

**Metropolitan Transportation Commission  
Operations Committee**

May 13, 2022

Agenda Item 5a

**Next Generation Clipper® (“C2”) System Integrator Contract Change Order – Revised  
Account-Based System Delivery Approach: Cubic Transportation Systems, Inc. (Cubic)**

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**Subject:**

Change Order to the C2 System Integrator Contract (“Contract”) to revise the approach and schedule for delivery of the account-based Clipper system.

**Background:**

Since August 2021, staff has been regularly reporting to the Clipper Executive Board (“Board”) about schedule delays caused in part by engineering resource shortages and delays in the delivery of chips and plastics. Last month, staff updated the Board on a recommended revised delivery approach for the account-based Clipper system that defers from the critical path the testing of the systems other than Cubic’s, modifies the test result review period, and reduces the monthly operations and maintenance (O&M) payments to Cubic until customer transition is ready to begin (C2 System Transition Notice to Proceed).

This proposed Change Order implements this revised delivery approach through the following modifications to the Contract:

- Modifies requirements for Revenue Ready to defer some non-customer-facing functions, as identified in the Implementation Plan to be approved by MTC and Operators.
- Modifies requirements for commencement of customer transition to cover all remaining system functions.
- Defines new O&M payment amounts for the period between Revenue Ready and the commencement of customer transition, subject to scaling based on equipment installation status.
- Modifies Guaranteed Completion Dates for the following Contract Milestones:
  - Approval of Final Design Documents
  - Approval of System Demonstration Test and System Integration Test Results
  - Approval of Pilot Test Results
  - Achievement of Revenue Ready

The proposed Change Order makes no changes to Guaranteed Completion Date for System Completion or the Contract Term. There is no cost associated with this Change Order, as the Contract Maximum Payment also remains unchanged.

The Clipper Executive Board approved this proposed Change Order at its April 18, 2022 meeting.

**Issues:**

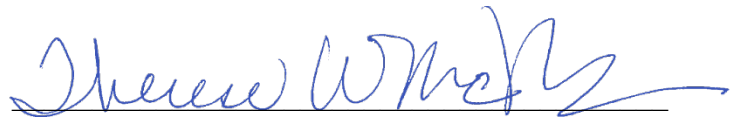
None identified.

**Recommendation:**

Staff recommends the Operations Committee authorize the Executive Director or designee to negotiate and enter into a Contract Change Order with Cubic as described above.

**Attachments:**

- Attachment A: Next Generation Clipper<sup>®</sup> System Integrator Contract Change Order – Revised Account-Based System Delivery Approach Slides



Therese W. McMillan

## Request for Committee Approval

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### Summary of Proposed Contract Change Order

Work Item No.: 322-1220

Consultant: Cubic Transportation Systems, Inc.  
San Diego, California

Work Project Title: Revised Account-Based System Delivery Approach

Purpose of Change Order: Revise the approach and schedule for delivery of the account-based Clipper system.

Brief Description of Change Order: Modifies requirements for Revenue Ready and Commencement of Transition, defines new O&M payment amounts for the period between Revenue Ready and Customer Transition, and modifies Contract Guaranteed Completion Dates.

Project Cost Not to Exceed: n/a

Funding Source: n/a

Fiscal Impact: n/a

Motion by Committee: That the Executive Director or designee is authorized to negotiate and enter into a contract change order with Cubic Transportation Systems, Inc. for the purposes described above and in the Operations Committee Summary Sheet dated May 13, 2022.

Operations Committee:

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Carol Dutra-Vernaci, Chair

Approved: May 13, 2022