For Action
with Confidential Attachment

Fare Collection System Update

Date: July 22, 2026
To: TTC Board
From: Chief Strategy and Customer Experience Officer

Reason for Confidential Information

This report contains information about a position, plan, procedure, criteria or, instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the City or local board.

Recommendations

It is recommended that the TTC Board:

1. Adopt the recommendations in Confidential Attachment 2; and

2. Authorize the information in Confidential Attachment 2 to remain confidential until such time as the final negotiations have been completed and all necessary agreements have been executed.

Summary

The purpose of this report is to provide the TTC Board with an update on the TTC-Metrolinx Master E-Fare Collection Outsourcing Agreement.

The 2012 TTC-Metrolinx Master E-Fare Collection Outsourcing Agreement (the “Agreement”) has an initial term of 15 years, which expires on November 28, 2027. The automatic renewal clause for five years (to 2032), is no longer applicable as Metrolinx provided notice to the TTC to opt-out of the automatic renewal and their intent to negotiate a new contract in May 2025.

At the April 16, 2026 meeting, the TTC Board directed TTC staff to complete a market sounding to understand value for money of current industry offerings for an automated fare collection system. A request for information (RFI) was publicly posted on May 27, 2026, for submissions until July 17, 2026. TTC staff will evaluate RFI submissions upon closure date.

Diversity, Equity, and Inclusion Matters
As a proud leader in providing accessible public transit in Toronto, the TTC is committed to ensuring reliable, safe, and inclusive transit services for all our customers. This is supported through leveraging PRESTO technology. The TTC will continue to ensure

Equity, Diversity, Inclusion, and Accessibility are key principles and remain central to the TTC's fare modernization strategy.

Innovation and Sustainability Considerations

The fare modernization strategy will continue to be developed in consideration with the TTC's Innovation and Sustainability Strategy, given emerging technologies related to automated fare collection systems.

Corporate Plan Alignment

Action 2.2.6: *Provide Customers with a World-Class Fare Collection System* by continuing to modernize the TTC's automated fare collection systems in alignment with the TTC's Fare Policy.

Additionally, fare modernization broadly supports Strategic Direction 5: *Address the Structural Fiscal Imbalance* by providing the technology to efficiently and effectively collect fares that the TTC relies on to provide service, and the ability to advance fare policy innovations.

Financial Impact

Any applicable financial implications will be discussed in-camera.

The Interim Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Contact

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Attachments

Attachment 1 – Decision History
Attachment 2 – Confidential Attachment

Attachment 1 – Decision History

July 17, 2024, the TTC Board received the report, Fare Modernization Annual Update. Previous decision history is available in this report.

January 27, 2025, the TTC Board received the report, Fare Collection Update. The TTC Board adopted the recommendations contained in Confidential Attachment 1.

October 6, 2025, the TTC Board received the report, Fare Collection Update. The TTC Board adopted the recommendations contained in Confidential Attachment 1.

February 3, 2026, the TTC Board received the report, Fare Collection Update. The TTC Board adopted the recommendations contained in Confidential Attachment 1.

April 16, 2026, the TTC Board received the report, Fare Collection Update. The TTC Board adopted the recommendations contained in Confidential Attachment 2, and TTC staff were directed to complete a market sounding for an automated fare collection system.

June 3, 2026, the TTC Board received the report, Fare Collection Update. The TTC Board adopted the recommendations contained in Confidential Attachment 2.