SUMMARY STATEMENT

ITEM NO.  SUBJECT: PATCO AFC Automated Vending Machine and Ticket Office Terminal Pin Pad Upgrade to Triple Data Encryption Standard

COMMITTEE: Operations & Maintenance

COMMITTEE MEETING DATE: December 09, 2009

PATCO BOARD ACTION DATE: December 28, 2009

PROPOSAL: That the Board authorizes staff to negotiate an Agreement with Cubic Transportation Systems, Inc. whereby Cubic will provide software and system upgrades to facilitate the use of the Triple Data Encryption Standard in the Nextfare Central System and devices connected to PATCO’s Automated Fare Collection System.

Amount: $113,684

Firm: Cubic Transportation Systems, Inc.

PURPOSE: To contract with Cubic Transportation Systems, Inc. (Cubic) to upgrade system software, the bank interface and all point of sale devices to allow use of Triple Data Encryption Standard Debit pin pads in the AFC System.

BACKGROUND: The Payment Card Industry (PCI) has mandated PIN security requirements for all deployed Point-of-Sale (POS) pin entry devices. Effective July 1, 2010, all debit POS pin pads must use Triple Data Encryption Standards (DES) for the protection of cardholder PINs.

PATCO’s Automated Vending Machines were deployed with Single DES pin pads. These devices were standard at the initial design/deployment of the AFC System. Due to rapidly advancing technology and to ensure the continued secure protection and confidentiality of PIN-based transactions, the PCI Security Standard Council requires all acquirers and merchants to comply with the new security requirement.

To facilitate the changeover from Single to Triple encryption standards, the software in the AFC ancillary devices (Automated Vending Machine, Ticket Office Terminals) must be upgraded to accept the new pin pad security algorithm. The system upgrade will include configuration changes to the bank interface software which connects the AFC Central System (Nextfare) to PATCO’s bankcard...
processor, Elavon. The interface change requires system testing and verification between PATCO and the bankcard processor.

It is recommended that the Board authorize staff to negotiate an agreement with Cubic Transportation Systems, Inc. in an amount not to exceed $113,684.

SUMMARY:

| Amount:       | $113,684 |
| Source of Funding: | 2009 Capital Budget |
| Operating Budget:   | $113,684 |
| Capital Project #:  | T09011 |
| 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 authorizes the proper officers of the Authority to negotiate an Agreement with Cubic Transportation Systems, Inc. whereby Cubic will provide software and system upgrades to facilitate the use of the Triple Data Encryption Standard in the Nextfare Central System and devices connected to PATCO’s Automated Fare Collection System in an amount not to exceed $113,684; and be it further

RESOLVED: The Chair, Vice Chair and the President must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and President 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 PATCO, along with the President. 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 President shall execute such document(s) on behalf of PATCO.

SUMMARY:

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