



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

Meeting Agenda

Clipper Executive Board

Members:

Denis Mulligan, Chair Edward D. Reiskin, Vice Chair

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

Monday, February 26, 2018

1:30 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. [18-0077](#) Minutes of January 22, 2018 Meeting

Action: Board Approval

Attachments: [2a CEB Minutes Jan 22 2018.pdf](#)

2b. [18-0079](#) Clipper® Contract Change Order - Water Emergency Transportation Authority (WETA) Expansion: Richmond and San Francisco Ferry Terminals: Cubic Transportation Systems, Inc. (\$60,000)

Action: Board Approval

Presenter: Michael Gougherty, WETA

Attachments: [2b_Contract Change Order – WETA.pdf](#)

3. Approval

- 3a. [18-0080](#) Clipper® Inactive Unregistered Card Funds Disbursement
- Disbursement of Inactive Unregistered Card Funds to the Clipper® Budget.
- Action:** Board Approval
- Presenter:** Carol Kuester
- Attachments:** [3a Clipper Inactive Unregistered Funds.pdf](#)
- 3b. [18-0081](#) Clipper® Two Year Operating and Capital Budget and Work Plan
- Clipper® budget and work plan for FY 2018-19 and 2019-20.
- Action:** Board Approval
- Presenter:** Edward Meng
- Attachments:** [3b Two Year Operating and Capital Budget.pdf](#)

4. Information

- 4a. [18-0082](#) Next-Generation Clipper® (C2) System Integrator Request for Proposal (RFP)
- Update on the C2 System Integrator RFP.
- Action:** Information
- Presenter:** Jason Weinstein
- Attachments:** [4a C2 RFP.pdf](#)
- 4b. [18-0135](#) Next-Generation Clipper (C2) Public Engagement
- Update on the C2 Public Engagement Campaign.
- Action:** Information
- Presenter:** Patricia Nelson, Bay Area Rapid Transit
- Attachments:** [4b C2 Public Engagement.pdf](#)

5. Executive Director's Report – Kuester

[18-0078](#)

Action: Information

6. Public Comment / Other Business

7. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be Monday, March 19, 2018 at 1:30 p.m. in the Caltrain / SamTrans Board Room, 2nd Floor, 1250 San Carlos Avenue, San Carlos, 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 #: 18-0077 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 1/22/2018 **In control:** Clipper Executive Board
On agenda: 2/26/2018 **Final action:**
Title: Minutes of January 22, 2018 Meeting
Sponsors:
Indexes:
Code sections:
Attachments: [2a_CEB Minutes_Jan 22 2018.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of January 22, 2018 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

Members:

Denis Mulligan, Chair Edward D. Reiskin, Vice Chair

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

Monday, January 22, 2018

1:30 PM

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

1. Roll Call / Confirm Quorum

Present: 9 - Rannells, Hursh, Ramacier, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican, Heminger, and Hartnett

Diana Hammons acted as a delegate and voting member of the Board in place of Edward Reiskin. Actions noted below as "Reiskin" were taken by Hammons.

2. Consent Calendar

Upon the motion by Crunican and second by Hartnett, the Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye: 9 - Rannells, Hursh, Ramacier, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican, Heminger and Hartnett

2a. [17-3114](#) Minutes of December 18, 2017 Meeting

Action: Board Approval

Attachments: [2a CEB Minutes Dec 18 2017.pdf](#)

3. Information

3a. [18-0038](#) Clipper® Executive Board Small Operator Representatives

Confirmation of Small Operator Board Representatives on the Clipper® Executive Board.

Action: Information

Presenter: Edward Meng

Attachments: [3a CEB Small Operator Reps.pdf](#)

3b. [18-0027](#) Next-Generation Clipper® (C2) System Integrator Request for Proposal (RFP)

Update on the C2 System Integrator RFP and Procurement.

Action: Information

Presenter: Jason Weinstein and Denise Rodrigues

Attachments: [3b_C2 RFP.pdf](#)

3c. [18-0028](#) Clipper® Draft Two Year Budget and Work Plan

Clipper® Two Year Operating and Capital Budget and Work Plan and Bank Account Cash Management Update.

Action: Information

Presenter: Edward Meng

Attachments: [3c Clipper Two Year Budget and Work Plan.pdf](#)

4. Executive Director's Report – Kuester

[17-3115](#)

Action: Information

5. Public Comment / Other Business

6. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be Monday, February 26, 2018 at 1:30 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 #:	18-0079	Version:	1	Name:	
Type:	Report	Status:		Consent	
File created:	1/23/2018	In control:		Clipper Executive Board	
On agenda:	2/26/2018	Final action:			
Title:	Clipper® Contract Change Order - Water Emergency Transportation Authority (WETA) Expansion: Richmond and San Francisco Ferry Terminals: Cubic Transportation Systems, Inc. (\$60,000)				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	2b Contract Change Order – WETA.pdf				

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Contract Change Order - Water Emergency Transportation Authority (WETA) Expansion:
Richmond and San Francisco Ferry Terminals: Cubic Transportation Systems,
Inc. (\$60,000)

Presenter:

Michael Gougherty, WETA

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: February 20, 2018

FR: Carol Kuester

RE: Clipper® Contract Change Order – Water Emergency Transportation Authority (WETA) Expansion: Richmond and San Francisco Ferry Terminals: Cubic Transportation Systems, Inc. (\$60,000)

Background

WETA operates San Francisco Bay Ferries that currently serve terminals in Alameda, Oakland, San Francisco and Vallejo. Later this year, WETA ferries will begin serving a new terminal in the City of Richmond, and an expanded Ferry Terminal in San Francisco. The Clipper® Contractor – Cubic Transportation Systems, Inc. (Cubic) – will be installing new Clipper® card readers and associated network infrastructure at both terminals. Attachment A shows the proposed project schedule for this work, which is estimated to take about five months to implement.

Contract Action

Staff recommends that the Executive Board approve the following contract action:

Contract Change Order – Water Emergency Transportation Authority (WETA) Ferry Terminal Expansion: Richmond and San Francisco: Cubic Transportation Systems, Inc. (\$60,000)

This Contract Change Order will authorize the Clipper® Contractor to install, test, and integrate into the Clipper® system new Clipper® card readers and associated infrastructure at a new Richmond Ferry Terminal and at an expanded San Francisco Ferry Terminal. WETA has agreed to fund the Clipper® implementation costs associated with this Change Order. In order that MTC may expend Clipper® program funds and be reimbursed by WETA, a funding agreement will be entered into by WETA and MTC. WETA will pay one hundred percent of the cost of the aforementioned Contract Change Order.

Recommendation

Staff recommends that this Board authorize MTC to execute a Contract Change Order with Cubic, to be funded by WETA, in an amount not to exceed \$60,000 to support implementation of new Clipper® card readers and associated network infrastructure at a new ferry terminal in Richmond and an expanded downtown San Francisco Ferry Terminal.

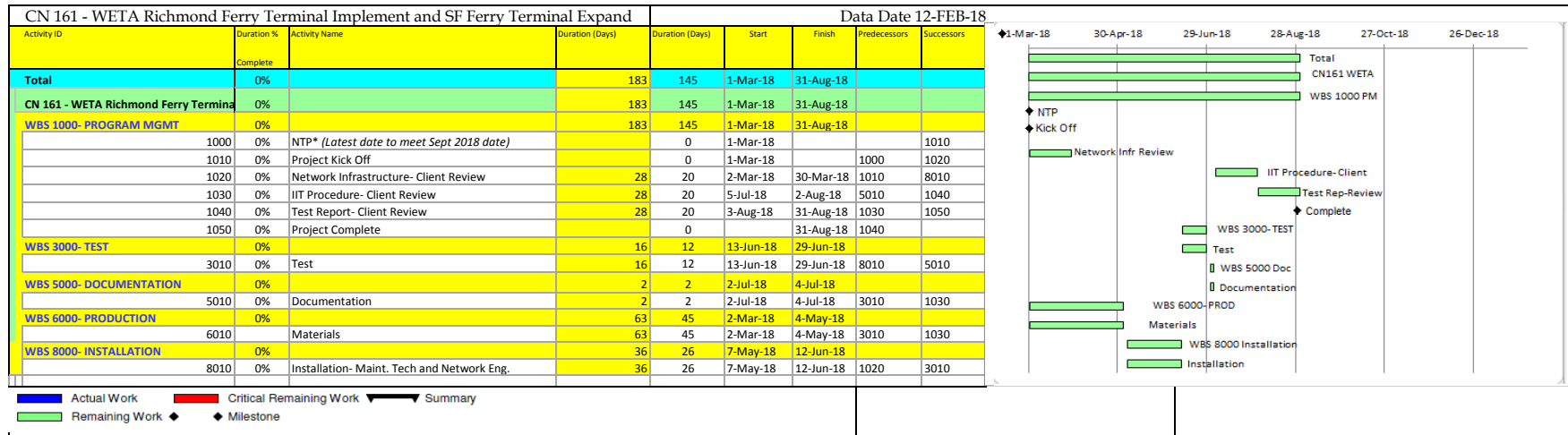
Carol Kuester

Attachment:

- Attachment A: WETA Ferry Terminal Expansion Project Schedule

REQUEST FOR BOARD APPROVAL
Summary of Proposed Contract Change Order

Contractor:	Cubic Transportation Systems, Inc. San Diego, CA
Work Project Title:	Water Emergency Transportation Authority (WETA) Ferry Terminal Expansion
Purpose of Amendment:	To support Clipper® fare payment at WETA ferry terminals in Richmond and San Francisco
Brief Scope of Work:	To implement Clipper® card readers and associated infrastructure to support WETA's opening of a new Ferry Terminal in Richmond and an expanded San Francisco Ferry Terminal
Project Cost Not to Exceed:	<p>\$60,000 (this Change Order)</p> <p>Total contract value including amendments before this amendment = \$167,049,459</p> <p>Total contract amount with this amendment = \$167,109,459</p>
Funding Source:	Water Emergency Transportation Authority (WETA)
Motion by Board:	The Change Order with Cubic Transportation Systems, Inc. for the purposes described herein and in the Executive Director's memorandum dated February 20, 2018, is hereby approved by the Clipper® Executive Board.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: February 26, 2018





Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 18-0080 **Version:** 1 **Name:**
Type: Report **Status:** Committee Approval
File created: 1/23/2018 **In control:** Clipper Executive Board
On agenda: 2/26/2018 **Final action:**
Title: Clipper® Inactive Unregistered Card Funds Disbursement
Disbursement of Inactive Unregistered Card Funds to the Clipper® Budget.

Sponsors:

Indexes:

Code sections:

Attachments: [3a Clipper Inactive Unregistered Funds.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Inactive Unregistered Card Funds Disbursement

Disbursement of Inactive Unregistered Card Funds to the Clipper® Budget.

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: February 20, 2018

FR: Carol Kuester

RE: Clipper® Inactive Unregistered Card Funds Disbursement

Background

In February 2017, the Clipper® Executive Board approved the disbursement of approximately \$3 million in Inactive Unregistered Card funds from the Program Float Bank Account to offset costs in the overall Clipper® Operating Budget. Inactive Unregistered Card Funds, which are funds linked to unregistered cards that had not been used within the last three years, now total over \$4 million. These funds will be applied to the Operating Budget in this current fiscal year (FY17-18), as described in Agenda Item 3b (Clipper® Two Year Budget and Work Plan) being discussed today.

Staff recommends that the Clipper® Executive Board authorize the application of up to \$4 million in Inactive Unregistered Card Funds to the FY 17-18 Clipper® Operating Budget.

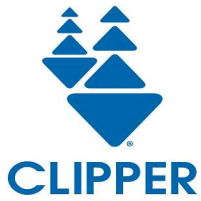
Future Disbursable Funds Management

At the January 2018 Clipper Executive Board meeting, Board Members asked how funds that become Inactive Unregistered Funds in the future should be managed.

MTC and transit operator staff propose to review the current Clipper® cardholder agreement and Operating Rules to determine the extent of possible opportunities to distribute not only Inactive Unregistered Funds as described above, but potentially other program funds.

MTC and transit operators will continue to work together to identify potential disbursable funds and will make recommendations for future disbursements in the Fall. All future disbursements of program funds will be subject to the approval of the Clipper Executive Board.

Carol Kuester



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 18-0081 **Version:** 1 **Name:**
Type: Report **Status:** Committee Approval
File created: 1/23/2018 **In control:** Clipper Executive Board
On agenda: 2/26/2018 **Final action:**
Title: Clipper® Two Year Operating and Capital Budget and Work Plan
Clipper® budget and work plan for FY 2018-19 and 2019-20.

Sponsors:

Indexes:

Code sections:

Attachments: [3b_Two Year Operating and Capital Budget.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Two Year Operating and Capital Budget and Work Plan

Clipper® budget and work plan for FY 2018-19 and 2019-20.

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: February 20, 2018

FR: Carol Kuester

RE: Clipper[®] Two Year Operating and Capital Budget and Work Plan

This memorandum presents the Clipper[®] budget and work plan for FY 2018-19 and 2019-20 for the Executive Board's review and approval.

Budget Process and Content

Under the Memorandum of Understanding, the Executive Board reviews and adopts a biennial Clipper[®] budget. The budget is intended to provide an understanding of the scope and size of major expense categories and confirm availability of funding. The budget includes a work plan and staffing plan for the following two years and is updated annually. The budget includes both first-generation Clipper[®] (C1) and Next-Generation Clipper[®] (C2) items, as well as transit-operator led and funded projects to enhance the current system.

Proposed FY 2018-19 and 2019-20 Budget and Work Plan

Attached for your review are the budget and work plan for FY 2018-19 and 2019-20. Included in the attachments are:

- Clipper[®] Projected Operating Budget (Table 1) and Operating Budget Detail;
- Clipper[®] Projected Capital Budget (Table 1) and Capital Budget Detail; and
- Clipper[®] Staff Organizational Chart.

Highlights

1. In February 2017, the Clipper[®] Executive Board approved the disbursement of Inactive Unregistered Funds (funds linked to unregistered cards that had not been used in over three years) to the Clipper[®] Operating Budget to address Operating Budget shortfalls. As of December 2017, the amount was estimated to be around \$4M (Attachment A, row 17 of Table 1). Since these funds have been accruing since the program's inception, future disbursements of Inactive Unregistered Funds will be significantly lower if disbursed each year going forward. As discussed in Agenda Item 3a of this packet, future disbursements of program funds will be subject to approval by the Clipper[®] Executive Board.
2. Based on this budget, an operating funding shortfall occurs in FY 2021-22, with an operating deficit of \$0.9M that grows larger in the following years. This is largely due to concurrent operating costs for both C1 and C2. MTC and transit agency staff are working to identify potential funding sources and solutions to address this shortfall, which may require changes to MTC and transit operator contributions.
3. Operating costs and MTC/transit operator contributions for C2 are assumed to be similar to current operating costs, with C1 operating costs decreasing as C2 is implemented. The current assumption is that the C1 and C2 systems will operate in parallel in FY 2021-22 and 2022-23, once C2 is deemed Revenue Ready after two years of design, implementation, and testing.

4. Full capital and operating costs of C2 are unknown at this time. This budget includes a high level capital estimate of \$110M plus an additional \$4M for integration of existing Clipper® ticket vending machines (TVMs) and faregates, with the majority of the costs being encumbered in years 3-5 of the C2 contract. This high level estimate does not include the replacement of transit operator TVMs and faregates.
5. A capital funding shortfall occurs in FY 2021-22 when the bulk of the C2 capital work is expected to occur. At this time, we anticipate that other revenue sources to support C2 implementation may be provided from the following programs:
 - Regional Measure 3 - \$50M
 - The Regional Measure 3 Bill contains \$50M in funds for the design, development, testing, installation, and transition of C2.
 - State of Good Repair (SGR) Population-Based Funds - \$10.2M annually beginning FY 2018-19
 - Senate Bill 1 established a new transit SGR Program, which is expected to provide \$39 million annually to the Bay Area. Funds are distributed via a Revenue-Based and a Population-Based program. MTC staff are currently proposing to the MTC Commission to annually program all \$10.2 million in anticipated SGR Program Population-Based funds beginning in Fiscal Year 2018-19 to the development and deployment of the C2 system. These funds may not be needed if Regional Measure 3 is approved by voters.
6. Limited capital funds are budgeted for new C1 capital initiatives. Capital funds are reserved for limited back-end system improvements and replacement of equipment that has reached end-of-life; additional C1 capital projects will increase the deficit for C2. Costs for implementation of equipment for fleet expansion are the responsibility of the transit operators.

Recommendation

Staff recommends the Clipper® Executive Board approve and adopt the Clipper® Two Year Operating and Capital Budget and Work Plan as shown in the attachments to this memorandum.



Carol Kuester

Attachments:

- Attachment A: Clipper® Projected Operating Budget
- Attachment B: Clipper® Projected Capital Budget
- Attachment C: Clipper® Staff Organizational Chart

CLIPPER® PROJECTED OPERATING BUDGET - February 12, 2018
TABLE 1: COSTS and REVENUES, FY 2017/18-2022/23

FYs for Approval

Item No.	Descriptions	Current FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY21/22	FY22/23	Total FY 17/18-FY 22/23
MTC Operating Costs								
1	Annual C1 Operating Costs - MTC	\$8.4	\$8.8	\$9.3	\$9.7	\$5.0	\$1.0	\$42.2
2	Annual C2 Operating Costs - MTC	\$0.0	\$0.0	\$0.0	\$0.0	\$6.6	\$9.2	\$15.8
3	MTC Staff	\$1.3	\$1.3	\$1.4	\$1.5	\$1.6	\$1.6	\$8.8
4	Clipper® Operations - Misc.	\$0.6	\$0.6	\$0.6	\$0.7	\$0.7	\$0.7	\$3.9
5	In Person Customer Service Centers	\$1.4	\$1.1	\$1.2	\$1.2	\$1.3	\$1.4	\$7.6
6	Customer Education Program	\$1.3	\$1.5	\$1.5	\$1.6	\$1.7	\$1.8	\$9.5
7	Consultants	\$0.2	\$0.2	\$0.3	\$0.3	\$0.3	\$0.3	\$1.6
8	<i>Subtotal MTC expenses</i>	\$13.3	\$13.6	\$14.3	\$15.0	\$17.2	\$16.1	\$89.4
Transit Agency Costs								
9	Annual C1 Operating Costs - Transit Agencies	\$18.9	\$19.6	\$20.6	\$21.6	\$10.0	\$2.0	\$92.7
10	Annual C2 Operating Costs - Transit Agencies	\$0.0	\$0.0	\$0.0	\$0.0	\$13.4	\$18.8	\$32.2
11	<i>Subtotal Transit Operator expenses</i>	\$18.9	\$19.6	\$20.6	\$21.6	\$23.4	\$20.8	\$124.8
12	Total Operating Costs (MTC+Transit)	\$32.2	\$33.2	\$34.9	\$36.6	\$40.6	\$36.8	\$214.3
Operating Revenues								
13	Total STA Revenues	\$11.0	\$8.4	\$7.1	\$7.5	\$5.8	\$5.8	\$45.6
14	Total RM2 Marketing Revenue	\$1.3	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$6.8
15	Additional RM2 Marketing Revenue¹	\$1.4	\$1.5	\$1.7	\$1.7	\$1.7	\$1.7	\$9.7
16	Additional RM2 Operating Revenue¹	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$12.0
17	Unregistered Inactive Funds	\$4.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$4.0
18	Cap and Trade	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
19	Total Transit Agency Revenue	\$18.9	\$19.6	\$20.6	\$21.6	\$23.4	\$20.8	\$124.8
20	Total Operating Revenue	\$38.6	\$32.6	\$32.5	\$33.9	\$34.0	\$31.4	\$202.9
21	Cumulative Surplus/Deficit	\$8.7	\$8.1	\$5.7	\$2.9	(\$0.9)	(\$6.4)	

¹ Contingent upon availability and MTC Commission Approval

TABLE 1A: Operating Budget Detail
February 12, 2018

Operating Budget Item #	Category	Phase	Project Name	Vendor	Current FY 17/18 (\$M)	FY 18/19 (\$M)	FY 19/20 (\$M)
1	Annual C1 Operating Costs - MTC	C1	MTC share of annual C1 operating costs per the MOU	Cubic	8.40	8.82	9.26
2	Annual C2 Operating Costs - MTC	C2	Estimated MTC share of C2 annual operating costs	TBD	NA	NA	NA
3	MTC Staff	C1	MTC Staff	MTC	1.35	1.35	1.42
4	Clipper Operations - Misc.	C1	Data Store, ATT Network Services, Storage Fees	Various	0.11	0.11	0.12
		C1	SSAE Audit	Cubic	0.21	0.22	0.23
		C1	Operational Reporting and Analysis	RDA	0.19	0.20	0.21
		C1	Website Maintenance	Cubic	0.05	0.08	0.08
5	In Person Customer Service Centers	C1	AC Transit In Person Customer Service Center	AC Transit	0.25	0.25	0.25
		C1	Embarcadero Kiosk	Fanueil	0.74	0.50	0.53
		C1	Bay Crossings In Person Customer Service Center	Nematode	0.32	0.30	0.32
		C1	Transportation Information Booth	Fanueil	0.08	0.08	0.08
6	Customer Education	C1	Creative design for website and customer education initiatives	MIG	0.55	0.55	0.55
		C2	C2 Public Engagement Promotion	MIG	0.00	0.00	0.00
		C1	Ad Campaigns	TBD	0.25	0.40	0.40
		C1	Research/Survey	TBD	0.18	0.10	0.10
		C2	C2 Customer Research	TBD	0.10	0.10	0.10
		C1	Outreach Support	Caribou	0.20	0.25	0.25
		C1	Production costs for signage and collateral	TBD	0.02	0.02	0.02
		C1	Cardholder Materials	Cubic	0.04	0.05	0.05
7	Consultants	C1	Program Mgt. and Strategic Planning	Synapse Strategies	0.24	0.24	0.24
		C2	C2 Public Engagement Strategic Planning and Management	Synapse Strategies	0.02	0.02	0.02
8	TOTAL				13.28	13.64	14.22

CLIPPER® PROJECTED CAPITAL BUDGET - FEBRUARY 12, 2018

TABLE 1: CAPITAL COSTS AND REVENUES, FY 17/18 - 22/23

FYs for Approval

Item								
No.	Description	Current FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	TOTAL FY 17/18 - 22/23
Capital Costs (See Table 2 for Cost Detail)								
	Current Clipper® System (C1)							
1	MTC Staff	\$1.1	\$1.2	\$1.3	\$0.7	\$0.3	\$0.0	\$4.6
2	Clipper® Cards	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$12.0
3	Consultants	\$1.0	\$0.8	\$0.8	\$0.4	\$0.2	\$0.0	\$3.2
4	System Enhancements	\$0.3	\$0.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.6
5	System Enhancements - Operator Requested and Paid	\$0.0	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.0
6	Infrastructure Refresh/End-of-Lifecycle Replacement	\$3.5	\$3.5	\$3.0	\$2.0	\$0.0	\$0.0	\$12.0
	Next Generation Clipper® System (C2)							
7	MTC Staff	\$1.8	\$1.9	\$2.0	\$3.1	\$4.9	\$5.2	\$18.9
8	Replace Back End/Front End Devices (not TVMs/faregates)	\$0.0	\$5.0	\$15.0	\$35.0	\$35.0	\$20.0	\$110.0
9	Integrate Existing C1 TVMs/Faregates	\$0.0	\$4.0	\$0.0	\$0.0	\$0.0	\$0.0	\$4.0
10	Replace TVMs/Faregates - Operator Paid	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
11	Consultants	\$1.7	\$1.5	\$1.3	\$1.3	\$1.4	\$1.4	\$8.6
12	Total Expenses	\$11.4	\$21.2	\$25.3	\$44.5	\$43.8	\$28.6	\$174.9
Revenue ⁺								
13	TCP - FTA	\$5.0	\$0.0	\$0.0	\$14.8	TBD	TBD	\$19.8
14	TCP - OBAG2-STP/CMAQ	\$0.0	\$5.7	\$8.8	\$19.7	TBD	TBD	\$34.2
15	TCP - OBAG2-RM2	\$0.8	\$3.8	\$4.7	\$3.7	TBD	TBD	\$13.0
16	Operator Paid Revenue	\$0.0	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.0
17	Card Fee Revenue	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$12.0
18	Proposition 1B	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.2
19	Cap and Trade	\$1.1	\$3.1	\$3.1	\$3.1	\$3.1	\$3.1	\$16.6
20	Total Annual Revenue	\$9.1	\$15.6	\$18.5	\$43.3	\$5.1	\$5.1	\$96.7
21	Cumulative Surplus/Deficit	\$22.2	\$16.6	\$9.9	\$8.7	(\$30.1)	(\$53.6)	

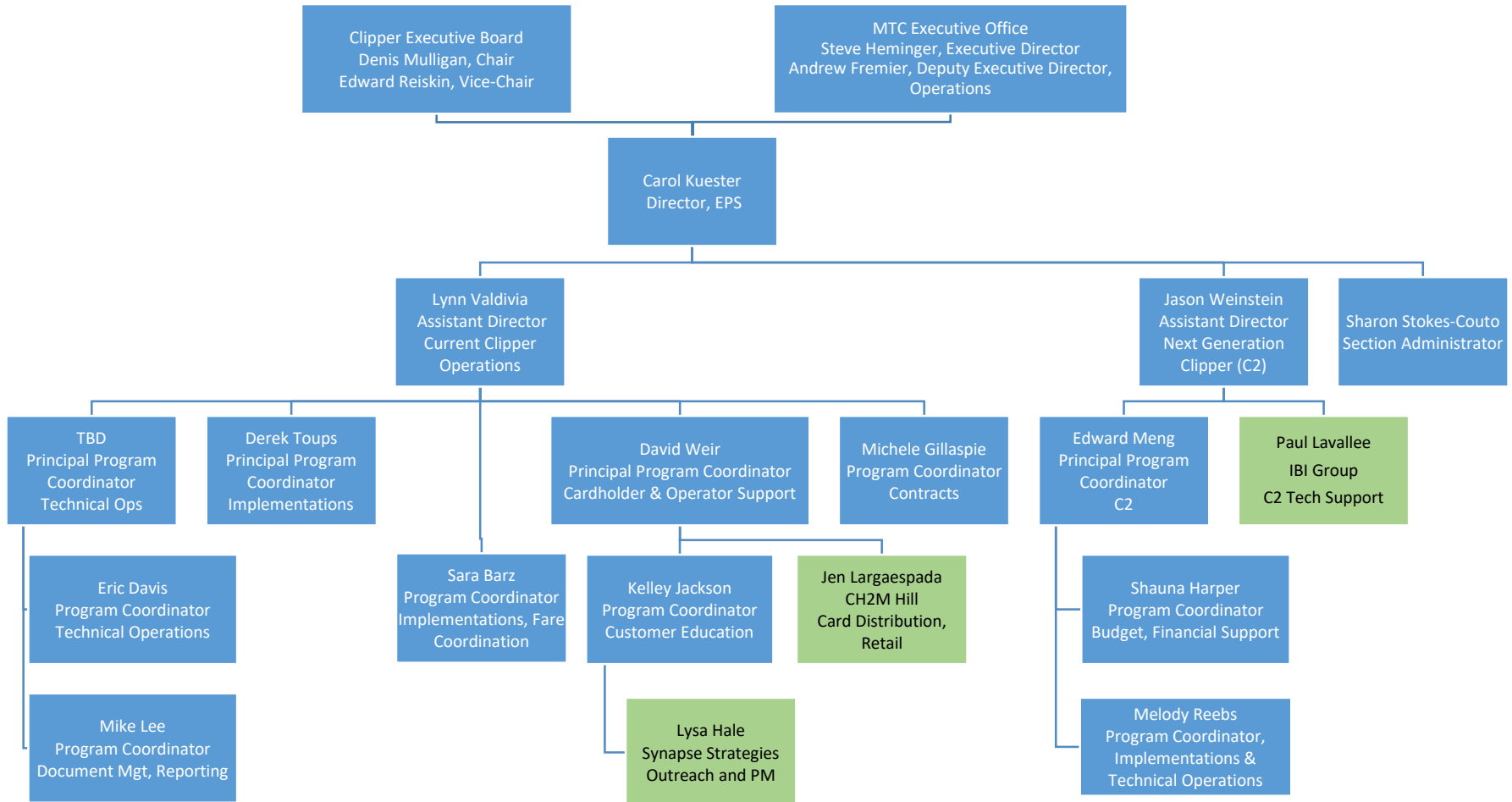
¹ Does not include potential RM3, SB1 SGR, or changes to Cap and Trade funds due to Regional Means Based transit fare needs

TABLE 1A: Capital Budget Detail
February 12, 2018

Item #	Category	Project Name	Vendor	Current 2017/18 (\$M)	2018/19 (\$M)	2019/20 (\$M)	Description
Current Clipper System (C1)							
1	MTC Staff	MTC Staff	MTC	1.14	1.20	1.26	MTC staff funded with capital funds
2	Clipper Cards	Clipper card order	Cubic	2.00	2.00	2.00	Annual Clipper card order
3	Current System Consultants	Technical Advisor	CH2MHill	0.80	0.60	0.60	Tech Advisor support expected to decrease as capital projects are completed and resources shift in-house; more focus on state of good repair and system operations
		Capital projects support	TBD - bench contract	0.20	0.20	0.20	As needed support from Consultant Assistance Bench, including data and reporting infrastructure improvements
		Subtotal:	1.00	0.80	0.80		
4	Current System Enhancements	Credit card improvement initiatives	Cubic	0.30	0.20	-	Card acceptance/fraud reduction, selective card blocking
		Operator asset management tracking	Cubic	-	0.10	-	Enhancement for automated tracking of bus equipment and maintenance
		Subtotal:	0.30	0.30	-		
5	Current System Enhancements - Operator Requested and Paid	AC Transit Fleet Expansion	Cubic	TBD	TBD	TBD	Cubic to provide legacy bus devices for AC Transit fleet expansion
		Expanded Limited Use Tickets for Single Ride/Passports	Cubic	TBD	TBD	TBD	Eliminate tokens/paper passes
		Transbay Transit Center TVMs	Cubic	-	0.40	-	Installation of TVMs at the Transbay Transit Center
		Caltrain - TVM Integration	TBD	-	TBD	-	Integrate Caltrain TVMs with Clipper
		Caltrain - New EMU Vehicles	TBD	TBD	TBD	TBD	Schedule TBD
		GG - Business Rule Simplification	Cubic	TBD	0.12	TBD	Implementation of new transfer rules for Golden Gate Transit
		GG - Tiburon	Cubic	TBD	TBD	TBD	Creation of Tiburon Ferry product
		GG - TVM Refresh	Cubic	TBD	TBD	TBD	TVM component refresh and potential procurement of additional TVMs for Sausalito or Tiburon if necessary
		Marin Transit - Standalone Operator	Cubic	TBD	0.25	TBD	Conversion of business rules from dual-tag to flat fare payment
		VTA - TVM Integration	Cubic	-	0.20	-	Integration of VTA TVMs to dispense Clipper cards
		WETA - Richmond	Cubic	TBD	TBD	TBD	Equipment Installation at Richmond Ferry Terminal
		WETA - San Francisco	Cubic	TBD	TBD	TBD	Equipment expansion in downtown San Francisco
		Multiple Operators - New Driver Console (DC3) - Single Point Log-on	Cubic	TBD	TBD	TBD	Onboard integration of Clipper and other vehicle systems for operators with new bus devices
		Subtotal:	-	0.97	-		
6	Infrastructure Refresh/End- of-Lifecycle	Replace end-of-life equipment as needed	Cubic	3.50	3.50	3.00	Replace HCR3s (FY16/17) and other obsolete equipment at end of lifecycle
		Subtotal:	3.50	3.50	3.00		
Next Generation Clipper System (C2)							
7	MTC Staff	MTC Staff for C2	MTC	1.80	1.89	1.98	MTC staff funded with capital funds eligible for equipment/system replacement
8	Replace Back End/Front End Devices	Replace Back End/Front End Devices (not TVMs/faregates)	TBD	-	5.00	15.00	Replace back end systems and front end devices (retailer devices, ticket office terminals, vehicle and platform card readers, handheld readers)
9	Integrate TVMs and Faregates	Integrate existing TVMs and faregates	TBD	-	4.00	-	Existing TVMs and faregates will be integrated into C2. Individual operators are responsible for replacement (see Line 10). Integration estimate assumes C2 vendor supplies web-based API, all existing hardware is adequate, and no change to credit/debit gateways.
10	Replace TVMs and Faregates	Replace TVMs and faregates	TBD	-	-	-	Replacement of TVMs and faregates is <u>not</u> included in the scope of C2; only integration of the existing TVMs and faregates. Operators are responsible for replacement costs.
11	Consultants	C2 RFP Financial Evaluation	TBD	0.20	0.10	-	Financial evaluation and review of vendor proposals for cost realism and cost effectiveness
		C2 Strategic Planning/Advice Contract	Invoke, TBD	0.20	0.20	0.20	Strategic planning/advice during C2 procurement process
		C2 Legal Support	Thompson Coburn	0.30	0.20	-	Legal and contracting support for C2 procurement and implementation
		C2 Technical Advisor	IBI Group	1.00	1.00	1.00	C2 planning and procurement support
		Subtotal:	1.70	1.50	1.20		
12		TOTAL		11.44	21.16	25.24	

Clipper Staff Organizational Chart

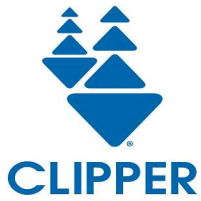
February 2018



Legend

MTC and Transit Operator Staff

Consultant Staff



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 18-0082 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 1/23/2018 **In control:** Clipper Executive Board
On agenda: 2/26/2018 **Final action:**
Title: Next-Generation Clipper® (C2) System Integrator Request for Proposal (RFP)
Update on the C2 System Integrator RFP.

Sponsors:

Indexes:

Code sections:

Attachments: [4a_C2 RFP.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Next-Generation Clipper® (C2) System Integrator Request for Proposal (RFP)

Update on the C2 System Integrator RFP.

Presenter:

Jason Weinstein

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: February 20, 2018

FR: Carol Kuester

RE: Next-Generation Clipper® (C2) System Integrator Request for Proposal (RFP)

This memorandum is to update Board members on key developments in the C2 System Integrator procurement since the last Clipper® Executive Board meeting.


Addendum 4 / Question & Answer Document 5

On February 8, 2018, MTC issued Addendum 4 and Question and Answer Document 5, which revised state wage determination requirements, clarified conditions related to personally identifiable information, and made a nonsubstantive change to the insurance certificate. Addendum 4 and Question and Answer Document 5 document also addressed a question regarding asset management received after the issuance of Addendum 3 and Question and Answer Document 3, providing guidance on which costs associated with C2 System refresh to include in the Operations & Maintenance (O&M) price proposal and indicating that the replacement, modifications and update of system components and functions that do not involve changes to the C 2 System Requirements requiring a contract change order should be included in the asset refresh costs of the proposal.

Question & Answer Document 6

On February 15, 2018, MTC issued Question and Answer Document 6, which declined a request to extend the proposal due date to March 26, 2018.

The February 5 deadline for protesting the provisions of the C2 System Integrator RFP passed without receipt of a protest. Proposals are due on March 5, 2018. We will continue to provide the Clipper® Executive Board with updates on key developments in this procurement process.



Carol Kuester



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 18-0135 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 2/1/2018 **In control:** Clipper Executive Board
On agenda: 2/26/2018 **Final action:**
Title: Next-Generation Clipper (C2) Public Engagement
Update on the C2 Public Engagement Campaign.

Sponsors:

Indexes:

Code sections:

Attachments: [4b_C2 Public Engagement.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Next-Generation Clipper (C2) Public Engagement

Update on the C2 Public Engagement Campaign.

Presenter:

Patricia Nelson, Bay Area Rapid Transit

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: February 20, 2018

FR: Carol Kuester

RE: Next-Generation Clipper (C2) Public Engagement

Background

Clipper® regularly conducts surveys of customers to gauge satisfaction with Clipper® and its features. The methodology has evolved from a telephone survey of registered cardholders to an intercept survey of registered and non-registered cardholders. In 2014, Clipper® also conducted an intercept survey of select transit agency riders who were paying with a method other than Clipper®. Both the customer survey and a region-wide survey of transit riders not using Clipper® were performed in 2017; they were conducted simultaneously for operational and cost efficiency.

Survey Results

Highlights of the 2017 results are:

- 97% of Clipper® customers are satisfied; 75% say they are very satisfied
- 98% of Clipper® customers are likely to recommend it to others, including 84% who are very likely to recommend it
- Of non-Clipper® users, 67% are somewhat or very familiar with Clipper®
- 46% of non-users had used Clipper® before; of these, 95% were somewhat or very satisfied
- When asked to respond to statements about Clipper®, many non-users demonstrated a lack of knowledge about how Clipper® works and its benefits
- Many non-users indicated that they were more likely to use Clipper® once they learned more about it
- When presented with proposed changes – including some considered or planned for the next generations of Clipper® – non-users were significantly more likely to use Clipper®.

Complete topline survey results are included in Attachment A.

Carol Kuester

Attachment:

- Attachment A: Clipper® Fall 2017 Survey Results
- Attachment B: Fall 2017 Survey Results

Clipper® Fall 2017 Survey Results

Interview period: September 25-October 30, 2017

Clipper Customer Survey Results

N = 1,778, weighted, margin of error = +/-2.3%

Satisfaction

- 97% of Clipper customers are satisfied; 75% say they are very satisfied
- 98% are likely to recommend Clipper to others, including 84% who are very likely to recommend it

Use of Clipper

- 72% have had their Clipper card more than a year
- Most frequent methods of adding value are
 - Transit agency ticket machine (45%)
 - Drug store or convenience store (27%)
 - Autoload (15%)
 - Online (9%)
 - School. Residential or work pass program (8%)
 - Online transit benefit program (6%)

Autoload

- 60% are aware of Clipper's Autoload feature
- 52% have used Autoload; of these, 67% use it to load cash value
- 91% who have used Autoload are satisfied, including 73% who say they are very satisfied

Registration

- 71% say their Clipper card is registered
 - Of those who have not registered their card, top reasons were:
 - Didn't know I could register my card (40%)
 - Haven't gotten around to it (28%)
 - Don't want to share personal information or afraid it will be stolen (10%)
-

Non-Clipper User Survey Results

N = 1,009, weighted, margin of error = +/-3.1%

Familiarity with/Interest in Clipper

- 67% are somewhat or very familiar with Clipper
- 46% had used Clipper before; of these, 95% were somewhat or very satisfied
- 83% would be somewhat or very interested in using Clipper
- Top reasons for not using Clipper today:
 - Don't know how to get a card (22%)
 - Don't know where to get a card (13%)
 - Don't ride transit often enough (11%)
 - Have not reloaded value (11%)
 - Clipper doesn't work with type of pass I have (10%)

Beliefs about Clipper

- 73% think Clipper gets you on the bus or through the fare gates faster
- 24% believe you can't get a transfer with Clipper; 38% don't know
- 39% think you have to go in person to get a youth or senior card; 43% don't know
- 46% believe some agencies offer discounts if you use Clipper; 41% don't know
- 50% recognize Clipper is not only for people who use monthly passes; 30% don't know
- 33% believe Clipper is convenient for infrequent transit riders; 26% don't know
- 59% believe Clipper is secure because of card and balance protection
- 25% think you need to link a credit card or bank account to a Clipper account; 36% don't know

Riders said they were much more likely to use Clipper after learning....

- You can use Clipper to pay fares on most Bay Area transit services: 67%
- You can load cash value and passes for multiple transit agencies on a single card: 59%
- You can add value to your Clipper card online, at a transit agency ticket machine, or at a participating retailer: 59%
- Clipper automatically calculates the cost of your ride, including discounts and transfers: 56%
- Some transit agencies offer discounts to customers who pay with Clipper instead of cash: 61%
- After hearing the above, 89% said they were very or somewhat interested in using Clipper.

We asked about potential changes Clipper might make, and riders said...

- 62% would be much more likely to use Clipper if they could get a card and add value at a location within a few blocks of their house, work, or school.
 - 57% would be much more likely to use Clipper if they could use their smart phone to add value and see their payment and fare history immediately.
 - 75% would be much more likely to use Clipper if there was a daily or monthly maximum where, after paying a certain amount in a given day or month, the rest of your rides for that day or month are free.
 - 65% would be much more likely to use Clipper if they could use their Clipper card to pay for other items like bridge tolls, parking, taxis and ride hailing services like Lyft.
 - 54% would be much more likely to use Clipper if they could pay their fare simply by tapping their phone on a Clipper reader with a mobile wallet like ApplePay, Android Pay or Samsung Pay.
-

Both Clipper and Non-Clipper Surveys, Comparison of Transit Behavior and Demographics

<i>Transit Behavior</i>	Clipper	Non-Clipper
Frequent riders (3+ days/week)	92%	78%
Receive transit benefits	21%	7%
<i>Ethnicity</i>		
White	36%	33%
African American	11%	20%
Asian	33%	20%
American Indian or Alaska Native	1%	2%
Native Hawaiian or Pacific Islander	2%	1%
Multiracial	8%	8%
Something else	10%	17%
(Don't know) (exclusive response)	1%	1%
(Prefer not to respond) (exclusive response)	2%	3%
<i>Origin</i>		
Hispanic, Latino or Spanish origin	19%	26%
<i>Age of Respondents</i>		
Under 18	4%	5%
18-24	22%	18%
25-34	23%	22%
35-44	19%	15%
45-54	12%	14%
55-64	12%	18%
65 and older	8%	8%
(Prefer not to respond)	1%	1%
<i>Household Income</i>		
Under \$25,000	18%	31%
\$25,000 - \$34,999	10%	14%
\$35,000 - \$39,999	5%	6%
\$40,000 - \$49,999	5%	5%
\$50,000 - \$59,999	7%	4%
\$60,000 - \$74,999	8%	6%
\$75,000 - \$99,999	7%	4%
\$100,000 to \$149,999	8%	5%
\$150,000 or more	9%	3%
(Don't know)	11%	14%
(Prefer not to respond)	12%	9%
<i>Gender</i>		
Male	47%	49%
Female	52%	49%
Non-binary	1%	0%
None/No gender	0%	1%
(Other (SPECIFY))	0%	-
(Prefer not to respond)	0%	0%



Fall 2017 Survey Results

Patricia Nelson, BART

Agenda Item 4b
Attachment B

Survey Research Overview

- Clipper Customer Satisfaction Surveys
 - 2010-2013: Annual telephone surveys of registered cardholders
 - 2015: Change to biannual intercept survey of registered and non-registered cardholders
 - 2017: Regularly scheduled intercept survey
- Non-Clipper User Survey
 - 2014: Intercept survey – AC Transit, SFMTA and VTA

For operational and cost efficiency, the biannual customer satisfaction survey was combined with a non-Clipper user survey for C2.

2017 Public Engagement Overview

Summary of C2 Engagement Initiatives in 2017

1. Public Comment on Draft Request for Proposal
2. Focus Groups
3. Online Opt-In Survey
4. Email, Social Media and Voicemail Feedback
5. Public Meetings
6. Stakeholder Interviews
- 7. Intercept Survey of Non-Clipper Users**

Intercept survey intended to explore barriers to Clipper adoption and gauge how proposed changes for C2 might affect adoption.

Methodology

- September 25-October 30, 2017
- English, Chinese, Spanish, and Vietnamese
- Intercept survey

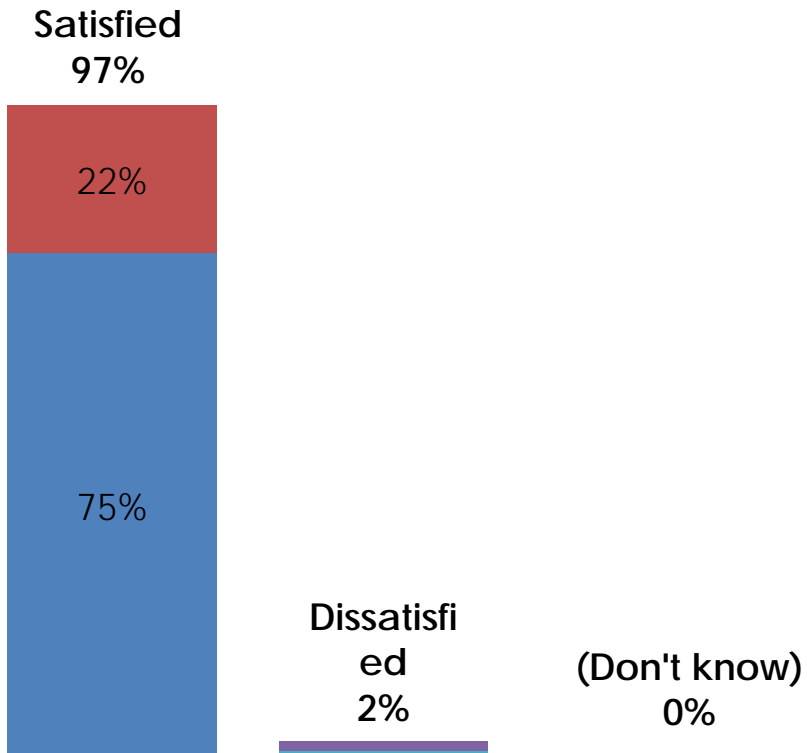
Agency	Interviews among Clipper Users	Margin of Error ± percentage points	Interviews Among Non- Clipper Users	Margin of Error ± percentage points
SFMTA Muni locations (5)	480	5.3%	96	7.2%
BART locations (5)	354	3.9%	155	6.0%
AC Transit locations (4)	164	7.1%	145	7.9%
VTA locations (5)	233	4.3%	122	9.3%
Caltrain locations (2)	125	8.1%	129	10.3%
SamTrans locations (2)	130	6.1%	87	8.4%
Smaller Agency locations (9)	292	4.8%	275	5.7%
Total	1,778	2.3%	1,009	3.1%



Customer Survey Results - Satisfaction

2017

Overall, how would you rate your experience using the Clipper card? Would you say you are very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?



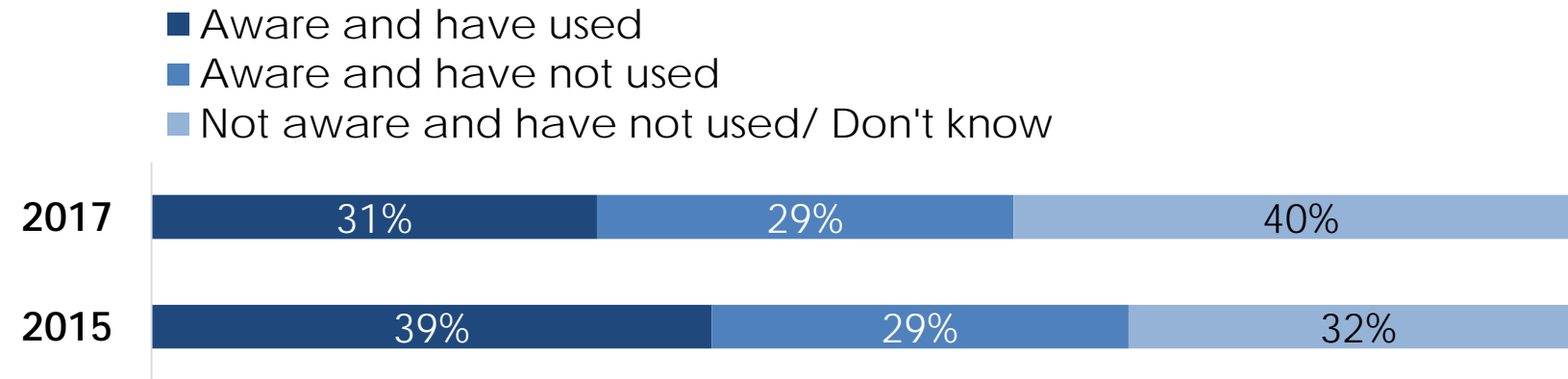
Growth in Overall Satisfaction

2017	97%
2015	97%
2013*	90%
2012*	88%
2011*	87%
2010*	85%

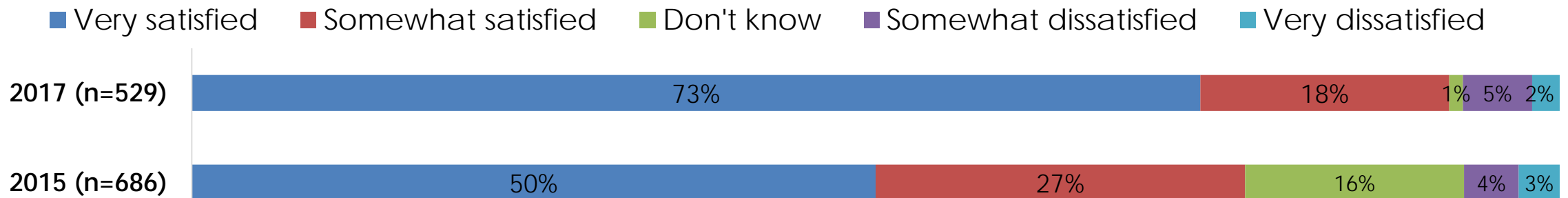
*Survey conducted of registered cardholders

Customer Survey Results - Autoload

Autoload Awareness



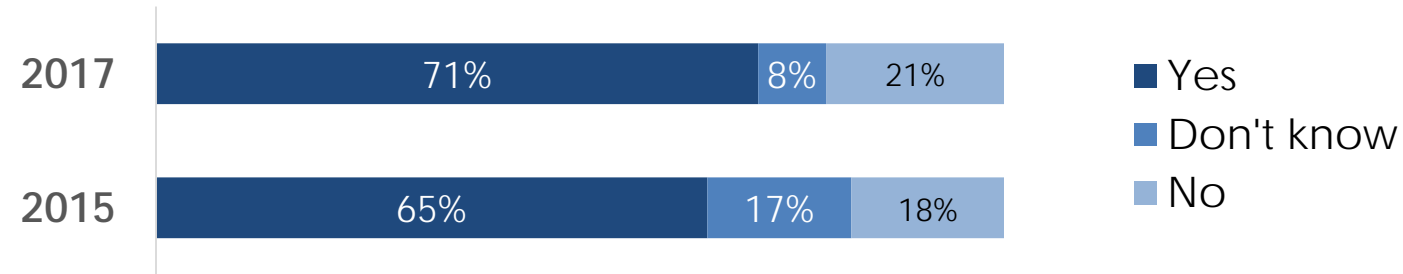
Autoload Satisfaction



Note: In 2015, The "Don't know" category includes "Neutral" responses.

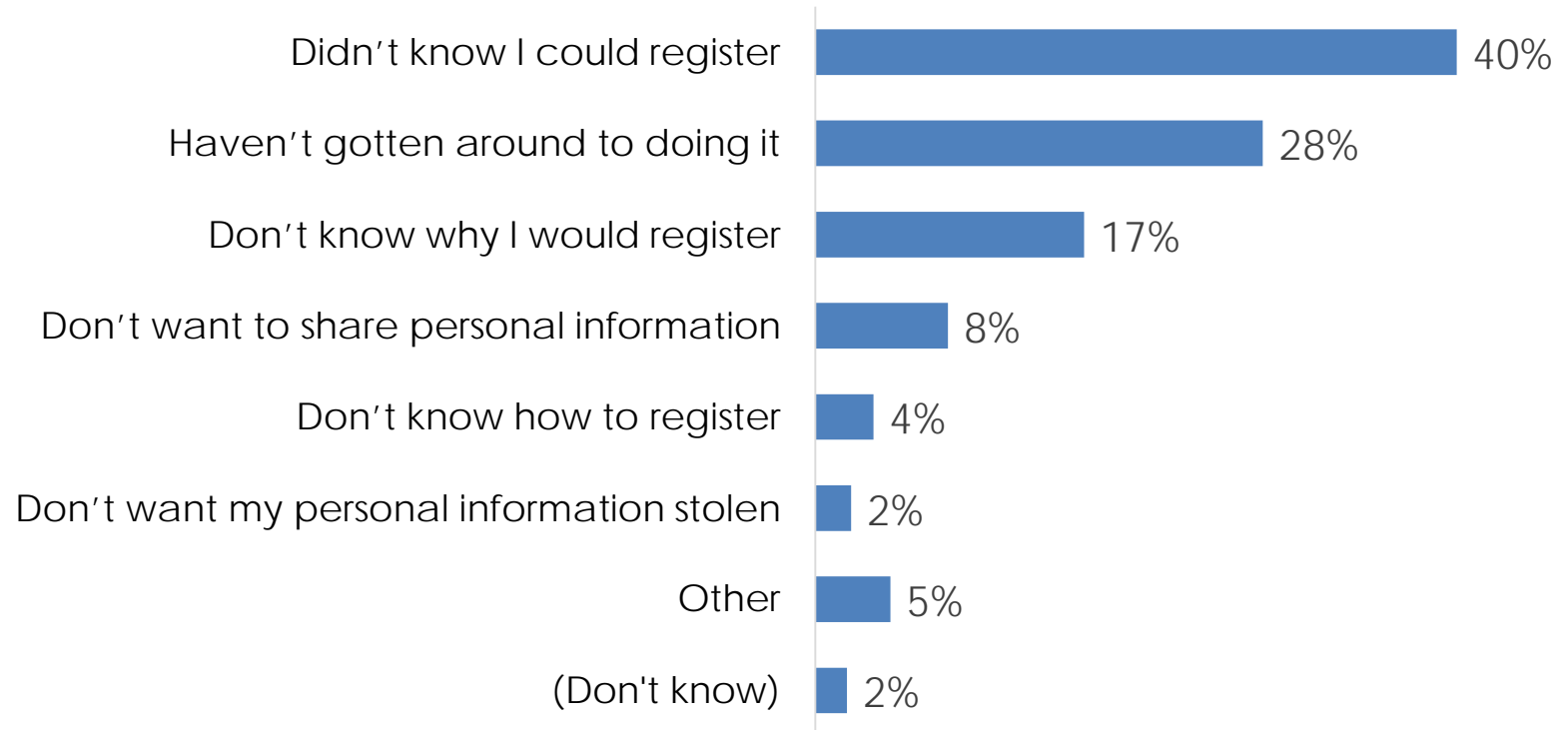
Customer Survey Results - Registration

Card Registered?



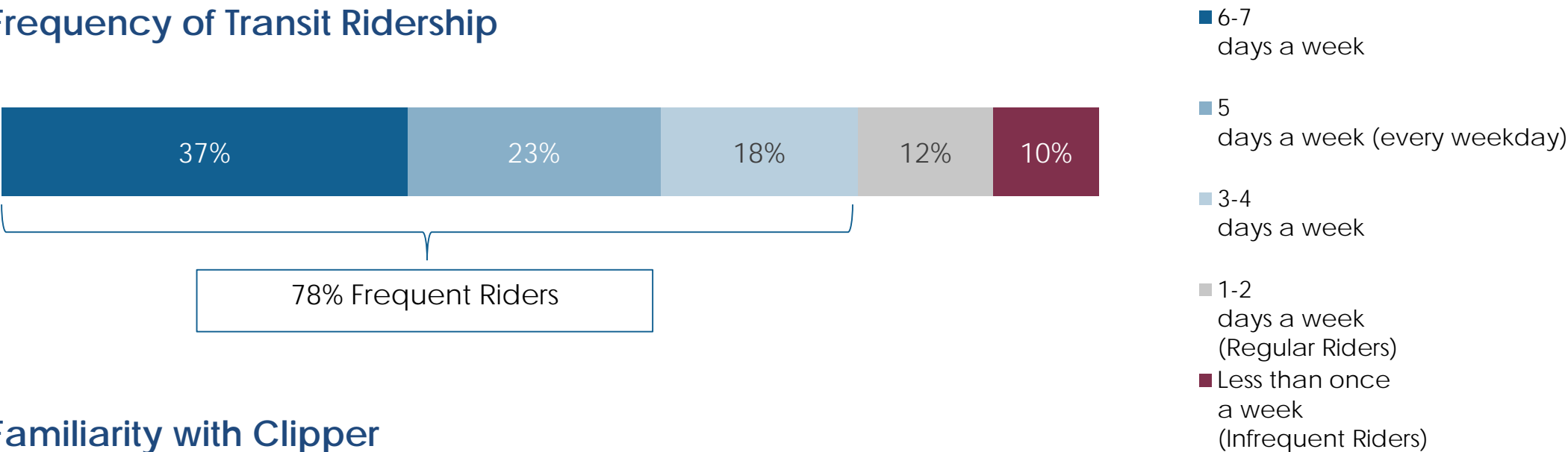
Why Not?

n = 345

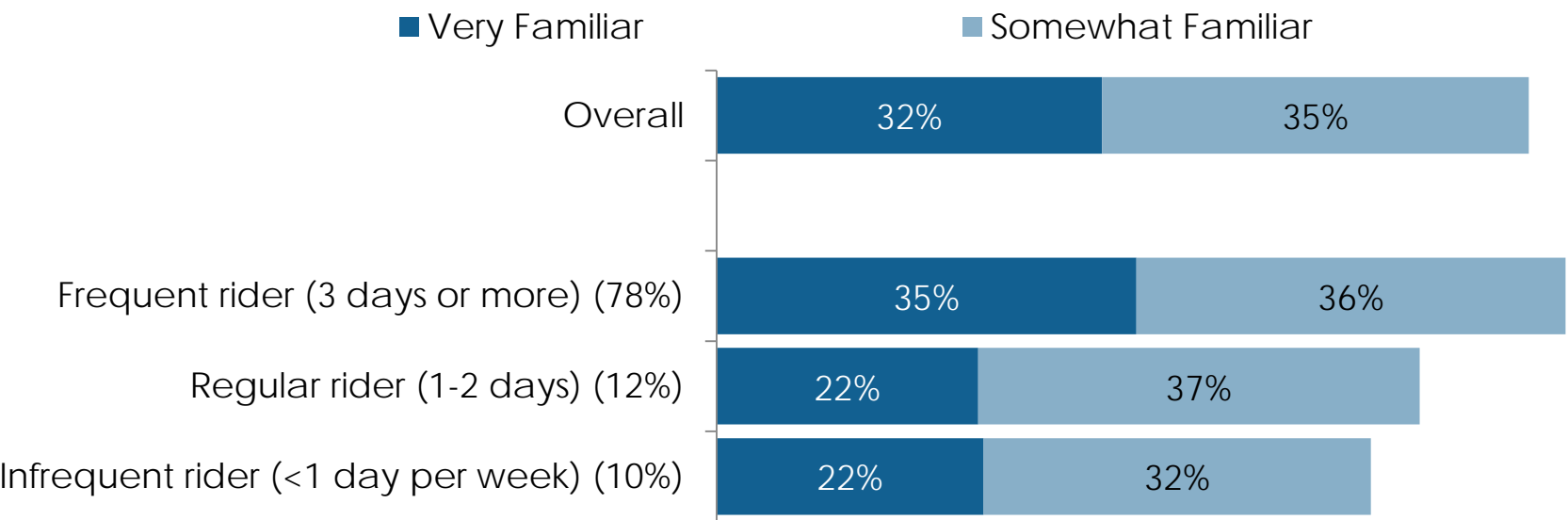


Non-Clipper User Frequency and Familiarity

Frequency of Transit Ridership

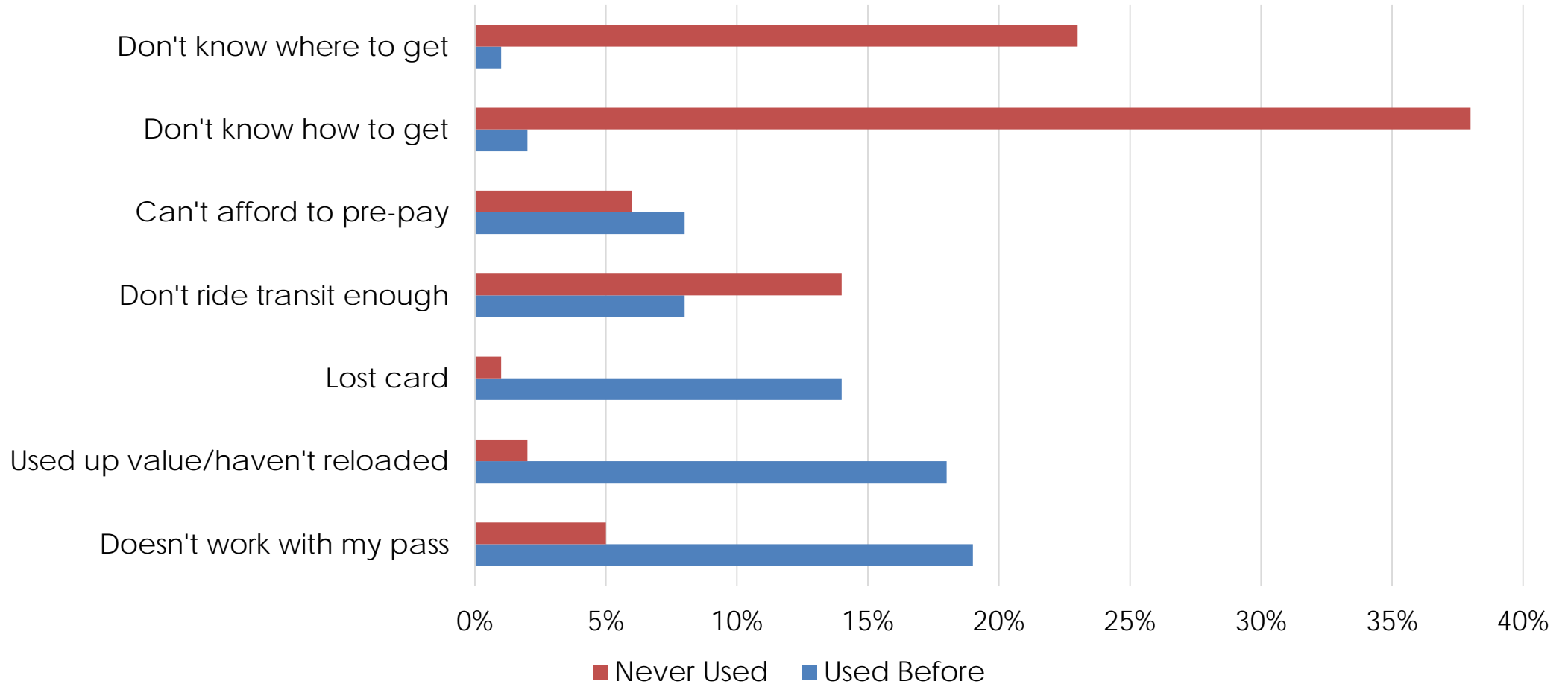


Familiarity with Clipper

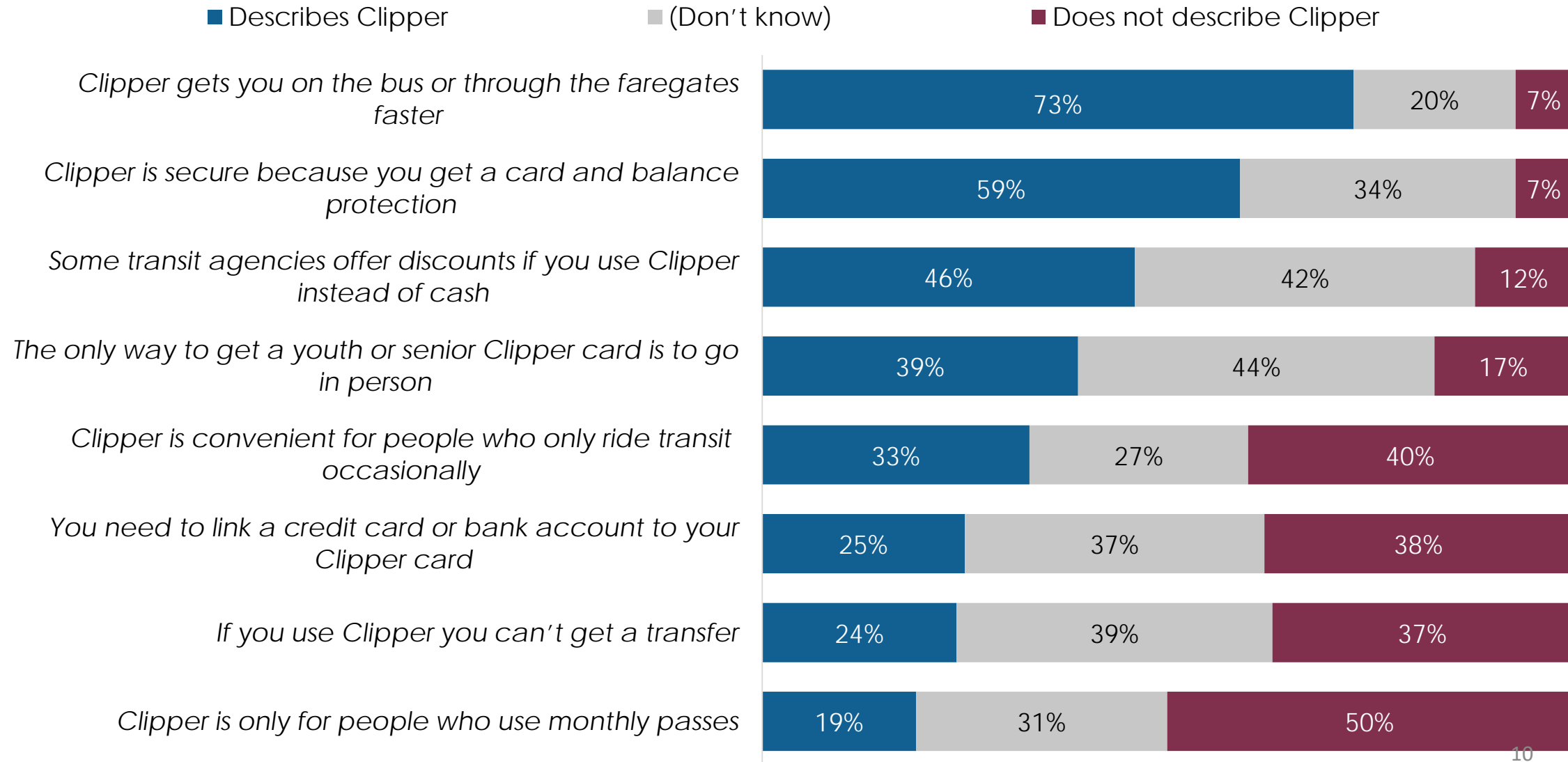


- 46% had used Clipper before
- 70% were very satisfied, and 25% were somewhat satisfied

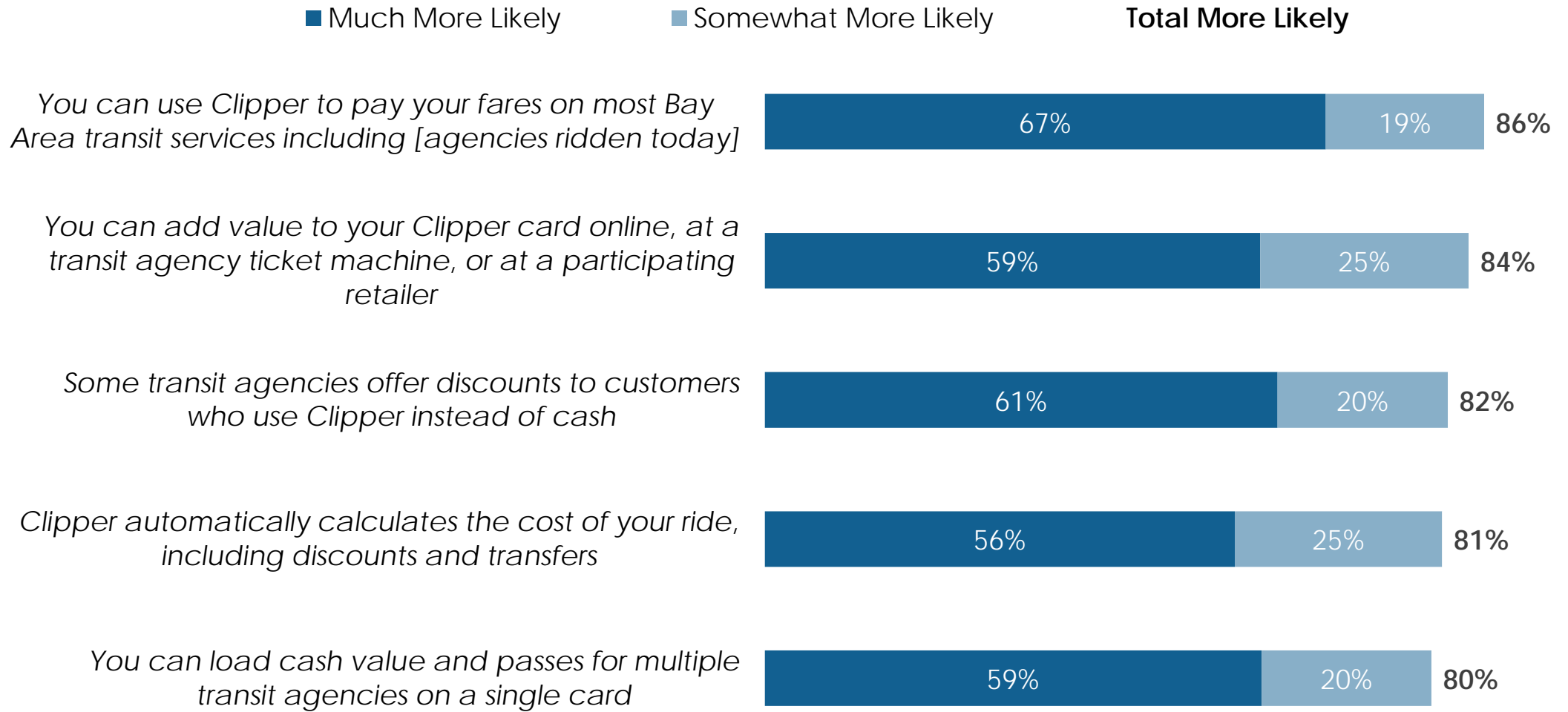
Reasons for Not Using Clipper



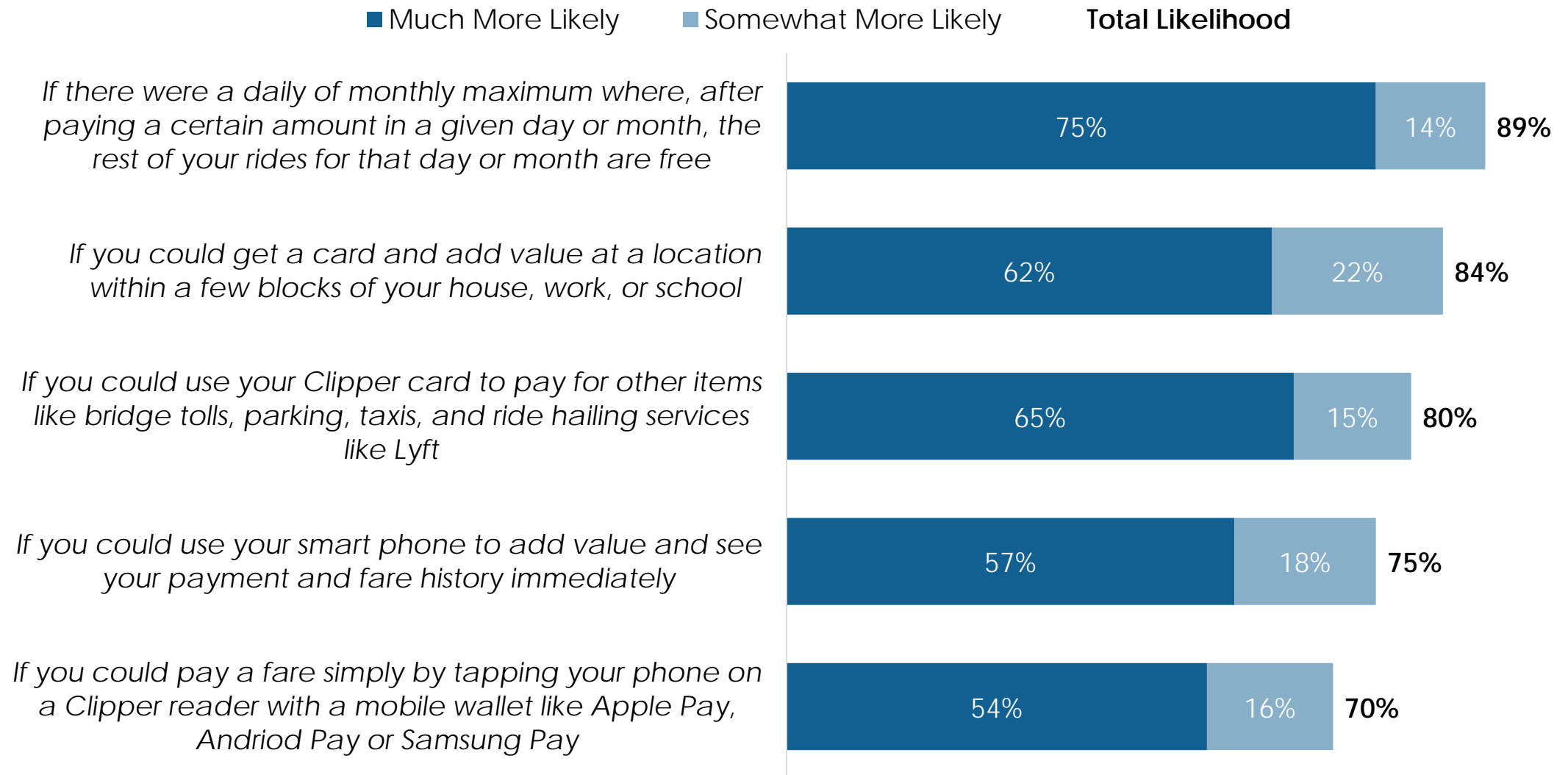
Non-Clipper Customer Beliefs



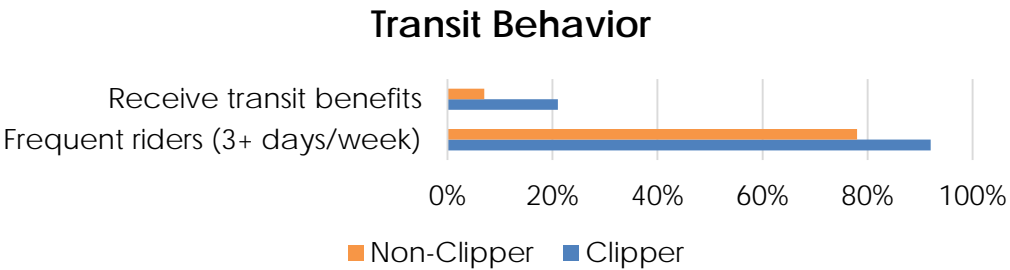
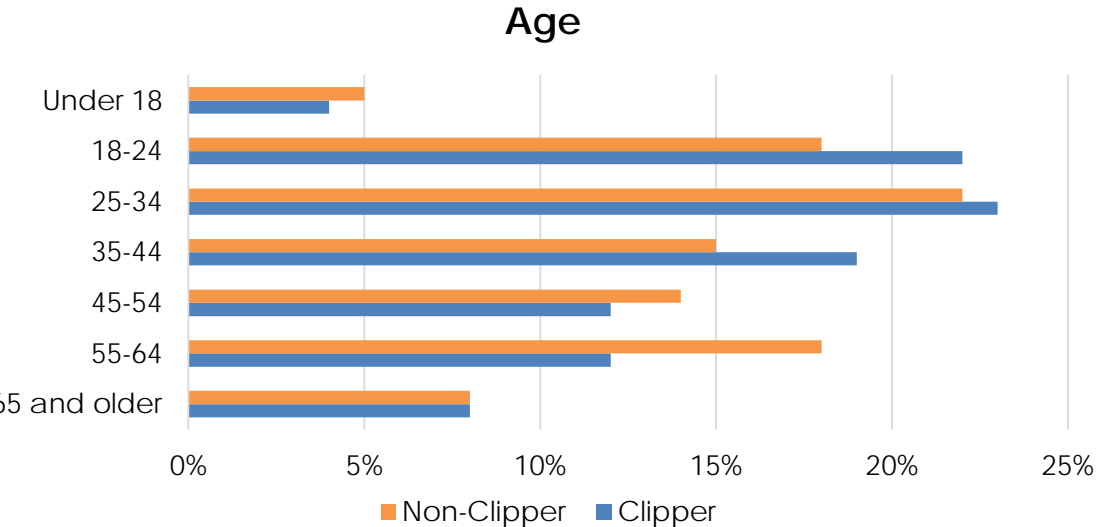
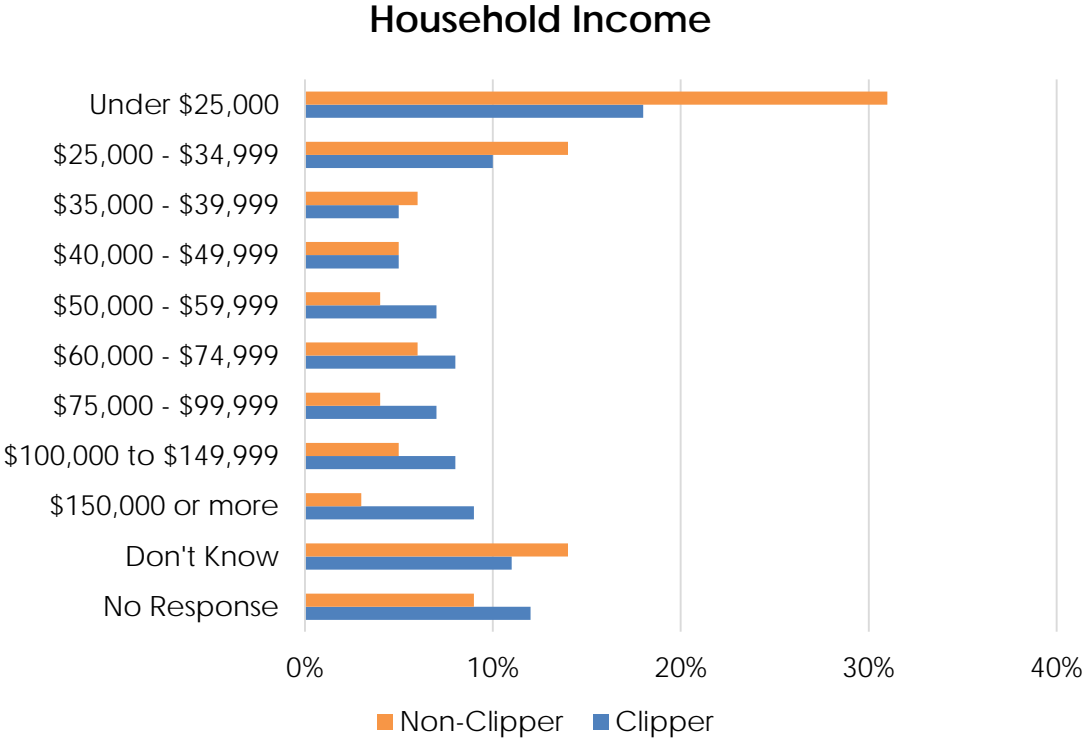
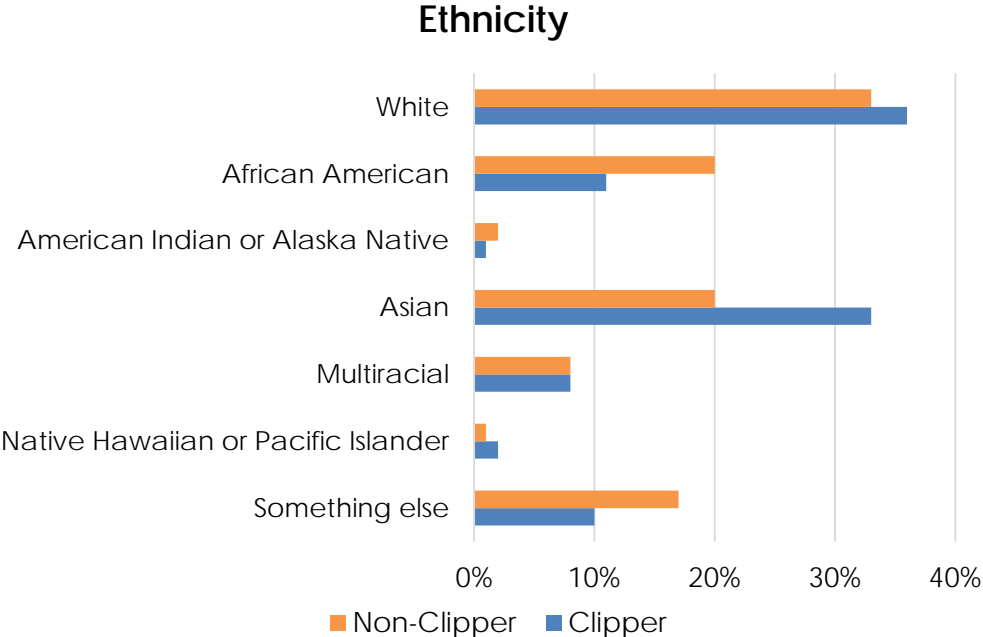
Non-Clipper Customer Likelihood of Use



Non-Clipper Customer Likelihood of Use with Changes



Comparison of Demographics – Clipper/Non-Clipper



How Survey Information Will be Used

Today

- Improve content of website and print materials
- Educational campaigns
- Refine messages and outreach strategies for low income/limited English-proficient populations

C2

- Help inform C2 design decisions and priorities
- Consider likelihood of customers to switch with changes
- Combine with other public engagement feedback



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	18-0078	Version:	1	Name:	
Type:	Report	Status:		Informational	
File created:	1/22/2018	In control:		Clipper Executive Board	
On agenda:	2/26/2018	Final action:			

Title:

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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Recommended Action:
Information

Attachments: