

Meeting Agenda

Fare Integration Task Force

Michael Hursh, Chair

Denis Mulligan, Vice Chair

Monday, March 25, 2024

12:45 PM

Board Room- 1st Floor

The Fare Integration Task Force is scheduled to meet at 12:45 p.m.

Meeting attendees may opt to attend in person for public comment and observation at BAMC, Board Room- 1st Floor, 375 Beale Street, San Francisco CA 94105. In-person attendees must adhere to posted public health protocols while in the building. The meeting webcast will be available at <https://mtc.ca.gov/whats-happening/meetings/live-webcasts>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number.

Members of the public participating by Zoom wishing to speak should use the “raise hand” feature or dial *9. When called upon, unmute yourself or dial *6. In order to get the full Zoom experience, please make sure your application is up to date.

Attendee Link: <https://bayareametro.zoom.us/j/84196024621>
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<https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom>

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances, there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

Clerk: Wally Charles

Roster

Michael Hursh, Chair and Denis Mulligan, Vice-Chair

Members: Michelle Bouchard, Bill Churchill, Carolyn M. Gonot, Daryl Halls, Eddy Cumins, April Chan, Andrew Fremier, Kate Miller, Robert Powers, Christy Wegener, Jeffrey Tumlin.

1. Call Meeting to Order / Roll Call / Confirm Quorum.

Quorum: A quorum of this committee shall be a majority of its regular voting members (7)

2. Chair Introduction / Remarks-Hursh

3. Consent Calendar

3a. [24-0226](#) Minutes of the January 22, 2024 Meeting

Action: Approval

Attachments: [3a 2024-01-22 Fare Integration Task Force Meeting Minutes.pdf](#)

4. Approval

4a. [24-0227](#) Clipper BayPass Project Update

Project staff will seek Fare Integration Task Force endorsement of recommendations to amend the Clipper BayPass Participation Agreement to establish a transitional period for Phase 1 partners, as well as recommendations to establish more flexibility for the Phase 2 pilot.

Action: Approval

Presenter: William Bacon, (MTC) and Michael Eiseman, (BART)

Attachments: [4a_Summary Sheet Clipper BayPass March](#)
[4ai_ClipperBayPassUpdate Presentation](#)

5. Public Comment / Other Business

*Members of the public participating by Zoom wishing to speak should use the “raise hand” feature or dial *9. When called upon, unmute yourself or dial *6.*

6. Adjournment / Next Meeting

The next meeting of the Fare Integration Task Force will be held at a time and location to be duly noticed.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.

Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 24-0226 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 1/25/2024 **In control:** Fare Integration Task Force
On agenda: 2/26/2024 **Final action:**
Title: Minutes of the January 22, 2024 Meeting
Sponsors:
Indexes:
Code sections:
Attachments: [3a_2024-01-22 Fare Integration Task Force Meeting Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of the January 22, 2024 Meeting

Recommended Action:
Approval

Attachments:

375 Beale Street, Suite
800
San Francisco, CA 94105

Meeting Minutes - Draft

Fare Integration Task Force

Michael Hursh, Chair

Denis Mulligan, Vice Chair

Monday, January 22, 2024

12:45 PM

Board Room - 1st Floor

The Fare Integration Task Force is scheduled to meet at 12:45 p.m.

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Attendee Link: <https://bayareametro.zoom.us/j/85759697049>
iPhone One-Tap: US: +13462487799,,85759697049# US (Houston)
+16694449171,,85759697049# US

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Roster

Michael Hursh, Chair and Denis Mulligan, Vice-Chair

Members: Michelle Bouchard, Bill Churchill, Carolyn M. Gonot, Daryl Halls, Eddy Cumins, April Chan, Andrew Fremier, Kate Miller, Robert Powers, Christy Wegener, Jeffrey Tumlin.

1. Call Meeting to Order / Roll Call / Confirm Quorum.

Sam Sargent acted as a delegate and voting member of the Task Force in place of Member Bouchard. Attendance and Actions noted below as "Bouchard" were taken by Sargent.

Alix Bockelman acted as a delegate and voting member of the Task Force in place of Member Andrew Fremier. Attendance and actions noted below as "Fremier" were taken by Bockelman.

Tamara Edwards acted as a delegate and voting member of the Task Force in place of Christy Wegener. Attendance and actions noted below as "Wegener" were taken by Tamara Edwards.

Ron Grassi acted as a delegate and voting Member of the Task Force in place of Member Darryl Halls. Attendance and actions noted below as "Halls" were taken by Grassi.

Present: 12 - Chair Hursh, Task Force Member Halls, Vice Chair Mulligan, Task Force Member Powers, Task Force Member Tumlin, Task Force Member Gonot, Task Force Member Bouchard, Task Force Member Churchill, Task Force Member Wegener, Task Force Member Chan, Task Force Member Fremier, and Task Force Member Cumins

Absent: 1 - Task Force Member Miller

2. Chair Introduction / Remarks-Hursh

3. Consent Calendar

Upon the motion by Vice Chair Mulligan and seconded by Task Force Member Powers, the Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye: 12 - Chair Hursh, Task Force Member Halls, Vice Chair Mulligan, Task Force Member Powers, Task Force Member Tumlin, Task Force Member Gonot, Task Force Member Bouchard, Task Force Member Churchill, Task Force Member Wegener, Task Force Member Chan, Task Force Member Fremier and Task Force Member Cumins

Absent: 1 - Task Force Member Miller

3a. [23-1499](#) Minutes of the October 23, 2023 Meeting

Action: Approval

Attachments: [3a 2023-10-23 Fare Integration Task Force Meeting Minutes](#)

4. Information

4a. [24-0131](#) Fare Integration Updates

Action: Information

Presenter: Terence Lee (MTC) and Michael Eiseman (BART)

Attachments: [4a Summary Sheet Clipper BayPass](#)
[4ai 2024 01 22 FITF Presentation](#)

The following individuals spoke on this item:
Roland Wong

5. Public Comment / Other Business

The following individuals spoke on this item:
Aleta Dupree

6. Adjournment / Next Meeting

The next meeting of the Fare Integration Task Force will be held at a time and location to be duly noticed.

Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 24-0227 **Version:** 1 **Name:**
Type: Report **Status:** Committee Approval
File created: 1/25/2024 **In control:** Fare Integration Task Force
On agenda: 2/26/2024 **Final action:**
Title: Clipper BayPass Project Update

Project staff will seek Fare Integration Task Force endorsement of recommendations to amend the Clipper BayPass Participation Agreement to establish a transitional period for Phase 1 partners, as well as recommendations to establish more flexibility for the Phase 2 pilot.

Sponsors:

Indexes:

Code sections:

Attachments: [4a Summary Sheet Clipper BayPass March](#)
[4ai ClipperBayPassUpdate Presentation](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper BayPass Project Update

Project staff will seek Fare Integration Task Force endorsement of recommendations to amend the Clipper BayPass Participation Agreement to establish a transitional period for Phase 1 partners, as well as recommendations to establish more flexibility for the Phase 2 pilot.

Presenter:

William Bacon, (MTC) and Michael Eiseman, (BART)

Recommended Action:

Approval

Attachments:

Clipper® Executive Board Fare Integration Task Force

March 25, 2024

Agenda Item 4a

Fare Integration Update

Subject:

Project staff will seek Fare Integration Task Force endorsement of recommendations to amend the Clipper BayPass Participation Agreement to establish a transitional period for Phase 1 partners, as well as recommendations to establish more flexibility for the Phase 2 pilot.

Background:

In November 2021, the Fare Integration Task Force adopted the Fare Policy Vision Statement directing staff to pilot a regional institutional pass product. In August 2022, the first phase of the Clipper® BayPass pilot was launched as a funded pilot to assess the impacts of an unlimited-use product at four higher education institutions – the University of California, Berkeley (UC Berkeley), San Francisco State University (SFSU), San Jose State University (SJSU), and Santa Rosa Junior College (SRJC) – and at 12 MidPen affordable housing properties.

A randomized control trial was conducted at UC Berkeley, SFSU and SJSU, where approximately 25% of the student population received a Clipper BayPass to access unlimited transit (treatment group), and 75% of the student population retained access to existing transit benefits (typically a single-agency pass). A preliminary evaluation demonstrated that students in the treatment group took on average 40% more trips and made 74% more transfers than their peers in the control group. The effect size is double than the original estimate, and accordingly, an additional \$1.5 million above the already-identified \$4.5 million will be required to reimburse transit operators for these trips.

Based on these promising preliminary results, the project team is working towards making Clipper BayPass available to Phase 1 partners to purchase the pass for the entire student populations. Pricing will be informed by the travel data collected thus far, and will be set to reimburse transit operators for trips taken with Clipper BayPass. However, there is insufficient time for most partner institutions to move forward with expanded and self-funded participation before the pilot is scheduled to end on June 30, 2024.

The project team is recommending a one-year extension of Phase 1 to establish a transitional period for institutions to secure the requisite approval and funding (typically through a student referendum) to purchase Clipper BayPass for all students. This one-year extension is estimated to cost \$2 million.

A total of \$3.5 million will be programmed by MTC with State Transit Assistance Regional Program funds to fund the extension and to address the existing budget gap.

The project team is also recommending a series of amendments to the Participation Agreement to create additional flexibilities for the Phase 2 pilot including:

- Granting the Fare Integration Task Force the ability to expand the Phase 2 capacity limits (currently 10 institutions and a total of 20,000 individuals) following staff reports on program revenues relative to backstop funding
- Allowing San Francisco International Airport (SFO) to participate in Phase 2. While SFO is an existing BART institutional customer, their location in San Mateo County limits their eligibility based on the current Participation Agreement terms
- Allowing the sale of Clipper BayPass at up to 10 special events under terms consistent with the Phase 2 pilot

Issues:

None identified.

Recommendations:

Endorse the staff recommendations to amend the Clipper BayPass Participation Agreement to establish a funded one-year transition period for Phase 1 partners, and to create additional flexibilities for the Phase 2 pilot.

Attachments:

- Attachment A: Presentation



Michael Eiseman, Co-Project Manager, BART



William Bacon, Co-Project Manager, MTC



Clipper BayPass Update

Fare Integration Task Force

March 25, 2024

Agenda Item 4a Attachment A

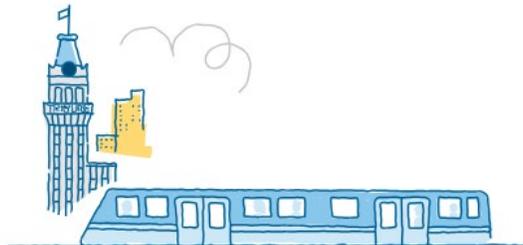


Agenda / Goals for Today



Consider action to endorse the proposed approach and direct staff to seek operator approval of amendments to the Clipper BayPass Participation Agreement:

- Next steps for Phase 1 Partners
- Additional Flexibility for Phase 2 Pilot



Summary of Staff Recommendations



1. Next Steps for Phase 1 partners:
 - Permit and fund a transition period (action needed ahead of June 30 pilot sunset of Phase 1)

2. Additional Flexibility for Phase 2 Pilot:
 - Authorize the Fare Integration Task Force to increase BayPass Phase 2 pilot scale under certain conditions
 - Authorize Clipper BayPass for limited special events
 - Authorize inclusion of customers within the boundaries of SFO Airport

Clipper BayPass Participation Agreement



- The Clipper BayPass Participation Agreement (PA) is an agreement between MTC and all operators on Clipper
- It defines the operational and financial terms for the BayPass pilot, covering both Phase 1 and Phase 2, including agency reimbursement for trips taken
- The PA was endorsed by the Fare Integration Task Force in August 2023 and then signed by all participating agencies – some took board action, some agreed using executive authority

Participation Agreement Amendment Process



Step 1: Task Force considers and endorses approach and directs staff to develop and seek operator approval of proposed amendments

Step 2: Each participating operator and MTC would then sign the amended agreement.

- Each agency decides independently whether board action is required

After amendments to the Participation Agreement are approved the MTC commission would consider taking action to allocate funding as proposed

Goal: Include flexibility needed for the remainder of the pilot (through FY 2025-26). The project team does not anticipate further amendments to the PA



Phase 1 Status and Next Steps



Status: Phase 1 - Regionally Funded Research Effort

- 2-year pilot with students and affordable housing residents; scheduled to end on **June 30, 2024** (October 31 for MidPen)
- Includes a randomized control trial (RCT) experiment at 3 large universities
- Delivering proof of concept for an all-agency institutional pass with the potential to significantly increase ridership
- Subsidized with \$4.5M regional funding, but trending over-budget (\$1.5M) due to higher than anticipated use/ridership
- **Participation agreement does not yet define a path for continued participation of Phase 1 partners**



Phase 1 Preliminary metrics from randomized control trial:

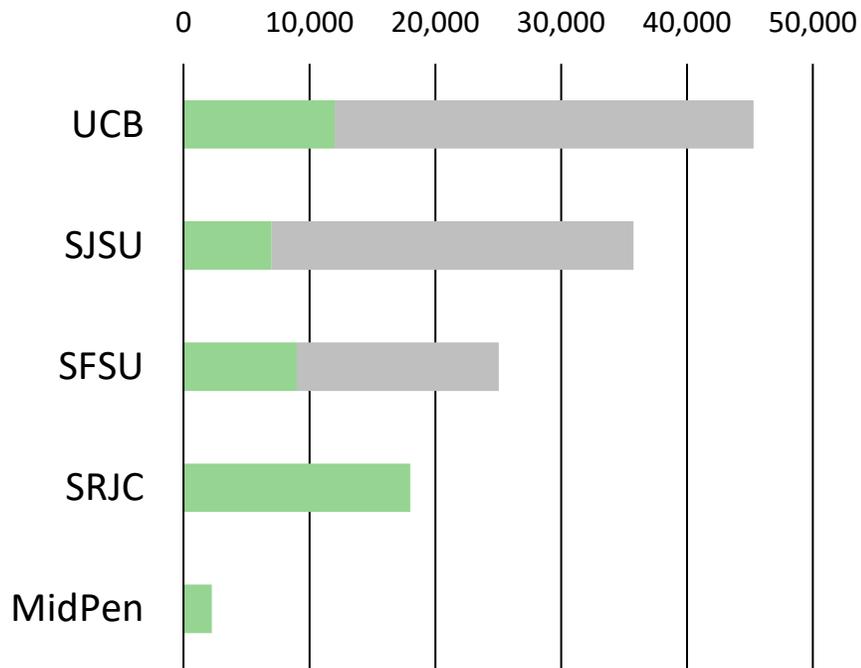
- 40% increase in transit trips
- 74% increase in transfers

Detailed information on RCT findings and agency reimbursement is provided in the Appendix

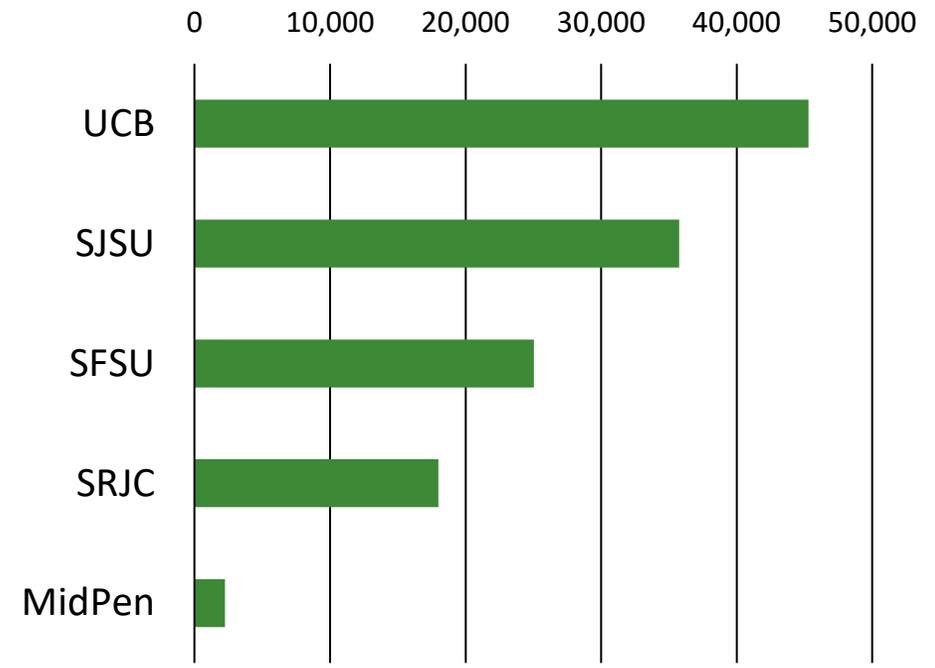
Recommendation 1: Allow a transition period for Phase 1 partners

Goal: Fully deploy BayPass for all Phase 1 partners able to self-fund

Phase 1 Pilot



Goal



■ Eligible for BayPass (with regional subsidy)
■ Control Group

■ Eligible for BayPass, fully self-funded

Recommendation 1: Allow a transition period for Phase 1 partners

Challenge: Phase 1 institutional partners are interested in purchasing BayPass to cover *all* of their students/residents, but not all are ready to do so before the pilot sunsets on **June 30, 2024**.

A transition period is likely needed, requiring an amendment to the Participation Agreement before June 30th.

Recommendation:

- Amend the Participation Agreement to permit Phase 1 partners to purchase Clipper BayPass for their students/residents as soon as they are ready
- Fund a 1-year extension of service for existing passholders (~13,000 individuals) while partner institutions identify path to self-funding full participation
- Work closely with Phase 1 institutions to expand BayPass coverage to all of their students/residents over the next year, including a partner-driven action plan

Funding Plan for Phase 1 Transition Period

Funding Needs

- \$2M to fund 1-year transition period for existing BayPass passholders (approx. 13,000 individuals)
- \$1.5M to address existing Phase 1 budget gap due to higher than anticipated usage in years 1 and 2

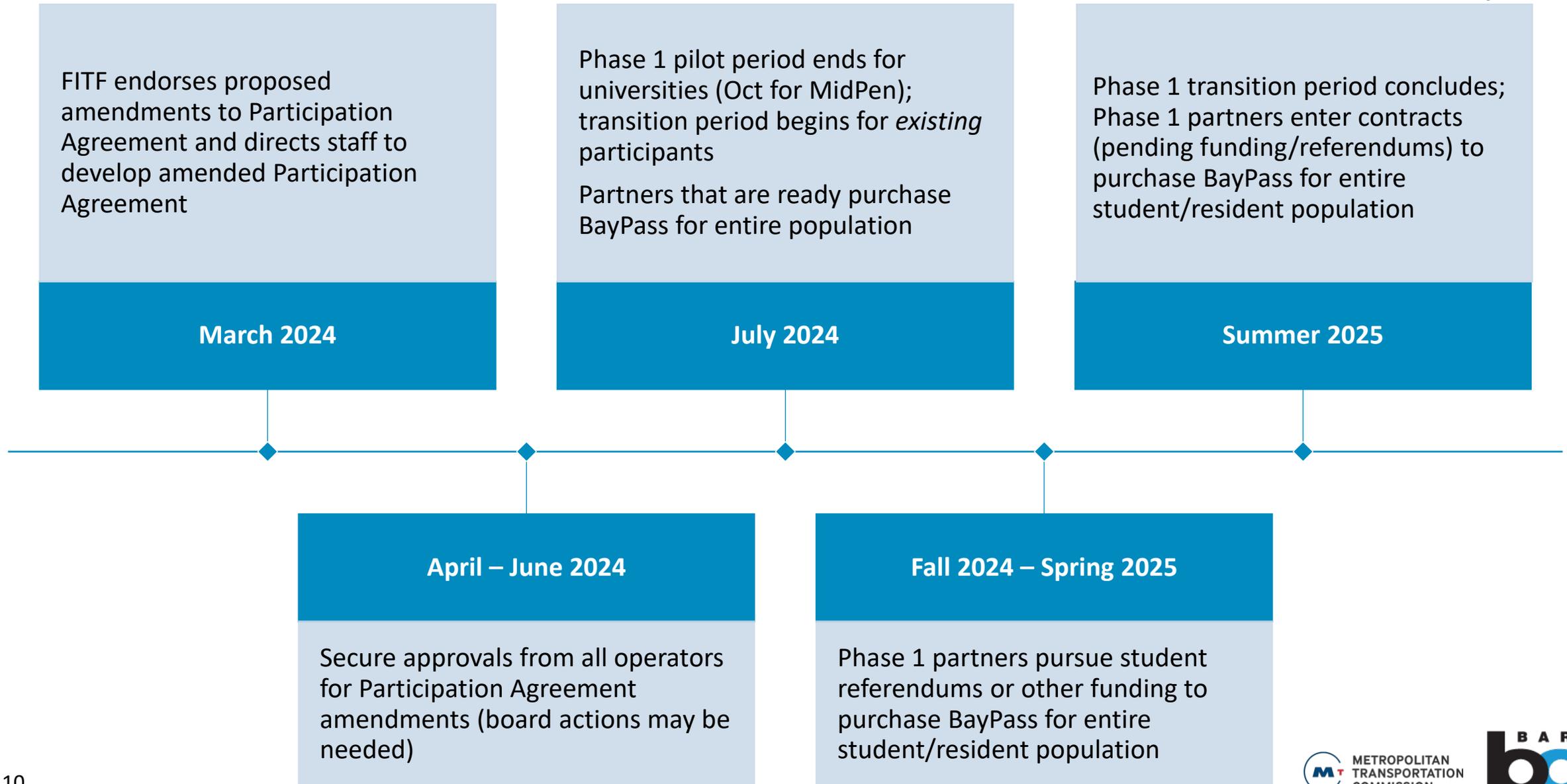
Funding Goals

- To facilitate a path for broader BayPass participation from our existing partner institutions
- To affirm our commitment that transit operators will be reimbursed for Clipper BayPass trips

Fund Source

- MTC has identified \$3.5 million State Transit Assistance Population-Based funds
- This is a regional fund source in which recent revenues have exceeded estimates, and claims have been below budget
- The reallocation of these regional funds will not impact commitments to any existing priorities

Phase 1 Transition Period Timeline





Flexibility for Phase 2 Pilot



Status: Phase 2 – Institution-funded

- Launched January 2024 with 3 employers (nearly 8,000 employees, or 40% of cap). Already delivering:
 - New riders
 - Improved customer experience
 - Stable revenue
- Currently limited to a total of up to 10 institutions and up to a total of 20,000 individuals
- Pipeline of interested companies – onboarding on a rolling basis to manage financial risk and ensure diversity across industries and geography
- The SFO Airport Commission is interested in participation for their 1,500 employees; but currently limited by Participation Agreement



More than 117,000 trips in January and February

Ongoing demonstration of our ability to work together for the benefit of riders

Recommendation 2a: Authorize the Task Force to increase Phase 2 pilot size under certain conditions

Challenge: There is a pipeline of universities/community colleges, affordable housing properties and employers with the capacity to self-fund participation in BayPass Phase 2. However, the BayPass Phase 2 pilot is limited to 10 institutions and 20,000 passes. Any adjustment requires action by all participating agencies.

Recommendation:

- Amend Participation Agreement to grant the Task Force the authority to direct the PM team to increase pilot caps - provided staff can demonstrate adequate backstop funds and risk management
- PM team will assess revenue, backstop funding projections, and risk analysis in any future proposals to increase pilot capacity

Recommendation 2b: Flexibility to include SFO Airport in Phase 2 pilot

Challenge: Employers at San Francisco International Airport (SFO) are existing institutional partners of BART (but not of Caltrain). However, employers at SFO are not permitted to join the Phase 2 pilot under the current participation agreement terms because SFO is located in San Mateo County.

Recommendation:

- Amend Participation Agreement to allow employers on the SFO Airport property to purchase BayPass because of their status as an existing institutional partner
 - Current interest in Clipper BayPass is from the SFO Airport Commission (a City and County of SF department) for their approx. 1,500 employees.
- Maintain the Participation Agreement's existing geographic limitations and requirements in all other cases

Recommendation 2c: Authorize Clipper BayPass for special events

Challenge: In the past, our region has sold an all-agency pass to certain special events (for example, APTA conference), but each event has required a separate agreement between participating agencies.

Recommendation:

- Amend Participation Agreement to allow sale of Clipper BayPass at up to 10 special events
- Agencies would be reimbursed for trips taken under the same terms as the Phase 2 pilot
- Authorize the Fare Integration Task Force to sell additional special events after report-back from the project team

Participation Agreement Amendments – Proposed for Task Force Endorsement



Next Steps for Phase 1 partners - Critical and time sensitive

1	Allow a transition period for Phase 1 partners	<ul style="list-style-type: none"> Amend the PA to permit Phase 1 partners to purchase Clipper BayPass for their students/residents as soon as they are ready Fund a transition period (1 year with option of 1-year extension) for <u>existing passholders</u> while partner institutions identify path to self-funding full participation
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Flexibility for Phase 2 pilot

2a	Allow Task Force to increase Phase 2 pilot size under certain conditions	<ul style="list-style-type: none"> Grant the Task Force the authority to direct the PM team to increase pilot caps Provided PM team can demonstrate adequate backstop funds and risk management
2b	Grant flexibility to include SFO in Phase 2 pilot	<ul style="list-style-type: none"> Allow SFO to purchase BayPass due to its status as an existing institutional partner Maintain the Participation Agreement’s existing geographic limitations and requirements in all other cases
2c	Grant flexibility to offer Clipper BayPass for special events	<ul style="list-style-type: none"> Allow sale of Clipper BayPass to up to 10 special events of up to 14 days duration Grant the Fare Integration Task Force authority to permit additional special events after report-back from the project team