



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

Meeting Agenda

Clipper Executive Board

Committee Members:

Denis Mulligan, Chair Edward D. Reiskin, Vice Chair

*Grace Crunican, Nuria Fernandez, Jim Hartnett,
Steve Heminger, Michael Hursh, Rick Ramacier,
Nina Rannells*

Monday, April 17, 2017

3:30 PM

San Francisco Bay Area Rapid Transit District
344 20th Street, 3rd Floor
Oakland CA, 94612
BART Board Room

This meeting will be recorded. Copies of recordings may be requested at the Metropolitan Transportation Commissioner (MTC) at nominal charge, or recordings may be listened to at MTC offices by appointment.

To access meeting location, please access through the Webster Street entrance between CVS Pharmacy and 24-Hour Fitness. Take the elevator to the 3rd floor and exit the elevator to your right where the agenda will be posted. Please enter the room through the double doors. For meeting location questions, please contact Angelica Dill-James at 510-464-6093.

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. [17-2428](#) Minutes of March 20, 2017 Meeting

Action: Board Approval

Attachments: [2a CEB Minutes Mar 2017.pdf](#)

2b. [17-2485](#) Contract Change Order Amendment - Clipper® Program SSAE 16
Audit: Cubic Transportation Systems, Inc. (\$200,000)

Action: Board Approval

Presenter: Stephen Abbanat

Attachments: [2b Clipper Contract Action SSAE 16 Audit.pdf](#)

3. Approval

- 3a.** [17-2457](#) Contract Change Order - Five Year Operation and Maintenance Extension: Cubic Transportation Systems (Cubic) (\$25,000,000 annually)
- Request for an extension of the Cubic contract to operate and maintain Clipper® to ensure smooth transition to a Next-Generation Clipper® contract.
- Action:** Board Approval
- Presenter:** Carol Kuester
- Attachments:** [3a Current Clipper Contract Extension.pdf](#)
 [3a Handout-Summary Schedule.pdf](#)
- 3b.** [17-2435](#) Proposed Revisions to Clipper® Memorandum of Understanding (MOU) and Executive Board Procedures
- Amendments and Revisions to the Clipper® MOU and Executive Board Procedures Manual.
- Action:** Board Approval
- Presenter:** Edward Meng
- Attachments:** [3b Proposed Revisions to Clipper MOU and EB Procedures.pdf](#)

4. Information

- 4a.** [17-2458](#) Clipper® Cardholder License Agreement
- Revisions to the current Clipper® Cardholder Agreement.
- Action:** Information
- Presenter:** David Weir
- Attachments:** [4a Clipper Cardholder License Agreement.pdf](#)
- 4b.** [17-2437](#) Current Clipper® Program Update
- Current Clipper® System Operations Update.
- Action:** Information
- Presenter:** Lynn Valdivia
- Attachments:** [4b Current Clipper Program Update.pdf](#)

- 4c. [17-2429](#) Next-Generation Clipper® (C2) Request for Proposal (RFP) for Industry Review

Update on the C2 System Integrator RFP for Industry Review.

Action: Information

Presenter: Jason Weinstein

Attachments: [4c_C2 RFP Update.pdf](#)

5. Executive Director's Report – Kuester

6. Public Comment / Other Business

7. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be May 15, 2017, 3:30 p.m. in the BART Board Room, 3rd Floor, 344 20th Street, Oakland, CA.

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 #: 17-2428 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 3/15/2017 **In control:** Clipper Executive Board
On agenda: 4/17/2017 **Final action:**
Title: Minutes of March 20, 2017 Meeting
Sponsors:
Indexes:
Code sections:
Attachments: [2a_CEB Minutes_Mar 2017.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of March 20, 2017 Meeting

Recommended Action:
Board Approval

Attachments



Agenda Item 2a

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

Meeting Minutes - Draft

Clipper Executive Board

Committee Members:

Denis Mulligan, Chair Edward D. Reiskin, Vice Chair

*Grace Crunican, Nuria Fernandez, Jim Hartnett,
Steve Heminger, Michael Hursh, Rick Ramacier,
Nina Rannells*

Monday, March 20, 2017

3:30 PM

Caltrain / SamTrans
1250 San Carlos Ave, 2nd Floor
San Carlos CA, 94070
Caltrain / SamTrans Auditorium

1. Roll Call / Confirm Quorum

Present: 6 - Rannells, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican, and Hartnett

Absent: 3 - Hursh, Ramacier, and Heminger

Andrew B. Fremier acted as a delegate and voting member of the Board in place of Steve Heminger.
Actions noted below as "Heminger" were taken by Fremier.

2. Consent Calendar

Upon the motion by Fernandez and second by Rannells, the Consent Calendar was unanimously approved by the following vote:

Aye: 7 - Rannells, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican, Heminger and Hartnett

Absent: 2 - Hursh and Ramacier

2a. [17-2336](#) Minutes of February 27, 2017 Meeting

Action: Board Approval

Attachments: [2a_CEB Minutes_Feb 2017.pdf](#)

3. Approval

- 3a. [17-2337](#) Contract Actions - Clipper® In-Person Customer Services
- i. Contract - Customer Service Center at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Faneuil, Inc. (\$900,000)
 - ii. Contract Amendment - Customer Service Center at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000)
 - iii. Funding Agreement Amendment - Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)

Contract Actions for IPCSCs at Embarcadero Station, Ferry Building, and AC Transit.

Action: Board Approval

Presenter: David Weir

Attachments: [3a In Person Customer Service Center Contracts.pdf](#)

Upon the motion by Hartnett and second by Rannells, the Contract Actions - Clipper® In-Person Customer Services: i. Contract - Customer Service Center at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Faneuil, Inc. (\$900,000); ii. Contract Amendment - Customer Service Center at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000); and iii. Funding Agreement Amendment - Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000) were unanimously approved by the following vote:

Aye: 7 - Rannells, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican, Heminger and Hartnett

Absent: 2 - Hursh and Ramacier

- 3b.** [17-2356](#) Contract Actions - Customer Research, Education and Outreach for the Clipper® Program
- i. Contract Amendment - Customer Information Services: MIG, Inc. (\$550,000)
 - ii. Contract - Distribution and Communications Planning and Support Services: Synapse Strategies (\$260,000)
 - iii. Contract - Clipper® Customer Education/Outreach Services: Caribou Public Relations (\$200,000)

Contract Actions for Customer Research, Education, and Outreach for the Clipper® Program.

Action: Board Approval

Presenter: Kelley Jackson

Attachments: [3b Customer Communications Contracts.pdf](#)

Upon the motion by Heminger and second by Rannells, the Contract Actions - Customer Research, Education and Outreach for the Clipper® Program: i. Contract Amendment - Customer Information Services: MIG, Inc. (\$550,000); ii. Contract - Distribution and Communications Planning and Support Services: Synapse Strategies (\$260,000); and iii. Contract - Clipper® Customer Education/Outreach Services: Caribou Public Relations (\$200,000) were unanimously approved by the following vote:

Aye: 7 - Rannells, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican, Heminger and Hartnett

Absent: 2 - Hursh and Ramacier

4. Information

- 4a.** [17-2338](#) Utah Transit Authority (UTA) Fare Payment Program

Update on UTA's experience with open payment and the FAREPAY smart card program.

Action: Information

Presenter: Clair Fiet, UTA

Attachments: [4a UTA EFC.pdf](#)

4b. [17-2373](#) Proposed Clipper® Contract Extension

Update on the proposed contract extension with current Clipper® Contractor.

Action: Information

Presenter: Carol Kuester

Attachments: [4b_Current Clipper Contract Extension.pdf](#)

4c. [17-2340](#) Next-Generation Clipper® (C2) Request for Proposal (RFP) for Industry Review

Update on the C2 System Integrator RFP for Industry Review.

Action: Information

Presenter: Jason Weinstein

Attachments: [4c_C2 RFP for Industry Review.pdf](#)

[4c_Handout-Comment for March 20 Clipper executive board meeting.pdf](#)

Adina Levin of Friends of Caltrain / Around the Bay Coalition spoke on this item.

5. Executive Director's Report – Kuester

6. Public Comment / Other Business

7. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be April 17, 2017, 3:30 p.m. in the BART Board Room, 3rd Floor, 344 20th Street, Oakland, CA.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 17-2485 **Version:** 1 **Name:**
Type: Contract **Status:** Consent
File created: 4/5/2017 **In control:** Clipper Executive Board
On agenda: 4/17/2017 **Final action:**
Title: Contract Change Order Amendment - Clipper® Program SSAE 16 Audit: Cubic Transportation Systems, Inc. (\$200,000)
Sponsors:
Indexes:
Code sections:
Attachments: [2b Clipper Contract Action SSAE 16 Audit.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Contract Change Order Amendment - Clipper® Program SSAE 16 Audit: Cubic Transportation Systems, Inc. (\$200,000)

Presenter:
Stephen Abbanat

Recommended Action:
Board Approval

Attachments



Agenda Item 2b

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: April 10, 2017

FR: Carol Kuester

RE: Contract Change Order Amendment – Clipper® Program SSAE 16 Audit: Cubic Transportation Systems, Inc. (\$200,000)

Background

In May 2012, the MTC Operations Committee approved a contract change order to Cubic to engage a firm to assess Cubic's financial and system controls associated with fare processing, financial reconciliation, cardholder support services, card fulfillment, information system operations and card account management functions. These tasks are completed via a standard approach called a Statement on Standards for Attestation Engagement No. 16 Report (SSAE 16 Audit). Transit operators require this as part of their annual audit, particularly as Clipper® collects an ever-larger share of their fares.

Industry leading practices recommend conducting annual audits to maintain vendor focus on controls. Transit agency auditors use these reports to reduce the required audit procedures for the transit agency financial audit process, since a significant portion of transit agency revenue is managed through Clipper®. This change order amendment (Amendment 5) will allow Cubic to engage a firm to perform the SSAE 16 Audit for FY 2017-18.

The first SSAE 16 Audit was completed in November 2013. Following completion of this report, the Change Order was subsequently amended to include SSAE 16 Audits for FY 2013-14 (Amendment 1), FY 2014-15 (Amendment 2), and FY 2015-16 (Amendment 3). This Board approved the FY 2016-17 SSAE 16 Audit (Amendment 4) in March of 2016. Each year these audits provided an attestation report to state that management controls were tested as effectively meeting risk management objectives.

Recommendation

Staff recommends that the Executive Board approve a contract change order amendment with Cubic in the amount not to exceed \$200,000 for the SSAE 16 audit for the FY 2017-18 as described above.

Carol Kuester

REQUEST FOR BOARD APPROVAL
Summary of Proposed Contract Change Order

Contractor:	Cubic Transportation Systems, Inc. San Diego, CA
Work Project Title:	Statement on Standards for Attestation Engagement No. 16 Report (SSAE 16) for FY 2017-18 (Am. #5 to CCO-159)
Purpose of Amendment:	To produce a Statement on Standards for Attestation Engagement No. 16 Report (SSAE 16) for the 2017-18 Fiscal Year.
Brief Scope of Work:	SSAE 16 audits provided an attestation report to state that management financial and information technology controls are tested as effectively meeting risk management objectives during the observation period of the report.
Project Cost Not to Exceed:	\$200,000 (this Amendment) Total contract value including amendments before this amendment = \$164,359,410 Total contract amount with this amendment = \$164,559,410
Funding Source:	TCP, STP, CMAQ, STA, Regional Measure 2 Capital, STA, Regional Measure 2 Operating
Fiscal Impact:	Funding dependent on approval of the FY 2017-18 MTC agency budget.
Motion by Board:	The Change Order Amendment with Cubic Transportation Systems, Inc., for the purposes described herein and in the Executive Director's memorandum dated April 10, 2017, is hereby approved by the Clipper® Executive Board.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: April 17, 2017



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	17-2457	Version:	1	Name:	
Type:	Contract	Status:		Committee Approval	
File created:	3/31/2017	In control:		Clipper Executive Board	
On agenda:	4/17/2017	Final action:			
Title:	Contract Change Order - Five Year Operation and Maintenance Extension: Cubic Transportation Systems (Cubic) (\$25,000,000 annually)				
	Request for an extension of the Cubic contract to operate and maintain Clipper® to ensure smooth transition to a Next-Generation Clipper ® contract.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	3a Current Clipper Contract Extension.pdf				
	3a Handout-Summary Schedule.pdf				
Date	Ver.	Action By	Action	Result	

Subject:

Contract Change Order - Five Year Operation and Maintenance Extension: Cubic Transportation Systems (Cubic) (\$25,000,000 annually)

Request for an extension of the Cubic contract to operate and maintain Clipper® to ensure smooth transition to a Next-Generation Clipper ® contract.

Presenter:

Carol Kuester

Recommended Action:

Board Approval

Attachments



Agenda Item 3a

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: April 10, 2017

FR: Carol Kuester

RE: Contract Change Order – Five Year Operation and Maintenance Extension: Cubic Transportation Systems (Cubic) (\$25,000,000 annually)

Background

The Next Generation Clipper® (C2) System Integrator Industry Review Draft request for proposal (RFP) was published on January 27, 2017, with the requirement that the vendor selected to perform the C2 contract (the “C2 Contractor”) will assume operation and maintenance of C1 (“C1 O&M”) while C2 is being designed and implemented. Under the terms of the RFP, the proposal to perform C1 O&M will not be scored with the rest of the proposal in order to level the playing field between the incumbent and other vendors. However, it will be evaluated for soundness of the technical approach, price realism, and cost effectiveness. If the vendor selected as C2 system integrator also submits a sound, realistic, cost effective proposal for C1 O&M, the C2 contract will include C1 O&M. However, at the request of the Clipper® Executive Board, Clipper® staff have negotiated a Change Order to the current Contract with Cubic to extend C1 O&M for up to 5 years in order to assure a smooth customer transition to C2. MTC and the operators reserve the right not to award C1 O&M to the C2 Contractor, in which case the contract extension with Cubic will be implemented.

Scope of Work

The proposed contract change order has the following key terms:

- An extension of the current O&M term beginning November 3, 2019 of not less than two and up to five years, that will be terminated by MTC if the incumbent Contractor is selected as the C2 Contractor and will provide C1 O&M under the terms of the C2 Contract or if the selected C2 Contractor performs C1 O&M under the C2 Contract;
- The existing, federally-required contract clause providing for the termination of the extension for convenience of MTC may be exercised at any time, by written notice, but if MTC provides at least one year advance notice of termination, Cubic’s termination cost recovery is limited to early rent termination costs;
- No change in existing O&M requirements or payment terms for the first year, to be extended to the second year, if the final project schedule for C2 calls for C2 revenue-generating transactions to start after November 2021;
- The remaining years (Years 3-5), if any, to be paid for on a Time & Materials (T&M) basis, capped at the monthly average cost of the first year extension, excluding any rent increases beyond Cubic’s current lease term;
- Key Performance Indicators (KPIs) will continue in full force and effect for Year 1 and any other year in which the current scope of work remains intact; after that, only those KPIs related to specific O&M services to be performed by Cubic in their entirety will be subject to KPIs;

- Cubic agrees to reasonably cooperate in good faith with the C2 Contractor in the event of a transition; and
- Cubic will maintain the system in a state of good repair pursuant to the current Contract during Year 1 and any additional year performed under the current contract terms, after which asset replacement will be paid for by MTC, unless caused by Contractor's failure to perform maintenance.

The proposed contract extension is a sole source contract, based on Cubic's unique capability performing the C1 O&M work on the existing system; however, if C2 proposals show otherwise, MTC anticipates that the selected C2 contractor would perform C1 O&M, and the proposed Contract Change Order would be terminated.

During negotiations, transit operator representatives have been kept apprised of and reviewed the key terms and conditions of the proposed contract change order and were invited to participate in the most recent negotiations with Cubic.

Response to Previous Board Questions

- Contract permits termination in part, if MTC wants another vendor to perform certain work. If terminated with less than one year notice, termination costs would be due under federally-mandated termination for convenience provision;
- Cubic was asked to accept a six month "grace period" for no termination costs; they declined, based on the number of contracts, including their leases that operate on one year terms.

Summary

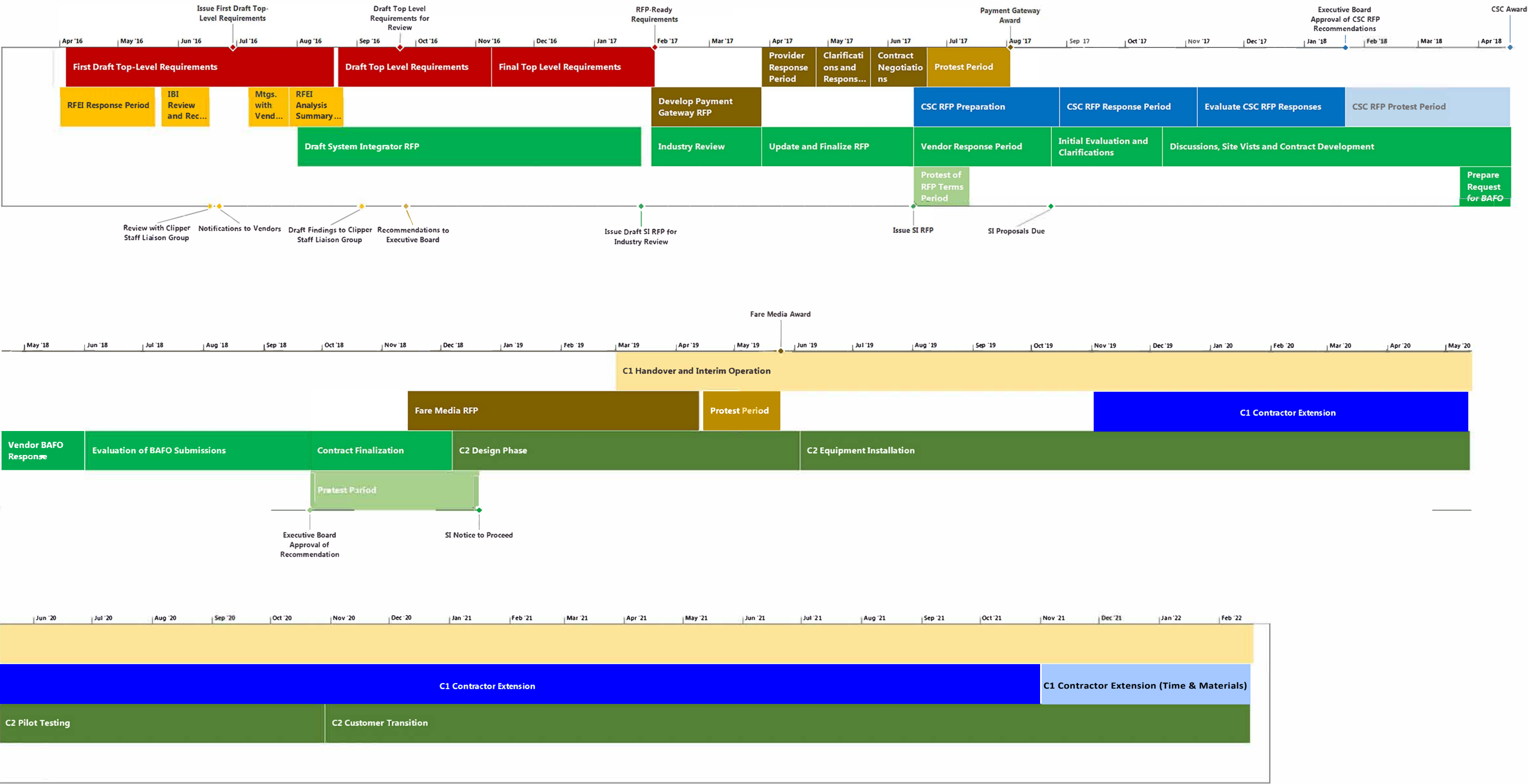
Staff recommends that the Clipper® Executive Board approve MTC Change Order No. 0218 with Cubic Transportation Systems, Inc., in an amount specified in the attached summary.



Carol Kuester

REQUEST FOR CLIPPER® EXECUTIVE BOARD APPROVAL
Summary of Contract Change Order

Contractor:	Cubic Transportation Systems, Inc.
Work Project Title:	Five Year Operation and Maintenance Extension
Purpose of Amendment:	Extend Operation and Maintenance under the current Clipper® Contract terms and conditions for up to five years.
Brief Scope of Work:	Current Clipper® Contract Operations and Maintenance for up to five years unless Contractor is selected as C2 Contractor or another Contractor is selected to perform C1 Operations and Maintenance.
Project Cost Not to Exceed:	\$25,000,000 annually (this Change Order)
Funding Source:	Participating Operator funds, STP, CMAQ, STA, STP Exchange, Regional Measure 2 Operating
Fiscal Impact:	Funds subject to availability in each FY MTC agency budget. Participating Operators will cover a portion of the costs per the Clipper® Amended and Restated Memorandum of Understanding.
Motion:	That a Contract Change Order with Cubic Transportation Systems, Inc., for the purposes described herein and in the Executive Director's memorandum dated April 10, 2017, is hereby approved by the Clipper® Executive Board.
Clipper® Executive Board:	<hr/>
	Denis Mulligan, Chair
Approved:	Date: April 17, 2017





Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 17-2435 **Version:** 1 **Name:**
Type: Contract **Status:** Committee Approval
File created: 3/17/2017 **In control:** Clipper Executive Board
On agenda: 4/17/2017 **Final action:**
Title: Proposed Revisions to Clipper® Memorandum of Understanding (MOU) and Executive Board Procedures

Amendments and Revisions to the Clipper® MOU and Executive Board Procedures Manual.

Sponsors:

Indexes:

Code sections:

Attachments: [3b_Proposed Revisions to Clipper MOU and EB Procedures.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Proposed Revisions to Clipper® Memorandum of Understanding (MOU) and Executive Board Procedures

Amendments and Revisions to the Clipper® MOU and Executive Board Procedures Manual.

Presenter:

Edward Meng

Recommended Action:

Board Approval

Attachments



Agenda Item 3b

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: April 10, 2017

FR: Carol Kuester

RE: Proposed Revisions to Clipper® Memorandum of Understanding (MOU) and Executive Board Procedures

Background

The current Amended and Restated Clipper® Memorandum of Understanding (“MOU”) established the Clipper® Executive Board and was entered into on February 19, 2016 by and among the Metropolitan Transportation Commission and the 22 transit operators participating in the Clipper® program. At the February 22, 2016 Clipper® Executive Board Meeting, the Board adopted the Board Procedures Manual which included procedures for selection and term of Board members, attendance, delegation, notices and agendas for Board meetings, and meeting business conduct.

Proposal

MTC and transit agency staff have discussed several provisions of the MOU and Board Procedures that may need to be amended or reconsidered since the establishment of the Clipper® Executive Board. The Proposed Amendment No. 1 to the MOU (Attachment A) and Executive Board Procedures Manual (Attachment B) have been revised based on the following proposals:

- The MOU calls for the Executive Board Chair and Vice Chair to be elected annually. **The Proposed Amendment No. 1 to the MOU would revise the MOU to provide for two-year terms for the Chair and Vice Chair.** The Clipper® Executive Board Procedures already provide for two-year terms for officers and would not have to be amended.
- Current MOU and Board Procedures allow two absences for members in each calendar year in which a Board Member may appoint a delegate to vote on their behalf and count towards a quorum. Thereafter, Board Members must be present to vote on items and any representative they send in their absence does not have voting rights and does not count towards a quorum. **The Proposed Amendment No. 1 to the MOU and Clipper® Executive Board Procedures Manual would revise that to allow for Board Member delegates to vote and count towards a quorum for up to four absences per calendar year.**
- The Parties to the MOU share a mutuality of interest and need for joint cooperation in legal matters relating to Clipper®. California case law recognizes a “common interest” doctrine that permits Parties with such shared legal interests to communicate confidentially through legal counsel, as long as certain conditions exist. The TransLink Interagency Participation Agreement (the first iteration of the current MOU) recognized the common interest doctrine, which enabled the members of that group to share confidential information without waiving attorney client privilege. **The Proposed Amendment No. 1 to the MOU adds a statement recognizing the Parties’ Common Interest, which will permit the Parties under circumstances in which their legal interests are aligned to communicate through counsel without waiving the attorney client, attorney work product, or the pooled information privileges.**

- The Clipper® Executive Board Procedures assumed regular Board Meetings would occur at the General Manager Conference Room at BART and that notices and agendas would be posted at both BART and the MTC offices in Oakland. **The Executive Board Procedures Manual has been revised to change references to 101 8th Street in Oakland to MTC's current location at the Bay Area Metro Center at 375 Beale Street in San Francisco, and for Board Meeting locations, notices and agenda posting requirements to reflect actual Board practice with most meetings at the BART Board Room with periodic meetings held elsewhere (mainly the Caltrain/SamTrans Board Room).**

Recommendation

Staff recommends the Executive Board approve the Proposed Amendment No. 1 to the MOU, or seek their governing boards' approval, if necessary, and adopt the Proposed Clipper® Executive Board Procedures Manual revisions. If approved, Amendment No. 1 to the MOU would then need to be signed by MTC and the 22 participating transit operators.



Carol Kuester

Attachments:

- Attachment A: Proposed Amendment No. 1 to the MOU
- Attachment B: Proposed Executive Board Procedures Manual

Amendment No. 1 to

AMENDED AND RESTATED CLIPPER® MEMORANDUM OF UNDERSTANDING

This is Amendment No. 1 ("Amendment") to the Amended and Restated Clipper® Memorandum of Understanding (the "MOU") entered into as of the 19th day of February, 2016 ("Amendment No. 1 Effective Date"), by and among the Metropolitan Transportation Commission ("MTC") and the following transit operators participating in the Clipper® program (referred to herein individually as an "Operator" or collectively as the "Operators"):

Alameda-Contra Costa Transit District ("AC Transit"); Golden Gate Bridge Highway and Transportation District ("GGBHTD"); the San Francisco Bay Area Rapid Transit District ("BART"); the City and County of San Francisco, acting by and through its Municipal Transportation Agency ("SFMTA"); the San Mateo County Transit District ("SamTrans"); the Santa Clara Valley Transportation Authority ("VTA"); the Peninsula Corridor Joint Powers Board ("Caltrain"); Central Contra Costa Transit Authority; City of Fairfield, as the operator of Fairfield and Suisun Transit; City of Petaluma; Eastern Contra Costa Transit Authority; Livermore/Amador Valley Transit Authority; Marin County Transit District; Napa County Transportation and Planning Agency; Solano County Transit; Sonoma County Transit; Sonoma-Marín Area Rail Transit; Vacaville City Coach; Western Contra Costa Transit Authority; San Francisco Bay Area Water Emergency Transportation Authority; City of Santa Rosa; and City of Union City; and any other transit operators that implement Clipper® and execute a Supplemental Agreement to the MOU.

MTC and the Operators are referred to herein collectively as the "Parties" or individually as a "Party".

1. The Parties hereto agree to amend the MOU as follows: Article IV, **Clipper® Executive Board**, is amended in part as follows:

- a. Subarticles H, Board Chair; Committees, and I, Delegates, are amended to read:

- H. Board Chair; Committees. The Executive Board shall bi-annually elect a Chair and Vice Chair from its members. The Chair shall provide administrative staff support to the Executive Board, as needed as determined by the Chair and the Clipper® Executive Director. The Chair may appoint advisory committees or working groups for specified projects of limited duration. The Executive Board may establish standing committees from time to time.

- I. Delegates. Executive Board members may appoint, in writing, delegates to vote on their behalf in the event of a member's absence from any Executive Board meeting, for up to four (4) meetings per calendar year. No voting rights are accorded to delegates, nor do delegates count toward a quorum of the Executive Board, when they are representing an Executive Board member for meetings after four (4) missed meetings in a calendar year.

2. A new Article XII, **Common Interest**, is added to the MOU, as follows:

ARTICLE XII
Common Interest

The Parties recognize a mutuality of interest, and a need for joint cooperation in legal matters relating to Clipper®. In furtherance of this common interest, any communications among Parties and counsel for any of the Parties shall be confidential and protected from disclosure to any third party by each and every privilege – including, but not limited to, the attorney-client privilege, the attorney work product privilege, and the pooled information privilege – notwithstanding the dissemination of the communications and work product among Parties by the counsel that made the information available in the first instance. If information covered by the privileges is requested by a third party pursuant to a subpoena or other discovery request, then counsel receiving the request shall notify in a timely fashion the counsel who disclosed the information so that the privileges against disclosure may be asserted.

Should any Party withdraw from or otherwise terminate its participation in the Clipper® program, such withdrawal or termination shall not impair the privileges that protect any information that has been shared prior to such action. Any Party that withdraws or terminates its participation in the Clipper® program shall promptly return all privileged materials that the Party has received.

3. All other terms of the MOU not amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been duly authorized and executed by the Parties hereto on the dates specified below by their duly authorized representatives.

Metropolitan Transportation Commission

Approved as to form:

Name: Steve Heminger
Title: Executive Director

Adrienne Weil, General Counsel

Date: _____

Alameda-Contra Costa Transit District

Approved as to form:

Name: Michael A. Hursh
Title: General Manager

Denise C. Standridge, General Counsel

Date: _____

**Golden Gate Bridge, Highway and
Transportation District**

Approved as to form:

Name: Denis J. Mulligan

Title: General Manager

Date:_____

Kimon Manolius, General Counsel

San Francisco Bay Area Rapid Transit District

Approved as to form:

Name: Grace Crunican

Title: General Manager

Date:_____

Matthew Burrows, General Counsel

**City and County of San Francisco
Municipal Transportation Agency**

Approved as to form:
Dennis J. Herrera, City Attorney

Name: Edward D. Reiskin

Title: Director of Transportation

Date:_____

Name: Robin M. Reitzes, Deputy City Attorney

Municipal Transportation Agency Board of Directors

Resolution No. _____

Dated: _____

Secretary, SFMTAB

San Mateo County Transit District

Approved as to form:

Name: Jim Hartnett

Title: General Manager/CEO

Date:_____

Joan L. Cassman, General Counsel

Santa Clara Valley Transportation Authority

Approved as to form:

Name: Nuria I. Fernandez
Title: General Manager/ Chief Executive Officer
Date:_____

Robert Fabella, General Counsel

Peninsula Corridor Joint Powers Board

Approved as to form:

Name: Jim Hartnett
Title: Executive Director
Date:_____

Joan L. Cassman, General Counsel

Central Contra Costa Transit Authority

Approved as to form:

Name: Rick Ramacier
Title: General Manager
Date:_____

Madeline Chun, General Counsel

**City of Fairfield
Fairfield and Suisun Transit**

Approved as to form:

Name: David A. White
Title: City Manager
Date:_____

Trisha Ortiz, General Counsel

City of Petaluma

Approved as to form:

Name: John C. Brown
Title: City Manager
Date:_____

_____, General Counsel

Eastern Contra Costa Transit Authority

Approved as to form:

Name: Jeanne Krieg

Title: CEO

Date:_____

Ben Stock, General Counsel

Livermore/Amador Valley Transit Authority

Approved as to form:

Name: Michael S. Tree

Title: Executive Director

Date:_____

Michael N. Conneran, General Counsel

Marin County Transit District

Approved as to form:

Name: Nancy E. Whelan

Title: General Manager

Date:_____

Brian Case, General Counsel

Napa County Transportation and Planning Agency

Approved as to form:

Name: Kate Miller

Title: Executive Director

Date:_____

Janice Killian, General Counsel

Solano County Transit

Approved as to form:

Name:_____

Title:_____

Date:_____

Bernadette Curry, General Counsel

Sonoma County Transit

Approved as to form:

Name: Bryan Albee
Title: Transit Systems Manager

Date:_____

Adam Brand, General Counsel

Sonoma-Marin Area Rail Transit District

Approved as to form:

Name: Farhad Mansourian
Title: General Manager

Date:_____

Thomas Lyons, General Counsel

Vacaville City Coach

Approved as to form:

Name: Steven L. Hartwig
Title: Public Works Director

Date:_____

Gerald L. Hobrecht, General Counsel

Western Contra Costa Transit Authority

Approved as to form:

Name: Charles Anderson
Title: General Manager

Date:_____

Michael N. Conneran, General Counsel

**San Francisco Bay Area Water Emergency
Transportation Authority**

Approved as to form:

Name: Nina Rannells
Title: Executive Director

Date:_____

Stanley S. Taylor III, General Counsel

City of Santa Rosa

Approved as to form:

Name: Gloria Hurtado
Title: Deputy City Manager

Date:_____

_____, General Counsel

City of Union City

Approved as to form:

Name: Antonio E. Acosta
Title: City Manager

Date:_____

Benjamin T. Reyes, II, General Counsel

DRAFT – 4/6/17

Additions underlined; deletions struck.

ATTACHMENT A

CLIPPER® EXECUTIVE BOARD

PROCEDURES MANUAL

Adopted **February 22, 2016**

Amended, 2017

CLIPPER® EXECUTIVE BOARD

PROCEDURES MANUAL

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CLIPPER® EXECUTIVE BOARD
PROCEDURES MANUAL

INTRODUCTION

The Clipper® Executive Board (the “Board”) was established by Article IV, Section A, of the Amended and Restated Clipper® Memorandum of Understanding, entered into as of the **19th day of February, 2016** (the “MOU”), by and among the Metropolitan Transportation Commission (“MTC”) and the following transit operators participating in the Clipper® electronic fare collection program:

Alameda-Contra Costa Transit District (“AC Transit”); Golden Gate Bridge Highway and Transportation District (“GGBHTD”); the San Francisco Bay Area Rapid Transit District (“BART”); the City and County of San Francisco, acting by and through its Municipal Transportation Agency (“SFMTA”); the San Mateo County Transit District (“SamTrans”); the Santa Clara Valley Transportation Authority (“VTA”); the Peninsula Corridor Joint Powers Board (“Caltrain”); Central Contra Costa Transit Authority; City of Fairfield, as the operator of Fairfield and Suisun Transit; City of Petaluma; Eastern Contra Costa Transit Authority; Livermore/Amador Valley Transit Authority; Marin County Transit District; Napa County Transportation and Planning Agency; Solano County Transit; Sonoma County Transit; Sonoma-Marín Area Rail Transit; Vacaville City Coach; Western Contra Costa Transit Authority; San Francisco Bay Area Water Emergency Transportation Authority; City of Santa Rosa; and City of Union City; and any other transit operators that implement Clipper® and execute a Supplemental Agreement to the MOU.

Under the MOU, the Board shall designate one of the parties to the MOU to serve as “Contracting Agency” under the MOU. Per Article IV, Section D, of the MOU, MTC serves as the initial Contracting Agency.

I. THE BOARD AND BOARD MEMBERS

1.01. Board Members. Per Article IV, Section A of the MOU, the Board shall be comprised of nine members: one representative each from SFMTA, BART, Caltrain/SamTrans, AC Transit, VTA, GGBHTD and MTC, and two representatives who are selected to represent all other Operators (the “Small Operators”) in the sole discretion of the Small Operators. Each representative shall be at the Executive Director/General Manager or Senior Management level; provided, however, that it is the intent of the Board that members be at the Executive Director/General Manager level whenever practicable.

1.02. Selection. In the event the Executive Director or General Manager, as applicable, of SFMTA, BART, Caltrain/SamTrans, AC Transit, VTA, GGBHTD or MTC wishes to appoint someone other than herself or himself to the Board, she or he shall issue a letter to the then-current Board Chair indicating the name and title of the appointed Board member representing the agency. The Board members representing the Small Operators shall be selected by the Small Operators at their monthly meeting, and the identity of those Board members shall be communicated in writing to the then-current Board Chair.

1.03. Term of Office. There is no limit to the term of office of Board members.

1.04. Delegates. Per Article IV, Section I, of the MOU, Board members may appoint, in writing, delegates to vote on their behalf in the event of a member's absence from any Board meeting, for up to ~~two~~ four (24) meetings per calendar year. Such written appointment may be made via electronic mail sent to the Chair, Vice Chair and Clipper® Executive Director prior to the applicable Board meeting. Each delegate appointed in accordance herewith and with Article IV, Section I, of the MOU shall count toward a quorum of the Board.

~~A Board member may send an alternate to attend in such member's absence for the third and subsequent meetings from which such member is absent in a given calendar year.~~ Per Article IV, Section I, of the MOU, no voting rights are accorded to ~~alternates~~ delegates, nor do ~~alternates~~ delegates count toward a quorum of the Board, when ~~alternates~~ delegates are representing a Board member for meetings after ~~two~~ four (24) missed meetings in a calendar year.

1.05. Reimbursement. Board members serve without receiving any compensation or reimbursement from the Clipper® program for such service.

1.06. Telephonic Attendance. Per Article IV, Section F, of the MOU, in the absence of a quorum, a smaller number of Board members may secure the attendance of absent members by video conference, teleconference or other means compliant with the Brown Act to establish a quorum. In addition, Board members may attend any regular or special Board meeting by video conference or teleconference. In either such case, a Board member who plans to attend a meeting telephonically shall notify the Board Chair and the Clipper® Executive Director in writing at least one (1) week prior to the scheduled meeting date.

II. OFFICERS

2.01. Board Officers. There are two (2) Board officers: a Chair and a Vice Chair. Any Board member is eligible to hold the office of Chair or Vice Chair.

2.02. Term. After the initial term of the initial Chair and Vice Chair, which shall end in February 2018, the Chair and Vice Chair shall serve two-year terms commencing upon elections at the regular Board meeting in February of even numbered years. A Board member may serve as Chair or Vice Chair without restriction as to number of terms, but shall not serve more than two (2) consecutive terms as Chair or Vice Chair. The Chair and Vice Chair shall serve as such until their successors are elected.

2.03. Nomination/Election of Board Officers. The existing Chair, or the Vice Chair in the absence of the Chair, shall preside over the meeting as Acting Chair until the election of the new officers. The Acting Chair shall seek nominations (including self-nominations) for the role of Chair, and a vote for Chair shall be held in accordance with the MOU. Upon the motion of any Committee member, a vote by ballot may be held in lieu of a voice vote. The Acting Chair shall then seek nominations (including self-nominations) for the role of Vice Chair, and a vote for Vice Chair shall be held in accordance with the MOU. Upon the motion of any Committee member, a vote by ballot may be held in lieu of a voice vote. Upon the election of new officers, the new Chair shall take over the gavel and conduct the remaining business of the meeting.

2.04. Duties of Chair. The Chair shall preside at all meetings of the Board, state each question for vote, announce the decision, and decide all questions of order subject to appeal to the Board. The Chair is a voting ex-officio member of any standing committees of the Board. In such capacity the Chair shall vote only when necessary to attain a quorum of voting members of a committee. The Chair shall execute any resolutions adopted by the Board and any other documents that may require the signature of the Chair.

The Chair shall appoint, subject to approval of the Board, members of standing committees. The Chair shall select the Chair and Vice Chair of each committee subject to approval of the Board.

The Chair shall also appoint, subject to the approval of the Board, Board members of special committees.

In years when a new Chair is elected, then current committee members, chairs, and vice chairs shall continue to serve as such until the new Chair makes new committee appointments. To the extent necessary to carry out committee business, the Chair may appoint temporary committee chairs, vice chairs, and members, pending confirmation of committee appointments.

The Chair shall perform such functions as may be delegated by action of the Board. Where circumstances warrant, the Chair may, in the absence of existing policy, act as necessary for the Board between its scheduled meetings and shall report that action at the next Board meeting.

The Chair shall select a temporary chair of a committee when that committee's chair and vice chair are both unable to attend that committee's meeting(s).

2.05. Duties of Vice Chair. The Vice Chair shall assume the Chair's duties in the Chair's absence. In addition, the Vice Chair is a voting ex-officio member of any standing committees of the Board. In such capacity the Vice Chair shall vote only when necessary to attain a quorum of voting members of a committee.

2.06. Chair Pro Tem. If both the Chair and Vice Chair are or will be absent from a Board meeting or other functions, or if duties of the Chair (including, but not limited to, the execution of documents) must be performed in the absence of both the Chair and Vice Chair, then the Chair shall designate a Board member to perform such functions and duties as Chair Pro Tem, or, absent such a designation, the Board members present at the Board meeting or other function shall select a Chair Pro Tem from among themselves.

2.07. Vacancies During Term of Office.

A. Chair. In the event the office of Chair is vacated during the term, the vacancy shall be filled for the unexpired balance of the term by the Vice Chair.

B. Vice Chair. In the event the office of Vice Chair is vacated during the term, the vacancy may be filled for the unexpired balance of the term by a special election.

C. Chair and Vice Chair. In the event the office of Chair and Vice Chair are both vacated simultaneously during their terms, the vacancy for Chair and Vice Chair shall be filled for the unexpired balance of the term by a special election.

2.08 Executive Director. Under Article V the MOU, the Clipper® Executive Director shall be selected and appointed by the Contracting Agency following consultation with the Board to factor in any Board concerns, and Carol Kuester, an employee of MTC, is the initial Clipper® Executive Director. The Board shall designate an employee of one of the agencies represented on the Board to act as Secretary of the Board for the purpose of keeping its minutes. The Contracting Agency shall keep any resolutions adopted by the Board.

III. BOARD MEETINGS AND CONDUCT OF BUSINESS

3.01. Principal Offices. The principal offices of the Board shall be the offices of the then-current Contracting Agency, which currently are: Clipper® Executive Board, c/o Metropolitan Transportation Commission, ~~Joseph P. Bort~~Bay Area Metro Center, ~~101–8th375~~Beale Street, Suite 800, OaklandSan Francisco, CA 94607-4700105, or at such other location as may be determined by Board action.

3.02. Regular Board Meetings. Regular Board meetings shall take place according to a schedule which shall be adopted by the Board for each calendar year no later than the first meeting of such calendar year. Board meetings shall be held in the ~~General Manager's Conference~~Bay Area Rapid Transit Board Room at ~~30044 Lakeside Drive~~20th Street, 23rd Floor, Oakland, California, or in alternate locations within the Bay Area that are easily available to the public and accessible to persons with disabilities; provided that, if such an alternative location is chosen, it shall be publicly announced, if possible, at the preceding regular Board meeting.

The Chair may cancel or reschedule a regular Board meeting if a quorum cannot be obtained, or if there is insufficient business to warrant a meeting. Notice of cancellation of a meeting shall be given, if possible, not later than seven (7) days prior to the meeting date to those persons who receive formal notice of regular meetings.

3.03. Special Board Meetings. The Chair may call special meetings of the Board when warranted by the business of the Board. In addition, upon written request of four (4) Board members, a special meeting shall be held upon the call of the Chair.

3.04. Notice Regarding Board Meetings. Notice of Board meetings shall be given as follows:

A. Regular Meetings. Notice of all regular Board meetings shall be given in compliance with applicable provisions of the Ralph M. Brown Act (Government Code Section 54950 *et seq.*, as may be amended from time to time; hereinafter "Brown Act"). The notice shall at a minimum specify the date, hour, and location of the meeting and may be a preliminary agenda for the meeting. The final agenda shall be posted at 300 Lakeside Drive, Oakland, California, or at the designated alternate location within the Bay Area and ~~in at the MTC library~~Bay Area Metro

~~Center, 401—8th 375 Beale~~ Street, ~~Oakland-San Francisco~~ California, not later than 72 hours prior to the date of the meeting.

B. Special Meetings. Notice of special meetings shall be given in compliance with applicable provisions of the Brown Act. Notice of special meetings shall specify the date, time, and location of the meeting and the matters to be considered by the Board. No matters other than those specified in the notice of special meetings may be considered. Notice of special meetings shall be given to those persons who receive notice of regular meetings. Unless otherwise provided by the Brown Act, at least twenty-four (24) hours' written notice shall be given by electronic or U.S. postal mail or personal delivery to each Board member and to each local newspaper of general circulation, radio or television station requesting notice in writing, and by posting such notice at 300 Lakeside Drive, Oakland, California, or at the designated alternate location and ~~in at the MTC library~~ Bay Area Metro Center, 401—8th 375 Beale Street, ~~Oakland-San Francisco~~ California.

C. Recipients of Notice. Notice of Board meetings may be received by any person or organization requesting notice. Designated Contracting Agency staff shall maintain a database of persons and organizations who have requested notice or to whom, in designated staff's judgment, notice shall be sent. The database is updated on an ongoing basis.

D. Brown Act. In providing notice of Board meetings, Contracting Agency staff shall at all times comply at least with all minimum applicable notice requirements of the Brown Act.

3.05. Open Meetings. In accordance with the provisions of the Brown Act, all meetings of the Board shall be open to the public except matters that may be discussed in closed session pursuant to the Brown Act. Members of the public shall have an opportunity to directly address the Board on matters before it, subject to limitations on the total amount of time allocated for public testimony on particular issues and for each individual speaker.

3.06. Quorum. Five (5) Board members shall constitute a quorum for any meeting of the Board. No official action shall be taken by the Board unless a quorum is present either in person or using other methods compliant with the Brown Act. Per Article IV, Section G, of the MOU, a vote of a majority of the Board is required for approval.

3.07. Voting. Each Board member shall have one (1) vote. Voting shall be by voice; provided that a roll call shall be taken at the Chair's discretion or upon the request of one (1) Board member. Board members may not abstain from voting on any matter before the Board, except in cases of conflicts of interest.

3.08. Conduct of Meetings. Robert's Rules of Order, as revised, except when inconsistent with these procedures, law, or specific resolutions of the Board, shall govern the conduct of meetings of the Board and its established committees.

3.09. Agenda. The Board may take no action on any item not appearing on the agenda except as allowed under the Brown Act. All items on Board agendas shall be subject to action.

A preliminary agenda shall be distributed electronically or by regular or express mail prior to the date of the meeting, consistent with the Brown Act. (See Subsection 3.04, Notice Regarding Board Meetings.) A final agenda will be prepared and posted at 300 Lakeside Drive, Oakland, California, or at the designated alternate location and ~~in at~~ the ~~MTC library~~ Bay Area Metro Center, 401—8th 375 Beale Street, Oakland-San Francisco California, in accordance with the Brown Act. Copies of the final agenda will be available at the meeting.

If, in the Chair's judgment, it is necessary to maintain the orderly flow of business, public comment may be restricted by any one or a combination of the following procedures:

1. limiting the time each speaker may testify per agenda item. The limit may not be less than one (1) minute for each speaker, and may range, at the discretion of the Chair, up to three (3) minutes per speaker.
2. requiring a speaker who plans to speak on more than one agenda item to combine his or her testimony on all agenda items to one appearance. The limit for a combined appearance may not be less than three (3) minutes per speaker, and may range, at the discretion of the Chair, up to seven (7) minutes per speaker.
3. establishing the maximum amount of time available during the meeting for public comment so as to permit the meeting agenda to be completed before the loss of a quorum; provided, however, that each speaker be permitted to speak at least one (1) minute.

4. establishing a single period of time during a meeting to take all public testimony before proceeding with the agenda, when there are multiple requests to speak on multiple items on the agenda.

5. rearranging the order of items on the agenda to accommodate public testimony.

Any decision of the Chair regarding the taking of public testimony made pursuant to this Board Procedures Manual shall govern for the meeting unless overruled by a two-thirds vote of the quorum present.

The order of agenda items may also be changed, if, in the Chair's judgment, there are other reasons to do so.

3.10. Resolutions. Resolutions may be considered by the Board at any regular or special Board meetings. All resolutions shall be in writing. The original of a resolution adopted by the Board is the one signed by the Chair and shall be the official text of that resolution.

3.11. Recording of Meetings. If possible, Board meetings shall be recorded. Copies of any recordings (in accessible formats, for persons with disabilities) shall be made available to the public upon request. Further, any citizen may record a Board meeting or parts thereof, if such recording is done in a reasonable manner.

3.12. Minutes of Meetings. The Board shall keep accurate minutes of all meetings and make them available to the public. Minutes shall include a record of attendance, a summary of motions, resolutions, consensus items, discussion on motions receiving a split vote and/or resulting in a direction to staff or a Board committee, other business, and public comment. The approved minutes shall be the evidence of action taken at a meeting.

3.13. Meeting Conduct. In the event that any Board or committee meeting is willfully interrupted or disrupted by a person or by a group or groups of persons so as to render the orderly conduct of the meeting unfeasible, the Chair may order the removal of those individuals who are willfully disrupting the meeting. Such individuals may be subject to arrest. If order cannot be restored by such removal, the members of the Board 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 on matters appearing on the agenda.

IV. BOARD COMMITTEES

4.01. Types. Board committees are designated as standing committees, special committees, or advisory committees.

4.02. Policy. It is the general policy of the Board to receive comments from the public on specific items at committee meetings. Summaries of these comments shall be included in the committee minutes and forwarded to all Board members.

4.03. Standing Committees. Each standing committee is charged with subject matter responsibility over specific element(s) of the Board's overall mission and/or organizational functions. Standing committees shall be composed solely of Board members. Notwithstanding that there may be a quorum of the Board (five (5) or more members) in attendance at a standing committee meeting, no standing committee may act for the full Board unless the meeting is noticed, in accordance with the Brown Act, as a Board meeting.

4.04. Special Committees. The Board may establish special committees to supervise the development of a specific task or project. Membership of special committees is not limited to Board members. Composition of special committees will depend upon the task to be performed and may involve the participation of private citizens or representatives of other public agencies.

4.05. Appointments to Committees.

A. Manner of Appointment. The Chair of the Board, subject to the approval of the Board, shall appoint members of standing committees and special committees. The Board Chair shall designate the Chair and Vice Chair of the committee, subject to approval of the Board. In the event the Chair and Vice Chair of a committee are not present at a committee meeting, the committee members present shall select a Chair Pro Tem for that meeting from among themselves.

B. Term. Subject to Section 2.04, appointments to committees shall be for the term of the Board Chair.

4.06. Quorum. The quorum for committees established by the Board shall be a majority of the committee's non-ex-officio voting membership. If necessary to establish a quorum of a committee at a meeting, the Chair and Vice Chair of the Board, as ex-officio members of the

committee, shall become voting members for that meeting. Unless otherwise approved by the Board, standing committees shall have at least four (4) voting members, as approved by the Board, plus the Chair and Vice Chair as ex-officio, voting members.

Every member of the Board who is not a voting member of a committee is an ad hoc non-voting member. Although a quorum of the Board may be in attendance at a meeting of a committee, the committee may take action only on those matters delegated to it. The committee may not take any action as the full Board unless a meeting has been previously noticed as a Board meeting.

An ad hoc non-voting committee member who is also a voting member of the Board may be designated by the committee chairperson as a voting member at a particular committee meeting if an additional voting member is needed for a committee quorum.

4.07. Open Meetings. It is recognized that “legislative body” as defined in the Brown Act does not include committees composed solely of Board members when they number less than a quorum of the Board or a quorum of a standing committee. It is the intention of the Board to apply the Brown Act to include all non-ad-hoc committees created by the Board, not just those identified as advisory commissions or committees. All meetings of non-ad-hoc committees created by the Board, with the exception of closed sessions permitted by the Brown Act, shall be open meetings properly announced in accordance with the provisions of the Brown Act.

4.08. Notice of Meetings. Notice of regular committee meetings shall be given consistent with applicable provisions of the Brown Act and posted at 300 Lakeside Drive, Oakland, California, or at the designated alternate location and ~~in at~~ the ~~MTC library~~ Bay Area Metro Center, 401—8th 375 Beale Street, Oakland-San Francisco California, not less than 72 hours, preceding the date of the meeting. If a special meeting is called on short notice, then notice shall comply with the requirements of Subsection 3.04 B of these procedures. The notice shall announce the date, time, and location of the meeting together with an agenda. This notice shall be sent to all Board members and to media representatives, concerned citizens, and organizations who have filed a request for receipt of notice of committee meetings, and posted at 300 Lakeside Drive, Oakland, California, or at the designated alternate location and ~~in at~~ the ~~MTC library~~ Bay Area Metro

~~Center, 401—8th 375 Beale Street, Oakland-San Francisco~~ California. Special meetings of committees shall comply with the minimum notice provisions of the Brown Act. Notices of postponed or canceled committee meetings shall be posted at 300 Lakeside Drive, Oakland, California, or at the designated alternate location and ~~inat~~ the ~~MTC library~~Bay Area Metro Center, 401—8th 375 Beale Street, ~~Oakland-San Francisco~~ California, not less than 72 hours prior to the regular date of the meeting and shall state the date, time, and location of the next committee meeting if possible. Notices of meetings held earlier than the regular meeting date shall be sent out and posted at 300 Lakeside Drive, Oakland, California, or at the designated alternate location and ~~inat~~ the ~~MTC library~~Bay Area Metro Center, 401—8th 375 Beale Street, ~~Oakland-San Francisco~~ California, as soon as possible.

4.09. Recording of Meetings. Standing and special committee meetings, if possible, shall be recorded and follow the procedures as stated in Subsection 3.11 of this document.

4.10. Minutes of Committee Meetings. Minutes of all committee meetings shall be kept and made available to the public. Minutes shall include a record of attendance, a summary of motions, resolutions, consensus items, discussion on motions receiving a split vote and/or resulting in a direction to staff or a Board committee, other business, and public comment.

V. MISCELLANEOUS

5.01 Authority. The Clipper® Executive Board finds that these procedures are necessary to carry out the purposes of the MOU. These procedures are adopted pursuant to the Board's authority under the MOU.

5.02 Emergency Notice Provision. In the event a postal strike or other calamity makes it impossible to give notice of meetings by mail as required in these procedures, notice of meetings of the Board and its committees shall be given to Board and committee members, respectively, with such time and by such means as may be practical, which may include, but not be limited to, personal service, facsimile, email and posting at the Contracting Agency's website. In such event, the general public and those requesting notice of Board and committee meetings shall be notified, if possible, by publication of notice in a newspaper or newspapers of general circulation in the region. The timing and content of such published notice shall conform, if possible, to the requirements pertaining to mailed notice set forth in these procedures.

5.03 Severability. Should any part, term, portion, or provision of these procedures be finally decided to be in conflict with any law of the United States or the State of California or otherwise be ineffectual or unenforceable, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, providing such remaining portions or provisions can be construed to stand as the Board intended.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 17-2458 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 3/31/2017 **In control:** Clipper Executive Board
On agenda: 4/17/2017 **Final action:**
Title: Clipper® Cardholder License Agreement

Revisions to the current Clipper® Cardholder Agreement.

Sponsors:

Indexes:

Code sections:

Attachments: [4a Clipper Cardholder License Agreement.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Cardholder License Agreement

Revisions to the current Clipper® Cardholder Agreement.

Presenter:

David Weir

Recommended Action:

Information

Attachments



Agenda Item 4a
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: April 10, 2017

FR: Carol Kuester

RE: Clipper® Cardholder License Agreement

Background

The Clipper® Cardholder License Agreement (“Cardholder Agreement”) governs the legal arrangement between the Metropolitan Transportation Commission (MTC) and each individual Clipper® cardholder. Two changes are planned.

1. MTC’s evaluation of possible options for accessing inactive card funds has led to planned revisions in the cardholder agreement that set the stage for potential future actions.
2. MTC’s privacy officer has advised that cardholders are responsible for release of their personally identifiable information when they use Clipper® cards for reasons other than fare payment (e.g., bike share, school IDs) and that they be so notified via the cardholder agreement.

Cardholder Agreement Revisions

MTC staff have recently drafted revisions to the Cardholder Agreement. The Cardholder Agreement as revised will go into effect after being published on the Clipper® website, as described below. For your information, the revised Cardholder Agreement is an Attachment to this memo.

New provisions in the Cardholder Agreement cover the following:

1. A Clipper® card not used for three or more consecutive years may potentially be blocked and the funds on that card may, at MTC’s discretion, not be refunded (Sections 1.8 and 9.2);
2. A cardholder may, at MTC’s discretion, not be refunded or credited with value ordered online that has not been picked up within 180 days (Sections 1.9 and 7.3); and
3. Any voluntary disclosure by a cardholder of their Personally Identifiable Information (PII) to a third party, or a cardholder’s use of their Clipper® card with some entity other than a transit agency, is at the cardholder’s risk (Sections 12.6 and 13).

At this time, no changes are proposed to exercise provisions one and two above, but we recommend including this language in the Cardholder Agreement now to fully inform cardholders in advance that this might occur. Without these changes, cardholders have a reasonable expectation that their balances will never expire. These changes put them on notice that this may not be the case.

The Cardholder Agreement as revised will next be translated into Spanish and Chinese, before being posted on the Clipper® website in those languages as well as English. Changes to the Cardholder Agreement go into effect thirty days after posting on the Clipper® website. A Clipper® cardholder is conclusively deemed to have agreed to the changes by acquiring or using a Clipper® card after the revised Cardholder Agreement goes into effect.



Carol Kuester

Attachment:

- Attachment A: Revised Clipper® Cardholder Agreement

J:\COMMITTEE\Clipper Executive Board\CEB2017\04_CEB_Apr 2017\4a_Cardholder Agreement Update_v4.docx

DRAFT – 3/13/17

Additions underlined; deletions struck.

CLIPPER® CARDHOLDER LICENSE AGREEMENT

YOUR FIRST USE OF THE CLIPPER® SMART CARD MEANS YOU ACCEPT THE TERMS AND CONDITIONS OF THIS CLIPPER® CARDHOLDER LICENSE AGREEMENT.

1. DEFINITIONS

1.1 The Card – is the Clipper® Card licensed to Cardholders to pay transit fares on participating transit systems. The Card is the property of MTC, the Card Issuer. Each Card is uniquely identified by a serial number printed on the back of the Card.

1.2 MTC – is the Metropolitan Transportation Commission.

1.3 Cardholder – is the bearer of a Card.

1.4 Service Providers – are transit agencies participating in the Clipper® Fare Payment System (FPS). Current information on Service Providers is available at clippercard.com.

1.5 Clipper® Customer Service Center – is an agent of MTC.

1.6 Registered Card – is a Card for which the Cardholder has provided a valid name, address, phone number and email address (if available) to the Clipper® Customer Service Center for the creation of a record in the Clipper® customer database.

1.7 Use – includes registering a Card, adding cash value or a transit pass to a Card, or using a Card to pay for transit service or parking.

1.8 Inactive Funds – Fund balance on a Card not Used within the previous three (3) or more consecutive years.

1.9 Undelivered Order – Transaction ordering products or cash value that is not added to a Card for more than one hundred eighty (180) days after payment has been received.

2. CARD TYPES

2.1 Four types of Clipper® cards are available:

2.1.1 Adult Cards – are available for Use by all Cardholders.

2.1.2 Youth Cards – are available for Cardholders eligible for youth discounts offered by Service Providers. Date of birth information will be encoded onto the Card.

2.1.3 Senior Cards – are available for Cardholders eligible for senior discounts offered by Service Providers. Date of birth information will be encoded onto the Card.

2.1.4 Senior/Disabled Cards – are distributed in accordance with the Regional Transit Connection (RTC) Discount Card Program, which is managed by the Service Providers.

3. FARE PAYMENT TRANSACTIONS

3.1 Each Service Provider determines the fares and other conditions for Use of the Card on its transit system.

3.2 For cash transactions, the value of each ride is deducted from the Cardholder's cash balance when he/she Uses his/her Card.

3.3 All fares, including promotional or discount fares, are subject to review, change, and withdrawal by the relevant Service Provider at any time.

3.3.1 If the Cardholder is eligible for a discount based on age, date of birth information must be encoded onto the Card. The Service Provider's existing policy for cash discounts based on age shall determine whether a discount cash fare is deducted at the point of use.

3.4 If a ride costs more than the cash value on the Cardholder's Clipper® card, Clipper® may let the Cardholder complete the trip even if the fare exceeds the Card's remaining value. However, sufficient value must be added to the Card to pay for the prior trip before the Card can be used again.

3. If, for any reason, the Card is not accepted for fare payment on a participating Service Provider, the Cardholder may be required by the Service Provider to pay the fare in cash.

4. ADD VALUE TRANSACTIONS

MTC may require a minimum add value amount when the Cardholder acquires the Card. The maximum amount of cash value that can be stored on any Card is \$300. If a Cardholder tries to load cash that causes the Card balance to exceed \$300, the entire transaction will not be processed. The Cardholder is responsible for knowing his/her balance.

5. CARD LOSS AND DAMAGE

5.1 The Cardholder shall not alter or interfere with the graphic or data of the Card and shall take care to ensure that it is not interfered or tampered with. Cards that have been visibly altered will be considered damaged and not defective.

5.2 Balance Restoration for Lost, Stolen and Damaged Clipper® Cards:

5.2.1 Only a Registered Card is eligible for card balance protection in the event that a Card is lost, stolen or damaged. A Cardholder may apply to MTC for the cancellation of a lost, stolen or damaged Card and the issuance of a new Card or a refund subject to the payment of any fees, as described in Section 10.

5.2.2 The Cardholder is responsible for any payments made ~~for Use of with~~ the Card up until the time when the Cardholder reports the Card lost, stolen or damaged to the Clipper® Customer Service Center.

5.2.3 When issuing a replacement or refund for a lost, stolen or damaged Card, the Clipper® Customer Service Center will restore the full value of a Registered Card's balance as of the time when the Card was reported lost, stolen or damaged. If the Cardholder requests a replacement for a damaged Card at an authorized in-person location, the Clipper® Customer Service Center will restore the full value of the balance at the time the damaged Card is surrendered for replacement. Period passes (passes valid for a specified time limit) and stored ride products (multiple-ride discounts) that are restored will have the same expiration date as the fare products that were on the original Card.

5.2.4 A Cardholder with a lost, stolen, damaged or defective Senior/Disabled (RTC Discount) Card may apply for its cancellation and the issuance of a new Senior/Disabled (RTC Discount) Card in accordance with the policies of the RTC Discount Card Program.

5.3 Defective Clipper® Cards

The Cardholder holds the Card at his/her own risk. If the Card malfunctions due to no fault of the Cardholder, he/she may return the Card to the Clipper® Customer Service Center, and MTC shall refund any remaining cash value (except as provided in Section 7.3) or transfer any remaining Card value to a new Card if the Card is returned within one year from the date that the Cardholder first used the Card. If the Clipper® Customer Service Center determines that the card is not defective but has been damaged, the Cardholder may request a replacement card in accordance with Section 5.2.

6. OPTIONAL FEATURES

6.1 Clipper® Card Registration:

6.1.1 The Cardholder can register his/her Adult Clipper® Card with the Clipper® Customer Service Center by providing a valid name, address, phone number and email address (if available).

6.1.2 All Youth and Senior Clipper® cards, as well as Senior/Disabled cards issued in accordance with the Regional Transit Connection (RTC) Discount Card Program, are automatically registered.

6.1.3 A Youth, Senior or Senior/Disabled card that has been registered to an individual is not transferable and can be used only by the person identified in the Clipper® customer database.

6.1.4 A Card must be registered in order for the Cardholder to receive a copy of the transaction history record from the Clipper® Customer Service Center.

6.1.5 The Clipper® Customer Service Center may ~~use~~ utilize the contact information associated with Registered Cards to communicate with cardholders about issues related to the Registered Card, to refund balances on Registered Cards and/or funds collected for Undelivered Orders, or for the operation of the system per MTC's Clipper® Privacy Policy, as referenced in Section 13.

6.1.6 MTC reserves the right to decline a request to register a Card or to refuse Registered Card services (refunds, card replacement, etc.) in order to prevent fraudulent use or abuse of Registered Card features and benefits.

6.2 Autoload:

6.2.1 By setting up Autoload, the Cardholder authorizes MTC to automatically reload value to his/her Card by means of a bank or credit card account whenever one of the following occurs: (1) the Cardholder's cash or BART High Value Discount balance falls below \$10; (2) the Cardholder's transit pass expires (e.g., the first of every month); or (3) the number of stored rides remaining on the Cardholder's Card falls below three.

6.2.2 The Cardholder may request to terminate Autoload at any time by mailing or faxing a written request to the Clipper® Customer Service Center, or by editing the Autoload set-up via the Clipper® website at clippercard.com. In order to complete the Autoload termination process, the Cardholder must tag the Card on a Clipper® card reader after the Clipper® Customer Service Center processes the request. If the Card balance reaches an Autoload threshold identified in Section 6.2.1 before the Autoload termination process is completed, the Card will continue to Autoload the pre-specified value and the Cardholder will be liable for payment.

6.2.3. If Autoload payment for cash value is declined for any reason, the Clipper® Customer Service Center will block the Card. If Autoload payment for BART High Value Discount, a transit pass or stored rides is declined for any reason, the Clipper® Customer Service Center will block that specific transit product from further use. In order to have the value unblocked, the Cardholder must provide a valid payment method on the Clipper® website at clippercard.com or by submitting a signed form to the Clipper® Customer Service Center. The Clipper® Customer Service Center will issue an action to unblock the card or product after collecting funds for the Autoload value.

6.2.4 MTC reserves the right to decline a request to set up a Card for Autoload or to accept an alternative payment (bank or credit card) source in order to prevent fraudulent Use or abuse of Autoload features and benefits.

7. REFUNDS

7.1 A Cardholder may request a refund of the remaining cash value on a Registered Card with a minimum \$5 cash balance by mailing his/her Card to the Clipper® Customer Service Center with a completed Clipper Cancellation Form, which is available on the Clipper® website at clippercard.com. Refunds are subject to the fees in Section 10.

7.2 Requests for refunds for transit passes or stored rides are subject to the policies of the individual Service Providers.

7.3 ~~Undelivered Orders~~ ~~Transactions ordering products or cash value to be added to a Card~~ expire after one hundred eighty (180) days. Any reinstatement or refund to the Cardholder of the value of an Undelivered Order shall be at the sole discretion of MTC.

7.4 The Clipper® Customer Service Center will not provide a refund for any Card that has had value added through a pre-tax or tax-exempt transit benefit program established pursuant to the Internal Revenue Code Section 132, regardless of when value was added or whether value was also added by other means.

7.5 MTC reserves the right to refuse to provide a refund of cash value that was added to a Registered Card prior to the Card's being registered in the name of the Cardholder requesting the refund.

8. CARD VALUE

8.1 MTC's master record of the Clipper® FPS is the only record MTC shall accept to establish the amount of remaining value on any Card.

8.2 Information provided by the Clipper® Customer Service Center or through the Clipper® website about the existing value on a Card is only accurate as of the date and time provided and is subject to change. No warranty is given as to the ongoing availability of that cash value in the event the Cardholder (or a prior Cardholder, if any) violates or has violated any term of this Agreement, or if the funding source for a transaction adding cash value to a Card subsequently reverses the payment.

9. CARD EXPIRATION

9.1 The Cardholder's Card will not expire unless the Card is a Senior/Disabled (RTC) Clipper® Card, except as provided in Section 9.2.

9.2 Cards with only Inactive Funds may be blocked, at the sole discretion of MTC. Any refund of Inactive Funds remaining on the Card at the time it was blocked shall be at the sole discretion of MTC, subject to the requirements of Section 7.

10. CARDHOLDER FEES

The following non-refundable fees will be charged to the Clipper® Cardholder, unless waived by MTC:

10.1 Adult Card Acquisition – \$3 (Not applicable when Autoload is set up for an Adult card at the same time the Card is acquired.)

10.2 Card Replacement and Balance Restoration for Adult, Senior or Youth Card – \$5

10.3 Failed Autoload Authorization – \$5 (Assessed on the second occasion that an Autoload funding source associated with the Card is declined and on every occasion thereafter.)

10.4 Card Refund Processing – \$5 (See Section 7.)

The Clipper® program does not govern the fees for RTC Discount Cards. The administrative fees associated with RTC Discount Cards will be set by the Service Providers participating in the RTC Discount Card Program.

11. SELLING OR SHARING CARDS

11.1 The sale by a Cardholder of a Card, or the value loaded on a Card, is strictly prohibited. No warranty is given as to continuing usability of a Card that is purchased from any entity other than an authorized Clipper® Card retailer.

11.2 The sharing by a Cardholder of a Card that is unique to a Cardholder, such as a Youth Card, a Senior Card, or a Senior/Disabled (RTC) Card, or of a Card that has had value or passes added through a pre-tax or tax-exempt transit benefit program established pursuant to the Internal Revenue Code Section 132, is strictly prohibited.

12. RESERVATION

12.1 MTC does not warrant that any particular service and/or facility will be provided by any Service Provider at any time or place.

12.2 No warranty is given that operation of the Card or FPS will be available with any Service Provider at any time or place, and MTC shall not be liable for any loss, injury or damage resulting there from, whether direct, indirect, special or consequential.

12.3 The authorized staff of MTC and the Service Providers shall have the right to inspect any Card and the Card Data therein at any time.

12.4 The authorized staff of MTC and the Service Providers shall have the right to confiscate a Youth, Senior or Senior/Disabled Clipper® Card if it is determined in the exercise of their sole discretion that the individual using the Card is ineligible for the discounts granted therein or if it is determined that the Card is otherwise being used fraudulently.

12.5 MTC reserves the right to:

12.5.1 Recover any cost, expenses, loss, and damages incurred or suffered by MTC as a result of Card alteration or interfering with the Card Data.

12.5.2 Waive these conditions or any part thereof against any person.

12.5.3 Block a Card for non-payment of any value owed by the Cardholder.

12.6 MTC disclaims any responsibility or liability arising out of the utilization or attempted utilization of the Card with non-Service Providers or for other than authorized Uses, as herein defined, including the use/misuse of Cardholder information, including personally identifiable information (PII), as defined in MTC's Clipper® Privacy Policy, as amended, by a non-Service Provider and/or failure to protect Cardholder information, including PII, from unauthorized disclosure.

13. CONFIDENTIALITY OF INFORMATION

13.1 The collection, ~~use~~ utilization, and security of ~~PII information~~ obtained from Cardholders is subject to MTC's Clipper® Privacy Policy, as amended. This policy ~~is consistent with Federal and State laws governing an individual's right to privacy and~~ may be amended from time to time, as deemed necessary by MTC. Any changes to the Privacy Policy will be posted on the Clipper® website, clippercard.com, including the date of the amendment.

13.2 All ~~PII information and data~~ relating to the Cardholder collected by the Clipper® FPS shall be utilized ~~used~~ by MTC and the Service Providers for the purposes of the operation and management of the FPS and shall serve as a source of information and data for transit and/or related services in general but shall otherwise be dealt with in a confidential manner by MTC and the Service Providers unless:

(a) The Cardholder's express consent has been obtained; and/or

(b) As o~~o~~therwise required by law or ordered by a court of competent jurisdiction.

13.3 The Cardholder retains the right to review and edit all ~~PII information~~ pertaining to his/her Registered Card account, whether stored electronically or on paper. Any inquiry or request to obtain information, in accordance with the above provisions, should be directed in writing to the Clipper® Customer Service Center. The Clipper® Customer Service Center is only able to provide transaction history data for the prior 60-day period. MTC may adopt procedures for the review of such information, including but not limited to charging a fee for processing requests for access to PII personal information.

13.4 MTC cannot secure PII that is released by Cardholders to third parties. A Cardholder who chooses voluntarily to disclose information to a third party does so at his or her own risk. Cardholders are advised to refer to any user agreement or privacy policy promulgated by such third party.

14. TERMINATION

14.1 MTC may terminate this Agreement at any time and for any reason.

14.2 Following termination, the Cardholder will remain responsible for payment of outstanding amounts owed under this Agreement. If such unpaid charges are not properly remitted, the Cardholder may become liable for additional service charges, fines, or penalties, in accordance with the Agreement and/or applicable law.

15. CHANGES TO THIS AGREEMENT

MTC reserves the right to change the terms of this Agreement and any associated policies at any time by providing written notice on the Clipper® website at clippercard.com. Such changes go into effect and t~~t~~The Cardholder will be deemed to have received such notice thirty (30) days after posting of the notice on the Clipper® website. Use of the Card after that date constitutes conclusive proof of the Cardholder's acceptance of such changes. The Cardholder signifies agreement with the changes when he/she uses the Card after that date.

16. RELEASE AND INDEMNITY

The Cardholder hereby releases MTC from any and all loss, damage, or injury whatsoever, known or unknown, arising out of or in any manner connected with the U~~use~~ or performance of the Card issued to the Cardholder or the Agreement. Neither MTC, its officers, employees, nor agents will have any obligation or liability with respect to the Cardholder U~~use~~ or the performance of the Card. The Cardholder's sole and exclusive remedy from MTC will be replacement of any defective Card(s). The Cardholder agrees to indemnify, protect, and hold harmless MTC, its officers, employees, and its agents from any and all liability for any loss, damage, or injury to persons or property arising from or related to the Card and/or the Agreement.

17. FAILURE TO COMPLY

17.1 Failure to comply with any portion of this agreement may result in MTC's blocking the U~~use~~ of the Card.

17.2 When the Card is blocked in accordance with Section 17.1 above, the refund of any remaining value on the Card shall be at the sole discretion of MTC and subject to such conditions as MTC deems fit

including but not limited to the surrender of the Card and deduction of any amount due or payable by the Cardholder to MTC and/or any Service Provider.

18. COMMUNICATION

Please address all questions, notifications, and communications to:

Clipper® Customer Service Center

P.O. Box 318

Concord, CA 94522-0318

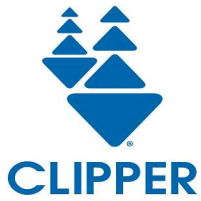
Tel: 877.878.8883

TTY/TDD: 711 or 800.735.2929 and type Clipper

Fax: 925.686.8221

clippercard.com

Revised and posted to the Clipper website as of _____, 2017.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 17-2437 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 3/17/2017 **In control:** Clipper Executive Board
On agenda: 4/17/2017 **Final action:**
Title: Current Clipper® Program Update
Current Clipper® System Operations Update.

Sponsors:

Indexes:

Code sections:

Attachments: [4b Current Clipper Program Update.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Current Clipper® Program Update

Current Clipper® System Operations Update.

Presenter:

Lynn Valdivia

Recommended Action:

Information

Attachments



Agenda Item 4b
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: April 10, 2017

FR: Carol Kuester

RE: Current Clipper® Program Update

Background

Clipper® staff last updated the Executive Board on the ongoing overall work and projects related to the current Clipper® system at the September 2016 Executive Board meeting. This memorandum is to update the Clipper® Executive Board on the current overall program. The Clipper® system is currently processing 19 to 20 million transactions monthly and is settling over \$43 million in monthly revenue for the region.

Transactions and Sales

Over the last several months, Clipper® transactions have not met the monthly 20 million transaction contractual standard. Transit ridership has been reportedly declining nationwide, and Clipper® ridership and transactions show that decline. While the number of unique cards on the Clipper® system has stayed roughly the same, the number of transactions per card has declined. For example, SFMTA's January 2016 monthly pass sales ("A" and "M" monthly passes combined) totaled nearly 80,000. In January 2017, with an increase in the cost of the SFMTA monthly passes, sales totaled 72,000, a 10% decrease.

Union City Transit Launch

Clipper® was deployed on Union City Transit on April 3, 2017, becoming the 21st agency in the region to accept Clipper® as fare payment. Clipper® staff has supported the Union City Transit launch with updates to the website, outreach and customer service efforts. The launch of SMART this summer will bring the number of transit operators on Clipper® to 22 and will end the planned expansion for Clipper® under the current system.

BART Clipper® Card Dispensing Project

This project is not part of the Clipper® Cubic contract; however, BART has a separate contract with Cubic to retrofit a number of its ticket vending machines (TVMs) manufactured by Cubic to dispense Clipper® cards. This project will modify 140 ticket vending machines throughout the BART system to dispense Clipper® cards instead of the magnetic tickets they issue today. The first of these retrofits will take place this summer with the completion of all conversions scheduled for early 2018. Once fully deployed, each BART station will have at least two TVMs capable of dispensing Clipper® cards.

VTA Bus Device Upgrade and Spare Bus Devices

As of April 1, 2017, 35% of VTA's fleet has been upgraded with new Clipper® driver consoles and card readers. This effort has freed up nearly 100 sets of legacy devices to be refurbished and returned to the regional spare device inventory. These legacy devices are now able to be deployed at other bus operators in the region, including SFMTA and AC Transit. Additionally, the 400 installation and relocation kits that were approved by the Clipper® Executive Board in October 2016 are on target to be delivered in July 2017 to accommodate future operator requests.

Other Implementation and Enhancement Projects

Other noteworthy implementation and enhancement projects for the Clipper® system include:

- Deployment of Clipper® devices to support WETA's new Mare Island service;
- Communication network upgrades at AC Transit, Golden Gate Transit, SFMTA, and VTA;
- Implementation of the SFSU Gator Pass in preparation for deployment this summer;
- Device installation on three pilot light rail vehicles at SFMTA; and
- New Clipper®-only BART faregate entrances at Downtown Berkeley.

The Clipper® system continues to serve transit riders in the region and earns high degrees of customer satisfaction.



Carol Kuester

Attachment:

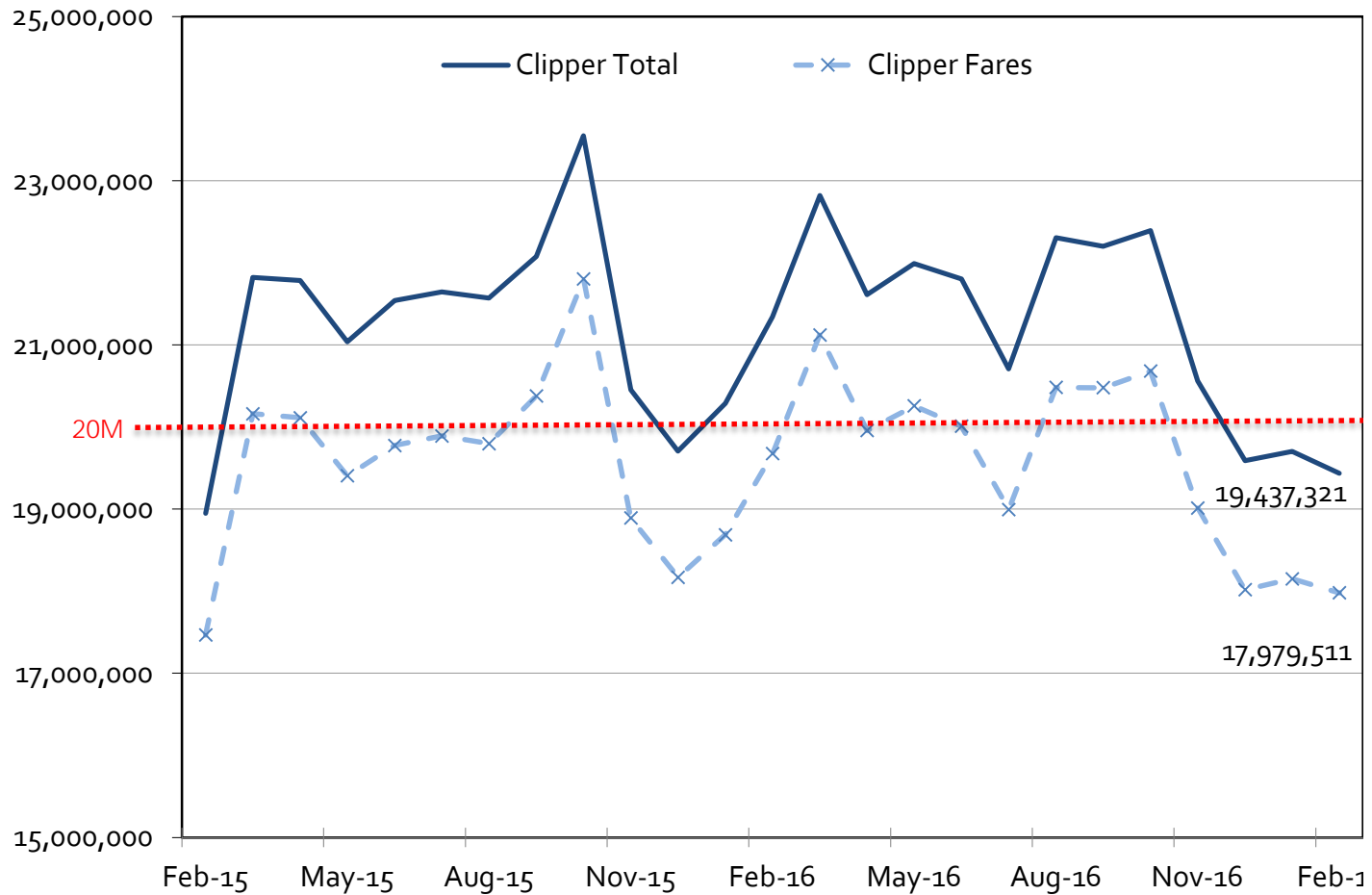
- Attachment A: Current Clipper® Program Update



Current Clipper Program Update

Clipper Executive Board Meeting
April 17, 2017
Attachment A

Clipper Transactions



"Clipper Total" is fare-payment and add-value transactions that count toward a contractual benchmark, which requires that MTC and the operators pay a fee of ~\$100,000 for each month when transactions are below 20 million.

Union City Transit | April 3, 2017



Bay Area Clipper

April 3 at 2:00pm · 🌐

Clipper is now accepted on Union City Transit! Use Clipper when traveling around town or when you are transferring to BART. Tag and go! Learn more: <https://www.clippercard.com/ClipperWeb/unioncity/index.do>



VTA Upgrade and Spares



- 35% complete
- 100 sets of legacy devices being refurbished and returned to regional inventory

Other Projects





Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 17-2429 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 3/15/2017 **In control:** Clipper Executive Board
On agenda: 4/17/2017 **Final action:**
Title: Next-Generation Clipper® (C2) Request for Proposal (RFP) for Industry Review
Update on the C2 System Integrator RFP for Industry Review.

Sponsors:

Indexes:

Code sections:

Attachments: [4c_C2 RFP Update.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Next-Generation Clipper® (C2) Request for Proposal (RFP) for Industry Review

Update on the C2 System Integrator RFP for Industry Review.

Presenter:

Jason Weinstein

Recommended Action:

Information

Attachments



Agenda Item 4c
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: April 10, 2017

FR: Carol Kuester

RE: Next-Generation Clipper® (C2) Request for Proposal (RFP) for Industry Review

The Draft RFP for industry review was released on the [MTC website](#) on January 27, 2017, and the following 17 firms submitted responses:

- Acumen Building Enterprise, Inc.;
- Conduent Transport Solutions, Inc.;
- Cubic Transportation Systems, Inc.;
- Faneuil, Inc.;
- Genfare, a division of SPX Corporation;
- Google;
- InComm;
- Infineon Technologies;
- Informatix, Inc.;
- INIT Innovations in Transportation, Inc.;
- Mastercard;
- NEC Corporation;
- NTT DATA;
- Passport Parking, Inc.;
- Scheidt & Bachmann;
- THALES; and
- TransSIGHT.

The amount of information received is extensive, and staff is in the process of reviewing each response in detail. These responses were also shared directly with transit agency staff. We look forward to updating to the Clipper® Executive Board on initial high-level themes from the vendor comments at the April Executive Board meeting, with more detailed recommendations at the May 2017 Executive Board meeting.



Carol Kuester