



Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105  
TEL 415.778.6700  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

**CALL AND NOTICE FOR SPECIAL CLIPPER® EXECUTIVE BOARD MEETING**

**1:30 p.m. Monday, November 5, 2018  
BART Board Room – 3<sup>rd</sup> Floor  
San Francisco Bay Area Rapid Transit District  
344 20th Street  
Oakland, CA 94612**

As Chair of the Clipper Executive Board, I am calling a special meeting of the Clipper Executive Board, in accordance with Section 3.03 of the Clipper Executive Board Procedures, for November 5, 2018 at 1:30 p.m., at San Francisco Bay Area Rapid Transit District, 344 20th Street, Oakland, CA 94612 in the 3<sup>rd</sup> Floor BART Board Room.

The business to be transacted will include: (1) Roll Call / Confirm Quorum; (2) Consent Calendar: (2a) Minutes of September 10, 2018 Meeting (Approval); (3) Approval: (3a) Clipper Contract Change Order Amendment - Clipper Card Procurement: Cubic Transportation Systems, Inc. (\$2,000,000) (Approval); (4) Information, (4a) Regional Means-Based Pilot Program Update (Information), (4b) Customer Education Update (Information), (4c) Current Clipper Program Update (Information), (4d) Next-Generation Clipper (C2) System Integrator Implementation Update (Information); (5) Executive Director's Report – Kuester (Information); (6) Public Comment / Other Business; and (7) Adjournment / Next Meeting.

Members of the public shall be provided an opportunity to directly address the Clipper Executive Board concerning any item described in this notice, before or during consideration of that item. An agenda will be posted and distributed for this meeting by MTC staff in the normal course.

\_\_\_\_\_  
Denis Mulligan  
October 30, 2018



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*

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Monday, November 5, 2018

1:30 PM

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

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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. [18-0807](#) Minutes of September 10, 2018 Meeting

Action: Board Approval

Attachments: [2a CEB Minutes SEPT 10 2018.pdf](#)

### 3. Approval

- 3a. [18-0902](#) Clipper® Contract Change Order Amendment - Clipper® Card Procurement: Cubic Transportation Systems, Inc. (\$2,000,000)
- Approval of a contract amendment with Cubic for \$2,000,000 for procurement of Clipper cards.
- Action:** Board Approval
- Presenter:** Edward Meng
- Attachments:** [3a Clipper Card Procurement.pdf](#)

### 4. Information

- 4a. [18-0903](#) Regional Means-Based Pilot Program Update
- Update on the Regional Means-Based Pilot Program available through Clipper®.
- Action:** Information
- Presenter:** Sara Barz
- Attachments:** [4a Regional Means Based Update.pdf](#)
- 4b. [18-0972](#) Customer Education Update
- Update on ongoing Customer Education Efforts.
- Action:** Information
- Presenter:** Lysa Hale
- Attachments:** [4b Customer Education.pdf](#)
- 4c. [18-0973](#) Current Clipper® Program Update
- Current Clipper System Performance and Operations Update.
- Action:** Information
- Presenter:** Carol Kuester
- Attachments:** [4c Program Update.pdf](#)
- 4d. [18-0905](#) Next-Generation Clipper (C2) System Integrator Implementation Update
- Update on the C2 System Integrator Implementation.
- Action:** Information
- Presenter:** Edward Meng
- Attachments:** [4d C2 SI 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 Monday, December 17, 2018 at 1:30 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](http://mtc.ca.gov)) for public review for at least one year.

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

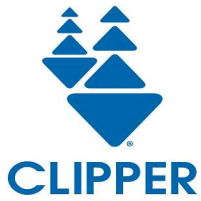
**可及性和法令第六章:** MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

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

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

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



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 18-0807      **Version:** 1      **Name:**  
**Type:** Minutes      **Status:** Consent  
**File created:** 9/14/2018      **In control:** Clipper Executive Board  
**On agenda:** 10/15/2018      **Final action:**  
**Title:** Minutes of September 10, 2018 Meeting  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [2a\\_CEB Minutes\\_SEPT 10 2018.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**  
Minutes of September 10, 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*

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Monday, September 10, 2018

1:30 PM

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

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### 1. Roll Call / Confirm Quorum

**Present:** 8 - Rannells, Hursh, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican, Heminger, and Hartnett

**Absent:** 1 - Ramacier

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

### 2. Consent Calendar

**Upon the motion by Hartnett and second by Fernandez, 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.**     [18-0530](#)     Minutes of June 4, 2018 Meeting

**Action:** Board Approval

**Attachments:**   [2a\\_CEB Minutes\\_JUN 4 2018.pdf](#)

**2b.**     [18-0685](#)     Clipper® Purchase Order - Network Services: AT&T (\$400,000)

**Action:** Board Approval

**Presenter:** Edward Meng

**Attachments:**   [2b\\_Clipper Network Purchase Order.pdf](#)

- 2c. [18-0686](#) Clipper® Contract Change Order Amendment - Clipper® Card  
Procurement: Cubic Transportation Systems, Inc. (\$2,000,000)

**Action:** Board Approval

**Presenter:** Edward Meng

**Attachments:** [2c\\_Clipper Card Procurement.pdf](#)

### 3. Approval

- 3a. [18-0687](#) Clipper® Contract: Next Generation Clipper® (C2) Regional Fare Payment  
System Integrator: Cubic Transportation Systems, Inc. (\$461,000,000)

Recommendation of award of a contract to design, develop, install, test, integrate, operate, maintain, and refresh the C2 System.

**Action:** Board Approval

**Presenter:** Carol Kuester

**Attachments:** [3a\\_Next Gen Clipper System Integrator Contract.pdf](#)  
[Handout-Next Gen Clipper.pdf](#)

Aleta Dupree spoke in support of this item.

**Upon the motion by Fernandez and second by Heminger, the Clipper® Contract: Next Generation Clipper® (C2) Regional Fare Payment System Integrator: Cubic Transportation Systems, Inc. (\$461,000,000) 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

- 3b. [18-0688](#) Clipper® Contract Amendment - Next Generation Clipper® System  
Advisor Contract: IBI Group (\$1,400,000)

Approval of a contract amendment with IBI in an amount not to exceed \$1,400,000 for continued support to the C2 project.

**Action:** Board Approval

**Presenter:** Carol Kuester

**Attachments:** [3b\\_Clipper C2 Advisor Amendment.pdf](#)

**Upon the motion by Crunican and second by Hursh, the Clipper® Contract Amendment - Next Generation Clipper® System Advisor Contract: IBI Group (\$1,400,000) 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



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

4a. [18-0787](#)

Attachments: [4a Handout-ED Report.pdf](#)

**5. Public Comment / Other Business**

Aleta Dupree addressed the Board.

**6. Adjournment / Next Meeting**

The next meeting of the Clipper® Executive Board will be Monday, October 15, 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)

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**File #:** 18-0902      **Version:** 1      **Name:**  
**Type:** Contract      **Status:** Committee Approval  
**File created:** 10/12/2018      **In control:** Clipper Executive Board  
**On agenda:** 11/5/2018      **Final action:**  
**Title:** Clipper® Contract Change Order Amendment - Clipper® Card Procurement: Cubic Transportation Systems, Inc. (\$2,000,000)

Approval of a contract amendment with Cubic for \$2,000,000 for procurement of Clipper cards.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [3a\\_Clipper Card Procurement.pdf](#)

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

Clipper® Contract Change Order Amendment - Clipper® Card Procurement: Cubic Transportation Systems, Inc. (\$2,000,000)

Approval of a contract amendment with Cubic for \$2,000,000 for procurement of Clipper cards.

**Presenter:**

Edward Meng

**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](http://www.mtc.ca.gov)

TO: Clipper® Executive Board

DATE: October 30, 2018

FR: Carol Kuester

RE: Clipper® Contract Change Order Amendment – Clipper® Card Procurement: Cubic Transportation Systems, Inc. (\$2,000,000)

#### **Background**

Since its inception, the Clipper program has issued nearly eight million cards. Demand in 2018 has increased dramatically with the sales of Clipper cards through BART ticket machines. Currently, the program issues approximately 115,000 new adult cards each month, up from approximately 65,000 a month prior to BART ticket machines selling Clipper cards. Demand for cards is predicted to remain steady for the foreseeable future.

The Clipper program partially offsets the cost of cards by charging most adults a \$3 card acquisition fee. In the early years of the program, there was no charge for Clipper cards, but transit operators encountered a loss of revenue due to some customers taking one ride and then disposing of the card with a negative balance. After the card fee was instituted, this loss was measurably reduced.

MTC does not recoup the full cost of producing a card with the \$3 card acquisition fee. The actual cost of each card is approximately \$1.50, while the program cost of issuing each card is approximately \$1.85, bringing the total cost of issuing a new card to approximately \$3.35. Funds from the \$3 card fee will be used to partially fund this Change Order Amendment. The funds in this Change Order Amendment were not fully contemplated in the Two Year Budget and Work Plan approved by the Board in February 2018 as the volume of cards sold from BART ticket machines has been much higher than expected. The funds for this proposed change order amendment are currently available in the Clipper card fee account.

The schedule for the card procurement is defined in the Contract Change Order as 18 to 22 weeks after execution of a Task Order.

#### **Recommendation**

Staff recommends the Clipper Executive Board's approval of a contract change order amendment with Cubic Transportation Systems, Inc., in an amount not to exceed \$2,000,000 to produce Clipper cards for distribution to customers.

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

## REQUEST FOR BOARD APPROVAL

### Summary of Contract Change Order Amendment

Contractor:	Cubic Transportation Systems, Inc. (Cubic) San Diego, CA
Work Project Title:	Clipper® Card Procurement (Change Order Amendment, CO-145)
Purpose of Amendment:	To procure Clipper cards.
Brief Scope of Work:	Under this Change Order Amendment, Cubic will purchase Clipper cards as directed by MTC. This Amendment adds funds to an already existing Change Order.
Project Cost Not to Exceed:	\$2,000,000 (this Change Order Amendment) Total contract value including amendments before this amendment = \$169,169,931 Total contract amount with this amendment = \$171,169,931
Funding Source:	Clipper cardholder administrative fees, STP, CMAQ, STA, STP Exchange, Regional Measure 2 Capital and Regional Measure 2 Operating
Fiscal Impact:	Funds available in the Clipper card fee account.
Motion:	That the Contract Change Order Amendment with Cubic Transportation Systems, Inc., for the purposes described herein and in the Executive Director's memorandum dated October 30, 2018, is hereby approved by the Clipper Executive Board.
Clipper Executive Board:	<hr/>
	Denis Mulligan, Chair
Approved:	Date: November 5, 2018



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 18-0903      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 10/12/2018      **In control:** Clipper Executive Board  
**On agenda:** 11/5/2018      **Final action:**  
**Title:** Regional Means-Based Pilot Program Update

Update on the Regional Means-Based Pilot Program available through Clipper®.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [4a\\_Regional Means Based Update.pdf](#)

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

Regional Means-Based Pilot Program Update

Update on the Regional Means-Based Pilot Program available through Clipper®.

**Presenter:**

Sara Barz

**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](http://www.mtc.ca.gov)

TO: Clipper® Executive Board

DATE: October 30, 2018

FR: Carol Kuester

RE: Regional Means-Based Pilot Program Update

### Background

For most Bay Area households, transportation is the third-largest monthly expense—trailing only the cost of housing and food. In 2015, the Metropolitan Transportation Commission (MTC) launched a study to determine if a transit reduced fare program based on household income would be feasible and effective. In January 2017, MTC consulted with and received feedback and consultation from the Clipper Executive Board for a regional means-based transit fare discount program.

As a result of the study and in consultation with transit operators, the Commission approved the launch of the Regional Means-Based Transit Fare Pilot Program in May 2018. Critically for Clipper®, MTC and the transit operators committed to making the discount available only through Clipper via the “Clipper Coupon,” which is the working name of the Means-Based Transit Fare Discount product on the Clipper card.

### Pilot Program Elements

1. *Eligibility:* Adults who earn up to 200% of the Federal Poverty Line (approximately \$50,000 per year for a family of four) can receive the transit discount.
2. *Available on Clipper:* Pilot program participants will use Clipper cards to receive the new Means-Based Transit Fare discount.
3. *Participating Transit Operators:* BART, Caltrain, Golden Gate Transit and Ferry, and SFMTA (other operators may be included after the Pilot program launches)
4. *Single-Ride Discount:* In addition to existing Clipper discounts, Pilot program participants will receive at least a 20% discount on each trip taken on the participating transit operators. SFMTA will offer a 50% discount for all trips taken by Pilot program participants.

### Clipper Coupon

In August 2018, Clipper staff submitted a change notice to Cubic for the development of the Clipper Coupon in the C1 system. In early October, Cubic responded with a proposal to complete the work by October 2019 for \$1,000,000.

While staff generally recommends avoiding further investment in the C1 system, staff does recommend executing a change order with Cubic for the work on the Clipper Coupon in order to start the Means-Based Transit Fare Discount Pilot Program by Fall 2019. After the results of the November election, staff anticipates returning to the Clipper Executive Board in December 2018 with a request for approval of a contract change order to accomplish this work.

Carol Kuester



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 18-0972      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 10/26/2018      **In control:** Clipper Executive Board  
**On agenda:** 11/5/2018      **Final action:**  
**Title:** Customer Education Update

Update on ongoing Customer Education Efforts.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [4b\\_Customer Education.pdf](#)

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

Customer Education Update

Update on ongoing Customer Education Efforts.

**Presenter:**

Lysa Hale

**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](http://www.mtc.ca.gov)

TO: Clipper® Executive Board

DATE: October 30, 2018

FR: Carol Kuester

RE: Customer Education Update

In September, MTC embarked on a multi-year customer education effort to provide an ongoing advertising and outreach presence for Clipper. With a goal of sustained exposure, we are rolling out the campaign in phases using a tagline of “Clipper Works for You” and similar graphics throughout.

- Phase 1 targets riders of Caltrain, SamTrans and VTA with messaging on financial savings through free VTA transfers and Caltrain and SamTrans fare incentives.
- Phase 2 will target North Bay riders in spring 2019, incorporating messaging on fare incentives where appropriate and general education about how Clipper works in other areas.
- Phase 3 in summer 2019 will target AC Transit, Muni and Union City Transit riders. For AC Transit and Muni, the primary message will focus on fare incentives, including, potentially, increases in available fare incentives.
- Subsequent phases remain to be determined.

All of the campaigns will utilize a combination of paid media with operator-provided assets. For example, Phase 1 includes:

- Streaming and banner ads on mobile
- In-language print ads (Spanish and Chinese)
- Transit shelter ads
- Light-rail platform posters
- Interior and exterior vehicle ads
- Take-one brochures for outreach and on-board distribution
- Newsletter articles for GovDelivery distribution
- Social media posts
- Graphics on the Clipper and VTA websites
- 44 outreach events at transit centers and key hubs

Through the first 35 outreach events in Phase 1, Clipper ambassadors distributed 1,217 cards.

Phase 1 is still in progress, but we will be tracking results throughout the campaign and report back to the Clipper Customer Education, Service and Distribution Committee (CESD).

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

**Attachments:**

- Attachment A: Customer Education Update





# Customer Education Update

Clipper Executive Board


Agenda Item 4b  
Attachment A

# Clipper Works for You Campaign

- Sustained presence:  
18 to 24 months
- Single theme  
(Clipper Works for You)
- Build on existing and  
new incentives
- Add facts to address  
misconceptions
- Leverage and enhance  
look and feel of previous  
customer education efforts



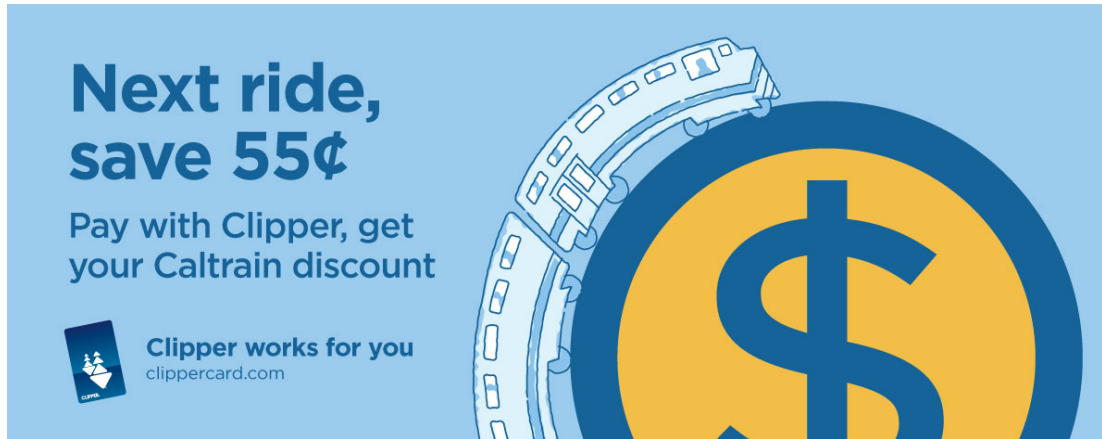
# Phased Approach

Fall 2018	Spring 2019	Summer 2019	Future Phases 
Phase 1: Caltrain, SamTrans and VTA  <i>Financial savings through free VTA transfers and fare incentives</i>	Phase 2: North Bay  <i>Fare incentives and general education</i>	Phase 3: AC Transit, Muni and Union City Transit  <i>Fare incentives (AC Transit/ Muni) and pass availability (UCT)</i>	To be determined

# Campaign Assets

- Transit shelters
- Exterior bus ads
- Interior car cards
- Light-rail platform posters
- Geotargeted streaming and banner mobile ads
- GovDelivery articles
- Social media
- Website graphics
- Take-ones
- Outreach
- In-language print ads

# Campaign Creative



Caltrain Car Card



SamTrans Car Card



VTA Transit Shelter

# Campaign Creative

**Ahorre en sus viajes  
en transporte público**

Si viaja mucho en transporte público o solo de vez en cuando, Clipper le facilita pagar su tarifa, ¡y además ahorrar dinero!



**Clipper trabaja para usted**  
clippercard.com

Spanish Print Ad

**Clipper**  
The Transit Card for *You*

Whether you ride daily or just take occasional trips, Clipper's the most convenient way to pay your fare on all Bay Area transit. Clipper automatically figures out the cost of your trip, including discounts and transfers.



**Load the Value That's Best for You**  
Cash value *or* passes—it's your choice. If you need it right away, load value in person at a ticket machine, a retailer or transit agency location, where you can pay with cash or credit card. If you have time to plan ahead, load value online or set up automatic reloading.

**Clipper Discounts**

- **VTA:** Free 2-hour local and light rail transfers
- **SamTrans:** Get a discount on every ride, every day
- **Caltrain:** Save 55¢ each ride you take
- Plus discounts when you transfer between transit agencies!

**GET CLIPPER!**

- Clippercard.com
- Self-serve machines at VTA and BART
- Transit agency ticket offices
- Participating retailers



**Clipper works for you**  
clippercard.com

Take-One



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 18-0973      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 10/26/2018      **In control:** Clipper Executive Board  
**On agenda:** 11/5/2018      **Final action:**  
**Title:** Current Clipper® Program Update  
Current Clipper System Performance and Operations Update.

**Sponsors:**

**Indexes:**

**Code sections:**

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

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

Current Clipper® Program Update

Current Clipper System Performance and Operations Update.

**Presenter:**

Carol Kuester

**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](http://www.mtc.ca.gov)

TO: Clipper® Executive Board

DATE: October 30, 2018

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 December 2017 Executive Board meeting. This memorandum is to update the Clipper Executive Board on the current overall program. The Clipper system is currently processing 20 to 22 million transactions monthly and is settling nearly \$54 million in monthly revenue.

### **Transactions and Sales**

Clipper transaction volumes recovered from normal seasonal lows expected every summer, and fee-based transactions in September topped 23 million. Transactions and sales continue to grow due in large part to customers' ability to purchase Clipper cards from ticket vending machines. Average weekday ridership in September was up 4.8 percent from August and was up 12.5 percent from September 2017.

### **Clipper Card Dispensing**

Over the last year both BART and VTA have been working to retrofit their ticket vending machines to dispense Clipper cards. BART has retrofitted 127 machines and currently has at least 2 machines in each station that can distribute cards and has distributed approximately 625,000 cards. As a result, the market penetration for Clipper on BART has increased to 81%. VTA began retrofit work on a limited number of machines in July 2018. Full implementation with Clipper card dispensing at all VTA machines is expected December 2018. Caltrain will also be retrofitting 12 ticket vending machines to distribute and add value to Clipper cards. This work is expected to be completed in December 2019.

### **Other Implementation and Enhancement Projects**

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

- Replacement of add value machines – while the Salesforce Transit Center is closed, staff is (1) working to replace the add value machines to support the re-opening of the Temporary Transbay Terminal and (2) providing information about alternative add-value locations through the website, social media and customer service channels.
- Modernization of communications network – replacing frame relay circuits at 121 sites which should be complete in November 2018, which results in faster speeds and more dependable telecommunications. Work is in progress at BART, Caltrain and SamTrans.
- SFMTA implementation of Clipper on the Central Subway – scheduled for completion in November 2019. Clipper equipment installation work will begin in February 2019.
- San Francisco Bay Ferry New Richmond terminal and SF terminal expansion – expected completion in 2019. Clipper equipment installation in Richmond is pending completion of operator work, and existing gate in San Francisco will be addressed in 2019.



## Partnerships

Since the launch of Ford GoBike all stations have incorporated a Clipper card reader which allows members to use their Clipper card to unlock a bicycle, and Ford GoBike has allowed members to supply their own Clipper card serial numbers to use as an identifier at bike share stations. It's worth noting that 32% of all bike trips are started by use of a Clipper card and 50% of all members have used their Clipper card as their membership identifier.

To further encourage the use of Clipper cards as membership identifiers for Ford GoBike, staff is in the process of seeking approval of a Clipper Card Issuer Agreement with Motivate, the operator of the Ford GoBike program. The Agreement will allow Motivate to distribute Clipper cards to Ford GoBike members at Motivate's sole expense.

Additionally, staff is in the early stages of working with Gig Carshare to enable Gig to become a Clipper card issuer. As this relationship develops staff will keep this Board informed.



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Carol Kuester

## Attachment:

- Attachment A: Current Clipper® Program Update



# Clipper Update

October 2018



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## A Message from Carol Kuester, Director, MTC Electronic Payments

We have cleared the hurdle of bringing a C2 System Integrator on board, and now we can start preparing for the next phase of the work together. As mentioned last month, we anticipate a fast ramp-up to C2 accelerated deployment development work, while keeping the original Clipper system running smoothly to continue to serve customers well.

We have several expansion and enhancement projects that will continue to provide a better Clipper experience, especially the retrofit of VTA ticket machines to vend Clipper cards. That will be followed by a Caltrain project that retrofit several ticket machines at a time to sell and add value to Clipper cards.

We're excited to be a part of the roll-out of new ferry service in the Bay Area and are supporting implementation of Clipper at the new Richmond ferry terminal. We'll also team up with San Francisco Bay Ferry staff to distribute free Clipper cards when the new service launches after the beginning of the year.

If you have program questions, please contact your Clipper liaison. You can also reach me at 415.778.5253 or by email at [ckuester@bayareametro.gov](mailto:ckuester@bayareametro.gov).

**Table 1: Summary of System Usage**

	Last Month Sep 2018 (30 days)	% Change From Aug 2018 (31 days)	% Change from Sep 2017 (30 days)
<b>Transaction Volume</b>			
Average Weekday Ridership <sup>1</sup>	883,858	4.8%	12.5%
Fee-Generating Transactions <sup>2</sup>	23,176,486	-3.3%	10.6%
Unique Cards Used	1,215,943	0.1%	17.7%
Active Card Accounts	2,682,362	2.2%	24.6%
Settled Transit Operator Revenue	\$53,629,719	-6.7%	13.6%
<b>Call Volume</b>			
Customer Service Representative Calls	28,308	-12.7%	-5.9%
<b>Website Traffic</b>			
Unique Visitors – Standard	135,242	-7.8%	-8.0%
Unique Visitors – Mobile	N/A	N/A	N/A
Website Visits – Standard	192,482	-7.3%	-4.5%
Website Visits - Mobile	N/A	N/A	N/A

<sup>1</sup> Includes average daily number of boardings, including transfers but excluding some Caltrain monthly pass trips (Caltrain only requires monthly pass customers to tag their cards once at the beginning of each month).

<sup>2</sup> Includes single-tag fare payments, BART and Caltrain exits, Golden Gate Transit entries, add-value transactions, opt-out purse refunds and pass use, including institutional passes. Does not include transfers or transactions where fee value is \$0 (e.g., issuance of free cards, zero-value tags in dual-tag systems, etc.).

## System Performance

Figure 1: Transactions<sup>3</sup>

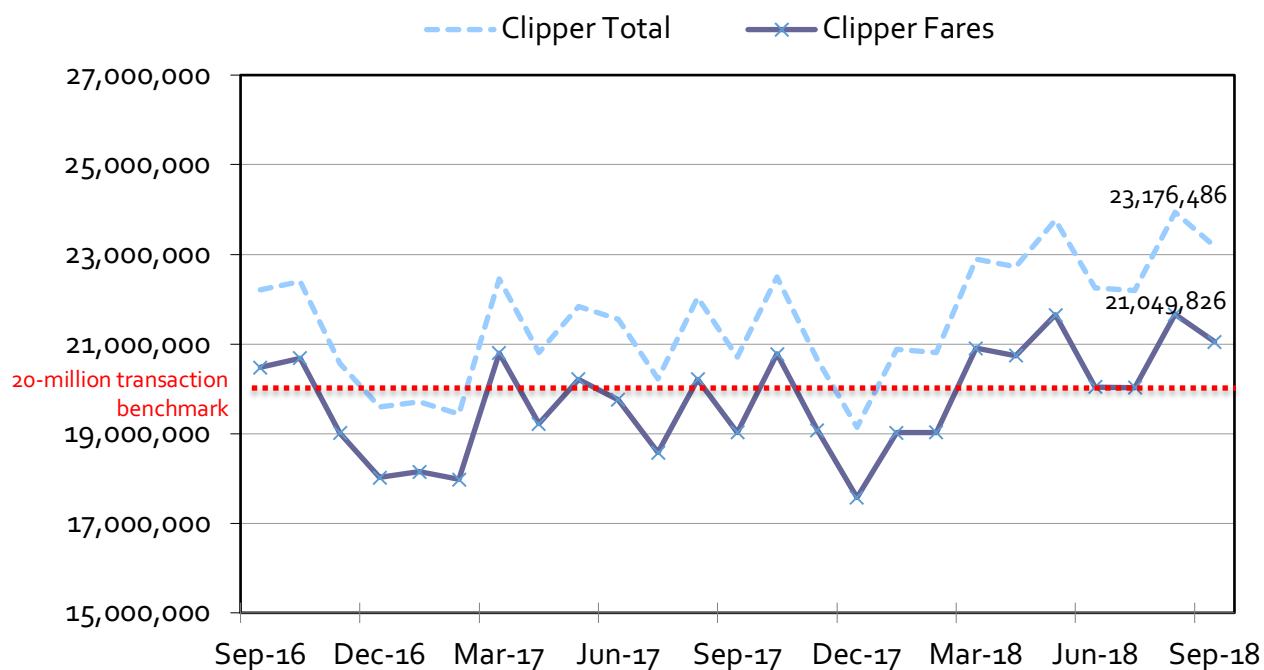
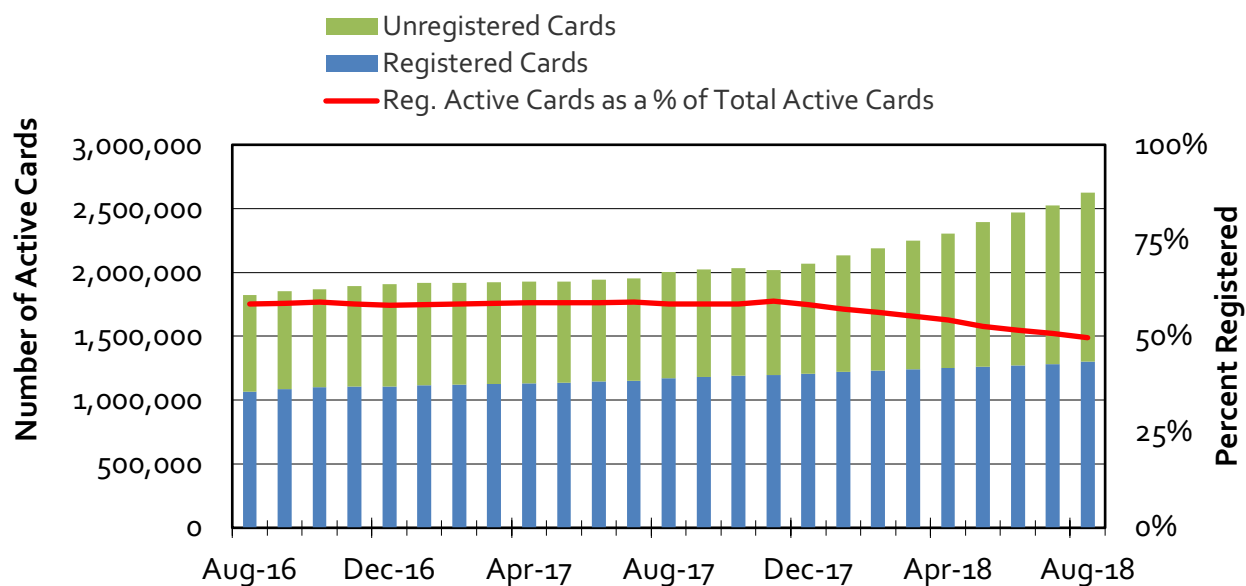


Figure 2: Number of Active Cards<sup>4</sup> in Circulation per Month



<sup>3</sup> "Clipper Total" is fare-payment and add-value transactions that count toward the 20 million-transaction contract benchmark. Sudden fluctuations may be attributable to the number of days in a given month.

<sup>4</sup> Active cards are those that have been used at least once within the last 12 months.

Table 2: Monthly Market Share<sup>5</sup>

	Monthly Clipper Boardings	Clipper Market Share	
	August 2018	August 2018	August 2017
AC Transit	2,010,362	42.0%	42.9%
BART <sup>6</sup>	7,973,756	80.6%	66.9%
Caltrain <sup>7</sup>	1,074,085	59.8%	63.5%
Golden Gate Ferry <sup>8</sup>	249,540	92.9%	90.0%
Golden Gate Transit <sup>9</sup>	213,506	49.3%	46.0%
Muni <sup>10</sup>	8,507,612	44.7%	43.7%
SamTrans	391,653	40.1%	37.9%
San Francisco Bay Ferry	163,940	54.1%	51.1%
SMART	51,163	71.0%	70.9%
Union City Transit	7,324	38.0%	23.7%
VTA	1,350,977	42.9%	43.7%
Napa/Solano Group	51,139	15.9%	12.3%
City Coach	532	1.7%	0.8%
FAST	17,926	22.8%	18.4%
SolTrans	29,847	22.7%	18.4%
Vine	2,834	3.5%	3.0%
East Bay Group	173,207	23.6%	20.2%
County Connection	71,956	24.3%	19.2%
Tri Delta Transit	24,289	12.9%	16.5%
WestCAT	44,527	44.3%	37.4%
Wheels	32,435	21.7%	15.1%
Sonoma/101 Group	13,001	4.8%	3.7%
Petaluma Transit	1,904	6.4%	3.4%
Santa Rosa CityBus	7,337	4.4%	4.0%
Sonoma Co. Transit	3,760	4.9%	3.1%

<sup>5</sup> MTC uses the National Transit Database (NTD) to calculate market share on most operators. NTD typically has a two-month delay before ridership data are available. In cases, NTD data is not available at publication time; missing data is indicated by “N/A”.

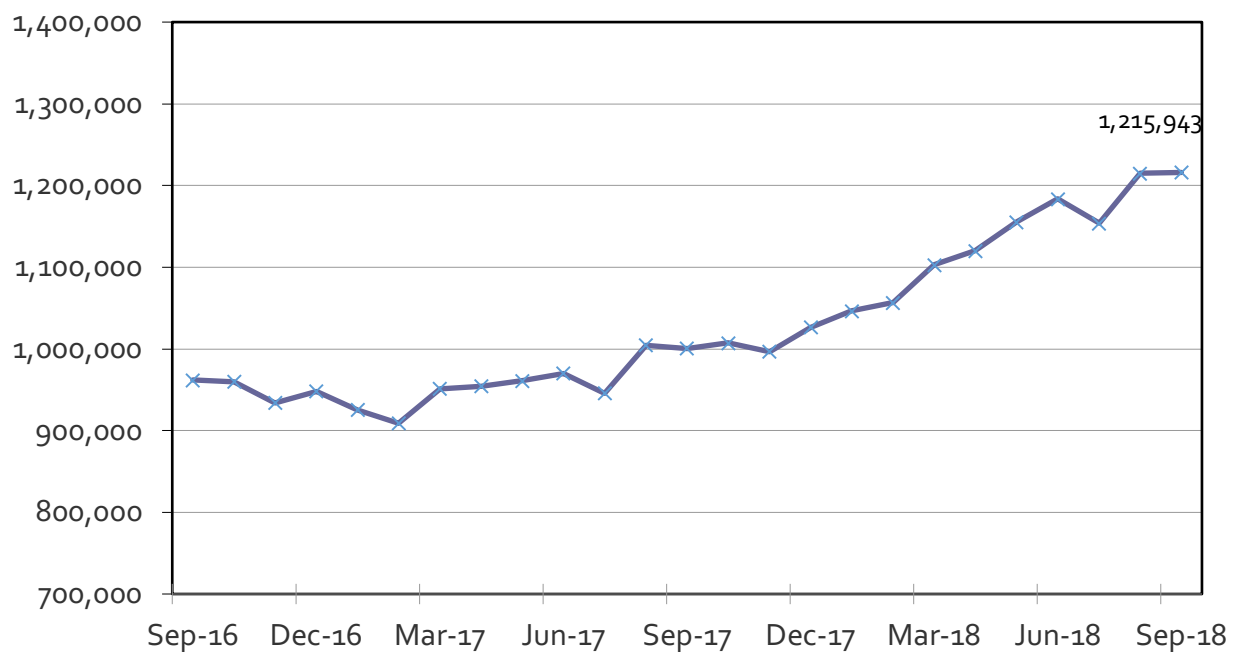
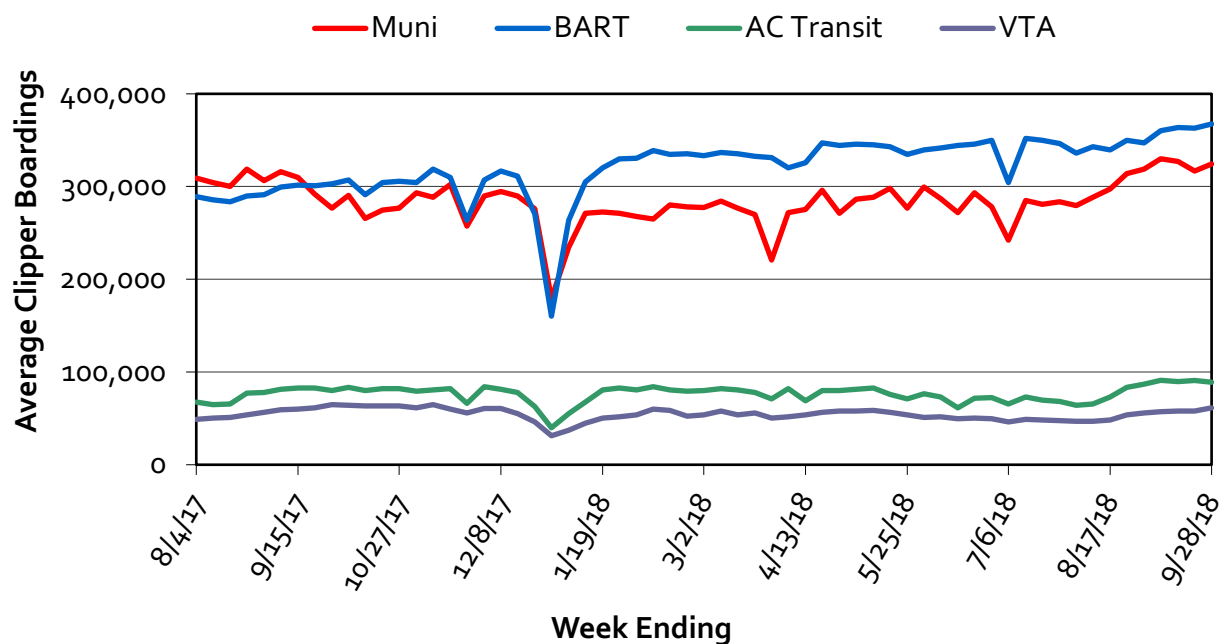
<sup>6</sup> Monthly market share on BART is calculated using monthly BART total exits by ticket type, which is equivalent to number of linked trips per month.

<sup>7</sup> Calculation of market share on Caltrain assumes that monthly pass holders board Caltrain 1.75 times a day per weekday. Caltrain sold 14,763 calendar passes during the August 2018 pass vending window.

<sup>8</sup> Includes payment with Clipper-compatible limited-use tickets.

<sup>9</sup> Includes boardings on Marin Transit routes, which currently operate under the umbrella of Golden Gate Transit's Clipper business rules.

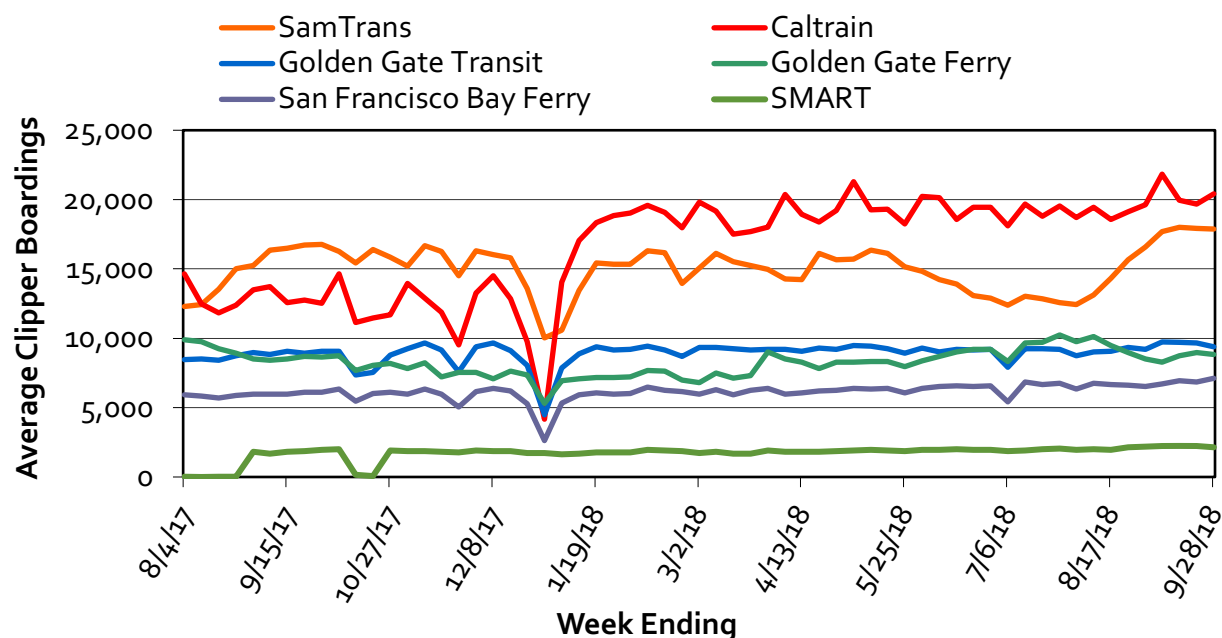
<sup>10</sup> Includes payment with Clipper-compatible limited-use tickets.

Figure 3: Unique Cards Used by Month<sup>11</sup>Figure 4: Average Weekday Ridership – SFMTA<sup>12</sup>, BART, AC Transit and VTA

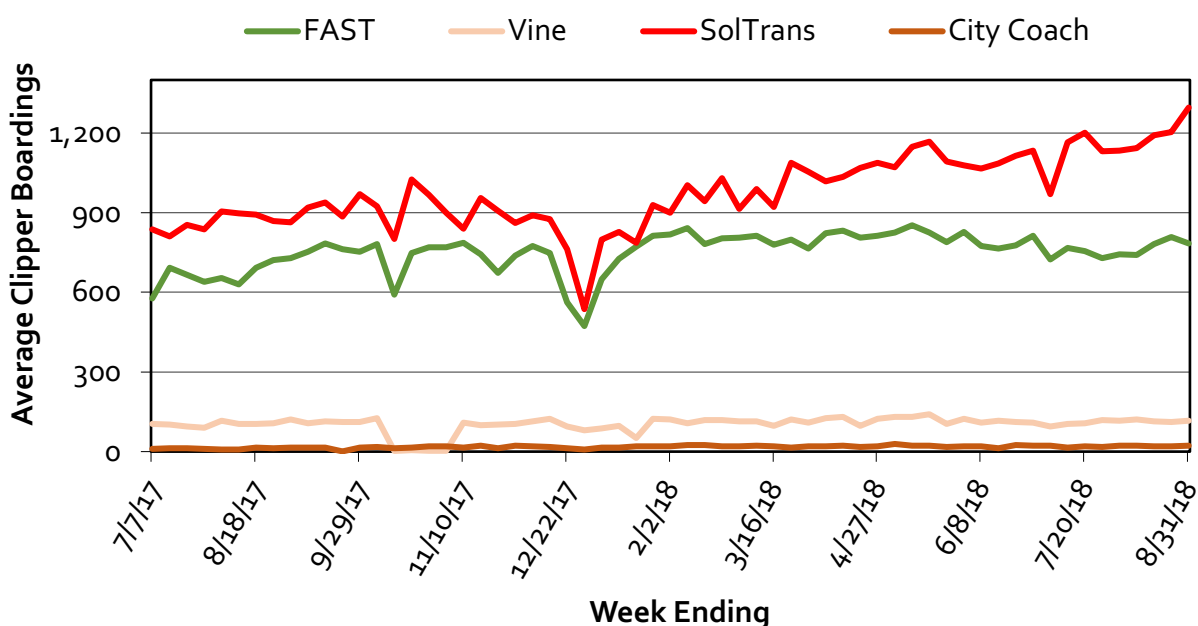
<sup>11</sup> Unique Clipper cards used in a specific month

<sup>12</sup> Delays in settlement specific to SFMTA may affect Muni transaction reporting.

**Figure 5: Average Weekday Ridership<sup>13</sup> – SamTrans, Caltrain<sup>14</sup>, Golden Gate Bus/Ferry, San Francisco Bay Ferry and SMART**



**Figure 6: Average Weekday Ridership<sup>15</sup> – FAST, VINE, SolTrans, City Coach**

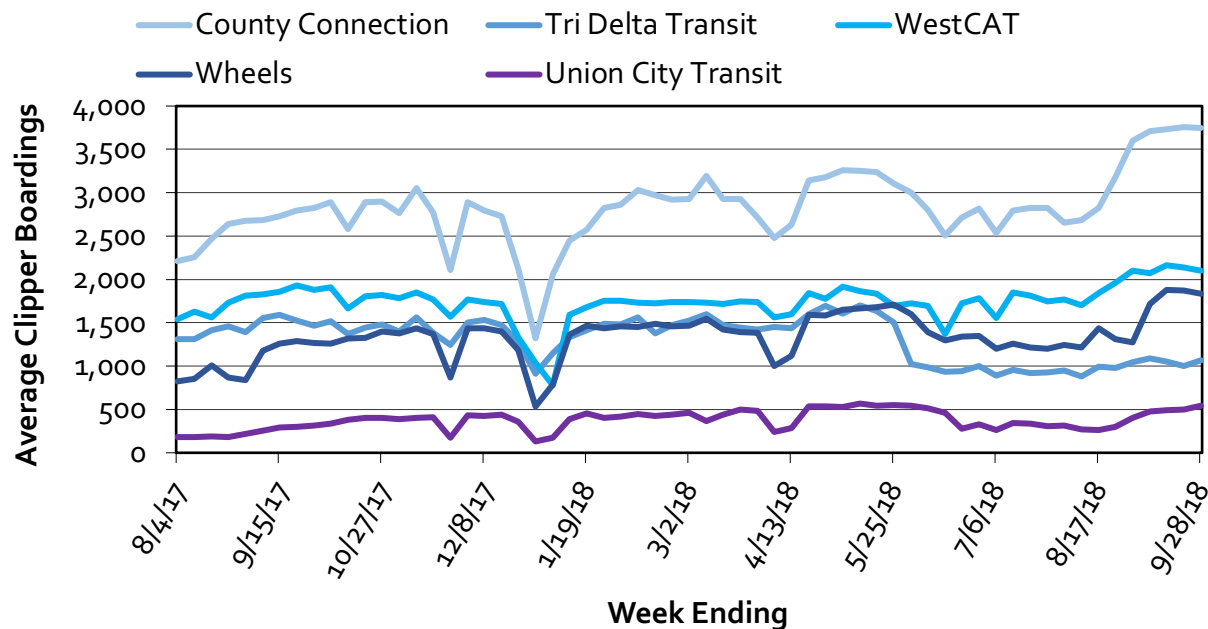
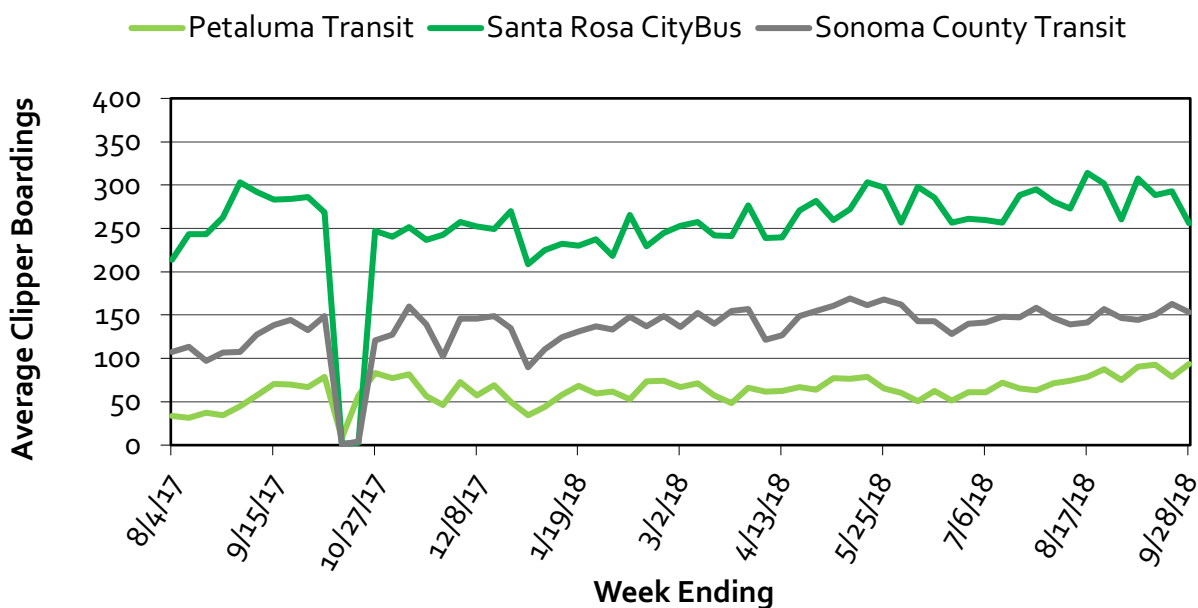


<sup>13</sup> Drops in October ridership are likely attributable to the North Bay wildfires and operators offering free services.

<sup>14</sup> Spikes in Caltrain boardings at the beginning of the month are due to Caltrain monthly pass holders' only needing to tag on and off during their first ride of the month to load their passes.

<sup>15</sup> Drops in October ridership are likely attributable to the North Bay wildfires and operators offering free services.

Figure 7: Average Weekday Ridership – East Bay and Union City Transit

Figure 8: Average Weekday Ridership – Sonoma/101 Corridor<sup>16</sup>

<sup>16</sup> Drops in October ridership are likely attributable to the North Bay wildfires and operators offering free services.



## System Implementation

**Table 3: Expansion and Enhancement Highlights**

Operator	Description/Completion Date	Status
<b>Regional</b>	Network modernization – replace frame relay circuits at 121 sites (November 2018)	Work is in progress at BART, Caltrain and SamTrans.
<b>BART</b>	Implementation of Clipper at extension stations (2018)	Work is on hold pending completion of operator work.
<b>VTA</b>	Ticket machine retrofit (2018)	VenTek began retrofit work using a limited number of tri-readers in July. Cubic expects full order fulfillment by November 2018.
<b>AC Transit</b>	Driver console integration (2018)	Software deployment is pending operator action.
<b>Golden Gate Transit (ferry)</b>	Installation of Clipper equipment at Tiburon terminal (2018)	Golden Gate Transit is reviewing the change notice for this work.
<b>SFMTA</b>	Implementation of Clipper on the Central Subway (November 2019)	Installation work will begin in February 2019.
<b>SMART</b>	Implementation of Clipper on SMART, Phase 2 (2019)	Work is on hold pending completion of operator work.
<b>AC Transit</b>	Implementation of Clipper on Bus Rapid Transit service (2019)	MTC will delay issuing notice to proceed to Cubic until mid-2019, per operator request.
<b>San Francisco Bay Ferry</b>	New Richmond terminal and SF terminal expansion (2019)	Work is pending completion of operator work. MTC anticipates this work will be completed this fall. Cubic will complete additional work on an existing gate in San Francisco next year.
<b>Caltrain</b>	Caltrain Ticket Machine Integration (2019)	This project will retrofit 12 Caltrain ticket machines to vend and add value to Clipper cards. MTC is reviewing the change notice.

## Customer Education

**Customer Education Campaign** The “Clipper Works for You” campaign is still running. As a reminder, this is the first phase of a multi-year campaign to (1) educate transit riders about the benefits of Clipper and (2) dispel some of the misconceptions people have about Clipper. The campaign includes digital, shelter, interior and exterior advertising (much donated by participating agencies) along with outreach at key stations and transfer points. For this phase, we have planned 44 outreach events. We already began planning for the next phase, set to launch in March in Marin County, followed by another phase with operators introducing new or increase fare incentives in the summer.

**Website/Transit Agency Alerts** We are continuing to work on improvements to the website, but in the meantime, we are adding links to the pages on transit agency websites where customers can sign up to receive alerts. We’ll be promoting these on the home page.

**Brochures** The new universal brochure – replacing all the agency-specific brochures and the Guide to Clipper – will be available with the next print order, as will a new combined youth and senior brochure. We also are updating language in the RTC Clipper card brochure to better explain audio tones and update language to match other materials.

**Table 5: Customer Education Activities, September-December 2018**

	September	October	November	December
<b>Advertising</b>	Launch umbrella campaign	—————>	Begin work on phase 2 of campaign	—————>
<b>Outreach</b>	Support 2018-19 campaign	—————>	Begin planning for phase 2	—————>
<b>Public Engagement</b>	Announce selection of C2 contractor	Ongoing support for C2	—————>	—————>
<b>Policy/ Customer Information</b>	Website improvements	—————>	—————>	—————>
	Notify customers of fare changes	—————>	—————>	—————>
	Universal brochure	—————>	—————>	
	Single youth and senior brochure	—————> Add links to transit agency email and alerts	—————>	
<b>Other</b>	Develop draft newsletter	—————>		
	Add to Creative Catalog	—————>		

## Value Distribution

Figure 9: Settled Clipper Sales by Channel

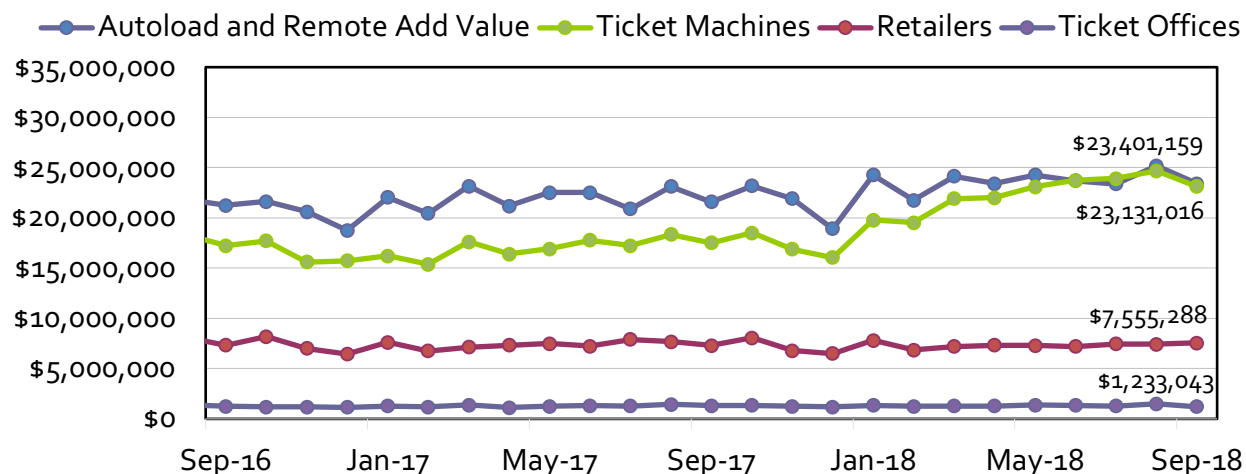


Figure 10: Order Value (RAV) and Unique Patrons by Employer Program per Month

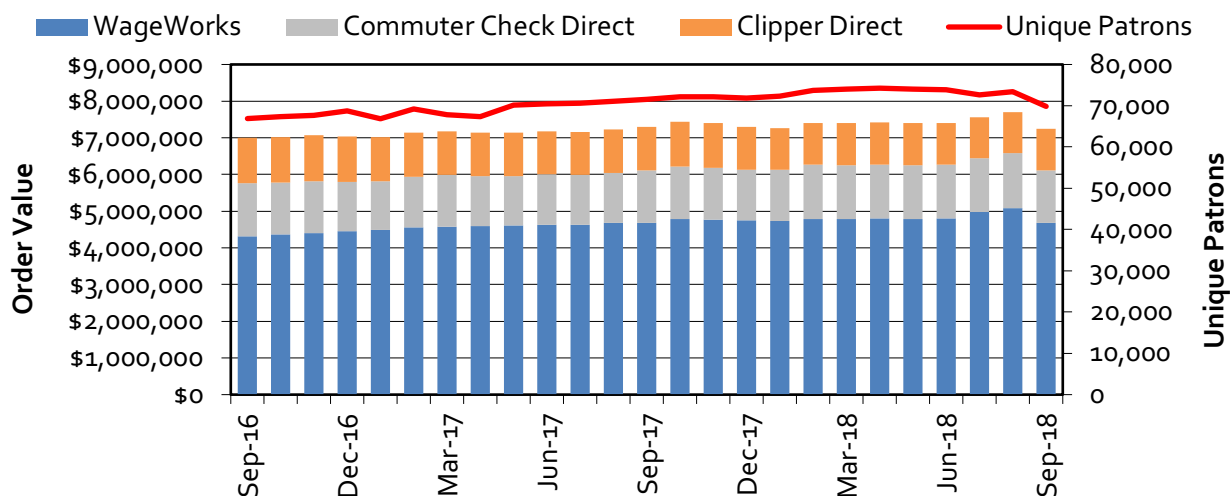
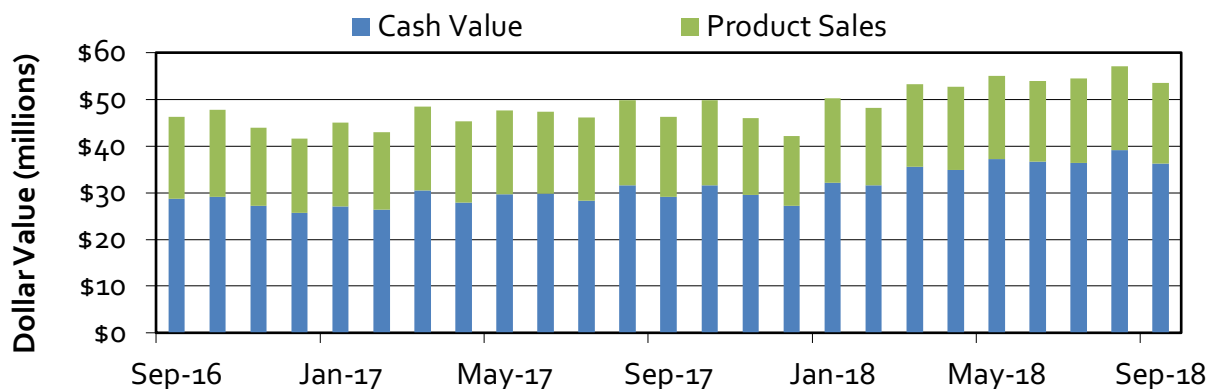


Figure 11: Product and Cash Value Sales per Month



## Financial Information

**Table 8: Revenue by Operator Per Month, Previous Six Months**

Operator	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018
AC Transit	\$2,513,220	\$2,650,439	\$2,441,352	\$2,428,120	\$2,945,623	\$2,716,317
BART	\$29,286,689	\$30,993,777	\$30,709,004	\$30,168,137	\$32,231,794	\$29,504,275
Caltrain	\$4,712,324	\$4,681,909	\$4,578,120	\$4,963,008	\$4,713,101	\$4,703,954
Golden Gate Ferry	\$1,569,550	\$1,720,362	\$1,838,776	\$2,066,662	\$2,099,534	\$1,782,297
Golden Gate Transit	\$1,018,394	\$1,070,199	\$1,017,385	\$1,042,003	\$1,141,166	\$1,040,879
SamTrans	\$516,562	\$505,931	\$447,026	\$460,106	\$502,055	\$552,623
SF Bay Ferry	\$905,651	\$967,160	\$968,720	\$992,605	\$1,109,367	\$1,008,841
SFMTA (Muni)	\$10,664,772	\$10,830,914	\$10,525,098	\$10,755,541	\$10,746,704	\$10,593,391
SMART	\$258,339	\$275,526	\$269,588	\$295,340	\$295,469	\$279,657
Union City	\$7,983	\$8,592	\$7,165	\$6,525	\$7,738	\$8,168
VTA	\$946,634	\$960,513	\$878,253	\$949,941	\$951,384	\$962,883
East Bay Group	\$277,887	\$295,382	\$234,411	\$239,150	\$283,188	\$284,693
Napa Solano	\$176,182	\$187,514	\$175,318	\$180,888	\$198,175	\$178,999
Sonoma/101	\$12,549	\$14,349	\$11,872	\$12,184	\$13,869	\$12,657
<b>Total Revenue</b>	<b>\$52,866,735</b>	<b>\$55,162,565</b>	<b>\$54,102,087</b>	<b>\$54,560,208</b>	<b>\$57,239,164</b>	<b>\$53,629,634</b>

**Table 9: Bank Account Balances, Previous 6 Months**

Month End	Float <sup>17</sup>	Participant Claim Fund <sup>18</sup>
April 2018	\$67,579,644	\$2,610,931
May 2018	\$65,333,926	\$3,053,967
June 2018	\$65,982,663	\$795,989
July 2018	\$68,774,970	\$1,229,822
August 2018	\$69,169,892	\$1,633,060
September 2018	\$70,914,797	\$1,840,662

<sup>17</sup> The reason for drops in the Float Account is delayed payment from retailers, particularly Walgreens, at the end of the month.

<sup>18</sup> Drops in the PCF balance are due to operator distributions concurrent with their recurring bad debt adjustment.

## Clipper Contractor Performance

**Table 10: Cubic Cardholder Support Performance, Sep 1-30, 2018**

	Key Performance Indicator (KPI) Description	KPI Score
1	≥ 95% of calls answered within 3 minutes	97.87%
2	≥ 98% of new and replacement card requests fulfilled within two business days	99.90%
3	≥ 99.5% website functionality availability	100.00%
4	≥ 95% of emails and website inquiries responded to within 48 hours	100.00%
5	≥ 95% of refunds processed within 30 calendar days	99.85%
6	≤ 3-minute average speed of answer	00:00:17
7	≤ 6% calls abandoned	1.01%
8	≥ 95% of unblock actions processed within two business days	100.00%
9	≥ 95% IVR <sup>19</sup> and ACD <sup>20</sup> availability	100.00%

**Missed****Achieved**

<sup>19</sup> IVR: Interactive voice response, also referred to as the Clipper automated phone system

<sup>20</sup> ACD: Automated Call Distributor, the system that routes calls to customer service representatives



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105

## **Clipper® Program Management Report**

Published monthly

### **Executive Director:**

Steve Heminger

### **Deputy Executive Directors:**

Alix Bockelman, Policy

Andrew Fremier, Operations

### **Director, Electronic Payments:**

Carol Kuester

### **Clipper® Assistant Directors:**

Lynn Valdivia

Jason Weinstein

**Managing Editor:** Lysa Hale

**Data Editor:** Gopi Purohit

**Cover Design and Layout:** MTC Graphics



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 18-0905      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 10/12/2018      **In control:** Clipper Executive Board  
**On agenda:** 11/5/2018      **Final action:**  
**Title:** Next-Generation Clipper (C2) System Integrator Implementation Update  
Update on the C2 System Integrator Implementation.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [4d\\_C2 SI Update.pdf](#)

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

Next-Generation Clipper (C2) System Integrator Implementation Update

Update on the C2 System Integrator Implementation.

### Presenter:

Edward Meng

### Recommended Action:

Information

### Attachments:



## Agenda Item 4d

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105  
TEL 415.778.6700  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

TO: Clipper® Executive Board

DATE: October 30, 2018

FR: Carol Kuester

RE: Next-Generation Clipper® (C2) System Integrator Implementation Update

This memorandum is to update Board members on key developments in the Next-Generation Clipper System Integrator contract since the September 2018 Clipper Executive Board meeting where this Board unanimously approved and recommended for approval by the MTC Operations Committee and Commission enter into a contract with Cubic Transportation Systems, Inc. (Cubic) to act as System Integrator.

### **Contract Award and Notice to Proceed**

On September 14, 2018, the MTC Operations Committee unanimously voted to refer to the Commission an approval of contract award to Cubic for the System Integrator contract, and the Commission subsequently unanimously voted to approve the contract award on September 26. The contract was executed that same day and MTC issued a Notice to Proceed to Cubic on September 27.

### **Kickoff Meeting**

On November 2, MTC and transit operator staff are scheduled to meet with Cubic to kick off the project. The agenda includes project schedule and critical milestones, project management and organization, upcoming deliverables and milestones, and a review of the new system equipment. On November 26, Cubic will submit a project schedule as part of its first deliverable due sixty days from the Notice to Proceed.

### **Resources and Staffing**

MTC and the transit operators have been working collaboratively for over five years to achieve this milestone, and will continue to provide resources to further this effort. The IBI Group (IBI), as the Next-Generation Clipper Technical Advisor, has been supporting MTC and the transit operators since 2015 and is currently under contract through June 2020. Per the Two Year Budget and Work Plan this Board approved in February 2018, there are enough funds for IBI to continue to support the program through the current fiscal year. As we prepare the budget for next fiscal year, staff will propose additional funds be added to the IBI contract to ensure we have appropriate resources to manage the Next-Generation Clipper program. The plan includes approximately five full time equivalent staff from IBI including two full time staff members located in the Bay Area. IBI's team will be essential in supporting the rollout of the accelerated deployment items as well as the development of the next-generation account based system. We will request the Board's approval for funds to provide this additional technical support as part of the next Two Year Budget and Work Plan for discussion and approval in early 2019.

Carol Kuester