

Clipper Executive Board

June 22, 2020

Agenda Item 3c

Clipper® Contract Change Order – Price Adjustment: Cubic Transportation Systems, Inc. (Cubic) (\$56,498)

Subject: Request for approval of a Change Order for Contract price adjustment for Fiscal Years (FYs) 2016-2017 – FY 2018-2019.

Background: The Clipper Contract requires annual adjustment of specified Contract prices based on industry specific labor and materials indices published by the Bureau of Labor Statistics because of the Contract's multi-year time span. According to the terms of the Contract, a Provisional Price schedule is implemented with an across-the-board 3% increase at the beginning of each fiscal year; when the indices are published mid-fiscal year, a reconciliation is calculated and resolved via Contract Change Order.


The Change Order recommended for Board approval applies the contractual methodology to adjust prices in the Clipper Contract for three fiscal years. The following table summarizes the capital and operating adjustment for each fiscal year. In fiscal years 2017/2018 and 2018/2019 the percentage increase in operating costs was less than the provisional 3% escalation, which resulted in an overall operating credit.

Fiscal Year	Capital % adjustment	Capital \$ adjustment	Operating % adjustment	Operating \$ adjustment
FY 2016/2017	0.88%	\$7,615	4.47%	\$232,608
FY 2017/2018	1.20%	\$20,333	0.59%	\$(17,354)
FY 2018/2019	1.40%	\$28,550	1.89%	\$(229,718)
TOTAL		\$56,498		\$(14,464)

Per the Clipper Amended and Restated Memorandum of Understanding with the participating Operators, MTC will distribute the Operators' share of the operating cost adjustment.

Issues: There are no issues with this Change Order.

Recommendation: Staff recommends the Board's approval of a Contract Change Order with Cubic in an amount not to exceed \$56,498 for the price schedule adjustment described above.


Carol Kuester

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Change Order

Work Item No.:	310-2700
Consultant:	Cubic Transportation Systems, Inc. San Diego, CA
Work Project Title:	Final FY 2016/2017-FY 2018/2019 Price Schedule for Clipper Contract
Purpose of Project:	Adopt a price-adjusted Clipper Contract Price Schedule for FY 2016/2017-FY 2018/2019 in accordance with the terms and conditions of the Clipper contract
Brief Scope of Work:	Finalize Clipper Contract Price Schedule for FY 2016/2017-FY 2018/2019, including \$56,498 in additional capital costs for MTC and the participating transit operators and distribution of \$14,464 in operating costs to the participating transit operators
Project Cost Not to Exceed:	\$56,498
Funding Source:	FTA, FHWA, OBAG2, STP, CMAQ, STA, STP Exchange, Regional Measure 2 Capital and Regional Measure 2 Operating, CARES Act funds, Regional Measure 3, SB1 State of Good Repair
Fiscal Impact:	Funds available in the FY 2020-21 MTC agency budget.
Motion by Committee:	That a contract change order with Cubic Transportation Systems, Inc. for the purpose described herein and in the Executive Director's summary sheet dated June 22, 2020, is hereby approved by the Clipper Executive Board.
Operations Committee:	<hr/> Rick Ramacier, Chair
Approved:	June 22, 2020