



Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Agenda

### Clipper Executive Board

*Members:*

*Rick Ramacier, Chair      Robert Powers, Vice Chair*

*Michael Hursh, Beth Kranda, Carter Mau, Therese W. McMillan,  
Denis Mulligan, Evelyn Tran, and Jeffrey Tumlin*

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Monday, April 19, 2021

1:30 PM

Board Room - 1st Floor (REMOTE)

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In light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via webcast, teleconference, and Zoom for committee, commission, or board members who will participate in the meeting from individual remote locations.

A Zoom panelist link for meeting participants will be sent separately to Board Members.

The meeting webcast will be available at <http://mtc.ca.gov/whats-happening/meetings>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number. Board Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial \*9. In order to get the full Zoom experience, please make sure your application is up to date.

Attendee Link: <https://bayareametro.zoom.us/j/85401886823>

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Webinar ID: 854 0188 6823

International numbers available: <https://bayareametro.zoom.us/j/85401886823>

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Members of the public may participate by phone or Zoom or may submit comments by email at [info@bayareametro.gov](mailto: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.

## 1. Roll Call / Confirm Quorum

*Quorum: A quorum of this committee shall be a majority of its regular voting members (5).*

## 2. Consent Calendar

- 2a. [21-0514](#) Minutes of the March 22, 2021 Meeting

**Action:** Board Approval

**Attachments:** [2a\\_CEB Minutes\\_Mar 22 2021.pdf](#)

## 3. Approval

- 3a. [21-0548](#) Clipper® Contract: Next-Generation Clipper® (C2) Customer Service Center: WSP USA Services, Inc. (WSP) (\$20,709,014)

Staff requests the Board's approval to recommend to MTC that MTC enter into a contract with WSP USA Services, Inc. (WSP) in the amount of \$20,709,014 as the customer service center vendor for the Next Generation Clipper® (C2) regional fare payment system. The initial term of the contract will be through June 30, 2027, with an option to extend the operations and maintenance work under the contract for up to three additional two-year periods.

**Action:** Board Approval

**Presenter:** Maureen Devlin

**Attachments:** [3a\\_Next Gen Clipper Customer Service Center Vendor Contract Recommendat](#)

- 3b. [21-0547](#) Clipper® Two Year Budget and Work Plan

The Clipper budget and work plan for Fiscal Years (FYs) 2021-22 and 2022-23 for the Executive Board's review and approval.

**Action:** Board Approval

**Presenter:** Edward Meng

**Attachments:** [3b\\_Clipper Two Year Budget and Work Plan.pdf](#)

- 3c.**     [21-0545](#)     Clipper® In-Person Customer Service Centers (IPCSCs) Contract Actions:  
i. Contract Amendment - Faneuil, Inc. (\$435,000);  
ii. Contract Amendment - Nematode Holdings, LLC (\$300,000); and  
iii. Funding Agreement Amendment - Alameda-Contra Costa Transit District (\$250,000)

Request for approval of contract actions for Clipper in-person customer service centers: Faneuil, Inc. (\$435,000), Nematode Holdings, LLC (\$300,000) and Alameda-Contra Costa Transit District (\$250,000).

**Action:**             Board Approval

**Presenter:**       Kelley Jackson

**Attachments:**   [3c IPCSC Amendments FY21-22.pdf](#)

- 3d.**     [21-0546](#)     Contract Amendment - Customer Research, Education and Outreach for the Clipper® Program: MIG, Inc. (MIG) (\$1,500,000)

Request for approval of a contract amendment for customer research, education and outreach for the Clipper program.

**Action:**             Board Approval

**Presenter:**       Lysa Hale

**Attachments:**   [3d Contract Amendment MIG.pdf](#)

#### **4. Information**

- 4a.**     [21-0515](#)     Current Clipper® System Update

Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the March 2021 meeting.

**Action:**             Information

**Presenter:**       Jason Weinstein

**Attachments:**   [4a C1 Program Update.pdf](#)

- 4b.**     [21-0516](#)     Next Generation Clipper® System Update

Update on key developments related to the implementation of the Next-Generation Clipper System Integrator project.

**Action:**             Information

**Presenter:**       Jason Weinstein

**Attachments:**   [4b C2 Program Update.pdf](#)

**5. Executive Director's Report – Kuester**

**6. Public Comment / Other Business**

*Board Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial \*9.*

**7. Adjournment / Next Meeting**

**The next meeting of the Clipper® Executive Board will be held Monday, May 17, 2021 at 1:30 p.m. remotely and by webcast as appropriate.**

**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](http://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.

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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 #:** 21-0514      **Version:** 1      **Name:**  
**Type:** Minutes      **Status:** Consent  
**File created:** 3/17/2021      **In control:** Clipper Executive Board  
**On agenda:** 4/19/2021      **Final action:**  
**Title:** Minutes of the March 22, 2021 Meeting  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [2a\\_CEB Minutes\\_Mar 22 2021.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**  
Minutes of the March 22, 2021 Meeting

**Recommended Action:**  
Board Approval

**Attachments:**



## **Meeting Minutes - Draft**

### **Clipper Executive Board**

***Members:***

***Rick Ramacier, Chair      Robert Powers, Vice Chair***

***Jim Hartnett, Michael Hursh, Beth Kranda,  
Therese W. McMillan, Denis Mulligan, Evelyn Tran,  
and Jeffrey Tumlin***

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**Monday, March 22, 2021**

**10:30 AM**

**Board Room – 1st Floor (REMOTE)**

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In light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via webcast, teleconference, and Zoom for committee, commission, or board members who will participate in the meeting from individual remote locations.

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or +1 646 876 9923 or +1 301 715 8592 or 877 853 5247 (Toll Free) or 888 788 0099 (Toll Free)**

**Webinar ID: 817 6600 3555**

**International numbers available: <https://bayareametro.zoom.us/u/KEWHL27s>**

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**1. Roll Call / Confirm Quorum**

- Present:** 8 - Board Member Mulligan, Board Member Fernandez, Board Member Hartnett, Board Member Hursh, Board Member McMillan, Vice Chair Powers, Board Member Tumlin, and Board Member Kranda
- Absent:** 2 - Chair Ramacier, and Board Member Tran

Bill Churchill acted as a delegate and voting member of the Board in place of Rick Ramacier. Actions noted below as “Ramacier” were taken by Churchill.

Franklin Wong acted as a delegate and voting member of the Board in place of Evelyn Tran. Actions noted below as “Tran” were taken by Wong.

**2. Consent Calendar**

**Upon the motion by Board Member Hartnett and second by Board Member Tumlin, the Consent Calendar was unanimously approved. The motion carried by the following vote:**

- Aye:** 10 - Board Member Mulligan, Board Member Fernandez, Board Member Hartnett, Board Member Hursh, Chair Ramacier, Board Member McMillan, Vice Chair Powers, Board Member Tumlin, Board Member Tran and Board Member Kranda

**2a. [21-0244](#) Minutes of the January 25, 2021 Meeting**

**Action:** Board Approval

**Attachments:** [2a\\_CEB Minutes Jan 25 2021.pdf](#)

**2b. [21-0411](#) Clipper® Contract Change Order Amendment - Clipper® Program Standards for Attestation Engagement No. 18 (SSAE 18) Audit: Cubic Transportation Systems, Inc. (\$200,000)**

**Action:** Board Approval

**Presenter:** David Weir

**Attachments:** [2b\\_SSAE 18 Audit for FY 2020-21.pdf](#)



### 3. Approval

- 3a. [21-0443](#) Clipper® Executive Board - Fare Integration Task Force Approval of New Chair and/or Vice Chair

Approval of Chair's Designation of New Chair and/or Vice Chair of the Fare Integration Task Force.

**Action:** Board Approval

**Presenter:** William Bacon

**Attachments:** [3a\\_Fare Integration Task Force Chair-Vice Chair Election.pdf](#)

Upon the motion by Vice Chair Powers and second by Board Member McMillan, the Board approved Vice Chair Powers' designation (on behalf of Chair Ramacier) of Board Member Hursh as Chair, and Board Member Mulligan as Vice Chair, of the Fare Integration Task Force. The motion carried unanimously by the following vote:

**Aye:** 10 - Board Member Mulligan, Board Member Fernandez, Board Member Hartnett, Board Member Hursh, Chair Ramacier, Board Member McMillan, Vice Chair Powers, Board Member Tumlin, Board Member Tran and Board Member Kranda

### 4. Information

- 4a. [21-0412](#) Clipper® Two Year Budget and Work Plan

The Clipper budget and work plan for Fiscal Years (FYs) 2021-22 and 2022-23 for the Executive Board's review and discussion.

**Action:** Information

**Presenter:** Edward Meng

**Attachments:** [4a\\_Clipper Two Year Budget and Work Plan.pdf](#)

- 4b. [21-0245](#) Current Clipper® System Update

Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the January 2021 meeting.

**Action:** Information

**Presenter:** Jason Weinstein

**Attachments:** [4b\\_C1 Program Update.pdf](#)

**4c.**     [21-0246](#)     Next Generation Clipper® System Update

Update on key developments related to the implementation of the Next-Generation Clipper System Integrator project.

**Action:** Information

**Presenter:** Jason Weinstein

**Attachments:** [4c\\_C2 Program Update.pdf](#)

**4d.**     [21-0410](#)     Regional Transit Connection (RTC) Program Administration: Cost-Sharing Allocation and Card Acquisition Fee

Board guidance on topics related to RTC Program Administration.

**Action:** Information

**Presenter:** Jennifer Largaespada

**Attachments:** [4d\\_Transfer of RTC Program to Clipper Program.pdf](#)

Aleta Dupree spoke on this item.

**5. Executive Director's Report – Kuester**

**6. Public Comment / Other Business**

Rich Hedges was called to speak.

Aleta Dupree was called to speak.

**7. Adjournment / Next Meeting**

The next meeting of the Clipper® Executive Board will be held Monday, April 19, 2021 at 1:30 p.m. remotely and by webcast as appropriate.



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 21-0548      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Committee Approval  
**File created:** 3/25/2021      **In control:** Clipper Executive Board  
**On agenda:** 4/19/2021      **Final action:**  
**Title:** Clipper® Contract: Next-Generation Clipper® (C2) Customer Service Center: WSP USA Services, Inc. (WSP) (\$20,709,014)

Staff requests the Board's approval to recommend to MTC that MTC enter into a contract with WSP USA Services, Inc. (WSP) in the amount of \$20,709,014 as the customer service center vendor for the Next Generation Clipper® (C2) regional fare payment system. The initial term of the contract will be through June 30, 2027, with an option to extend the operations and maintenance work under the contract for up to three additional two-year periods.

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** [3a Next Gen Clipper Customer Service Center Vendor Contract Recommendation.pdf](#)

Date	Ver.	Action By	Action	Result
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### Subject:

Clipper® Contract: Next-Generation Clipper® (C2) Customer Service Center: WSP USA Services, Inc. (WSP) (\$20,709,014)

Staff requests the Board's approval to recommend to MTC that MTC enter into a contract with WSP USA Services, Inc. (WSP) in the amount of \$20,709,014 as the customer service center vendor for the Next Generation Clipper® (C2) regional fare payment system. The initial term of the contract will be through June 30, 2027, with an option to extend the operations and maintenance work under the contract for up to three additional two-year periods.

### Presenter:

Maureen Devlin

### Recommended Action:

Board Approval

### Attachments:

# Clipper® Executive Board

April 19, 2021

Agenda Item 3a

## Clipper® Contract: Next-Generation Clipper® (C2) Customer Service Center: WSP USA Services, Inc. (WSP) (\$20,709,014)

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**Subject:** Staff requests the Board’s approval to recommend to MTC that MTC enter into a contract with WSP USA Services, Inc. (WSP) in the amount of \$20,709,014 as the customer service center vendor for the Next Generation Clipper® (C2) regional fare payment system. The initial term of the contract will be through June 30, 2027, with an option to extend the operations and maintenance work under the contract for up to three additional two-year periods.

**Background:** The Clipper® system today is delivered by a single vendor. In the summer of 2016, with direction from this Board, staff moved forward with a disaggregated approach to delivering the C2 system and eventually there will be four contracts:

- C2 System Integrator contract awarded in September 2018;
- C2 Payment Services contract awarded in February 2021;
- C2 Fare Media procurement which will post for bid later this year; and
- C2 Customer Service Center contract recommended for award today.

We are at the beginning stages of having multiple vendors work together to deliver the C2 system and as these interactions become more developed, staff will report back on the progress of managing their collective work.

At its August 17, 2020 meeting, staff briefed this Board on the plan to issue a request for proposal (the “RFP”) for the C2 Customer Service Center. The RFP process has been carried out consistent with this Board’s vision for disaggregated procurement of the C2 system.

The C2 Customer Service Center RFP was issued on August 31, 2020. The RFP was posted on MTC’s website and an email advertising the opportunity was sent to 2,875 firms and individuals. On September 16, 2020, MTC hosted a virtual Proposers’ Conference that was attended by over fifty firms and individuals. On November 19, 2020, the deadline for submission of proposals, two firms, Cubic Transportation Systems, Inc. (Cubic) and WSP, submitted proposals in response to the RFP. Both firms were determined to be responsive and met the minimum qualifications for the RFP. An RFP evaluation panel made up of representatives from MTC, BART, Caltrain/SamTrans, the Central Contra Costa Transit Authority (CCCTA) and the Santa Clara Valley Transportation Authority (VTA), supported by technical advisors from MTC’s consultant, IBI Group, reviewed the proposals against the evaluation criteria as indicated in Attachment A.

After initial evaluation, the evaluation panel shortlisted both firms. Discussions were held with each proposer on December 8, 2020, followed by further discussion sessions with each in January and February 2021. During the discussions, MTC responded to proposer questions and requested feedback on potential revisions to the scope of work and contract.

On March 10, 2021, MTC issued Requests for Best and Final Offers (“BAFOs”) to both proposers. In an addendum to the RFP that accompanied the Requests for BAFOs, MTC modified the scope of work and contract in four areas to better reflect the evolving transit demand patterns related to the COVID-19 pandemic: (1) reduced the assumed base contact volumes from 40,000 to 12,000, and reduced customer service center hours; (2) specified that the first nine months of the C2 Customer Service Center Operations and Maintenance term (representing the transition period from the current Clipper system to the C2 system) will be paid on a time and materials basis; (3) removed key performance indicator (KPI) incentives and disincentives for contact channels that are expected to have low demand; and (4) added a contract provision to allow for renegotiation of the base contact amount if actual monthly contact volume significantly exceeds the base assumption of 12,000 contacts per month.

Each firm timely submitted its BAFO by the March 31, 2021 due date. The RFP evaluation panel met again to review the BAFOs on April 9, 2021. Proposals were again scored based on the evaluation criteria as listed in the RFP (Attachment A). Both proposers submitted strong BAFOs, but ultimately WSP garnered the highest average score among the evaluators. Although Cubic demonstrated stronger experience with the Clipper® fare payment system, WSP’s proposal scored higher on several criteria due to its approach in the following areas:

- Technical proposal (applying a robust omnichannel and interactive voice recognition (IVR) system);
- Customer transition from the current Clipper® card-based system to the C2 account-based system;
- Flexibility and scalability of operations and maintenance; and
- Cost effectiveness.

WSP was awarded an additional five points by participating in the MTC Small Business Enterprise (SBE) Program. WSP proposed 27.3 percent SBE participation on the Project. Cubic did not apply for the SBE preference program. Proposal evaluation scoring is shown in Attachment B.

If the staff recommendation is approved by this Board and subsequently by the MTC Operations Committee, staff will enter into a contract with WSP as soon as practicable, so that this vendor can participate in the C2 system design and implementation process. Following completion of the design phase, this contract would provide for an initial four-year-and-nine-month term for operations and maintenance, with an option to extend the operation period for up to three two-year renewal periods.

The contract will be funded with capital and operating funds. This request seeks the authorization of \$2,729,118 capital funds for the development of the C2 customer service center and \$17,979,896 operating and maintenance funds for the initial four-year and nine-month term. The FY 2021/22 Clipper Capital Budget, previously approved by this Board, includes \$2,000,000 of the capital costs for the Customer Service Center. The \$729,118 balance of the capital expenditures will be budgeted in FY 2022/23 and funding sources have already been identified. Once the transition to the C2 system begins, operating costs will be allocated among the participating transit operators and MTC in proportions to be determined in a future update to the Clipper Memorandum of Understanding.

WSP is partnering with ViaSource Solutions, Voxai Solutions, TransSight, LLC and Virginkar & Associates, Inc. None of the firms are disadvantaged business enterprises (DBEs). Transight, LLC and Virginkar & Associates, Inc. are both registered small business enterprises (SBEs).

**Recommendation:** Staff recommends the Clipper Executive Board approve staff to recommend to MTC that MTC enter into a contract with WSP USA Services, Inc. (WSP) in the amount of \$20,709,014 as the customer service center vendor for the Next Generation Clipper® (C2) regional fare payment system, as described above and in the Request for Board Approval.

**Attachments:**      **Attachment A:** Proposal Evaluation Criteria  
                             **Attachment B:** Proposal Evaluation Scoring

  
\_\_\_\_\_  
Carol Kuester

**Proposal Evaluation Criteria**

The proposals were scored based on the following criteria:

1. Proposer Qualifications and Experience (20%) – including customer service center experience, government and transit experience, references, and experience of proposed project team;
2. Technical Proposal (20%) – including ability of technical solution to enable high-quality customer service operations and scalability of solution;
3. Training and Transition Proposal (5%) – including training, and approach to transition planning from an existing customer service center;
4. Operations and Maintenance (O/M) Proposal (30%) – proposed ongoing operations and maintenance plan for the C2 CSC Operations Center, including sufficiency and flexibility of the resources to respond to varying demand and safeguarding PII and other confidential data;
5. a. Price Proposal - Cost Effectiveness (5%) – including reasonableness of hourly rates, schedule of fees, and overall costs; and
5. b. Price Proposal - Operations and Maintenance Price Proposal (20%) – allocated based on the relative difference between the lowest overall Proposed Total Price for O/M and each other Proposal.

The MTC's Small Business Enterprise (SBE) program was also applied to the RFP. SBE scoring is as follows:

- If the Proposer commits to having SBE firms participate in a minimum of twenty-five percent (25%) to a maximum of forty percent (40%) of the Project, five percent (5%) or five (5) points will be added to the total evaluation percentage or points.
- If the Proposer commits to having SBE firms participate in more than forty percent (>40%) of the Project, ten percent (10%) or ten (10) points will be added to the total evaluation percentage or points.

**Proposal Evaluation Scoring**

<b>Evaluation Criteria</b>	<b><i>Available</i></b>	<b>WSP</b>	<b>Cubic</b>
Proposer Qualifications and Experience	<i>20</i>	15.9	18.3
Technical Proposal	<i>20</i>	17.0	14.6
Training and Transition Proposal	<i>5</i>	3.9	3.6
Operations and Maintenance (O/M) Proposal	<i>30</i>	23.3	20.9
Price Proposal - Cost Effectiveness	<i>5</i>	4.1	2.7
Price Proposal - Operations and Maintenance Price Proposal (4 years)	<i>20</i>	20.0	19.9
SBE Program	<i>10</i>	5.0	0.0
<b>Total*</b>	<b><i>110</i></b>	<b>89.1</b>	<b>79.9</b>

\*rounding errors corrected in total



REQUEST FOR BOARD  
APPROVAL

Summary of Proposed Contract

Contractor:	<b>WSP USA Services, Inc. (WSP)</b> San Francisco, CA
Project Title:	Next-Generation Clipper® (C2) Customer Service Center Contract
Purpose of Contract:	Design, implement and operate a new Customer Service Center for the C2 System
Brief Scope of Work:	Design, installation, training and transition to an omnichannel C2 customer service center that provides a seamless transition for current Clipper customers and provides customer service using more channels, to match changing customer preferences. Operations and maintenance (O&M) of the customer service center during transition to C2, plus four years of O&M. The term of the contract will be until June 30, 2027, with an option to extend up to three times for two-year renewal periods.
Project Cost Not to Exceed:	Capital: \$2,729,118 O&M: \$17,979,896 for four years and nine months Total contract amount: \$20,709,014
Funding Source:	Regional Measure 2 Capital and Regional Measure 2 Operating, Regional Measure 3, OBAG, SB1 State of Good Repair, Inactive Card Funds, Float Account Interest, Transit Agencies
Fiscal Impact:	Funds are included in the FY 2021-22 Clipper budget for \$2 million of capital expenditures. Future years' Capital and O&M funding dependent on Board approval of annual Clipper operating budgets and Commission approval of annual MTC operating budgets.
Motion by Board:	That a C2 Customer Service Center Contract with WSP USA Services, Inc., for the purposes and within the amounts described herein and in the Clipper Executive Director's April 19, 2021 memorandum, is hereby approved by the Clipper Executive Board and recommended for approval by the MTC Operations Committee.
Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	April 19, 2021



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 21-0547      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Committee Approval  
**File created:** 3/25/2021      **In control:** Clipper Executive Board  
**On agenda:** 4/19/2021      **Final action:**  
**Title:** Clipper® Two Year Budget and Work Plan

The Clipper budget and work plan for Fiscal Years (FYs) 2021-22 and 2022-23 for the Executive Board's review and approval.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [3b\\_Clipper Two Year Budget and Work Plan.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

Clipper® Two Year Budget and Work Plan

The Clipper budget and work plan for Fiscal Years (FYs) 2021-22 and 2022-23 for the Executive Board's review and approval.

**Presenter:**

Edward Meng

**Recommended Action:**

Board Approval

**Attachments:**

# Clipper® Executive Board

April 19, 2021

Agenda Item 3b

## Clipper® Two Year Budget and Work Plan

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**Subject:** The Clipper budget and work plan for Fiscal Years (FYs) 2021-22 and 2022-23 for the Executive Board's review and approval.

**Background:** Under the Memorandum of Understanding (MOU), the Executive Board reviews and adopts a biennial Clipper budget. The budget is intended to provide an understanding of the scope and size of major expense categories, proposed funding plan, and overall summary of Clipper program work elements. The budget is updated annually and includes both current Clipper system and next-generation Clipper system integrator costs, as well as costs to operate, maintain, and implement the overall Clipper program, including staffing, customer education and marketing, and estimated costs from other next-generation Clipper procurements.

Attached for your review are the Clipper Operating and Capital budget and work plan for FYs 2021-22 and 2022-23.

### **Updates of FY 2021-22 and 2022-23 Budget and Work Plan from March's Information Item and Feedback**

Updates of the Clipper Two Year Budget item from March's informational item and feedback from the Board are highlighted below.

1. **Regular Budget Updates** - in response to Board Members' requests for an update, staff will plan to update the Board semi-annually on the overall program budget and progress versus actuals, as well as when major shifts in expenditure and funding strategies occur; and
2. **RTC Program Policy-Making Authority** - in expectation of execution of a Clipper MOU Amendment formally transferring RTC policy-making authority to the Board, the Capital Budget and Operating Budget have been updated to reflect expected capital and operating costs for the program.
  - a. The budget plans for a \$200,000 capital investment for work related to integrating the RTC Program database with the Clipper program. The source of those funds, STA, is highlighted in line 17 of the Capital Budget.
  - b. The program includes costs related to RTC program administration fees which, based on direction from the Board at the March meeting, will continue to be shared and allocated among the transit operators as currently allocated.

### **Highlights of FY 2021-22 and 2022-23 Budget and Work Plan**

Details of the Clipper Two Year Budget are listed below.

1. In both the Operating and Capital Budgets, costs for the current Clipper system are expected to decrease, while resources are shifted to next-generation implementation, accelerated deployment, and transition efforts, until Clipper is fully transitioned to the next-generation system in FY 2024-25.

2. Given the uncertainty of operational funding and potential sources at this time, this Clipper Projected Operating Budget shows a deficit in the second year (FY 2022-23) of this cycle. Staff recognizes the need to offset that deficit, but given current uncertainty around operational funding, has not yet identified fund sources, or made assumptions about fund availability at this time.
3. Based on current ridership and cost-sharing agreements, operational costs for transit operators are expected to decrease by nearly \$20M in total from pre-pandemic projections this fiscal year, while MTC's share of operational costs decreased by \$2M. This is largely due to how cost-sharing is allocated, with MTC assuming most fixed costs, while operators are responsible for variable costs, which have been largely reduced given current ridership and system usage.
4. Since approval of last year's Clipper Two Year Budget and Work Plan, with the Board's approval in November 2020 and subsequent Commission approval, staff is now preparing to execute a Change Order for BART/SFMTA Tri-Reader 4 (TR4) card validator integration and Open Payments Implementation. The expected additional capital costs are separated from the other System Integrator costs and shown in line 11 of the Clipper Project Capital Budget.
5. If Regional Measure 3 (RM3) funds are not available based on current best estimates and pending litigation outcomes, new fund sources and funding plans will need to be examined and identified quickly. Clipper staff have been following updates on the availability of RM3 funds and are working closely with MTC's Funding Policy and Programs staff to identify other fund sources in case they are needed.
6. The Clipper Two Year Budget and Work Plan does not currently assume expansion of the Clipper fare payment system to additional agencies. The Clipper program can support the implementation of new transit operator participants such as Capitol Corridor and Altamont Corridor Express (ACE) being contemplated by the Blue Ribbon Transit Recovery Task Force. Operators could be added administratively through the Clipper MOU and technically through the Next-Generation Clipper system, with costs dependent on equipment needs and fare rules development.

**Recommendation:** MTC and transit operator staff recommend that the Clipper Executive Board approve the Clipper Two Year Operating and Capital Budget and Work Plan for FY 2021-22 and FY 2022-23.

**Attachments:** **Attachment A:** Clipper Operating Budget – March 31, 2021  
**Attachment B:** Clipper Capital Budget – March 31, 2021

  
\_\_\_\_\_  
Carol Kuester

CLIPPER® OPERATING BUDGET - MARCH 31, 2021

Item No.	Descriptions	Current FY 20/21 (\$M)	FY 21/22 (\$M)	FY 22/23 (\$M)	FY 23/24 (\$M)	FY 24/25 (\$M)	FY 25/26 (\$M)	Total FY 19/20- FY 24/25
<b>MTC Operating Costs</b>								
1	Annual Current Clipper Operating Costs - MTC	\$9.6	\$10.8	\$6.0	\$2.0	\$0.3	\$0.0	\$28.7
2	Annual Next Gen Clipper SI Operating Costs - MTC	\$0.7	\$1.8	\$7.5	\$9.5	\$10.0	\$10.3	\$29.5
3	Annual Next Gen Clipper Other Operating Costs - MTC <sup>1</sup>	\$0.0	\$0.2	\$1.0	\$1.1	\$1.1	\$1.1	\$3.4
4	MTC Staff - Current Clipper Operating	\$0.9	\$0.8	\$0.5	\$0.2	\$0.0	\$0.0	\$2.3
5	MTC Staff - Next Gen Clipper Operating	\$0.4	\$0.8	\$1.2	\$1.6	\$1.9	\$1.9	\$5.9
6	Clipper® Operations - Misc.	\$0.7	\$0.7	\$0.7	\$0.8	\$0.8	\$0.8	\$3.7
7	In Person Customer Service Centers	\$1.1	\$1.1	\$1.2	\$1.2	\$1.3	\$1.3	\$5.8
8	Customer Education Program	\$1.4	\$1.7	\$1.8	\$1.9	\$2.0	\$2.1	\$8.7
9	<i>Subtotal MTC expenses</i>	<i>\$14.8</i>	<i>\$17.9</i>	<i>\$19.9</i>	<i>\$18.2</i>	<i>\$17.2</i>	<i>\$17.6</i>	<i>\$88.0</i>
<b>Transit Agency Operating Costs</b>								
10	Annual Current Clipper Operating Costs - Transit Agencies	\$7.0	\$14.0	\$12.0	\$4.0	\$0.5	\$0.0	\$37.5
11	Annual Next Gen Clipper SI Operating Costs - Transit Agencies	\$0.7	\$1.8	\$7.5	\$9.5	\$10.0	\$10.3	\$29.5
12	Annual Next Gen Clipper Other Operating Costs - Transit Agencies <sup>2</sup>	\$0.0	\$0.7	\$7.2	\$7.4	\$7.6	\$7.7	\$22.8
13	<i>Subtotal Transit Agency expenses</i>	<i>\$7.7</i>	<i>\$16.5</i>	<i>\$26.7</i>	<i>\$20.9</i>	<i>\$18.1</i>	<i>\$18.0</i>	<i>\$89.8</i>
14	<b>Total Operating Costs (MTC+Transit)</b>	<b>\$22.5</b>	<b>\$34.4</b>	<b>\$46.6</b>	<b>\$39.0</b>	<b>\$35.3</b>	<b>\$35.7</b>	<b>\$177.8</b>
<b>Operating Revenues</b>								
15	Total STA Revenues	\$0.2	\$7.3	\$7.5	\$7.7	\$7.8	\$8.0	\$30.5
16	Total RM2 Marketing Revenue	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$5.5
17	Additional RM2 Marketing Revenue <sup>3</sup>	\$1.5	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7	\$8.3
18	Additional RM2 Operating Revenue <sup>3</sup>	\$1.4	\$1.4	\$2.0	\$2.0	\$2.0	\$2.0	\$8.8
19	CARES Act	\$11.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$11.5
20	Unregistered Inactive Funds	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
21	Float Account Interest	\$0.0	\$0.8	\$1.2	\$1.2	\$1.2	\$1.2	\$4.4
22	State of Good Repair (SB1) <sup>4</sup>	\$1.1	\$2.8	\$0.0	\$0.0	\$0.0	\$0.0	\$3.9
23	Total Transit Agency Revenue	\$7.7	\$16.5	\$26.7	\$20.9	\$18.1	\$18.0	\$89.8
24	Operations Reserve <sup>5</sup>	\$4.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
25	<b>Total Operating Revenue</b>	<b>\$28.6</b>	<b>\$31.6</b>	<b>\$40.2</b>	<b>\$34.6</b>	<b>\$31.9</b>	<b>\$32.0</b>	<b>\$166.8</b>
26	<b>Net Budget</b>	<b>\$6.1</b>	<b>\$3.3</b>	<b>(\$3.0)</b>	<b>(\$7.5)</b>	<b>(\$11.0)</b>	<b>(\$14.6)</b>	

<sup>1</sup> Includes O&M Estimate for CSC

<sup>2</sup> Includes O&M Estimate for CSC, Pass Through Fees (incl. Mobile Fees & Third Party Commissions), Payment Gateway Fees, RTC Program Fees, etc.

<sup>3</sup> Contingent upon availability and MTC Commission Approval

<sup>4</sup> Used for Next-Gen Clipper Operating Startup Costs

<sup>5</sup> Operations Carry Forward From Prior Year = \$4.1M (\$2.5 STA Reserve, \$1.1M Float, \$0.5M Inactive Funds)

Assumes continuation of ~ 1/3 MTC, 2/3 Transit Agency split in C2 & Agencies can pay their share

Assumes 10% tax, no contingency

Item No.	Description	Current FY 20/21 (\$M)	FY 21/22 (\$M)	FY 22/23 (\$M)	FY 23/24 (\$M)	FY 24/25 (\$M)	FY 25/26 (\$M)	TOTAL FY 20/21 - 25/26 (\$M)
<b>Capital Costs (See Table 1a for Cost Detail)</b>								
1	C1 Clipper Cards & Fare Media	\$1.5	\$2.0	\$1.0	\$0.0	\$0.0	\$0.0	\$4.5
2	C2 Clipper Cards & Fare Media	\$0.0	\$1.0	\$3.0	\$3.0	\$2.0	\$1.0	\$10.0
	<b>Current Clipper® System (C1)</b>							
3	MTC Staff	\$1.2	\$0.9	\$0.5	\$0.0	\$0.0	\$0.0	\$2.6
4	Consultants	\$1.0	\$0.5	\$0.6	\$0.0	\$0.0	\$0.0	\$2.1
5	System Enhancements and Infrastructure Replacement*	\$0.7	\$0.7	\$0.0	\$0.0	\$0.0	\$0.0	\$1.4
	<b>Next Generation Clipper® System</b>							
6	MTC Staff	\$3.0	\$3.3	\$4.0	\$4.7	\$4.9	\$5.2	\$25.1
7	Consultants	\$4.7	\$2.5	\$2.0	\$2.1	\$2.2	\$2.3	\$15.8
8	System Integrator Contract	\$44.4	\$32.7	\$11.7	\$6.5	\$0.0	\$0.0	\$95.3
9	Next-Gen Clipper Equipment	\$0.0	\$33.9	\$21.8	\$2.3	\$0.0	\$0.0	\$58.0
10	Operator CAD/AVL Integration	\$3.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$3.3
11	TR4 Integration and Open Payment Deployment	\$4.2	\$6.2	\$1.0	\$0.0	\$0.0	\$0.0	\$11.4
12	Customer Service Center / Payment Services	\$0.3	\$2.0	\$2.7	\$0.0	\$0.0	\$0.0	\$5.0
13	<b>Total Expenses</b>	<b>\$64.3</b>	<b>\$85.7</b>	<b>\$48.3</b>	<b>\$18.6</b>	<b>\$9.1</b>	<b>\$8.5</b>	<b>\$234.6</b>
<b>Revenue</b>								
14	TCP - FTA*	\$14.1	\$20.3	\$16.9	\$5.8	\$0.0	\$0.0	\$57.1
15	TCP - OBAG2-STP/CMAQ*	\$34.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$34.9
16	TCP - OBAG2-RM2*	\$13.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$13.0
17	SGR / RM3*	\$1.0	\$50.0	\$9.6	\$7.0	\$3.2	\$0.0	\$70.8
18	SGR	\$7.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$7.6
19	Fare Media and Card Fee Revenue	\$1.6	\$2.0	\$4.0	\$4.0	\$4.0	\$4.0	\$19.6
20	Capital Reserve	\$26.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$26.0
21	STA	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.2
21	<b>Total Annual Revenue</b>	<b>\$98.2</b>	<b>\$72.5</b>	<b>\$30.5</b>	<b>\$16.8</b>	<b>\$7.2</b>	<b>\$4.0</b>	<b>\$229.2</b>
22	<b>Cumulative Surplus/Deficit</b>	<b>\$33.9</b>	<b>\$20.7</b>	<b>\$2.9</b>	<b>\$1.1</b>	<b>(\$0.8)</b>	<b>(\$5.4)</b>	

\* Committed to System Integrator Contract



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

<b>File #:</b>	21-0545	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Contract	<b>Status:</b>		Committee Approval	
<b>File created:</b>	3/25/2021	<b>In control:</b>		Clipper Executive Board	
<b>On agenda:</b>	4/19/2021	<b>Final action:</b>			
<b>Title:</b>	Clipper® In-Person Customer Service Centers (IPCSCs) Contract Actions: i. Contract Amendment - Faneuil, Inc. (\$435,000); ii. Contract Amendment - Nematode Holdings, LLC (\$300,000); and iii. Funding Agreement Amendment - Alameda-Contra Costa Transit District (\$250,000)  Request for approval of contract actions for Clipper in-person customer service centers: Faneuil, Inc. (\$435,000), Nematode Holdings, LLC (\$300,000) and Alameda-Contra Costa Transit District (\$250,000).				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">3c IPCSC Amendments FY21-22.pdf</a>				

Date	Ver.	Action By	Action	Result
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### Subject:

Clipper® In-Person Customer Service Centers (IPCSCs) Contract Actions:  
i. Contract Amendment - Faneuil, Inc. (\$435,000);  
ii. Contract Amendment - Nematode Holdings, LLC (\$300,000); and  
iii. Funding Agreement Amendment - Alameda-Contra Costa Transit District (\$250,000)

Request for approval of contract actions for Clipper in-person customer service centers: Faneuil, Inc. (\$435,000), Nematode Holdings, LLC (\$300,000) and Alameda-Contra Costa Transit District (\$250,000).

### Presenter:

Kelley Jackson

### Recommended Action:

Board Approval

### Attachments:

# Clipper® Executive Board

April 19, 2021

Agenda Item 3c

## **Clipper® In-Person Customer Service Centers (IPCSCs) Contract Actions:**

- i. Contract Amendment - Faneuil, Inc. (\$435,000);**
  - ii. Contract Amendment - Nematode Holdings, LLC (\$300,000); and**
  - iii. Funding Agreement Amendment - Alameda-Contra Costa Transit District (\$250,000)**
- 

**Subject:** Request for approval of contract actions for Clipper in-person customer service centers: Faneuil, Inc. (\$435,000), Nematode Holdings, LLC (\$300,000) and Alameda-Contra Costa Transit District (\$250,000).

**Background:** The Clipper program funds in-person customer service centers at two San Francisco locations and the Alameda-Contra Costa Transit District (AC Transit) Oakland headquarters. In addition to issuing adult, Youth and Senior Clipper cards and selling value, these service centers issue replacement cards, register adult cards, accept cash payment for card replacement fees and distribute Clipper START materials. These service centers provide a convenient location for transit riders to obtain cards so that they have immediate access to the savings and benefits offered to Clipper customers (i.e., balance protection, age-based discounts, and avoidance of surcharges for cash payment).

These contract and funding agreement actions were contemplated and are included in the Two-Year Clipper Budget and Work Plan. Staff recommends that the Executive Board approve the following contract actions.

**i. Contract Amendment – Clipper Customer Service Center Operations at Embarcadero Station: Faneuil, Inc. (Faneuil) (\$435,000)**

In March 2017, the Clipper Executive Board approved the recommendation to award Faneuil a contract to operate the Clipper Customer Service Center at the Embarcadero BART/Muni Metro station following a competitive procurement. The terms of the procurement included a two-year initial operating period with an option to extend annually for up to five years (through FY 2023-24). The current contract amount is \$1,655,287; the amendment would add \$435,000, extending operations through June 30, 2022.

**ii. Contract Amendment – Clipper Customer Service Center Operations at San Francisco Ferry Building (Bay Crossings): Nematode Holdings, LLC (Nematode) (\$300,000)**

In December 2010, MTC executed a sole source contract with Nematode to offer Clipper services based on its Bay Crossings store being the only vendor in the San Francisco Bay Ferry Building to provide transportation information and sell transit tickets. In July 2020, MTC executed a new sole source contract with Nematode with an expanded scope of work to bridge the transition to the next-generation Clipper system launch. Under this contract, Nematode also is responsible for the maintenance of the ferry departure flap sign in the Ferry Building's central lobby. The current contract amount is \$332,068; the amendment would add \$300,000, extending operations through June 30, 2022 on a sole-source basis.



**iii. Funding Agreement Amendment – Clipper Customer Service Center Operations at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)**

In April 2012, MTC executed a funding agreement with AC Transit to provide expanded Clipper customer services at AC Transit's headquarters in Oakland. The current funding agreement amount is \$2,229,800; the proposed amendment would add \$250,000, funding these ongoing activities through June 30, 2022.

**Issues:** None

**Recommendation:** Staff recommends approval of a contract amendment with Faneuil in an amount not to exceed \$435,000, a contract amendment with Nematode in an amount not to exceed \$300,000, and a funding agreement amendment with AC Transit in an amount not to exceed \$250,000, to provide in-person Clipper customer services as described above.

  
Carol Kuester

## REQUEST FOR CLIPPER EXECUTIVE BOARD APPROVAL

### Summary of Proposed Contract Amendment

Contractor:	Faneuil, Inc. Hampton, VA
Work Project Title:	Clipper Customer Service Center Operations at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station
Purpose of Amendment:	Provide Clipper in-person customer service, such as issuance of new and replacement cards
Brief Scope of Work:	Contractor shall provide trained staff to support a range of Clipper customer services
Project Cost Not to Exceed:	\$435,000 (this amendment)  Total Contract value including amendments before this amendment = \$1,655,287  Total contract amount with this amendment = \$2,090,287
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2021-22 MTC agency budget
Motion:	That a contract amendment with Faneuil, for the purposes described herein and in the Executive Director's memorandum dated April 19, 2021, is hereby approved by the Clipper Executive Board, subject to adoption of the FY 2021-22 MTC agency budget.
Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	Date: April 19, 2021

## REQUEST FOR CLIPPER EXECUTIVE BOARD APPROVAL

### Summary of Proposed Contract Amendment

Contractor:	Nematode Holdings, LLC San Francisco, CA
Work Project Title:	Clipper Customer Service Operations at San Francisco Ferry Building (Bay Crossings)
Purpose of Amendment:	Provide Clipper in-person customer service, such as issuance of new and replacement cards; distribute MTC project materials; and maintain ferry schedule flap sign display
Brief Scope of Work:	Contractor shall provide trained staff to support a range of Clipper customer services and the operations and maintenance of the ferry schedule flap sign display
Project Cost Not to Exceed:	\$300,000 (this amendment)  Total Contract value including amendments before this amendment = \$332,068  Total contract amount with this amendment = \$632,068
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2021-2022 MTC agency budget
Motion by Board:	That a contract amendment with Nematode Holdings, for the purposes described herein and in the Executive Director's memorandum dated April 19, 2021, is hereby approved by the Clipper Executive Board, subject to adoption of the FY 2021-22 MTC agency budget.
Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	Date: April 19, 2021

## REQUEST FOR CLIPPER EXECUTIVE BOARD APPROVAL

### Summary of Proposed Funding Agreement Amendment

Contractor:	Alameda-Contra Costa Transit District (AC Transit) Oakland, CA
Work Project Title:	Clipper Customer Service Center Operations at AC Transit Headquarters
Purpose of Amendment:	Provide Clipper in-person customer service center in the East Bay
Brief Scope of Work:	Operate Clipper in-person customer service center at AC Transit's District Headquarters building located at 1600 Franklin Street in Oakland
Project Cost Not to Exceed:	<p>\$250,000 (this amendment)</p> <p>Total Contract value including amendments before this amendment = \$2,229,800</p> <p>Total contract amount with this amendment = \$2,479,800</p>
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2021-22 MTC agency budget
Motion by Board:	That a funding agreement amendment with AC Transit for the purposes described herein and in the Executive Director's memorandum dated April 19, 2021, is hereby approved by the Clipper Executive Board, subject to adoption of the FY 2021-22 MTC agency budget.
Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	Date: April 19, 2021



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 21-0546      **Version:** 1      **Name:**  
**Type:** Contract      **Status:** Committee Approval  
**File created:** 3/25/2021      **In control:** Clipper Executive Board  
**On agenda:** 4/19/2021      **Final action:**  
**Title:** Contract Amendment - Customer Research, Education and Outreach for the Clipper® Program: MIG, Inc. (MIG) (\$1,500,000)

Request for approval of a contract amendment for customer research, education and outreach for the Clipper program.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [3d Contract Amendment MIG.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

Contract Amendment - Customer Research, Education and Outreach for the Clipper® Program: MIG, Inc. (MIG) (\$1,500,000)

Request for approval of a contract amendment for customer research, education and outreach for the Clipper program.

**Presenter:**

Lysa Hale

**Recommended Action:**

Board Approval

**Attachments:**

# Clipper® Executive Board

April 19, 2021

Agenda Item 3d

## Contract Amendment – Customer Research, Education and Outreach for the Clipper® Program: MIG, Inc. (MIG) (\$1,500,000)

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**Subject:** Request for approval of a contract amendment for customer research, education and outreach for the Clipper program.

**Background:** MTC engages contractors to assist with the implementation of customer research, education and outreach initiatives to benefit current and potential Clipper customers. A primary goal of MTC's customer education and marketing program is to support transit operator fare policy and service changes that create demand for Clipper cards and information.

This contract amendment was contemplated and is included in the Two-Year Clipper Budget and Work Plan. MIG was part of the pre-qualified Electronic Payment Implementation and Operations consultant bench competitively selected by MTC in May 2016; this bench expires June 30, 2021, but a contract amendment is sought based on a sole source justification for compelling business reasons due to the need for continuity in promotion of the Clipper mobile app and fare payment; this justification has been approved.

Under this proposed contract amendment, MIG would continue to prepare updates to online and print materials in support of ongoing operational changes, such as fare policy changes and Clipper system improvements. MIG would also manage and continue to expand Clipper's social media program.

MIG is providing marketing, advertising and coordination for the launch of the Clipper mobile app in FY 2020-21, but the campaign to promote the app will take place over a year-long period with alternating campaigns to promote each phone provider and the unique features of its respective payment method, followed by another combined campaign in mid-FY 2021-22.

MTC conducts a biennial survey of Clipper users and non-Clipper users, and this year will be particularly interesting due to the rollout of the Clipper app and mobile fare payment and what this means for adoption of Clipper. The survey will take place in fall 2021.

In FY 2021-22, MIG also will promote the Clipper START program to ensure continued enrollment in this important equity-based pilot program. Promotion will include on-board advertising supplemented by digital advertising.

The current contract amount is \$5,030,000; the proposed contract amendment would add \$1,500,000 and would extend the period of performance to June 30, 2022.

**Issues:** There are no issues with this proposed contract amendment.

**Recommendation:** Staff recommends that the Clipper Executive Board approve a Contract Amendment with MIG, Inc. in an amount not to exceed \$1,500,000 to provide customer research, education and outreach as described above.



Carol Kuester

## REQUEST FOR BOARD APPROVAL

### Summary of Proposed Contract Amendment

Consultant:	MIG, Inc. Berkeley, CA
Work Project Title:	Clipper® Customer Research, Education and Outreach
Purpose of Project:	To provide customer research, education and outreach for the Clipper system
Brief Scope of Work:	To develop and implement campaigns to educate people about Clipper, to prepare updates to online and print materials, and to conduct program monitoring research
Project Cost Not to Exceed:	\$1,500,000
Funding Source:	STP, CMAQ, STA, STP Exchange, Regional Measure 2 Capital and Regional Measure 2 Operating, Regional Measure 2 Marketing, Regional Measure 3, SB1 State of Good Repair, Low Carbon Transit Operations Program
Fiscal Impact:	Funds dependent on the approval of the FY 2021-22 MTC agency budget.
Motion by Board:	That a contract amendment with MIG, Inc., for the purposes described herein and in the Executive Director's memorandum dated April 19, 2021, is hereby approved by the Clipper Executive Board, subject to adoption of the FY 2021-22 MTC agency budget.
Clipper Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	April 17, 2021





# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 21-0515      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 3/17/2021      **In control:** Clipper Executive Board  
**On agenda:** 4/19/2021      **Final action:**  
**Title:** Current Clipper® System Update

Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the March 2021 meeting.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [4a\\_C1 Program Update.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

Current Clipper® System Update

Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the March 2021 meeting.

**Presenter:**

Jason Weinstein

**Recommended Action:**

Information

**Attachments:**

# Clipper® Executive Board

April 19, 2021

Agenda Item 4a

## Current Clipper® System Update

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**Subject:** Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the March 2021 meeting.

**Background:** **Transactions and Sales**

In March 2021, Clipper processed 4.06 million transactions and settled \$8.07 million in revenue. As of April 2, 2021, only one of the 22 operators was still offering fare-free travel due to the COVID-19 emergency.

**Clipper Customer Education**

Advertising and outreach for Clipper START are ongoing. Staff provided customer messaging about the pause in Santa Clara Valley Transportation Authority (VTA) fare collection and the availability of twelve Clipper ticket machines at six Caltrain stations.

Other marketing efforts have focused on planning for the launch of the mobile app. Staff are updating the website with information on how to use phones for fare payment and are developing a frequently asked questions section. Staff also has conducted customer service training and provided a "Clipper mobile basics" summary for operator staff.

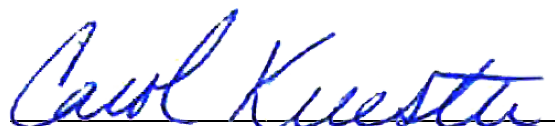
**Implementation and Enhancement Projects**

MTC continues to coordinate with transit operators on Clipper equipment installation for several implementations, including:

- Caltrain ticket vending machines (TVM) Integration (CO-226) – Twelve TVMs across six stations were upgraded and integrated with Clipper in March. Caltrain plans to upgrade another 21 TVMs this summer.

Clipper equipment continues to meet contractual performance requirements.

**Attachments:** **Attachment A:** Clipper Master Schedule

  
Carol Kuester

ID	Task Name	Duration	Start	Finish	% Complete	2020												2021											
						J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
2	CONTRACTING PHASE																												
833	Change Notice 169--Clipper Means Based Expansion (CO-231)	200 days	Wed 7/8/20	Tue 4/13/21	92%																								
868	Change Notice 173--AC Transit TOT & AVM Installation	114 days	Wed 12/30/20	Mon 6/7/21	44%																								
895	SSAE 18 Audit (CO-159, Amendment 8)	65 days	Mon 2/1/21	Fri 4/30/21	46%																								
393	IMPLEMENTATION PHASE																												
310	SFMTA Central Subway (CO-195)	1479 days	Mon 5/2/16	Tue 12/28/21	26%																								
793	Caltrain TVM Clipper Integration (CO-226)	447 days	Thu 8/1/19	Fri 4/16/21	83%																								
877	Change Notice 173--AC Transit TOT & AVM Installation	66 days	Wed 12/30/20	Wed 3/31/21	55%																								
885	Means Based Verification (Change Notice 171)	84 days	Fri 2/5/21	Wed 6/2/21	30%																								
888	Means Card Replacement (Change Notice 172)	84 days	Fri 2/5/21	Wed 6/2/21	30%																								
1	BUS REPLACEMENT AND EXPANSION																												
848	Marin Transit (13 El Dorado)	22 days	Mon 3/1/21	Tue 3/30/21	0%																								
826	SFMTA (9 Electric Coaches)	52 days	Thu 4/1/21	Fri 6/11/21	0%																								
852	AC Transit (Install 2 Gillig BED Buses)	3 days	Wed 4/14/21	Fri 4/16/21	0%																								
822	SFMTA (3 Historic Street Cars)	19 days	Fri 5/21/21	Wed 6/16/21	0%																								
820	AC Transit (1 Gilig)	1 day	Mon 5/24/21	Mon 5/24/21	0%																								
799	AC Transit (36 MCI Buses)	18 days	Wed 5/26/21	Fri 6/18/21	0%																								



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

<b>File #:</b>	21-0516	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Report	<b>Status:</b>		Informational	
<b>File created:</b>	3/17/2021	<b>In control:</b>		Clipper Executive Board	
<b>On agenda:</b>	4/19/2021	<b>Final action:</b>			
<b>Title:</b>	Next Generation Clipper® System Update				
	Update on key developments related to the implementation of the Next- Generation Clipper System Integrator project.				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">4b_C2 Program Update.pdf</a>				

Date	Ver.	Action By	Action	Result
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**Subject:**  
Next Generation Clipper® System Update

Update on key developments related to the implementation of the Next- Generation Clipper System Integrator project.

**Presenter:**  
Jason Weinstein

**Recommended Action:**  
Information

**Attachments:**

# Clipper® Executive Board

April 19, 2020

Agenda Item 4b

## Next-Generation Clipper® System Update

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**Subject:** Update on key developments related to the implementation of the Next-Generation Clipper System Integrator project.

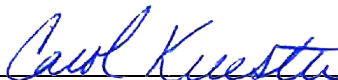
**Background:** Included as Attachment A to this memorandum is a summary of recently completed activities related to delivering the Next-Generation Clipper program; upcoming activities and deliverables for MTC, Cubic Transportation Services, and the transit operators; and noteworthy items that the project team is managing.

Highlights include:

- Review of the account-based design documents and continued participation by MTC and transit operator staff in the design workshops for the customer website and business rules. In particular, Preliminary Design Review (PDR) comments were sent back to Cubic on 4/5/21 for a portion of these documents.
- Regarding the mobile app:
  - We are working closely with operator staff to ensure a smooth and successful launch.
  - Planning for the launch is ongoing and marketing is underway.
- Design workshops for the Next-Generation account-based system are continuing and will continue throughout this summer, with the plan of Final Design Review to be completed by the third quarter of this year.

Cubic's schedule submission for March 2021 has recovered some of the schedule slippage mentioned in earlier updates. As mentioned last month, Cubic has incorporated the account-based system work into the schedule and will continue to refine this and identify opportunities for further schedule recovery in future submittals. The program is currently within expected budget.

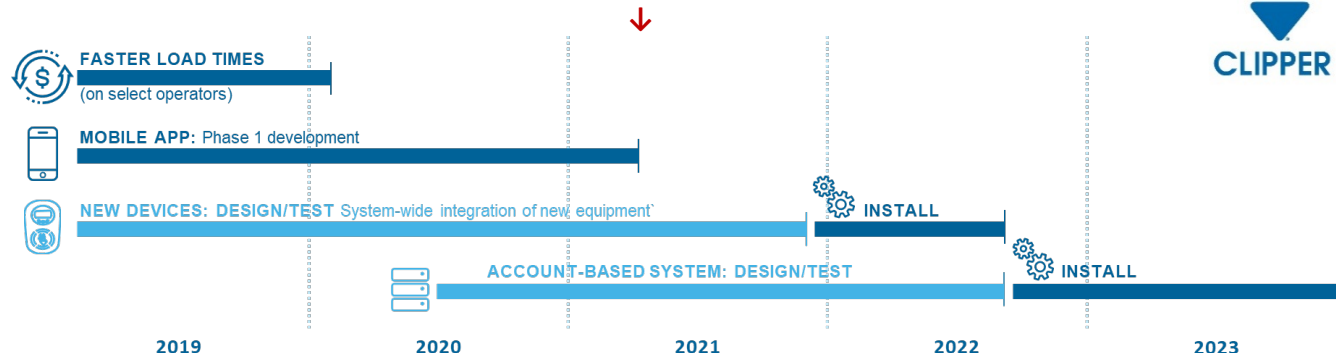
**Attachments:** Attachment A: Next Generation Clipper Program Executive Summary Status Report

  
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Carol Kuester



# Next-Generation Clipper Program

## Executive Summary Status Report – April 19, 2021



### Summary

- Mobile App System Integration Testing (SIT) and Pilot Test results being finalized; public launch imminent.
- Preliminary Design Review (PDR) comments under review by Cubic.
- Factory Acceptance Test (FAT) and SIT Plans for New Devices under review.
- Account-based design workshops ongoing.
- Technical and planning discussions continue with operators on various topics, including CAD/AVL integration and Clipper business rules.

### Recently Completed Activities

	MTC/IBI	Cubic	Operators	Date
• New Devices:				
o SIT Plan submission by Cubic		•		Mar 24
o FAT Plan comments sent to Cubic	•		•	Mar 29
o SIT Plan comments sent to Cubic	•		•	Apr 16 (planned)
• Account-Based System design documentation:				
o Comments on initial PDR submittal to Cubic	•		•	Apr 5
• Account-Based System design workshops:				
o Institutional & Transit Benefits Web Portal	•	•	•	Mar 23, 30; Apr 6, 13
o Settlement & Reconciliation	•	•	•	Mar 23; Apr 6
o Business Rules	•	•	•	Mar 24, Apr 7
o Customer Relationship Management	•	•	•	Mar 25; Apr 8
o Data Management & Reporting	•	•	•	Mar 25; Apr 1, 8
o Maintenance Management Web Portal	•	•	•	Mar 31; Apr 14
• Business rules discussions with operators:				
o AC Transit	•		•	Mar 18
o BART	•		•	Mar 19
o SFMTA	•		•	Mar 23
o VTA	•		•	Mar 24
o Golden Gate Ferry/Transit & Marin Transit	•		•	Mar 24
o SamTrans/Caltrain	•		•	Mar 24
o SMART	•		•	Mar 26
o East Bay Operator Group	•		•	Mar 29
o WETA	•		•	Mar 29
o Sonoma County Transit	•		•	Mar 30
o Napa/Solano Operator Group	•		•	Mar 31
o 101 Corridor Operator Group	•		•	Mar 31
o Union City Transit	•		•	Apr 13

## Upcoming Activities/Deliverables

	MTC/IBI	Cubic	Operators	Date
• Mobile App:				
○ SIT results submission by Cubic		●		Apr/May
○ SIT results approval by MTC/Operators	●		●	TBD
○ Public launch	●	●	●	TBD
• New Devices:				
○ FAT Plan resubmission by Cubic		●		Apr
○ FAT Plan approval by MTC/Operators	●		●	Apr/May
○ FAT execution/witnessing	●	●	●	Apr/May
• Account-Based System design documentation:				
○ PDR comment responses from Cubic		●		Apr/May
○ PDR comment review sessions	●	●	●	Apr/May
○ Final Design Review submission from Cubic		●		TBD
• Account-Based System design workshops:				
○ Institutional & Transit Benefits Web Portal	●	●	●	Apr 20, 27; May 4, 11
○ Settlement & Reconciliation	●	●	●	Apr 20
○ Fare Media	●	●	●	Apr 21, 28; May 5, 12
○ Third-Party Integration	●	●	●	Apr 23, 30; May 14
○ Promotions Web Portal	●	●	●	TBD
○ Mobile App	●	●	●	TBD
• Clipper Executive Board Meeting	●		●	May 17