SUMMARY STATEMENT

ITEM NO.: PATCO-20-005

SUBJECT: FREEDOM Card Service Center Operations

COMMITTEE: Operations & Maintenance

COMMITTEE MEETING DATE: February 4, 2020

PATCO BOARD ACTION DATE: February 19, 2020

PROPOSAL: That the Board authorizes staff to negotiate a five (5) year contract with Cubic Transportation Systems, Inc. (Cubic) to provide a fully managed and staffed Smart Card Customer Service Center.

Amount:

- Year 1: $377,578
- Year 2: $388,905
- Year 3: $400,572
- Year 4: $412,589
- Year 5: $424,967

Total 5 Year Contract: $2,004,611

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

PURPOSE: Cubic will provide management and support staff for PATCO’s Smart Card Customer Service Center.

BACKGROUND: Currently, over 70% of PATCO customers use the FREEDOM card to ride the system. Staffing of the service center with knowledgeable, skilled and trained employees is critical to the continued success of the FREEDOM card.

The FREEDOM Card Service Center is responsible for all card based management functions for individual cardholders and employers providing transit benefits to employees. The service center provides end-to-end services to customers by providing the following services: cardholder enquiry support, call support for Internet users having difficulty using the freedomcard.org site for product purchase or card history, dispute resolution, hotlist lost/stolen cards, photo ID management for Reduced Fare Cards, application processing, mail processing, threshold (automatic) load set up and coordination of transit inquiries with Center Tower. Service center staff use the Nextfare application to manage accounts and see fare transactions.
and the Account Based Processing (ABP) program to manage all FREEDOM Share card accounts (FREEDOM cards that can be used on SEPTA). Nextfare and ABP are proprietary software applications owned by Cubic and is the basis of PATCO’s Automated Fare Collection System.

PATCO has outsourced the FREEDOM card management function to Cubic to address customer issues since the beginning of the project in 2007. The current staff is well versed in PATCO’s Business Rules and the complexities in operating Cubic’s Nextfare Central System and Account Based Processing software.

Staff reviewed the proposal and recommends that a five (5) year contract be negotiated with Cubic Transportation Systems, Inc. in an amount not to exceed $2,004,611.

**SUMMARY:**
- **Amount:** $2,004,611.00
- **Source of Funding:** General Fund
- **Operating Budget:** 30003400/710320
- **Capital Project #:** N/A
- **Master Plan Status:** N/A
- **Other Fund Sources:** N/A
- **Duration of Contract:** 5 years
- **Other Parties Involved:** N/A
RESOLUTION

RESOLVED: That the Board of Commissioners of the Port Authority Transit Corporation authorizes staff to negotiate a five (5) year contract with Cubic Transportation Systems, Inc. to manage and staff the FREEDOM Card Customer Service Center Contract in an amount not to exceed $2,004,611.00; 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. 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: $2,004,611.00
Source of Funding: General Fund
Operating Budget: 30003400/710320
Capital Project #: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: 5 Years
Other Parties Involved: N/A