PROPOSAL: That the Board authorizes staff to negotiate a 1-year contract option under the existing FREEDOM Customer Service Center Contract GN-0029-07 with Cubic Transportation Systems, Inc. whereby Cubic will continue to provide a fully managed and staffed Smart Card Customer Service Center.

Amount: 2012-2013 Option: $249,495

Firm: Cubic Transportation Systems, Inc.

PURPOSE: To contract with Cubic Transportation Systems, Inc. (Cubic) to extend the current FREEDOM Customer Service Center contract for a 1-year option whereby Cubic will provide management and support staff for PATCO’s Smart Card Customer Service Center.

BACKGROUND: In 2007, the Board Authorized PATCO to enter into an Agreement with Cubic Transportation Systems, Inc. to manage and staff a Customer Service Center for its FREEDOM card users at Broadway Station. The original term of the Agreement was for a 3-year period with additional two 1-year options. (Year 1: $198,612; Year 2: $208,544; Year 3: $218,970; Year 4: $229,919; Year 5: $241,415). Cubic Transportation Systems, Inc. has proposed another 3-year extension to the current contract:

July 2012-June 2013 Option: $249,495
July 2013-June 2014 Option: $259,475
July 2014-June 2015 Option: $269,854

PATCO recommends exercising the first option year (2012-2013) outlined in the Cubic proposal. PATCO is currently working with Cubic Transportation System on a 1-year pilot of Account Based Processing System. Part of the agreement was the use of the current Cubic Customer Service Center Staff to augment the support for the Account Based Customers. An extension of the current contract
would allow PATCO and Cubic to fulfill the commitments of Contract time to gauge the necessary services and write a needs-based proposal in 2012 when the various initiatives have stabilized.

The FREEDOM Customer Service Center is responsible for the following card based management functions: customer inquiries, complaints and discrepancies, balance protection, transit benefit program, hot card list, autoload (directed and threshold based), photo ID card management, Reduced Fare Program, application processing, mail processing and coordination of transit inquiries with Center Tower. The current staff, provided by Cubic, is well versed in PATCO’s Business Rules and the complexities in operating Cubic’s Nextfare Central System software.

PATCO conducted a competitive procurement process for the original FREEDOM Card Service Center Contract. Cubic Transportation Systems, Inc. was the low bidder. All proposals were evaluated on technical ability and price.

It is recommended that the Board authorize staff to negotiate an agreement with Cubic Transportation Systems, Inc. in an amount not to exceed $249,495.

**SUMMARY:**

<table>
<thead>
<tr>
<th>Amount:</th>
<th>$249,495</th>
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</thead>
<tbody>
<tr>
<td>Source of Funding:</td>
<td>Operating Budget</td>
</tr>
<tr>
<td>Operating Budget:</td>
<td>$249,495</td>
</tr>
<tr>
<td>Capital Project #:</td>
<td>N/A</td>
</tr>
<tr>
<td>Master Plan Status:</td>
<td>N/A</td>
</tr>
<tr>
<td>Other Fund Sources:</td>
<td>N/A</td>
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<tr>
<td>Duration of Contract:</td>
<td>1 year</td>
</tr>
<tr>
<td>Other Parties Involved:</td>
<td>N/A</td>
</tr>
</tbody>
</table>
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 a 1-year extension to the current FREEDOM Card Customer Service Center Contract in an amount not to exceed $249,495; 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: Amount: $249,495
Source of Funding: Operating Budget
Operating Budget: $249,495
Capital Project #: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: 1 Year
Other Parties Involved: N/A