employer with one renewal sticker for each Participating Employee that remains enrolled in the SmartTrip Epass program in any subsequent year.

Attachment A

- (3) The Employer shall be responsible for affixing such stickers to the SmartTrip Epasses of the Participating Employees who remain enrolled in the SmartTrip Epass program.
- (4) HRM shall be under no obligation to provide more than one sticker for each Participating Employee that remains enrolled in the SmartTrip Epass program.
- (5) Lost, stolen or damaged stickers shall be treated the same as lost, stolen or damaged SmartTrip Epasses, as per the terms of this Agreement.

Entitlement of Use of SmartTrip EPasses

13. The parties agree that every SmartTrip EPass is subject to the policies and guidelines of HRM, as amended from time to time.

14. The parties agree:

- (1) A Conventional SmartTrip EPass permits the Participating Employee unlimited travel on the Conventional Transit Service and Access-A-Bus Service (for registered Access-A-Bus users only).
- (2) Participating Employees who hold a Conventional SmartTrip EPass must pay an additional fare, as set by the HRM from time to time, to travel on the MetroX Service or MetroLink Service.

15. The parties agree:

- (1) A MetroLink SmartTrip EPass permits the Participating Employee unlimited travel on the MetroLink Service, Conventional Transit Service, and Access-A-Bus Service (for registered Access-A-Bus users only).
- (2) Participating Employees who hold a MetroLink SmartTrip EPass must pay an additional fee, as set by the HRM from time to time, to travel on the MetroX Service.

16. The parties agree:

- (1) A MetroX SmartTrip EPass permits the Participating Employee unlimited travel on the MetroX Service, MetroLink Service, Conventional Transit Service, and Access-A-Bus Service (for registered Access-A-Bus users only).

17. The parties agree that:

- (1) only the Participating Employee, whose picture and name appear on the SmartTrip EPass, may use the SmartTrip EPass; and
- (2) each time a Participating Employee uses a Transit Service, he or she must produce

the SmartTrip EPass.

Transfer or Assignment of EPass/Verifying Identity of Users

18. The parties agree that a SmartTrip EPass cannot be assigned or transferred to another person.
19. The Employer acknowledges that HRM reserves the right to:
 - (a) check the validity of a SmartTrip EPass and to verify the identity of the SmartTrip EPass user; and
 - (b) deny the use of the SmartTrip EPass based on the policies of HRM, as amended from time to time.

Breaching Terms of Use

20. The parties agree the use of the SmartTrip EPass is subject to the policies and rules, including rules concerning fare abuse, as set out by HRM from time to time.
21. The parties agree that Participating Employees who breach any condition of the use of the SmartTrip EPass may have their SmartTrip EPass privileges revoked immediately, without notice and without rebate, and their SmartTrip EPass confiscated.
22. HRM agrees to notify the Employer of any confiscated SmartTrip EPass and provide an explanation of the circumstances of the misuse.

HRM Incentive

23. HRM agrees to make SmartTrip EPasses available to the Employer at a discount of 12.5% on the cost of twelve (12) monthly Conventional Transit Passes, MetroLink Passes and MetroX Passes, respectively (“HRM Incentive”).

Fees Payable to HRM

24. The Employer agrees to pay HRM the monthly SmartTrip EPass fee per Participating Employee on or before the 15th day of the month following the use of the SmartTrip EPass, or the previous business day where the 15th day of the month is a Saturday, Sunday or holiday.
25. The parties agree that where the amount set by Council for a Conventional Transit Pass, MetroLink Pass and/or MetroX Pass is increased, the monthly cost of the SmartTrip EPass shall be increased accordingly, and the Employer agrees to pay such increased amount to HRM.

Employer Incentive

26. The Employer agrees to at least match the HRM Incentive (“Employer Incentive”).

Payroll Deduction

27. The Employer may recover all or a portion of the remaining monthly SmartTrip EPass fees from Participating Employees, via payroll deduction or otherwise.

28. The failure of the Employer to fully recover any remaining fees from any Participating Employee(s) shall not relieve the Employer of its obligation to pay HRM the full amount for all SmartTrip EPasses issued to Participating employees in any given month.

Breakdown of Current Fee Structure

29. As of September 30, 2013 the SmartTrip EPass fee breakdown is as follows:

Type of Pass	Standard HRM Transit Pass Fees	HRM SmartTrip EPass Discount (12.5%)	Amount Payable by Employer to HRM	Minimum Employer Contribution per SmartTrip EPass	Maximum Contribution per Participating Employee
Conventional (adult)	\$78.00/month \$936.00/year	\$9.75/month \$117.00/year	\$68.25/month \$819.00/year	\$9.75/month \$117.00/year	\$58.50/month \$702.00/year
Conventional (child/senior)	\$58.00/month \$696.00/year	\$7.25/month \$87.00/year	\$50.75/month \$609.00/year	\$7.25/month \$87.00/year	\$43.50/month \$522.00/year
MetroLink (adult)	\$94.50/month \$1,134.00/year	\$11.81/month \$141.75/year	\$82.69/month \$992.25/year	\$11.81/month \$141.75/year	\$70.83/month \$850.00/year
MetroX (adult)	\$111.00/month \$1,332.00/year	\$13.87/month \$166.44/year	\$97.13/month \$1,165.56/year	\$13.87/month \$166.44/year	\$83.26/month \$999.12/year

Interest

30. The parties agree that HRM may, at HRM's sole discretion, charge interest on any outstanding principle balance at a rate of 4% per annum above the HRM banker's commercial prime rate if the payments are over 30 days late.

Monthly Statement

31. The Employer agrees to provide HRM with a monthly statement showing the current number of Participating Employees and detailing any additions or deletions to the number of Participating Employees vis-à-vis the previous month.

Interruption of Service

32. The Employer agrees that HRM is not liable for any disruption or interruption in Transit Services.

33. The Employer agrees:

- (a) HRM is not obligated to reimburse the Employer or Participating Employees for any disruption or interruption in Transit Services; and
- (b) where Transit Service is interrupted or disrupted for a period of (5) five consecutive calendar days, HRM may, at its sole discretion, authorize the Employer to reduce a portion of the applicable SmartTrip EPass fees from the next schedule payment for the period of interruption or disruption.

Fee Non Refundable

34. The parties agree that the SmartTrip EPass fees paid to HRM are not refundable.

Opting out of the SmartTrip EPass

35. Participating Employees are required to remain enrolled in the SmartTrip EPass program for the duration of the calendar year in which they enroll in the program.

36. Each Participating Employee's enrollment in the SmartTrip EPass program shall be automatically renewed for subsequent calendar years unless the Employer or the Participating Employee (via the Employer) provides written notice to HRM, prior to November 1st, of the intent not to renew the Participating Employee's enrollment in the program for the upcoming calendar year.

37. The parties agree that Participating Employees may only discontinue their SmartTrip EPass during a calendar year where the use of the SmartTrip EPass is no longer feasible because of:

- (a) a change in employment status where the employee is no longer an Eligible Employee including where the employee retires;
- (b) the commencement of maternity leave or paternity leave;
- (c) the commencement of leave due to illness where the Participating Employee is receiving benefits under a long-term disability plan or benefits from the Worker's Compensation Board; or
- (d) any other reason acceptable to HRM in its sole discretion.

38. The parties agree a SmartTrip EPass is not discontinued until the Participating Employee returns the SmartTrip EPass to the Employer.

39. The Employer agrees that where an Participating Employee discontinues their SmartTrip EPass, the Employer must:

- (a) collect the SmartTrip EPass from the Participating Employee; and
- (b) return the SmartTrip EPass to HRM.

Termination

40. The parties agree that either party may terminate this agreement on sixty (60) days' written notice to the other party.

Employer's default

41. (1) If any money owed to the HRM by the Employer under this agreement is not paid by 5:00 pm of the 15th day of the month in which the money is due, or the next business day where the 15th of the month is Saturday, Sunday or a holiday, HRM may:

- (a) terminate this agreement, in writing, with three (3) calendar days' notice; and
 - (b) cancel and confiscate any SmartTrip EPass issued to the Participating Employees.
- (2) Any termination or cancellation is at HRM's sole discretion.
- (3) Any delay by HRM in terminating this agreement is not a waiver of any rights the HRM has under this provision, agreement, or at law.

Lost or Stolen SmartTrip EPass

42. The parties agree that HRM is not responsible for a lost, stolen or damaged SmartTrip EPass.

43. The parties agree that any lost, stolen or damaged SmartTrip EPass is subject to a replacement fee of \$25 payable to HRM by the Employer. The Employer may seek recovery of all or part of this fee from the Participating Employee at issue.

44. HRM shall not issue a replacement SmartTrip EPass until the replacement fee is paid.

45. (1) The Employer agrees to provide HRM with a list of all the names of all Participating Employees whose SmartTrip EPasses are lost, stolen or damaged.

- (2) The list must be submitted to HRM on the first business day of each month.

Surveys

46. The Employer agrees that HRM may provide the Employer with surveys to distribute to Eligible Employees and Participating Employees.

47.

- (1) The Employer agrees to distribute the surveys to the Eligible Employees and Participating Employees within fifteen (15) calendar days from the day the Employer receives the surveys from HRM.
- (2) The Employer agrees to provide a letter with the survey encouraging Eligible Employees and Participating Employees to complete the survey and return the completed survey to the Employer within fifteen (15) calendar days from the day the Employer receives the surveys from HRM.
- (3) The Employer agrees to collect all the completed surveys and forward them to HRM within thirty-five (35) calendar days from the day the Employer received the surveys from HRM.

48. HRM agrees to be responsible for the cost of producing the surveys and for the cost of providing the surveys to the Employer.

49. The Employer agrees to be responsible for any cost relating to: (a) the distributing of the surveys to its Eligible Employees and Participating Employees, (b) the collection of the surveys from Eligible Employees and Participating Employees, and (c) returning the surveys to HRM.

Dispute resolution

50. In the event of any dispute between the parties concerning any matter relating to this agreement, the parties agree that such dispute will be resolved in accordance with the following procedure:

- (a) The Director, Metro Transit or his designate, and the Employer will meet in person or via teleconference within ten (10) calendar days of either party serving notice on the other of a dispute;
- (b) If the parties are unable to resolve the dispute, either party may serve notice of mediation on the other;
- (c) Within thirty (30) calendar days of delivery of the notice of mediation, HRM and the Employer will appoint a mediator acceptable to both of them;
- (d) If the mediator is unable to resolve the dispute within thirty (30) calendar days after his or her appointment, or within such further period agreed to by both parties, the mediator must terminate the mediation by giving written notice to both parties;
- (e) If a dispute cannot be resolved by mediation pursuant to paragraph (d), the parties agree to proceed to an arbitration before a single arbitrator in Halifax, in accordance with the *Commercial Arbitration Act* (Nova Scotia); and
- (f) All costs incurred for mediation or arbitration under this section shall be shared

equally by the parties but the parties shall be responsible for their own legal fees and disbursements, expert fees, travel and accommodation and other similar expenses associated with the mediation or the arbitration.

Protection of Privacy

51. The Employer acknowledges any information obtained by the HRM is subject to Part XX (Freedom of Information and Protection of Privacy) of the Municipal Governments Act, SNS 1998 c. 18, as amended.

52. The Employer acknowledges and consents to the HRM:

- (1) hiring a third party for the production of an SmartTrip EPass and for any other matter the HRM determines, in its sole discretion, for the purposes of the SmartTrip EPass program, and
- (2) to the third party collecting and receiving any personal information that HRM considers, in its sole discretion, is necessary for the SmartTrip EPass program.

53. HRM agrees that any third party hired will be required to enter a confidentiality agreement with HRM in a form acceptable, in its sole discretion, to the HRM.

54. The Employer agrees it has complied and will continue to comply with all the privacy laws that may be applicable due to this agreement, including obtaining any necessary consents from Eligible Employees and/or Participating Employees which may be required.

General

55. The parties agree that any headers in this agreement are for reference purposes only and are not to be used to interpret any part of this agreement.

56. The parties agree this agreement constitutes the entire agreement between them with respect to all matters herein, and except as herein provided, no subsequent alteration, amendment, change, or addition to this agreement shall be binding on the parties unless reduced in writing and executed by both parties.

57. The parties agree this agreement and everything else herein contained, including all schedules, will enure to the benefit of and be binding upon the parties hereto and each of their respective successors, heirs and permitted assigns.

58. The parties agree that if a term, covenant or condition of this agreement, or the application thereof to any person or circumstances is held to any extent to be invalid or unenforceable, the remainder of this agreement, the application of the term, covenant or condition to persons or circumstances other than those as to which is held invalid or unenforceable will not be affected and will remain in full force and effect.

Attachment A

59. The parties agree that nothing contained in this agreement shall be considered to constitute a joint venture, agency, partnership, or trust relationship between the parties.

60. The parties agree that this agreement shall be construed and governed by the laws of the Province of Nova Scotia.

61. The parties agree that:

- (a) Any notice required to be given under this agreement must be in writing
- (b) Notice is deemed to have been made on the day upon which such notice is hand delivered or faxed, or if mailed, then on the third business date following the date of mailing; and
- (c) Notice will be delivered to:

Employer

HRM

David McCusker
PO Box 1749
Halifax, NS
B3J 3A5
Phone: 902-490-6696
mccuskd@halifax.ca

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Attachment A

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the _____ day of _____, 20__.

) **PER EMPLOYER**

)

)

Witness

)

) _____
) Signature (I have authority to bind the employer)

)

)

) _____
) Print Name & Position held

)

)

Witness

)

) _____
) Signature (I have authority to bind the employer)

)

)

) _____
) Print Name & Position held

)

)

) **PER HALIFAX REGIONAL MUNICIPALITY**

)

)

Witness

)

) _____
) Eddie Robar

) Director, Metro Transit

Attachment B: SmartTrip Membership Fee Scenario

Membership Year	Workplace Size (empl)	Annual Fee	Number of Workplaces		
			2013-14	2014-15	2015-16
First Year	1-20	\$170	1	1	1
	21-50	\$400	1		1
	51-100	\$700		1	
	101-200	\$1550	1		1
	201-500	\$3000	1	1	1
	501-1000	\$5200	1		
	1001-2000	\$8500		1	1
	2001+	\$10500	1	1	
Second Year and beyond	1-20	\$70		1	2
	21-50	\$160		1	1
	51-100	\$280			1
	101-200	\$600		1	1
	201-500	\$1200		1	2
	501-1000	\$2000		1	1
	1001-2000	\$3200			1
	2001+	\$4000		1	2
TOTAL FEES PER BUDGET YEAR			\$20,820	\$30,900	\$30,400