Clipper® Executive Board

July 27, 2026 **Agenda Item 7c – 26-0857**

Next-Generation Clipper Update

Subject:

Progress update on Next-Generation Clipper system implementation, including resolution of issues and transition of Clipper cardholders to the Next-Generation system.

Background:

Next-Generation Clipper System Implementation

Since the full launch of the Next-Generation Clipper (C2) system on December 10, 2025, MTC has been working closely with Cubic (in their role as C2 System Integrator) and transit operator staff to address ongoing issues. MTC Clipper staff have been meeting daily with Cubic and a working group of transit operator staff to prioritize and provide updates on issues and to discuss impacts and workarounds. Clipper staff has also been sending a daily update by email to all Clipper transit operators with the status of high-priority issues and progress on resolution.

The highest priority has been given to issues with direct impacts on customers.

Since the last Clipper Executive Board meeting on June 1, 2026, Cubic has deployed software updates with bug fixes and performance improvements, including the following:

- Back-office server updates/reconfiguration for performance improvements on June 2, 9, 14, 16, 23, and July 13.
- Updates to back-office system components on June 7, June 29, and July 11.
- Updates to Customer Service Terminal software on June 9.
- Settlement report fixes on June 17 and July 15
- Clipper mobile app update on July 12.
- Updated fare inspection device software deployments starting July 13.

Cubic has also been continuing test runs of bulk migration, including successful migrations of Marin Transit riders on June 11 and migration load testing on June 18 and July 13, 15, 20, and 22.

System stability has improved since the last CEB meeting. The last major incident was on June 10. While that incident, and another on June 1, didn't prevent customers from tapping Clipper cards or credit/debit cards to pay fares, it affected all Clipper sales channels, preventing customers from purchasing or adding value to Clipper cards.

Cubic continues to work to address ongoing issues affecting operations including reliability of fare inspection devices and BART's Clipper vending machines, both of which have significant impacts on operator front-line staff.

The attached presentation from Cubic provides an update on their progress in addressing ongoing issues and a revised timeline for readiness for ramping up bulk migration of customer accounts. Cubic executives will be at the July 27 Clipper Executive Board meeting to address questions from Board members.

Clipper Call Center Performance

WSP USA Services Inc. (WSP) is under contract to provide Next-Generation Clipper customer services. WSP and MTC continue to collaborate in addressing customer service performance challenges related to unresolved C2 system issues, while WSP advances workforce training and operational enhancements designed to improve service delivery.

Although average speed of answer remained largely unchanged in June at just under 7 minutes, customer service operations demonstrated improved efficiency, with the average call handling time decreasing slightly to just under 11 minutes. Increased utilization of the callback feature suggests customers continued to experience elevated demand levels, driven by higher call volumes and modest increases in customer wait times. A more detailed summary of the Clipper Call Center performance can be found in agenda Item 2c.

Customer Transition

As of July 16, over 2.2 million Clipper cards have been successfully migrated to the new C2 back office, primarily via on-demand migration on the Clipper website/mobile app or by phone with the Clipper Customer Service Center. Systemwide 51% of trips are now being processed through the C2 system: 36% using Clipper cards, and 15% using contactless bank cards. Bulk migration of customer accounts, which was planned to start in mid-December, has been on hold pending fixes from Cubic for critical issues and demonstrated readiness of the system to handle

the increased load of processing account migrations and account-based fare transactions. MTC and transit operators have established conditions as prerequisites for Cubic to start bulk migration, of which the following remain to be demonstrated:

- System stability and capacity established (i.e., demonstrated system stability, demonstrated migration stability, root cause analyses completed and corrective actions implemented for all past outages)
- Critical blockers resolved (i.e., all critical issues fixed and verified)
- Equipment fully functional (i.e., fixes complete for fare inspection devices)
- Financial controls in place (i.e., financial reconciliation and reporting confirmed by MTC Finance and transit operators, internal controls documented)
- Customer Service Center issues resolved (i.e., Customer Relationship Management system stability demonstrated)
- Organizational readiness demonstrated (i.e., migration and communication plan documented, MTC/operator/stakeholder approval received)

Upcoming Work

The current focus of MTC, Cubic, and transit operators continues to be operations support and triage of critical issues identified post-launch. System updates have been ongoing where possible to address top-priority issues, and upcoming releases will continue to prioritize fixes for issues with the greatest impacts on customers and front-line operator staff.

MTC and Cubic are also continuing migration testing in preparation for ramping up migration of customer cards and accounts once Cubic satisfies the requirements for bulk migration readiness. Per the migration plan previously presented to CEB, discount fare categories (Youth, Senior, Clipper Access, and Clipper START) remain the initial group for bulk migration. Continued testing of bulk migration will focus on confirming system readiness for migrating these customers, as well as using pilot testing to migrate specific groups of cardholders to address operational needs, such as eliminating program management workarounds (e.g., institutional program management, discount card replacements), and migrating inactive cards to prepare for decommissioning of the legacy Clipper system.

Issues:

See above.

Recommendations:

None.

Attachments:

- Attachment A: Next-Generation Clipper Update Presentation

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