Transportation Committee

Meeting date: July 13, 2020

For the Metropolitan Council meeting of July 22, 2020

Subject: Ticket Vending Machine Software Upgrade
District(s), Member(s): All
Policy/Legal Reference: Council Policy 3-3 Expenditures – Procurement of Goods and Services over $500,000
Staff Prepared/Presented: Wes Kooistra, General Manager (651) 602-1723 Edwin D. Petrie, Director Finance (612) 349-7624 Nick Eull, Senior Manager, Revenue Operations (612) 349-7364 Dennis Dworshak, Manager Revenue Processing (612) 349-7035
Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council approves a sole-source contract award to Cubic Transportation Systems for a ticket vending machine software upgrade to Windows 10, for a total cost not to exceed $4,100,000.

Background

Metro Transit's 155 TVMs accept credit and debit cards and collected over $7.4M in credit/debit sales in 2019. TVMs must maintain Payment Card Industry (PCI) requirements to be able to process secure credit/debit transactions. A key requirement to maintain PCI compliance is for equipment to operate on supported software that receives regular security patches to reduce opportunities for hacking and stealing credit card information.

TVMs currently operate using Microsoft Windows 7. This version of Windows will no longer receive mainstream Microsoft security and patching support after October 2020, though extended support is available at an additional cost.

The work provided under this agreement will deliver new software for TVMs making them capable of running in a Windows 10 operating system. This project will also provide updated hardware for all TVMs with upgraded processor and memory capacity needed to run Windows 10. The last time the TVMs were upgrade with new hardware and software was 2009.

The work performed on this project will allow the TVMs run on a version of Windows 10 that is supported through at least January 2029.

As part of this work, Cubic will also provide one year of extended support for Windows 7 through Microsoft, which will allow the TVMs to maintain PCI compliance through October 2021. Only Cubic, as the original equipment manufacturer (OEM), can purchase Windows extended support for these TVMs.

Cubic manufactures the hardware for TVMs as well as develops the software for both the TVMs and the central Go-To card data system. As a result, this will be a sole-source contract with Cubic. This price has been analyzed and determined to be fair and reasonable based on comparisons to similar projects both at Metro Transit and with other Cubic customers.

Rationale

TVMs collected nearly $7.4M in credit/debit card sales in 2019, accounting for over 60% of all TVM purchases. It is important that we continue to allow customers to use credit/debit cards for purchase and maintain a secure payment environment by continuing to meet PCI requirement for credit/debit acceptance at TVMs.

Thrive Lens Analysis

Ticket vending machines provide customers the opportunity to purchase tickets for situations where customers are unwilling or unable to purchase or load value to a Go-To. It is important for all customers to ensure credit/debit transactions at TVMs are secure.

Funding

Funding is included in the capital project 67210.

Known Support / Opposition

There is no known opposition to this purchase.