

ORDINANCE NO. 012-61

AN ORDINANCE AUTHORIZING AN
INTERGOVERNMENTAL AGREEMENT
WITH PACE TO PROVIDE FOR PACE'S
PARTICIPATION IN THE OPEN
STANDARDS FARE SYSTEM

WHEREAS, On November 15, 2011, the Chicago Transit Authority (the "Authority") approved Ordinance 011-143, which authorized the Authority to enter into an agreement with Cubic Transportation Systems Chicago, Inc. (the "Contractor") for an Open Standards Fare System (the "Original Agreement"); and

WHEREAS, The Original Agreement allows the Authority to implement a modern, state-of-the-art open standards fare payment system (the "OSFS") to enable the Authority's customers to pay fares in ways already available to consumers when paying for goods and services at any retail store or website, such as credit, debit or prepaid cards; and

WHEREAS, The Authority entered into the Original Agreement with the Contractor on December 23, 2011; and

WHEREAS, The Original Agreement allows for other public entities, such as the Suburban Bus Division of the Regional Transportation Authority ("Pace"), to participate in OSFS and receive contract terms and conditions and pricing not less favorable than that provided to the Authority under the Original Agreement; and

WHEREAS, Pace has determined that it is in the best interests of its customers to participate in the OSFS; and

WHEREAS, Although Pace and the Authority provide distinct public transportation services, they recognize the importance of working together to improve the quality of the public transportation services provided in the Chicago metropolitan area; and

WHEREAS, Historically, Pace and the Authority have entered into intergovernmental agreements and have cooperated to provide joint fare programs and fare media to their customers; and

WHEREAS, Pace's participation in the OSFS will allow both Pace and the Authority's customers to ride their systems using the same open standards payment media, including: any network branded contactless debit, credit or prepaid card; any mobile phone or other device that utilizes a contactless interface; and/or Contractor provided fare cards, which may have the Authority and Pace logos; and

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WHEREAS, The Authority and Pace desire to enter into an intergovernmental agreement (the "IGA"), which shall set forth the terms of cooperation between Pace and the Authority as it relates to Pace's participation in the OSFS; and

WHEREAS, In order to implement the IGA, to allow Pace to participate in the OSFS and to further regional transit programs and services, the Authority, Pace, and the Contractor desire to enter into a change order to supplement the Original Agreement (the "Supplement"); and

WHEREAS, Pace's participation in the OSFS shall not result in any diminished performance by the Contractor of its obligations to the Authority pursuant to the Original Agreement; and

WHEREAS, Under the Supplement and the IGA, the Authority will retain sole authority to make all decisions related to the administration of the OSFS; and

WHEREAS, Pace shall be responsible for reviewing and approving all aspects of OSFS as it relates to Pace and providing its approval to the Authority; and

WHEREAS, In carrying out any of the provisions of the Original Agreement, the Supplement or the IGA, the Authority shall have no liability to Pace, and the Authority shall have no liability to the Contractor for any damages incurred as a result of Pace's participation in the OSFS; and

WHEREAS, To facilitate Pace's participation in the OSFS, Pace may utilize the same consultants as the Authority, and Pace shall reimburse the Authority for those services; and

WHEREAS, It is desirable and in the best interest of the Authority to enter into an IGA with Pace to allow for Pace participation in the OSFS; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. Execution of Intergovernmental Agreement Authorized. The Chairman of the Chicago Transit Board, or his designee, is hereby authorized to execute the IGA with Pace, in substantially the form attached as Exhibit 1, which will set forth the terms of cooperation between the Authority and Pace, as those terms relate to Pace's participation in the OSFS.

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SECTION 2. Contract Term of Intergovernmental Agreement. The IGA shall remain in effect for the term of the Original Agreement and Supplement amending the Original Agreement unless the Authority or Pace provides notice of termination beforehand, as described in the Original Agreement.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

June 13, 2012

Assistant Secretary

June 13, 2012