

SUMMARY STATEMENT

ITEM NO.: PATCO-16-009

**SUBJECT: PATCO Interoperability of
FREEDOM Card with SEPTA's New
Payment Technology**

COMMITTEE:

Operations and Maintenance

COMMITTEE MEETING DATE:

April 5, 2016

BOARD ACTION DATE:

April 20, 2016

PROPOSAL:

That the Board authorizes staff to negotiate a contract with Cubic Transportation Systems, Inc. to install an Account Based Processing system in the Automated Fare Collection System to allow for SEPTA interoperability with PATCO FREEDOM Card.

Amount:

up to \$ 1,740,000

Firm:

**Cubic Transportation Systems, Inc.
San Diego, CA**

PURPOSE:

The purpose of this contract is to upgrade the current Automated Fare Collection System by adding an Account Based Processor (ABP) system into the current software to allow the PATCO FREEDOM Card to work with SEPTA's new payment technology.

BACKGROUND:

In an effort to provide interoperability with SEPTA's new payment technology, PATCO will need to install an Account Based System to interact with PATCO's current card based system.

The proposed system will allow PATCO customers the ability to use a registered FREEDOM card on the SEPTA system using SEPTA's new contactless readers. SEPTA will inform PATCO of the transactions made with the registered FREEDOM Cards. The appropriate fare will be deducted from the customer's account by PATCO. PATCO will send the funds to SEPTA.

In the ABP the customer's account will be kept on a database in the system, not on the card microchip. The current card based system adds and subtracts funds to the microchip in the card. The system can work stand-alone because the microchip tracks all balances and travel. The system SEPTA is installing does not write to the card microchip but can read the card identification number on the microchip. This number will give us the ability to track FREEDOM card usage on SEPTA. The customer balance will be held in a database allowing for up-to-date

account balances. In the current card based system, the card would need to be presented to a PATCO device to have the funds taken out of the card balance.

The new ABP system will include updates to various business rules, such as having a credit card on file, to protect PATCO against lost revenue.

In addition, the ABP system can be used for future enhancements such as accepting bank cards, SEPTA's Key Card, or mobile devices at PATCO fare gates.

Cubic Transportation Systems will develop the ABP software, integrate the new software into the current fare collection system, and develop application program interfaces to allow file transfers between PATCO's central computer system and SEPTA devices. The transfer data is the list of cards in good standing (positive list) and the taps that occurred within the SEPTA system (from SEPTA into PATCO computer system). The ABP will support loading value into a FREEDOM card account and delivering transit benefit products into the ABP transit account. A set of reports will be developed to facilitate customer service for PATCO card holders riding SEPTA. The reports will include financial data such as funds owed to SEPTA from FREEDOM card taps in the system. On-site training and documentation manuals are included in the contract.

Cubic Transportation Systems is the current manufacturer/integrator of PATCO's AFC system and the only source for the proprietary software and device components. Staff has reviewed and evaluated Cubic's proposal and determined it to be fair and reasonable.

SUMMARY:	Amount:	Not to Exceed \$ 1,740,000
	Source of Funds:	2013 Revenue Bonds
	Capital Project #:	10000426
	Master Plan Status:	N/A
	Other Fund Sources:	N/A
	Duration of Contract:	1 year
	Other Parties Involved:	N/A

PATCO-16-009
Operations & Maintenance: April 5, 2016
Board Date: April 20, 2016
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FREEDOM Card with
SEPTA's New Payment Technology

RESOLUTION

RESOLVED: That the Board of Commissioners of the Port Authority Transit Corporation authorizes staff to negotiate a contract with Cubic Transportation Systems whereby Cubic will install an Account Based Processor in the current fare collection system to allow for PATCO FREEDOM Card interoperability with SEPTA's New Payment Technology at a cost not to exceed \$1,740,000 per the attached Summary Statement; 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 documents on behalf of PATCO.

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