

Clipper[®] Executive Board

June 17, 2019

Agenda Item 3d

Proposal to Modify the Next Generation Clipper System Integrator Scope of Work Related to Faster Load Times (Accelerated C2 System Deployment)

Subject: Request approval from Board members to direct Cubic, as the Next Generation Clipper System Integrator, to modify the scope of work related to enabling faster load times at select devices.

Background: **Executive Summary**
The scope of work for the Next Generation Clipper Regional Transit Fare Payment System Integrator contract (“the Contract”) includes three packages of deliverables to be completed under the umbrella of Accelerated C2 System Deployment. This work is meant to provide near-term enhancements to the current card-based Clipper system that will improve the customer experience and facilitate a smooth transition to the next-generation account based system. In addition to delivering a mobile app and new fare payment equipment on an accelerated schedule, Cubic’s Best and Final Offer included modifying the current system so that customers placing online orders could load the value on their card within hours, rather than days, at select devices, including transit operator faregates and ticket vending machines and Clipper card readers at transit stations and terminals. Unfortunately, due to technology limitations, faster load times were never a possibility for the first-generation Clipper card readers (CID1) installed on AC Transit, City Coach, FAST, Golden Gate Transit, Muni, SamTrans and SolTrans buses. The option of more frequent online order delivery did exist for the nine bus operators on which Cubic had installed a more recent Clipper card reader (CID5), but would require Cubic to modify the software and install a wireless router on each of the vehicles.

Proposal to Adopt a Revised Device Strategy

After re-evaluating the current project schedule and the relative benefits of enabling faster order delivery on a subset of the region’s bus operators, MTC engaged Cubic and the transit operators to discuss alternative device procurement strategies. After evaluating the alternatives, MTC is proposing foregoing upgrades to the CID5 devices and replacing them with entirely new equipment under the Next Generation Clipper Contract. This change would result in County Connection, Petaluma Transit, Santa Rosa CityBus, Sonoma County Transit, Tri Delta Transit, Union City Transit, VTA, WestCAT and Wheels receiving new equipment by late 2021 instead of 2024.

Additional benefits of this proposal include:

- Next-generation, open-payment ready card readers would be installed on all the region’s buses by late 2021 – facilitating easier device maintenance and inventory management; and
- Reducing customer confusion by eliminating the need to inform riders that some buses have this feature and others do not.

While this change to the scope of work would result in nine bus operators not being able to offer faster load times to their customers in early 2020 as originally planned, online orders still will be available within hours at BART and Muni Metro fare gate and ticket machines, as well as card readers installed at transit stations and terminals served by Caltrain, Golden Gate Ferry, San Francisco Bay Ferry and VTA. Additionally, the delay associated with online orders will be further mitigated when the Clipper mobile app launches in late 2020, allowing customers who load Clipper card credentials onto their NFC-enabled smartphones to order value through the mobile app and use it immediately for fare payment on all transit operators.

MTC has discussed the alternatives with transit operator staff, whose input has supported our recommendation to proceed with the proposal to accelerate the installation of new equipment for all bus operators. This approach would provide state-of-the art, standardized equipment across the system faster at no additional cost to the program.

Recommendation: Staff recommends that the Clipper Executive Board approve the proposal to direct Cubic to stop work on modifying the current system to enable more frequent order delivery on the CID5 device, with the goal of accelerating the purchase and installation of the next-generation Clipper card reader for all the participating bus operators. Staff will return for an approval of any change orders that result from this modification in the scope of work.

Attachments: **Attachment A:** Bus Device Strategy



Carol Kuester

Bus Device Strategy

2019

2020

2021

2022

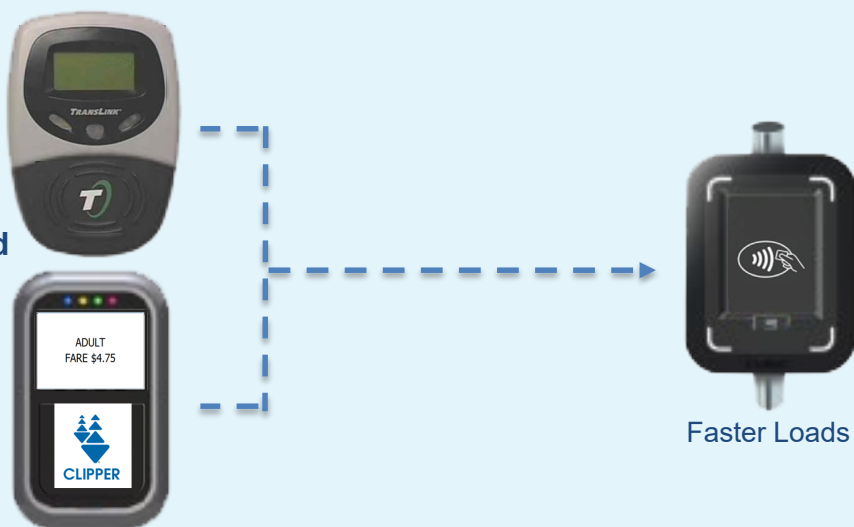
2023

2024

Current Strategy



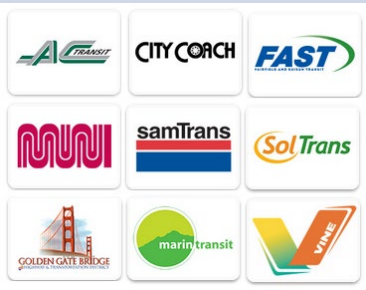



Proposed Strategy



CLIPPER

Bus Device Strategy

Operators	Sales Channel	Original Approach (Faster loads in 2020)	Proposed Approach
	Retailer, Autoload, Ticket Vending Machines, Clipper Ticket Offices	N/A	<ul style="list-style-type: none"> • No faster loads in 2020 • Standard devices in 2021 on all buses • Faster loads on all buses in 2021
	Remote Add Value (0.25% of total Sales)	YES	
	Retailer, Autoload, Ticket Vending Machines, Clipper Ticket Offices	N/A	
	Remote Add Value (5% of total Sales)	NO	

Recommendation: Approval to direct Cubic to pursue proposed approach.