



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,
Michael Hursh, Therese W. McMillan, Rick Ramacier, and
Nina Rannells*

Monday, June 17, 2019

1:30 PM

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

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, all guests will sign in with the lobby guard and take the elevators to the second floor Auditorium. For meeting location questions, please contact Paola Ledezma at 650-508-6222.

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. [19-0621](#) Minutes of the May 20, 2019 Meeting

Action: Board Approval

Attachments: [2a CEB Minutes May 20 2019.pdf](#)

3. Approval

- 3a.** [19-0657](#) Change Order - Clipper® Contract Price Schedule for FY 2016-2017:
Cubic Transportation Systems, Inc. (\$240,000 annually)
- Request for approval of a Change Order for Clipper Contract Price Schedule for FY 2016-2017: Cubic Transportation Systems, Inc. (Cubic) (\$240,000).
- Action:** Board Approval
- Presenter:** Edward Meng
- Attachments:** [3a Change Order Cubic FY 2017 rev.pdf](#)
-
- 3b.** [19-0622](#) Regional Fare Coordination and Integration
- Update on Fare Integration Efforts and Request to Support Allocation of \$599,839 in Regional Measure 2 (Project #34) Funds by MTC to develop an Integrated Fare Structure Program Business Case.
- Action:** Board Approval
- Presenter:** William Bacon
- Attachments:** [3b Regional Fare Coordination and Integration.pdf](#)
[3b Handout Comment Letters.pdf](#)
-
- 3c.** [19-0701](#) Change Order - Clipper® Contract Walgreens Commission Increase:
Cubic Transportation Systems, Inc. (\$760,000 annually)
- Request for approval to increase commission paid to Walgreens from 2% to 3%.
- Action:** Board Approval
- Presenter:** Kelley Jackson
- Attachments:** [3c Change Order Cubic Walgreens.pdf](#)
-
- 3d.** [19-0704](#) Proposal to Modify the Next Generation Clipper System Integrator Scope of Work Related to Faster Load Times (Accelerated C2 System Deployment)
- Request approval from Board members to direct Cubic, as the Next Generation Clipper System Integrator, to modify the scope of work related to enabling faster load times at select devices.
- Action:** Board Approval
- Presenter:** Edward Meng
- Attachments:** [3d Proposed Change to C2 SI SOW rev.pdf](#)

4. Information

4a. [19-0624](#) Current Clipper® System Update

Update Board members on the current Clipper program. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the May 2019 meeting.

Action: Information

Presenter: Jason Weinstein

Attachments: [4a_C1 Program Update.pdf](#)

4b. [19-0625](#) Next Generation Clipper® System Update

Update Board members on key developments related to the implementation of the Next Generation Clipper System Integrator project, provide an overall program update, and to highlight key technical updates.

Action: Information

Presenter: Edward Meng

Attachments: [4b_C2 Program Update.pdf](#)

4c. [19-0699](#) Next Generation Clipper® Customer Service Center (CSC) Procurement Update

Update Board members on key developments in the Next Generation Clipper CSC procurement. The CSC procurement is one of four procurements currently planned for the Next Generation system, which also includes procurements for the System Integrator (completed), Fare Media, and a Payment Gateway.

Action: Information

Presenter: Kelley Jackson

Attachments: [4c_Next-Gen Clipper CSC.pdf](#)

5. Executive Director's Report – Weinstein on behalf of Kuester

6. Public Comment / Other Business

7. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be Monday, July 15, 2019 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) 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 #: 19-0621 **Version:** 1 **Name:**
Type: Minutes **Status:** Committee Approval
File created: 5/16/2019 **In control:** Clipper Executive Board
On agenda: 6/17/2019 **Final action:**
Title: Minutes of the May 20, 2019 Meeting
Sponsors:
Indexes:
Code sections:
Attachments: [2a_CEB Minutes_May 20 2019.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of the May 20, 2019 Meeting

Recommended Action:
Board Approval

Attachments:



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,
Michael Hursh, Therese W. McMillan, Rick Ramacier, and
Nina Rannells***

Monday, May 20, 2019

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 - Chair Mulligan, Vice Chair Reiskin, Board Member Crunican, Board Member Fernandez, Board Member Hartnett, Board Member Hursh, Board Member Ramacier, Board Member Rannells, and Board Member McMillan

2. Consent Calendar

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

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

2a. [19-0428](#) Minutes of the April 15, 2019 Meeting

Action: Board Approval

Attachments: [2a_CEB Minutes_Apr 15 2019.pdf](#)

3. Approval

- 3a. [19-0429](#) Contract Amendment - Clipper® Technical Advisor: CH2M Hill, Inc. (\$800,000)

Request to Executive Board approval of a contract amendment between MTC and CH2M Hill, Inc. (CH2M Hill), in an amount not to exceed \$800,000 for continued technical oversight and advice services for the Clipper program in FY 2019-20. This contract amendment was contemplated and is included in the Two Year Clipper Budget and Work Plan approved by the Clipper Executive Board on March 18, 2019.

Action: Board Approval

Presenter: Jason Weinstein

Attachments: [3a_C1 Technical Advisor Amendment.pdf](#)

Upon the motion by Board Member Crunican and second by Board Member Hartnett, the Contract Amendment - Clipper® Technical Advisor: CH2M Hill, Inc. (\$800,000) was unanimously approved. The motion carried by the following vote:

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

4. Information

- 4a. [19-0431](#) Current Clipper® System Update

Update Board members on the current Clipper program. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the March 2019 meeting.

Action: Information

Presenter: Jason Weinstein

Attachments: [4a_C1 Program Update.pdf](#)

- 4b. [19-0432](#) Next Generation Clipper® System Update

Update Board members on key developments related to the implementation of the next generation Clipper System Integrator project, provide an overall program update, and to highlight key features of the next-generation Clipper mobile app.

Action: Information

Presenter: Jason Weinstein

Attachments: [4b_C2 Program Update.pdf](#)

4c. [19-0618](#) Clipper® Mobile App Features and System

Update Board members on plans for the new Clipper mobile app for fare payment.

Action: Information

Presenter: Lysa Hale

Attachments: [4c_Mobile App Features and Design.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, June 17, 2019 at 1:30 p.m. in the Caltrain / SamTrans Board Room, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	19-0657	Version:	1	Name:	
Type:	Contract	Status:		Committee Approval	
File created:	5/28/2019	In control:		Clipper Executive Board	
On agenda:	6/17/2019	Final action:			
Title:	Change Order - Clipper® Contract Price Schedule for FY 2016-2017: Cubic Transportation Systems, Inc. (\$240,000 annually)				
	Request for approval of a Change Order for Clipper Contract Price Schedule for FY 2016-2017: Cubic Transportation Systems, Inc. (Cubic) (\$240,000).				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	3a Change Order Cubic FY 2017 rev.pdf				

Date	Ver.	Action By	Action	Result
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Subject:
Change Order - Clipper® Contract Price Schedule for FY 2016-2017: Cubic Transportation Systems, Inc. (\$240,000 annually)

Request for approval of a Change Order for Clipper Contract Price Schedule for FY 2016-2017:
Cubic Transportation Systems, Inc. (Cubic) (\$240,000).

Presenter:
Edward Meng

Recommended Action:
Board Approval

Attachments:

Clipper® Executive Board

June 17, 2019

Agenda Item 3a

Change Order – Clipper® Contract Price Schedule for FY 2016-2017: Cubic Transportation Systems, Inc. (\$240,000)

Subject: Request for approval of a Change Order for Clipper Contract Price Schedule for FY 2016-2017: Cubic Transportation Systems, Inc. (Cubic) (\$240,000).

Background: The Clipper Contract requires annual adjustment of specified Contract prices based on industry specific labor and materials indices published by the Bureau of Labor Statistics (BLS), because of the Contract's multi-year time-span. According to the terms of the Contract, a Provisional Price schedule is implemented with an across-the-board 3% increase at the beginning of each fiscal year; when the indices are published mid-fiscal year, a reconciliation is calculated and implemented via Contract Change Order at a later date. Subsequent Price Schedules build on final Price Schedule adjustments.

The Change Order recommended for Board approval applies the contractual methodology to adjust prices in the Clipper Contract for FY 2016-2017. The capital price adjustment for FY 2016-17 is minus 0.40%, decreasing the capital expense by \$7,360.48 from the Provisional Price Schedule. The operating price adjustment is 1.42% for FY 2016-17, resulting in an additional cost of \$234,861.41 for operating invoices submitted during the fiscal year. Per the Clipper Amended and Restated Memorandum of Understanding with the participating Operators, MTC will invoice the Operators for their shares of the operating cost increase.

This Change Order will finalize the Clipper Contract Price Schedule for FY 2016-17 and enable Cubic to issue a credit for the adjusted capital costs and invoice for the increased operating costs. Staff will bring the 2017-18 price adjustment Change Order to the Executive Board in August 2019 and will bring the 2018-19 price adjustment Change Order to the Executive Board in October 2019.

Issues: There are no issues with this amendment.

Recommendation: Staff recommends that the Clipper Executive Board approve a Contract Change Order with Cubic in an amount not to exceed \$240,000 for the price schedule adjustment described above.



Carol Kuester

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract Change Order

Consultant:	Cubic Transportation Systems, Inc. Oakland, CA
Work Project Title:	Final FY 2016-17 Price Schedule for Clipper® Contract
Purpose of Project:	Adopt a price-adjusted Clipper Contract Price Schedule for FY 2016-17 in accordance with the terms and conditions of the Clipper® contract
Brief Scope of Work:	Finalize Clipper Contract Price Schedule for FY 2016-17, including up to \$240,000 in additional operating costs for MTC and the participating transit operators
Project Cost Not to Exceed:	\$240,000 (this Change Order does not increase the Clipper® capital contract value regularly reported to this Board)
Funding Source:	Participating Operator funds, STP, CMAQ, STA, STP Exchange, and Regional Measure 2 Operating funds
Fiscal Impact:	Funds available in the FY 2018-19 MTC agency budget. Participating Operators will cover a portion of the costs per the Clipper Amended and Restated Memorandum of Understanding
Motion by Committee:	That the Contract Change Order with Cubic Transportation Systems, Inc. as described herein and in the Clipper Executive Director's June 17, 2019 memorandum, is hereby approved by the Clipper Executive Board.
Clipper Executive Board:	
	<hr/> Denis Mulligan, Chair
Approved:	June 17, 2019



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 19-0622 **Version:** 1 **Name:**
Type: Allocation **Status:** Committee Approval
File created: 5/16/2019 **In control:** Clipper Executive Board
On agenda: 6/17/2019 **Final action:**
Title: Regional Fare Coordination and Integration

Update on Fare Integration Efforts and Request to Support Allocation of \$599,839 in Regional Measure 2 (Project #34) Funds by MTC to develop an Integrated Fare Structure Program Business Case.

Sponsors:

Indexes:

Code sections:

Attachments: [3b Regional Fare Coordination and Integration.pdf](#)
[3b Handout Comment Letters.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Regional Fare Coordination and Integration

Update on Fare Integration Efforts and Request to Support Allocation of \$599,839 in Regional Measure 2 (Project #34) Funds by MTC to develop an Integrated Fare Structure Program Business Case.

Presenter:

William Bacon

Recommended Action:

Board Approval

Attachments:

Clipper[®] Executive Board

June 17, 2019

Agenda Item 3b

Regional Fare Coordination and Integration

Subject: Update on Fare Integration Efforts and Request to Support Allocation of \$599,839 in Regional Measure 2 (Project #34) Funds by MTC to develop an Integrated Fare Structure Program Business Case.

Background: On February 8, 2019, MTC hosted a Fare Integration Seminar for transit agency board members and staff at the San Francisco Ferry Building. The goal of the seminar was to create a forum for board members and staff to learn about fare integration models from other regions, to consider possible benefits and obstacles to more fare integration in the Bay Area, and to provide direction to staff on possible next steps.

At the seminar, a general consensus emerged to move forward in exploring the value of integrating the region's complicated transit fare structure in order to make it more rational, affordable, and attractive to existing and potential passengers. Attendees also supported taking action now as a way to possibly reduce the complexity of the Next Generation Clipper system. Taking a cue from work done in Toronto, as discussed by the guest speaker at the seminar, Martin Powell (who led Toronto's regional fare integration program), attendees at the seminar expressed support for utilizing a "business case" model to analyze how an integrated or more harmonized transit fare system could work. MTC is proposing to engage a consultant, in partnership with the transit operator General Managers, to undertake the development of a business case for near-term fare integration in the Bay Area.

Issues: Developing a more integrated fare system for our customers is a challenging undertaking, but unlike many of the other challenges transit faces in today's world, it is a challenge that is under our control as agencies. In the short-term, to move towards an integrated system and a vision of a seamless user experience, transit operators and MTC must work together as partners to show we can deliver for our customers. To be successful, this work will likely require:

- Active, front-facing support from General Managers of transit agencies;
- Early conceptual support from transit agency board members;
- A process that incorporates prior work on fare integration and builds to targeted short-term outcomes; and
- Opportunities for stakeholders to interface and provide input at appropriate milestones.

Fare Integration Principles

The following are draft principles for an integrated fare system for the Clipper Executive Board to consider, build upon, and discuss:

- Treat the Bay Area transit network as one system;
- Fares should be predicable to users;

- There should be no penalty for transferring;
- Discounts based on age or status should apply uniformly;
- Trips of a similar distance should cost similar amounts;
- Transit should be affordable for all;
- Passes, if offered, should encourage transit use, not operator loyalty.

Business Case Scope of Work: As project sponsor, the Clipper Executive Board would guide and approve the scope of work for a fare integration business case. To that end, should the fare integration work proceed, MTC staff plan to return to this body in July 2019 to present a draft business case scope of work for review and discussion before the launch of any procurement process for the business case. A proposed project management and oversight structure for the business case is detailed in Attachment A. MTC staff envision the business case focusing on four key elements as outlined below:

- Strategic Case – How can fare integration support transit competitiveness?
- Economic Case – What is the mobility benefit of an integrated fare system to the Bay Area?
- Financial Case – What are the budgetary impacts to operators, MTC, the state?
- Deliverability & Operations Case – What are the ways an integrated fare system could work and how can it be delivered?

Regional Measure 2 Funds for Business Case: To fund the development of the business case, MTC staff are proposing to use \$599,839 in residual funds available from the Integrated Fare Structure Program, capital project number 34, under Regional Measure 2. As the successor body to the TransLink Consortium – the project sponsor identified in RM2 legislation – the Clipper Executive Board is being asked to authorize MTC staff to request that the MTC Commission allocate these funds for the work described above.

Recommendation: Staff recommends that the Clipper Executive Board support the request for the Commission to allocate \$599,839 in Regional Measure 2 (Project #34 Integrated Fare Structure Program) for the Business Case for Transit Fare Integration project.

Attachments: **Attachment A:** Fare Integration Business Case Project Structure Proposal

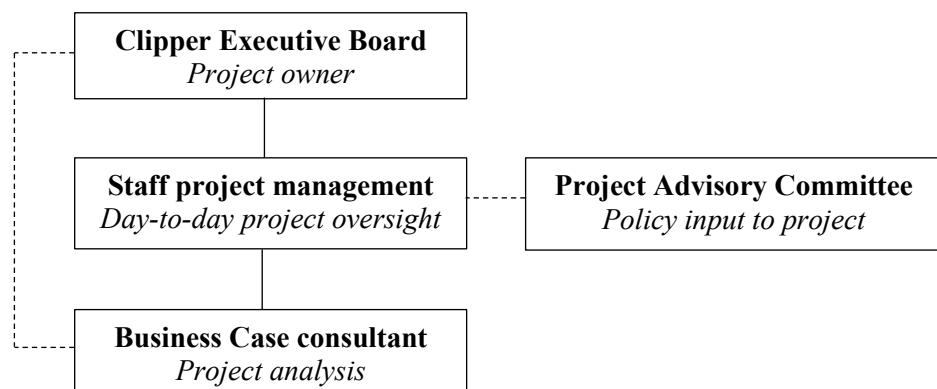


Carol Kuester

Attachment A
Fare Integration Business Case Project Structure Proposal

The following are proposed for project management and oversight structures for the business case work:

- **Clipper Executive Board:** MTC staff are proposing that the Clipper Executive Board serve as the sponsor of the business case project. Should the project move forward, MTC staff, consultant staff, and transit operator staff would report to this body on a regular basis, and their work would be guided by the direction of the Clipper Executive Board.
- **Project Advisory Committee:** At the February 2019 Fare Integration Seminar, agency board members expressed a desire to be involved in the business case work throughout its development in order to provide policy direction and to ensure the project is on-track to provide meaningful changes to improve the customer experience. Therefore, MTC staff are proposing to establish a Fare Integration Project Advisory Committee consisting of transit agency board members, MTC Commissioners, and representatives from advocacy organizations. The Advisory Committee would advise consultants and staff on the development of the business case and provide feedback to be shared with the Clipper Executive Board as project sponsor.
- **Staff Project Management:** MTC staff are proposing that day-to-day project management of the business case work and consultant be led by co-project managers, with one appointed by the transit operator executive members of the Clipper Executive Board and the other by MTC.
- **Project Organization Chart**



June 12, 2019

The Clipper Executive Board
c/o Martha Silver, Clerk of the Committee
375 Beale St, Suite 800
San Francisco, CA 94105

To the members of the Clipper Executive Board:

As MTC has identified in its Plan Bay Area 2040 goals, increasing the region's transit mode share will require multi-agency transit trips to play a more significant role in Bay Area travel than the current status quo. Creating a seamless transit experience that prioritizes consistency, predictability, and convenience for riders is critical in realizing the full potential of our transit network. Without a coordinated fare policy between our 27 regional transit operators, our current status quo, we will be hard-pressed to grow in the sustainable, equitable fashion that we have identified is necessary. As such, we are writing to ask the Clipper Executive Board to join us in pursuing the next steps in developing an informed regional fare policy.

MTC recently took the foundational step of convening an initial Fare Integration Seminar. What emerged from that session, which brought together a broad group of transit operator general managers, staff, and board members, was a shared enthusiasm to move forward this work by pursuing a business case and implementation study.

Based on SPUR's research identifying the current gaps and necessary next steps, there was significant enthusiasm for conducting a business case for regional fare integration, modeled after Toronto's successful fare integration process. This business case would allow our region to comprehensively analyze the economic, strategic, financial, and operational case for multiple new regional fare concepts. This approach should consider both revenue neutrality and revenue investment options. The only in-depth analysis conducted to date on this topic is the 2008 Fare Integration Study, which is now a decade outdated. Moreover, the 2008 study only considered a revenue-neutral scenario, which resulted in options that were too costly to riders and ultimately dismissed for their infeasibility.

We also discussed the need for a simultaneous implementation study to determine the right structures to implement, oversee and/or coordinate regional fare coordination. The business case and implementation study together will establish a shared, comprehensive understanding across transit agencies, riders, and regional bodies.

It is a particularly opportune moment to launch these simultaneous efforts as the implementation of Clipper 2.0 is just around the corner. While the proposed upgrades will upgrade the card's user-friendliness, they will not mask the underlying absence of a regional fare policy. As the *Future of Clipper 2017 Public Engagement Executive Summary* concludes,

“Transit riders would like a regional fare policy that provides discounts for use across multiple transit agencies. Many expressed a strong desire for a simplified regional fare system ... The next generation of the system will be versatile enough to accommodate any policies set by the region’s transit agencies.”

In addition, a more rational fare policy will simplify Clipper 2.0 implementation by creating a manageable number of fare rules. This would allow for a system that accommodates more nimble and responsive fare options.

While we recognize that the ultimate implementation of fare coordination would be a complex process that poses risks and uncertainty for transit operators, the recent momentum around the issue is a signal to us that all entities involved--riders, transit agencies, lawmakers--are ready to work together on a shared vision and goals based on strategic, informed decision-making. We urge you to harness this momentum. It is in our collective interest to evaluate fare integration by moving forward with the business case and implementation study.

We look forward to continuing to collaborate with you on this matter.

Sincerely,

Jeannie Bruins

Vice Chair of Administration Committee, MTC | Board Member, Caltrain | Ex-Officio Board Member, VTA | Councilmember, Los Altos City Council

Damon Connolly

Vice Chair of Operations Committee, MTC | Board President, Marin Transit | Board Member, Transportation Authority of Marin | Supervisor, Marin County Board of Supervisors

Nick Josefowitz

Chair of Programming and Allocations Committee, MTC | Board Member, Water Emergency Transportation Authority

Jake Mackenzie

Chair of Legislation Committee, MTC | Councilmember, City of Rohnert Park

Amy Worth

Commissioner, MTC | Chair of Oversight Committee, Bay Area Toll Authority | Board Member, County Connection | Ex-Officio Board Member, Contra Costa Transportation Authority | Councilmember, City of Orinda

cc: Therese McMillan, Executive Director, MTC

**SPUR**

San Francisco | San Jose | Oakland

June 14, 2019

Clipper Executive Board
c/o Martha Silver, Clerk of the Committee
375 Beale St, Suite 800
San Francisco, CA 94105

Re: Item 3b. Regional Fare Coordination and Integration

Dear Chair Mulligan and Executive Board members:

SPUR is a member-supported nonprofit organization that promotes good planning and good government in the San Francisco Bay Area through research, education and advocacy. Improving public transit and increasing transit use in cities are core priorities for our organization.

SPUR strongly encourages the Clipper Executive Board to approve the allocation of funding for the Business Case for Transit Fare Integration.

As detailed in our recently published report *Solving the Bay Area's Fare Policy Problem*, disparate and disjointed fares create customer confusion, inhibit people from using more than one transit service and undermine the benefits the region should derive from the significant investments it is making in new transit infrastructure and fare payment technology. The region's fragmented approach to fares pushes people to make inefficient and often costly transit decisions — or to get behind the wheel and drive themselves, adding to traffic congestion, pollution and carbon emissions.

A solution to the Bay Area's fare policy problem is long overdue. Other regions around the globe have streamlined fares across transit operators to improve user experience and grow transit use. The Clipper upgrade offers a rare window of opportunity to streamline and integrate fare policies. To grow transit ridership, optimize use of the regional transit network and offer an improved customer experience, Bay Area fare policies must look beyond transit operator boundaries.

The potential impacts of regional fare integration are not well understood. The issue has not been studied for more than 10 years. In the absence of real information, fear and assumptions are driving the decision to maintain the status quo approach to fare policy.

A business case to assess options, costs and benefits for regional fare integration would provide much needed information to move this issue forward. The 2008 Fare Integration Study evaluated various regional fare products for their impact on revenues and ridership. This is a limited understanding of what transit fares when employed strategically can achieve, such as improved system efficiency, reduced greenhouse gas emissions and a better customer experience. We

strongly encourage using Metrolinx's four-part business case structure as a template for the business case as it considered the economic, strategic, financial and operations case for each fare concept it evaluated. The business case should also consider revenue investment and revenue neutrality options.

To ensure the business case is successful and prioritizes the customer experience, appropriate project management structures must be put in place. We support the project structure proposal and appreciate that the Policy Advisory Committee includes transit agency board members, MTC Commissioners and representatives from advocacy organizations. Transit agency board members understand the operating needs of transit agencies as well as the broader role public transit serves in the community by providing access to opportunity; furthermore, they set fare policy. As such, we believe it is important they be part of the advisory committee. Cities are also important stakeholders. Many people live and work in places with multiple operators, including the region's growing job centers. The seamless use of multiple operators supports the ways that Bay Area cities plan to grow.

Finally, we strongly support the principles proposed in the staff report (copied below), and encourage them to be embraced by the board.

- Treat the Bay Area transit network as one system;
- Fares should be predictable to users;
- There should be no penalty for transferring;
- Discounts based on age or status should apply uniformly;
- Trips of a similar distance should cost similar amounts
- Transit should be affordable for all
- Passes, if offered, should encourage transit use, not operator loyalty

Integrating transit fares will not be easy, but it is our responsibility as leaders to delve into that complexity so that we can create simplicity for riders. You took the big step with the Clipper card. We now ask that you pursue regional fare integration and move forward with the business case, with the involvement of Bay Area cities, transit riders and others who care.

Thank you for your leadership on this crucial issue for the Bay Area. We look forward to working with you.

Sincerely,



Arielle Fleisher
Transportation Policy Director



**FRIENDS
OF
CALTRAIN**



Attention: Clipper Executive Board
Re: 3B. Clipper Executive Board Integrated Fare Structure Program Business Case
Date: June 14, 2019

Honorable Board members,

Thank you very much for considering the proposed fare integration business case study. Our coalition of groups strongly supports this project as a next step toward implementing a fairer, more seamless system of pricing public transit that encourages transit use, improves mobility, and aligns with our regional priorities.

According to earlier MTC analysis, 40% of transit riders with active Clipper Cards, or approximately 500,000 people, ride more than one Bay Area transit operator in any given month. This reflects the reality that getting around the Bay Area on public transit often requires using more than one type of service; also that a large number of transit users are already using multiple systems, despite barriers posed by a system that is not well coordinated.

This is a substantial ridership growth opportunity for transit. An integrated fare system has the potential to reward transfers and ensure transit is always a cost effective choice to get around. It has the potential to encourage riders already using multiple systems to do so more often, and it will particularly benefit low-income riders, who make up a larger share of transit riders using multiple operators than of transit riders only using one system.

Perhaps most importantly, integrating fares potentially changes the economics of using transit for an entirely new segment of customers currently not using transit at all. Currently, having to transfer and pay 2-3 fares can be more expensive than driving.

In sum, integrating fares has the potential to significantly increase transit ridership and reduce driving trips, helping reduce our region's greenhouse gas emissions and congestion.

The public transit system is facing competition by private sector options that focus on ease of use for customers, while imposing social costs of higher congestion and less equitable access. The public needs an easy to use, competitive public transit system in order to meet our goals for mobility, environmental sustainability, and social equity.

Therefore, in the business case study, we encourage you to look at a spectrum of benefits including affordability to households with a range of incomes; ease of use; impact on transit ridership; and impact on greenhouse gas emissions.

We are glad to see in the letter of support that the study will not be restricted by a limitation that outcomes be revenue neutral, as was an earlier 2008 study. Fare integration is likely to provide broader value to the public, and there are likely to be transition costs, so it will be helpful for a study to assess the various costs as well as potential savings, and ways to pay for costs so as not to impose a burden on transit agencies.

Last but not least, we strongly support the principles proposed in the staff report (copied below), and encourage them to be embraced by the board.

- Treat the Bay Area transit network as one system;
- Fares should be predictable to users;
- There should be no penalty for transferring;
- Discounts based on age or status should apply uniformly;
- Trips of a similar distance should cost similar amounts;
- Transit should be affordable for all; and
- Passes, if offered, should encourage transit use, not operator loyalty

Thank you for your consideration,

Signed

Adina Levin



Executive Director
Friends of Caltrain
<http://greencaltrain.com>

Rachel Hyden



Executive Director
San Francisco Transit Riders
www.sftransitriders.org

Chris Lepe

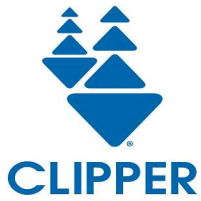


Regional Policy Director
TransForm
www.TransFormCA.org

Ian Griffiths



Director
Seamless Bay Area
www.seamlessbayarea.org



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 19-0701 **Version:** 1 **Name:**
Type: Contract **Status:** Committee Approval
File created: 6/5/2019 **In control:** Clipper Executive Board
On agenda: 6/17/2019 **Final action:**
Title: Change Order - Clipper® Contract Walgreens Commission Increase: Cubic Transportation Systems, Inc. (\$760,000 annually)

Request for approval to increase commission paid to Walgreens from 2% to 3%.

Sponsors:

Indexes:

Code sections:

Attachments: [3c_Change Order Cubic Walgreens.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Change Order - Clipper® Contract Walgreens Commission Increase: Cubic Transportation Systems, Inc. (\$760,000 annually)

Request for approval to increase commission paid to Walgreens from 2% to 3%.

Presenter:

Kelley Jackson

Recommended Action:

Board Approval

Attachments:

Clipper® Executive Board

June 17, 2019

Agenda Item 3c

Change Order – Clipper® Contract Walgreens Commission Increase: Cubic Transportation Systems, Inc. (\$760,000 annually)

Subject: Request for approval to increase commission paid to Walgreens from 2% to 3%.

Background: Retailers participating in the Clipper program currently receive a commission of 2% of the Clipper value sold. Retailers receive the commission from Cubic, which manages the Clipper retail network. While MTC holds the contract and is responsible for the direct payment of Cubic's invoices, the Clipper Amended and Restated Memorandum of Understanding (MOU) specifies that the transit agencies are financially responsible for the costs associated with the retailer commissions. Accordingly, MTC invoices the transit operators for this expense according to the Clipper cost allocation formula approved by the operators in the MOU.

Walgreens, the largest Clipper retailer in terms of number of locations as well as sales volume and value, notified Cubic about six months ago that it would not extend its contract and remain a Clipper retailer without an increase in the percentage of commission paid on Clipper sales. After discussions with transit operator staff, Cubic entered into negotiations with Walgreens, which agreed to an increase of 1%, for a total commission of 3%.

Walgreens is responsible for more than 80% of total retail sales each month. The stores uniformly accept credit and debit cards for Clipper purchases, which can generate a significant amount of fees and financial risk. Walgreens is responsible for employee training, as well as any loss or theft of Clipper cards and value that occurs at their stores. Given these facts, MTC and transit operator staff feels that the increase of 1% is reasonable.

The proposed change order incorporates the increase in the commission into the price schedule of the Clipper Contract. Per the MOU, the transit agencies will bear the financial impact of the increase. Based on 2018 sales, the projected increase would be \$760,000 annually. A breakdown of the increased cost by operator is shown below in Exhibit 1.

Exhibit 1: Breakdown of Projected Annual Incremental Cost Increase by Operator (Based on 2018 Sales of ~\$75.5M)

AC Transit	\$72,000	Napa/Solano	\$3,000
BART	\$338,000	SamTrans	\$13,000
Caltrain	\$34,000	SFMTA	\$220,000
101 Group	\$500	SMART	\$4,000
East Bay Grp	\$10,000	Sonoma Co.	\$400
GG Ferry	\$8,800	Union City	\$800
GG Transit	\$10,000	VTa	\$30,000
Marin Transit	\$1,100	WETA	\$9,000

Issues: There are no issues with this amendment.

Recommendation: Staff recommends that the Clipper Executive Board approve a Contract Change Order with Cubic in an amount not to exceed \$760,000 per year for the increase in commission paid to Walgreens as described above.

Attachments: **Attachment A:** Clipper Sales by Channel



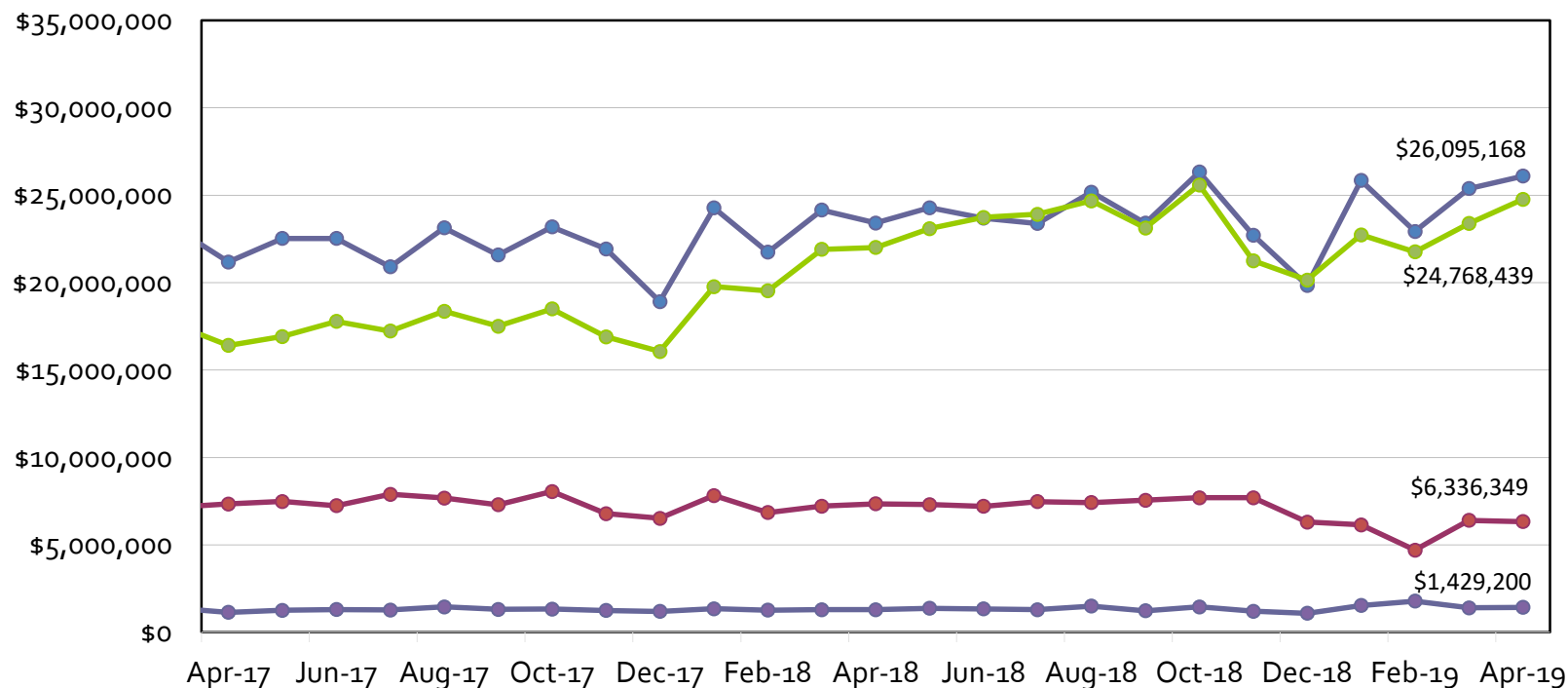
Carol Kuester

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract Change Order

Consultant:	Cubic Transportation Systems, Inc. Oakland, CA
Work Project Title:	Walgreens Commission Increase
Purpose of Project:	Increase commission amount paid to Walgreens
Brief Scope of Work:	Under this Change Order, Cubic will increase the commission paid to Walgreens on all Clipper sales from 2% to 3%
Project Cost Not to Exceed:	\$760,000/year (transit operator pass-through cost)
Funding Source:	Participating Operator funds
Fiscal Impact:	Funds subject to approval of the FY 2019-20 agency budget. Participating Operators will cover the costs per the Clipper Amended and Restated Memorandum of Understanding.
Motion by Committee:	That the Contract Change Order with Cubic Transportation Systems, Inc. as described herein and in the Clipper Executive Director's June 17, 2019 memorandum, is hereby approved by the Clipper Executive Board.
Clipper Executive Board:	
	<hr/> Denis Mulligan, Chair
Approved:	June 17, 2019

Clipper Sales by Channel



Legend

Autoload and Remote Add Value
Ticket Vending Machines
Retailers
Ticket Offices

Notes:

Walgreens is responsible for more than 80% of total retail sales each month.
Currently the Clipper Program has a total of 303 retailers of which 172 are Walgreens locations.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 19-0704 **Version:** 1 **Name:**
Type: Contract **Status:** Committee Approval
File created: 6/6/2019 **In control:** Clipper Executive Board
On agenda: 6/17/2019 **Final action:**
Title: Proposal to Modify the Next Generation Clipper System Integrator Scope of Work Related to Faster Load Times (Accelerated C2 System Deployment)

Request approval from Board members to direct Cubic, as the Next Generation Clipper System Integrator, to modify the scope of work related to enabling faster load times at select devices.

Sponsors:

Indexes:

Code sections:

Attachments: [3d Proposed Change to C2 SI SOW rev.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Proposal to Modify the Next Generation Clipper System Integrator Scope of Work Related to Faster Load Times (Accelerated C2 System Deployment)

Request approval from Board members to direct Cubic, as the Next Generation Clipper System Integrator, to modify the scope of work related to enabling faster load times at select devices.

Presenter:

Edward Meng

Recommended Action:

Board Approval

Attachments:

Clipper[®] Executive Board

June 17, 2019

Agenda Item 3d

Proposal to Modify the Next Generation Clipper System Integrator Scope of Work Related to Faster Load Times (Accelerated C2 System Deployment)

Subject: Request approval from Board members to direct Cubic, as the Next Generation Clipper System Integrator, to modify the scope of work related to enabling faster load times at select devices.

Background: **Executive Summary**
The scope of work for the Next Generation Clipper Regional Transit Fare Payment System Integrator contract (“the Contract”) includes three packages of deliverables to be completed under the umbrella of Accelerated C2 System Deployment. This work is meant to provide near-term enhancements to the current card-based Clipper system that will improve the customer experience and facilitate a smooth transition to the next-generation account based system. In addition to delivering a mobile app and new fare payment equipment on an accelerated schedule, Cubic’s Best and Final Offer included modifying the current system so that customers placing online orders could load the value on their card within hours, rather than days, at select devices, including transit operator faregates and ticket vending machines and Clipper card readers at transit stations and terminals. Unfortunately, due to technology limitations, faster load times were never a possibility for the first-generation Clipper card readers (CID1) installed on AC Transit, City Coach, FAST, Golden Gate Transit, Muni, SamTrans and SolTrans buses. The option of more frequent online order delivery did exist for the nine bus operators on which Cubic had installed a more recent Clipper card reader (CID5), but would require Cubic to modify the software and install a wireless router on each of the vehicles.

Proposal to Adopt a Revised Device Strategy

After re-evaluating the current project schedule and the relative benefits of enabling faster order delivery on a subset of the region’s bus operators, MTC engaged Cubic and the transit operators to discuss alternative device procurement strategies. After evaluating the alternatives, MTC is proposing foregoing upgrades to the CID5 devices and replacing them with entirely new equipment under the Next Generation Clipper Contract. This change would result in County Connection, Petaluma Transit, Santa Rosa CityBus, Sonoma County Transit, Tri Delta Transit, Union City Transit, VTA, WestCAT and Wheels receiving new equipment by late 2021 instead of 2024.

Additional benefits of this proposal include:

- Next-generation, open-payment ready card readers would be installed on all the region’s buses by late 2021 – facilitating easier device maintenance and inventory management; and
- Reducing customer confusion by eliminating the need to inform riders that some buses have this feature and others do not.

While this change to the scope of work would result in nine bus operators not being able to offer faster load times to their customers in early 2020 as originally planned, online orders still will be available within hours at BART and Muni Metro fare gate and ticket machines, as well as card readers installed at transit stations and terminals served by Caltrain, Golden Gate Ferry, San Francisco Bay Ferry and VTA. Additionally, the delay associated with online orders will be further mitigated when the Clipper mobile app launches in late 2020, allowing customers who load Clipper card credentials onto their NFC-enabled smartphones to order value through the mobile app and use it immediately for fare payment on all transit operators.

MTC has discussed the alternatives with transit operator staff, whose input has supported our recommendation to proceed with the proposal to accelerate the installation of new equipment for all bus operators. This approach would provide state-of-the art, standardized equipment across the system faster at no additional cost to the program.

Recommendation: Staff recommends that the Clipper Executive Board approve the proposal to direct Cubic to stop work on modifying the current system to enable more frequent order delivery on the CID5 device, with the goal of accelerating the purchase and installation of the next-generation Clipper card reader for all the participating bus operators. Staff will return for an approval of any change orders that result from this modification in the scope of work.

Attachments: **Attachment A:** Bus Device Strategy



Carol Kuester

Bus Device Strategy

2019

2020

2021

2022

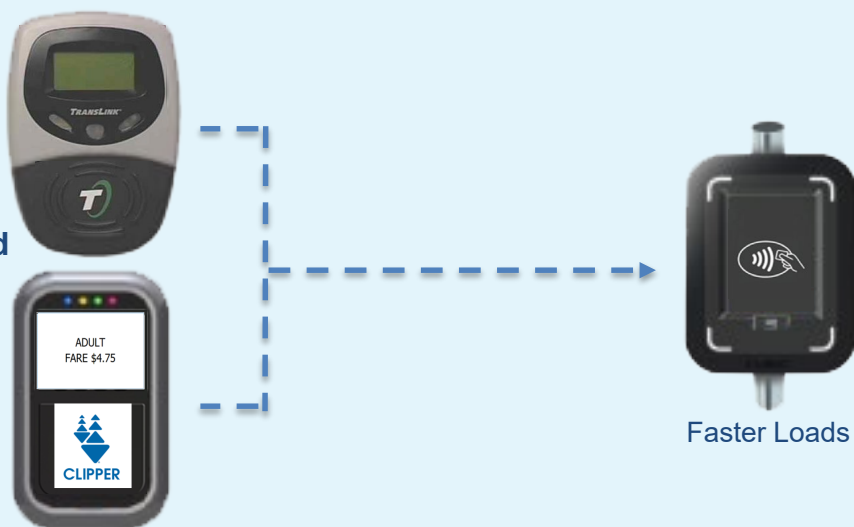
2023

2024

Current
Strategy







Proposed
Strategy



CLIPPER

Bus Device Strategy

Operators	Sales Channel	Original Approach (Faster loads in 2020)	Proposed Approach
	Retailer, Autoload, Ticket Vending Machines, Clipper Ticket Offices	N/A	<ul style="list-style-type: none"> • No faster loads in 2020 • Standard devices in 2021 on all buses • Faster loads on all buses in 2021
	Remote Add Value (0.25% of total Sales)	YES	
	Retailer, Autoload, Ticket Vending Machines, Clipper Ticket Offices	N/A	
	Remote Add Value (5% of total Sales)	NO	

Recommendation: Approval to direct Cubic to pursue proposed approach.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 19-0624 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 5/16/2019 **In control:** Clipper Executive Board
On agenda: 6/12/2019 **Final action:**
Title: Current Clipper® System Update

Update Board members on the current Clipper program. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the May 2019 meeting.

Sponsors:

Indexes:

Code sections:

Attachments: [4a_C1 Program Update.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Current Clipper® System Update

Update Board members on the current Clipper program. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the May 2019 meeting.

Presenter:

Jason Weinstein

Recommended Action:

Information

Attachments:

Clipper[®] Executive Board

June 17, 2019

Agenda Item 4a

Current Clipper[®] System Update

Subject: Update Board members on the current Clipper program. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the May 2019 meeting.

Background: **Transactions and Sales**
Clipper processed 23.5 million transactions and settled \$56.5 million in revenue in May. This level of activity is consistent with average seasonal volumes.

Clipper Customer Education

The third phase of the “Clipper Works for You” campaign targeting AC Transit and Muni riders will begin in July with transit advertising, digital advertising, Spanish and Chinese print ads, and outreach events.

We are also in the middle of our annual end-of-fiscal-year notification about a variety of fare changes at SFMTA, AC Transit, San Francisco Bay Ferry and Golden Gate Transit.

Implementation and Enhancement Projects

Our current challenge is to keep the current system operational while finishing final projects for the current system (like the addition of new SMART stations and integration on SFMTA’s Central Subway and AC Transit’s Bus Rapid Transit). Added to this is the need to replace or move on-board devices as operators purchase new vehicles – all while keeping Cubic focused on delivering “accelerated deployment” to speed transactions and develop the Clipper mobile app. We have given operator staff a heads up that any new projects beyond those already in development will require approval of the Clipper Executive Board. For the status of projects, please see the attached Clipper Master Schedule.

Other Clipper News

American Express cards are now accepted as a payment method for transactions through the Clipper website (both desktop and mobile), and for orders placed over the phone. In addition, American Express is being accepted on a pilot basis for purchases at the Clipper TVMs in the Muni Embarcadero station and at the Embarcadero IPCSC.

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



Carol Kuester

[illegible]



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	19-0625	Version:	1	Name:	
Type:	Report	Status:		Informational	
File created:	5/16/2019	In control:		Clipper Executive Board	
On agenda:	6/17/2019	Final action:			
Title:	Next Generation Clipper® System Update				

Update Board members on key developments related to the implementation of the Next Generation Clipper System Integrator project, provide an overall program update, and to highlight key technical updates.

Sponsors:

Indexes:

Code sections:

Attachments: [4b_C2 Program Update.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Next Generation Clipper® System Update

Update Board members on key developments related to the implementation of the Next Generation Clipper System Integrator project, provide an overall program update, and to highlight key technical updates.

Presenter:

Edward Meng

Recommended Action:

Information

Attachments:

Clipper® Executive Board

June 17, 2019

Agenda Item 4b

Next Generation Clipper® System Update

Subject: Update Board members on key developments related to the implementation of the Next Generation Clipper System Integrator project, provide an overall program update, and to highlight key technical updates.

Background: **Executive Summary**
Included as Attachment A to this memorandum is a summary of recently completed activities related to delivering the program; upcoming activities and deliverables for MTC, Cubic, and the transit operators; and noteworthy items that the project team is managing. This will be updated and presented to this Board monthly.

Next Generation Clipper Technical Update

Included as Attachment B to this memo is a summary of key technical items that Cubic has provided to the Board to show updates and technical activities related to the development of the Next Generation system. MTC and transit operators have invited the Next Generation Clipper Technical Advisors, IBI Group, to discuss overall program progress during the June Executive Board meeting.

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

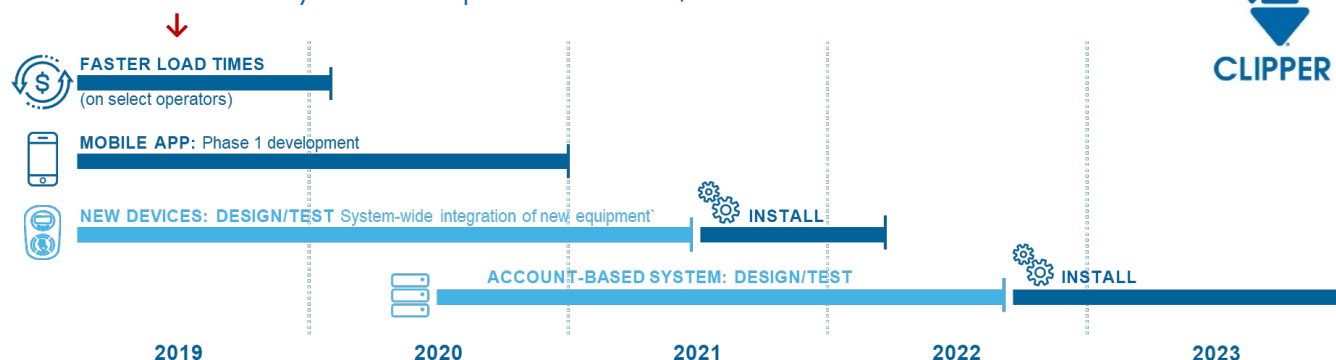


Carol Kuester



Next-Generation Clipper Program

Executive Summary Status Report – June 17, 2019



Summary

- Test Plans for Faster Load Times and Mobile App under review.
- Mobile App user interface/user experience (UI/UX) design process underway.
- Cubic surveys of vehicles/locations with legacy ERG equipment underway.
- Technical discussions continue with operators.

Recently Completed Activities

	MTC/IBI	Cubic	Operators	Date
• Technical meetings with operators:				
o BART	•	•	•	May 15
o SFMTA	•	•	•	May 17
• Accelerated Deployment Test Plans:				
o Faster Loads test plan submitted by Cubic		•		May 28
o Mobile App test plans submitted by Cubic		•		Jun 11
• Mobile App UI/UX design workshops	•	•	•	Jun 3, 10

Upcoming Activities/Deliverables

	MTC/IBI	Cubic	Operators	Date
• Legacy ERG equipment surveys continue		•	•	through June
• Mobile App UI/UX design workshops	•	•	•	Jun 17, 24, 28; Jul 8, 15
• Technical meetings with operators:				
o BART	•	•	•	Jun 19
o SFMTA	•	•	•	Jun 21
• Accelerated Deployment Test Plans:				
o Faster Loads test plan initial comments due	•		•	Jun 24
o Mobile App test plans initial comments due	•		•	Jul 9
o Faster Loads test plan final comments due	•		•	Jul 12
• Clipper Executive Board Meeting	•	•	•	Jul 15

Items to Highlight

Description	Resolution/Mitigation
<ul style="list-style-type: none"> • Frequent interaction needed with Mobile App UI/UX working group due to Cubic's sprint-based design approach. 	<ul style="list-style-type: none"> • Working group to meet weekly by supplementing the biweekly in-person design workshops with WebEx meetings on alternate weeks.



CUBIC™ | Transportation Systems

Next Generation Clipper Technical Update

June 17, 2019

Agenda Item 4b
Attachment B

Mobile App Test Plans

- 1st Submission: 6/11/19
 - *Review Meetings: tbd*
 - *Review Period: 6/11 – 7/9*
 - *Response Review: tbd*

- 2nd Submission: 7/24/19
 - *Review Meetings: tbd*
 - *Review Period: 7/24 – 8/6*

- Approval: 8/6/19

Frequent Actionlist Test Plan

- 1st Submission: 5/28/19
 - *Review Meetings: tbd*
 - *Review Period: 5/28 – 6/24*
 - *Response Review: tbd*

- 2nd Submission: 6/28/19
 - *Review Meetings: tbd*
 - *Review Period: 6/28 – 7/12*

- Approval: 7/12/19

Accelerated Deployment 1st Review Cycle

- 1st Submission: 8/8/19
 - *Review Meetings: 8/15 – 8/21*
 - *Review Period: 8/8 – 9/5*
 - *Response Review: TBD*

- 2nd Submission: 9/20/19
 - *Review Meetings: TBD*
 - *Review Period: 9/20 – 10/3*

- Projected Approval: 10/3/2019

Contents

- CS-DD-018 Accelerated C2 System Deployment Design Doc.
(Accelerated Deployment Packages 1, 2, and 3)
- CS-DD-019 Accelerated C2 System Deployment Dev. Plan
(Accelerated Deployment Package 1)
- CS-DD-002 C2 System Back Office Design Document
- CS-DD-004 Communications Network Design
- CS-DD-008 Environmental Design Specifications Document
- CS-DD-009 Equipment Design Document
- CS-DD-009a Fare Validator Design Document
- CS-DD-009c Onboard Validator Solution Design Document
- CS-DD-009d Standalone Validator Solution Design Document
- CS-DD-009g Retail Solution Design Document
- CS-DD-010-[X] ICD Design Documents
- CS-DD-012a Website, Web Portal, and Mobile App Design Doc.

Schedule

- 60 Day Look-Ahead

- June/July/August *Mobile App User Interface / User Experience (UI/UX) Design*
 - May/June *Test Plan Reviews (System Integration Testing/Pilot)*
 - May/June *Agency Surveys as needed*
-

- MTC & Agency Resourcing Needs

- *Mobile App UI/UX design participants*
- *Test Plan reviewers*
- *Vehicle & platform survey support*



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 19-0699 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 6/4/2019 **In control:** Clipper Executive Board
On agenda: 6/17/2019 **Final action:**
Title: Next Generation Clipper® Customer Service Center (CSC) Procurement Update

Update Board members on key developments in the Next Generation Clipper CSC procurement. The CSC procurement is one of four procurements currently planned for the Next Generation system, which also includes procurements for the System Integrator (completed), Fare Media, and a Payment Gateway.

Sponsors:

Indexes:

Code sections:

Attachments: [4c Next-Gen Clipper CSC.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Subject:

Next Generation Clipper® Customer Service Center (CSC) Procurement Update

Update Board members on key developments in the Next Generation Clipper CSC procurement. The CSC procurement is one of four procurements currently planned for the Next Generation system, which also includes procurements for the System Integrator (completed), Fare Media, and a Payment Gateway.

Presenter:

Kelley Jackson

Recommended Action:

Information

Attachments:

Clipper® Executive Board

June 17, 2019

Agenda Item 4c

Next Generation Clipper® Customer Service Center (CSC) Procurement Update

Subject: Update Board members on key developments in the Next Generation Clipper CSC procurement. The CSC procurement is one of four procurements currently planned for the Next Generation system, which also includes procurements for the System Integrator (completed), Fare Media, and a Payment Gateway.

Background: In collaboration with a group of transit operator representatives and MTC staff, the Next Generation Clipper Technical Advisor, IBI, has developed a general scope of work (SOW) for the Next Generation Clipper CSC contractor. The SOW includes:

1. Operations to support the following communications channels: phone, email, social media, chat, mail, and fax
2. Other work activities, including:
 - a. Participation in Next Generation Clipper System Integrator design
 - b. Provision of interactive voice response (IVR) and automated contact distribution (ACD) systems
 - c. Eligibility verification for youth and senior fare categories
 - d. Provision of tiered levels of customer service for private and institutional partners

The technical requirements and form of contract for the CSC procurement are largely complete, with some remaining items for final decisions including:

1. Financial guarantees
2. Key performance indicators, along with performance incentives and disincentives
3. Payment methodology:
 - a. Lump sum, firm fixed price for design and development, installation and testing, training, transition, and end-of-term transition
 - b. Monthly firm fixed and volume-based unit price for operations and maintenance work with a not-to-exceed maximum payment amount.

Next Steps

MTC staff recommends the form of contract and scope of work for the Next Generation CSC procurement be released for industry review this summer in advance of finalizing the documents. Staff is interested specifically in feedback from industry on the items identified above, as well as the technical requirements generally. An important focus will be contractual and technical requirements perceived by vendors to restrict or reduce competition among vendors. Staff will ask industry to provide feedback in a format similar to the request for exceptions table provided with all requests for proposals.

Following industry review, transit operators will be briefed on the input from industry as well as MTC and IBI's recommendations; then the complete request

for proposals package – including the cover document, form of contract, price forms, and scope of work – will be finalized for executive approval and issuance. Staff will continue to provide the Clipper Executive Board with updates on key developments in the Next Generation Clipper CSC procurement process.

Attachments: **Attachment A:** Next Generation Clipper Customer Service Center Update



Carol Kuester



Next Generation Clipper Customer Service Center Procurement

Clipper[®] Executive Board

June 17, 2019

Agenda Item 4c
Attachment A

Next Generation Clipper Procurements

System Integrator

Customer Service Center

Fare Media

Payment Gateway



Next Generation Clipper Procurements

System Integrator

Customer Service Center

Fare Media

Payment Gateway

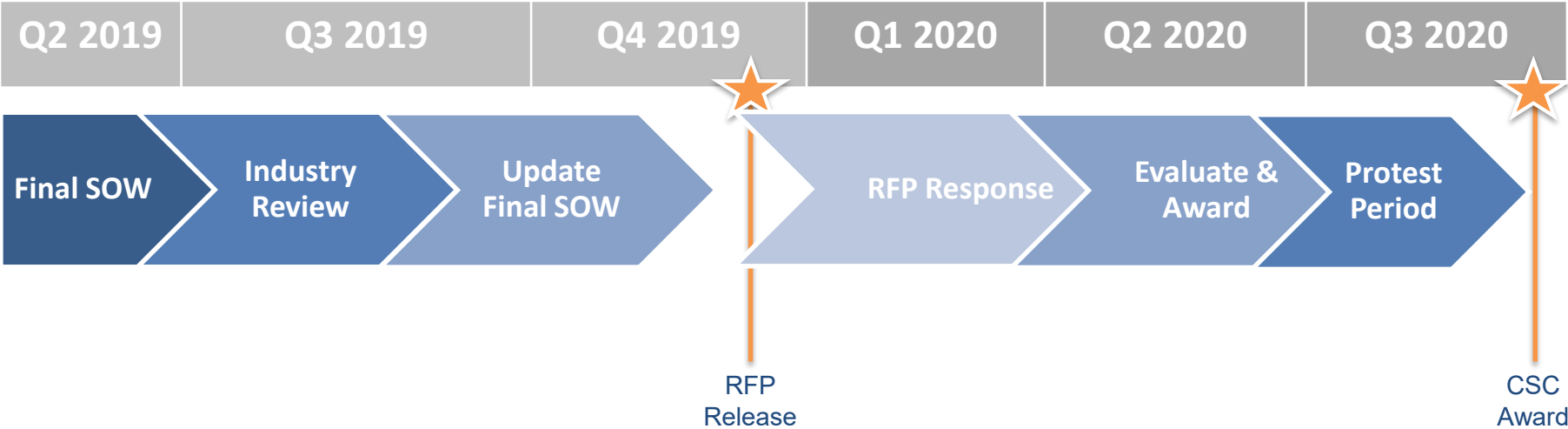


Next Generation Clipper Customer Service Center Scope

1. Operations Contract for Contact Center
2. Work to Include:
 1. Participant during System Integrator design
 2. Interactive voice response(IVR) and automated contact distribution (ACD) systems
 3. Eligibility verification for youth and senior fare categories
 4. Tiered levels of customer service
 5. KPI incentives and disincentives



Next Generation Clipper CSC Procurement Timeline



Next Steps – Resolve Outstanding Items

1. Financial Guarantees
2. Service Levels / KPIs
 1. Incentives and disincentives scheme
3. Payment Methodology
 1. Lump sum, firm fixed price for design through transition
 2. Monthly firm fixed and volume-based unit price for O/M work with a not to exceed maximum payment amount

