SUMMARY STATEMENT

ITEM NO.:  DRPA-20-014

SUBJECT:    PATCO EMV Upgrade of Ticket Vending Machines, Bank Interface Files and Cubic Payment Application

COMMITTEE:  Operations and Maintenance

COMMITTEE MEETING DATE:  February 4, 2020

BOARD ACTION DATE:  February 19, 2020

PROPOSAL: That the Board authorizes staff to negotiate a contract with Cubic Transportation Systems, Inc. (Cubic) to upgrade PATCO’s Ticket Vending Machines and Ticket Office Terminals to EMV capability and to upgrade the bank interface files and Cubic Payment Application (CPA) to meet the EMV standard.

Amount:  $2,215,940.00

Firm:  Cubic Transportation Systems, Inc.
San Diego, CA

PURPOSE: Cubic Transportation Systems will upgrade PATCO Ticket Vending Machines and Ticket Office Terminals EMV capable and will upgrade the bank interface to meet EMV standards.

BACKGROUND: Europay, MasterCard and Visa (EMV) is a global standard for interoperability of chip-based bank cards and the integrated circuit card capable point of sale terminals for authenticating credit and debit card transactions. As part of this project, Cubic will replace the current bank card readers on the vending devices with “dip” readers which allow the system to read the micro-chip on the bank card. The transaction language between the vending machines and the payment application will be updated to allow additional EMV related data in the credit/debit message. This updated EMV data will be sent on to PATCO’s bank card acquirer, Elavon, for secure processing. This will necessitate a change in the bank interface files sent between the payment application and Elavon.

EMV chip-based transactions are more secure due to the microchip on the bank card being more capable of sophisticated authentication than magnetic-striped cards. The micro-chip on the EMV card is tamper proof, making the card nearly impossible to clone. In 2015, banks
shifted the liability for fraud onto the merchant if payment equipment was non-EMV compliant.

The EMV upgrade will bring all credit/debit devices into banking industry compliance and give an added layer of security to all credit/debit transactions in the PATCO system.

Cubic Transportation Systems is the current manufacturer/integrator of PATCO’s Automated Fare Collection system and the only method of procurement for the proprietary fare collection devices and software. Staff has reviewed and evaluated Cubic’s proposal and determined it to be fair and reasonable.

**SUMMARY:**

Amount: $2,215,940.00  
Source of Funds: General Fund  
Capital Project #: TEP.31509  
Master Plan Status: N/A  
Other Fund Sources: N/A  
Duration of Contract: 1 Year  
Other Parties Involved: N/A
RESOLUTION

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority authorizes staff to negotiate a contract with Cubic Transportation Systems whereby Cubic will upgrade PATCO’s Ticket Vending Machines, Bank Interface Files and Cubic Payment Application to EMV standard in an amount not to exceed $2,215,940 per the attached Summary Statement; and be it further

RESOLVED: The Chair, Vice Chair and Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

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