

# BOARD OF DIRECTORS REPORT

To: David A. Genova, General Manager and CEO

From: Heather McKillop, CFO/AGM, Finance & Administration

Date: November 8, 2017

Subject: SmartCard Project Update and Mobile Ticketing Demo

Date: November 8, 2017
GM
Board Meeting Date: November 14, 2017
Information

The Smart Card Program is an Electronic Fare Collection and Payment System designed to increase fare payment convenience for our customers, reduce and optimize fare collection costs for the agency and reduce fraud associated with paper based fare media. The contract was signed with Xerox Transport Solutions, Inc. (now Conduent) in mid-2010. A smart card is a plastic card which customers load and reload RTD fare products. There are currently 4 products; EcoPass, CollegePass, Neighborhood EcoPass and MyRide Stored Value available on the smart card.

All buses and light rail validators installations are complete. Additional validators will be installed as new buses and light rail stations are commissioned into service.

The Smart Card Program launched to EcoPass, CollegePass and Neighborhood EcoPass customers on January 1, 2013. There are approximately 475,000 active cards in circulation. During the month of October 2017, 1.4M taps were recorded.

Starting the morning of January 4, 2016 MyRide Stored Value cards were dispersed to the public pilot program participants at the RTD retail outlets. On Wednesday May 17, 2017, the MyRide web portal went live to the pilot participants and on May 24, 2017, the MyRide web portal was launched to the general public. As of October 2017, approximately 16,000 cards were issued, of which 11,400 (71%) were full fare cards and 4,600 (29%) were discount cards. The average stored value loaded (initial purchases and reloads) was \$41.74, with a total value loaded of \$1,570,000. There were 405,600 trips taken using these MyRide cards with a fare payment value of \$1,087,000. Of these trips: 76% were local, 21% regional and 3% airport.



Additional value can be loaded onto the card online, at RTD sales outlets and at Retail outlets (Safeway and King Soopers). As of June 1, 2017, customers can load cash value onto MyRide cards at 47 Safeway retail stores. Since launch, Safeway has processed \$5,000 in cash value reloads. as of July 1, 2017, customers can load cash value onto MyRide cards at 86 King Soopers retail stores. Since launch, King Soopers has processed \$12,000 in cash value reloads.



As of January 1, 2017, Xerox Transport Solutions, Inc. separated its Business Process Services Unit into an independent public company called Conduent. Xerox will be referred to as Conduent.


## Program Monitoring and Decision Points (Next 3 months)

- November 17<sup>th</sup> Weekly Program Monitoring Report to AGMs
- November 24<sup>th</sup> No meeting – Thanksgiving
- December 1<sup>st</sup> Weekly Program Monitoring Report to AGMs
- December 8<sup>th</sup> Weekly Program Monitoring Report to AGMs




- December 15<sup>th</sup> Weekly Program Monitoring Report to AGMs
- December 22<sup>nd</sup> No meeting – Christmas
- December 29<sup>th</sup> Weekly Program Monitoring Report to AGMs
- January 5<sup>th</sup> Weekly Program Monitoring Report to AGMs
- January 12<sup>th</sup> Weekly Program Monitoring Report to AGMs
- January 19<sup>th</sup> Weekly Program Monitoring Report to AGMs
- January 26<sup>th</sup> Weekly Program Monitoring Report to AGMs
- February 2<sup>nd</sup> Weekly Program Monitoring Report to AGMs
- February 9<sup>th</sup> Weekly Program Monitoring Report to AGMs
- February 16<sup>th</sup> Weekly Program Monitoring Report to AGMs
- February 23<sup>rd</sup> Weekly Program Monitoring Report to AGMs

Element	Status	Prior Period Activities	Next Period Activities
<b>Program Components</b>			
Stabilization and Enhancement of Current Operating Pass System (ECO, College and Neighborhood)	 Yellow (no change)	For a variety of reasons, there has been a small percentage of cards in circulation that requires an administrative action to extend their usability. Remediation was made to some of these cards in March 2016 which yielded positive results. Challenges continue to remain and for this reason, the status is shown as yellow.	RTD and Conduent continue to monitor. Issues are documented and reviewed weekly with the Conduent Technical Team.
MyRide Public Web Portal – Deferred Functionality	 Yellow (no change)	RTD working with Conduent to complete functionality that was deferred. Deferred functionality includes auto-reload functionality.	RTD staff continuing to progress through requirement elicitation exercise.  Release targeted for late 2018.

Element	Status	Prior Period Activities	Next Period Activities
<b>Program Components</b>			
PCI Compliance	 Yellow (change from Red)	<p><u>External (Vendors)</u></p> <p>NewPush - Remediated items from their PCI security audit and provided Attestation of Compliance.</p> <p>Conduent - Completed Payment Card Industry (PCI) compliance assessment of the system and provided Attestation of Compliance</p> <p>Braintree – Provided Attestation of Compliance.</p> <p><u>Internal (RTD)</u></p> <p>PCI Compliance issues continue to be addressed.</p>	<p>RTD continues to work to remediate internal PCI Compliance non-application issues by December 31, 2017. Meetings held weekly with staff.</p> <p>RTD continues to work with Conduent to complete remaining items for PCI compliance with the next MyRide web portal software release.</p> <p>Due to change in scope and Conduent’s protracted procurement timeline, the next MyRide software release is targeted for Q2 2018. (Pending contract)</p>
Ride Sponsor-Admin Portal and Back Office Portal Upgrade	 Yellow (no change)	<p>To address cybersecurity issues and to extend the life of the system, the middleware and framework software must be upgraded for this portal functionality.</p> <p>Requirements gathering exercise is complete.</p>	<p>Work with Conduent to advance the software upgrade after the MyRide web portal enhancements are complete.</p> <p>This task is currently on hold.</p>

Element	Status	Prior Period Activities	Next Period Activities
<b>Program Components</b>			
Program Completion	 Yellow (no change)	<p>Reliability, Maintainability and Accuracy Test (RMAT)</p> <p>Phase I: Hardware. Timeline: Oct 5<sup>th</sup> to Dec 7<sup>th</sup> 2016</p> <p>RMAT Phase I testing passed on March 28, 2017, with one exception;</p> <p>PV Screen issue will be remediated through the Notice to Cure. Platform Validator (PV) screen testing in progress.</p> <p>Phase II: MyRide Web Portal. Timeline: Estimated Q4 2017 to Q1 2018</p> <p>Phase III: Admin/Ride Sponsor Web Portal. Timeline: TBD</p> <p>Final System Acceptance - TBD</p>	<p>Platform validator screen testing ended in Oct 2017. Results conclude the fan and film enhancements do not improve screens from temporarily darkening and only moderately improve screens from permanently darkening.</p> <p>Conduent is reviewing the results and investigating alternative solutions.</p>

#### Status Indicator Legend

-  (Green) No current or anticipated issues impacting scope, budget or schedule
-  (Yellow) Current or anticipated issue with minor variance in scope, possible increase in budget or possible delay
-  (Red) Project is at risk in one or more areas (cost, schedule, resources) and progress is delayed. Action must be taken to remediate the problem.

Prepared by:  
 Heather McKillop, CFO/AGM, Finance & Administration  
 Tonya Anderson, SMT Project Administrator

Approved by:

Heather McKillop

Heather McKillop, CFO/AGM, Finance & Administration

11/8/2017