# Clipper® Executive Board

**August 24, 2026** **Agenda Item 6b – 26-0955**

## Clipper® Purchase Order – Paragon ID High Point US ($3,700,000)

**Subject:**

Request for approval of a Purchase Order for FY 26-27 and 27-28 with Paragon ID High Point US (Paragon) for procurement of Clipper cards: ($3,700,000).

**Background:**

This Purchase Order is intended to allow purchases of next generation Clipper (C2) fare media that will ensure a consistent supply of fare media as the system transitions fully to C2. This Purchase Order allows for a purchase of C2 fare media directly from Paragon, using funds allocated in the two-year budget for C2 fare media. The original contract for C2 fare media recently expired on June 30, 2026. Staff is recommending a sole source with Paragon as it enables more timely ordering and delivery of the cards. While staff intends to complete a new competitive procurement within the next six months, staff is uncertain how much additional time will be needed to onboard a new card vendor. Based on our experience with Paragon, the development and encoding of the cards as well as testing and integration with Cubic and the various ticket vending machine vendors took two years. We anticipate that this onboarding process would go much faster for future procurements due to Cubic's refinement of the card specifications, inventory file process and supporting documentation that would be needed by vendors, but this Purchase Order will allow for an uninterrupted supply of fare media during the next 18–24 months while a new competitive procurement process is initiated.

Funds from the $3 card fee will be used to partially fund this Purchase Order. The funds in this Purchase Order were fully contemplated in the Two-Year Budget and Work Plan approved by the Board in June 2026. The funds for this Purchase Order are currently available in the Clipper card fee account.

**Issues:**

None identified.

**Recommendation:**

Staff recommends that the Board approve a Purchase Order for FY 26-27 and 27-28 with Paragon in an amount not to exceed $3,700,000 to produce Clipper cards for distribution to customers.

**Attachments:**

Request for Board Approval – Summary of Proposed Purchase Order

**Request for Board Approval**

**Summary of Proposed Purchase Order**

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| Contractor (or "Consultant"): | Paragon ID High Point US |
| Work Project Title: | Clipper Card Procurement (Purchase Order with Sole Source) |
| Purpose of Project: | To procure Clipper cards |
| Brief Scope of Work: | Under this Purchase Order, Paragon will produce Clipper cards as directed by MTC. |
| Project Cost Not to Exceed: | $3,700,000 |
| Funding Source: | Clipper cardholder administrative fees, STP, CMAQ, STA, STP Exchange, Regional Measure 2 Capital and Regional Measure 2 Operating, Regional Measure 3, SB1 State of Good Repair |
| Fiscal Impact: | Funds available in the Clipper card fee account and in the 2026-27 and 2027-28 MTC agency budget |
| Motion by Board: | That a Purchase Order with Paragon ID High Point US for the purposes described above and in the Clipper Executive Director's summary sheet dated August 24, 2026, is hereby approved by the Clipper Executive Board. |
| Clipper Executive Board: | _______________________________<br>Julie Kirschbaum, Chair |
| Approved: | August 24, 2026 |