



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

Meeting Agenda

Clipper Executive Board

Members:

Denis Mulligan, Chair Rick Ramacier, Vice Chair

*Nuria Fernandez, Jim Hartnett, Michael Hursh,
Therese W. McMillan, Robert Powers,
Nina Rannells, and Jeffrey Tumlin*

Monday, February 24, 2020

1:30 PM

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

This meeting will be recorded. Copies of recordings may be requested at the Metropolitan Transportation Commission (MTC) at a 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. [20-0230](#) Minutes of the January 27, 2020 Meeting

Action: Board Approval

Attachments: [2a CEB Minutes Jan 27 2020.pdf](#)

3. Approval

3a. [20-0336](#) Clipper® Executive Board Election of Chair and Vice Chair

Nomination and Election of the Chair and Vice Chair of the Clipper Executive Board.

Action: Board Approval

Presenter: Edward Meng

Attachments: [3a Clipper Chair Vice Chair.pdf](#)

- 3b.** [20-0337](#) Application of \$1.6M in Reserves to the Fiscal Year (FY) 2019-2020
Clipper® Operating Budget
- Approval of the application of \$1.6M held in reserve to expenses set forth
in the Clipper Operating Budget for FY 2019-2020.
- Action:** Board Approval
- Presenter:** Edward Meng
- Attachments:** [3b Use of \\$1.6M from Reserves.pdf](#)

4. Information

- 4a.** [20-0294](#) Clipper® Draft Two Year Budget and Work Plan
- Draft Clipper budget and work plan for Fiscal Years (FY) 2020-2021 and
2021-22 for the Executive Board's review and discussion. Staff plan to
bring this item to the Board in March 2020 for approval.
- Action:** Information
- Presenter:** Edward Meng
- Attachments:** [4a Clipper Two Year Budget and Work Plan.pdf](#)
- 4b.** [20-0295](#) Current Clipper® System Update
- Update 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 January 2020 meeting.
- Action:** Information
- Presenter:** Jason Weinstein
- Attachments:** [4b C1 Program Update.pdf](#)
- 4c.** [20-0296](#) Next Generation Clipper® System Update
- Update on key developments related to the implementation of the Next
Generation Clipper System Integrator project.
- Action:** Information
- Presenter:** Jason Weinstein
- Attachments:** [4c C2 Program Update.pdf](#)

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, March 23, 2020 at 1:30 p.m. in the 1st Floor Board Room of the Bay Area Metro Center, 375 Beale Street, San Francisco, CA 94105.

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 #: 20-0230 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 1/22/2020 **In control:** Clipper Executive Board
On agenda: 2/24/2020 **Final action:**
Title: Minutes of the January 27, 2020 Meeting
Sponsors:
Indexes:
Code sections:
Attachments: [2a_CEB Minutes_Jan 27 2020.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of the January 27, 2020 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 Rick Ramacier, Vice Chair

**Nuria Fernandez, Jim Hartnett, Michael Hursh,
Therese W. McMillan, Robert Powers,
Nina Rannells, and Jeffrey Tumlin**

Monday, January 27, 2020

1:30 PM

**Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
Board Room – 1st Floor**

1. Roll Call / Confirm Quorum

Present: 9 - Chair Mulligan, Board Member Fernandez, Board Member Hartnett, Board Member Hursh, Vice Chair Ramacier, Board Member Rannells, Board Member McMillan, Board Member Powers, and Board Member Tumlin

2. Consent Calendar

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

Aye: 8 - Chair Mulligan, Board Member Fernandez, Board Member Hartnett, Board Member Hursh, Vice Chair Ramacier, Board Member McMillan, Board Member Powers and Board Member Tumlin

Absent: 1 - Board Member Rannells

2a. [20-0086](#) Minutes of the December 16, 2019 Meeting

Action: Board Approval

Attachments: [2a_CEB Minutes_DEC 16 2019.pdf](#)

2b. [20-0190](#) Clipper® Contract Change Order Amendment - Clipper® Program SSAE
18 Audit: Cubic Transportation Systems, Inc. (\$200,000)

Action: Board Approval

Presenter: David Weir

Attachments: [2b SSAE 18 Audit for FY 2019-20.pdf](#)

Board Member Rannells arrived after the approval of the Consent Calendar.

3. Approval

3a. [20-0087](#) Clipper® Executive Board 2020 Meeting Calendar

Request Board approval of Clipper Executive Board 2020 Meeting Calendar.

Action: Board Approval

Presenter: Edward Meng

Attachments: [3a Clipper Exec Board 2020 Calendar.pdf](#)

Upon the motion by Vice Chair Ramacier and second by Board Member Fernandez, the Board unanimously voted to revise the proposed Clipper® Executive Board 2020 meeting calendar to change the proposed April and May meetings to April 13, 2020 at SamTrans/Caltrain and May 11, 2020 at BART. Upon the motion by Board Member Fernandez and second by Board Member Hursh, the Board unanimously approved the proposed Clipper® Executive Board 2020 meeting calendar as amended by the preceding motion. The motion carried by the following vote:

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

4. Information

4a. [20-0164](#) California Integrated Travel Project (Cal-ITP)

Update Board members about the Cal-ITP and statewide fare payment initiatives.

Action: Information

Presenter: Gillian Gillett, Cal-ITP

Attachments: [4a Cal ITP.pdf](#)

4b. [20-0191](#) 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 December 2019 meeting.

Action: Information

Presenter: Jason Weinstein

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

4c. [20-0192](#) Next Generation Clipper® System Update

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

Action: Information

Presenter: Jason Weinstein

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

5. [20-0206](#) Executive Director's Report

Action: Information

Presenter: Carol Kuester

Attachments: [5_ED Report_rev.pdf](#)

6. Public Comment / Other Business

7. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be Monday, February 24, 2020 at 1:30 p.m. in the BART Board Room, 3rd Floor, 344 20th Street, Oakland, CA.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-0336 **Version:** 1 **Name:**
Type: Report **Status:** Committee Approval
File created: 2/7/2020 **In control:** Clipper Executive Board
On agenda: 2/24/2020 **Final action:**
Title: Clipper® Executive Board Election of Chair and Vice Chair
Nomination and Election of the Chair and Vice Chair of the Clipper Executive Board.

Sponsors:

Indexes:

Code sections:

Attachments: [3a Clipper Chair Vice Chair.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Executive Board Election of Chair and Vice Chair

Nomination and Election of the Chair and Vice Chair of the Clipper Executive Board.

Presenter:

Edward Meng

Recommended Action:

Board Approval

Attachments:

Clipper® Executive Board

February 24, 2020

Agenda Item 3a

Clipper® Executive Board Election of Chair and Vice Chair

Subject: Nomination and Election of the Chair and Vice Chair of the Clipper Executive Board.

Background: The Board Procedures Manual for the Clipper Executive Board defines the terms for the Chair and Vice Chair of the Clipper Executive Board and provides a process for their regular nomination and selection. Board members may serve multiple terms as Chair or Vice Chair, but are limited to two consecutive terms as Chair or Vice Chair. The current Chair (or Vice Chair in the absence of the Chair) may seek nominations (including self-nominations) for Chair or Vice Chair, and votes for the Board officers shall be held in accordance with the Amended and Restated Clipper Memorandum of Understanding.

The current Chair, Denis Mulligan of the Golden Gate Bridge Highway and Transportation District, will end his second consecutive term as the Chair of the Clipper Executive Board at the Board's meeting on February 24, 2020. The term of the current Vice Chair, Rick Ramacier of the Central Contra Costa Transit Authority, began in August 2019.

Recommendation: Staff recommends that the Clipper Executive Board nominate and elect at its February 24, 2020 meeting, Rick Ramacier of the Central Contra Costa Transit Authority as Chair of the Clipper Executive Board, whose term shall begin at the next Clipper Executive Board meeting, currently scheduled for March 23, 2020.

Staff recommends that the Clipper Executive Board nominate and elect at its February 24, 2020 meeting, a Vice Chair of the Clipper Executive Board, whose term shall begin at the next Clipper Executive Board meeting, currently scheduled for March 23, 2020.

The terms of the Chair and Vice Chair of the Clipper Executive Board would be two years, beginning in March 2020, and ending in February 2022.


Carol Kuester



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	20-0337	Version:	1	Name:	
Type:	Report	Status:		Committee Approval	
File created:	2/7/2020	In control:		Clipper Executive Board	
On agenda:	2/24/2020	Final action:			
Title:	Application of \$1.6M in Reserves to the Fiscal Year (FY) 2019-2020 Clipper® Operating Budget				
	Approval of the application of \$1.6M held in reserve to expenses set forth in the Clipper Operating Budget for FY 2019-2020.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	3b_Use of \$1.6M from Reserves.pdf				

Date	Ver.	Action By	Action	Result
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Subject:

Application of \$1.6M in Reserves to the Fiscal Year (FY) 2019-2020 Clipper® Operating Budget

Approval of the application of \$1.6M held in reserve to expenses set forth in the Clipper Operating Budget for FY 2019-2020.

Presenter:

Edward Meng

Recommended Action:

Board Approval

Attachments:

Clipper[®] Executive Board

February 24, 2020

Agenda Item 3b

Application of \$1.6M in Reserves to the Fiscal Year (FY) 2019-2020 Clipper[®] Operating Budget

- Subject:** Request Board approval of the application of \$1.6M held in reserve to expenses set forth in the Clipper Operating Budget for FY 2019-2020.
- Background:** At its December 16, 2019 meeting, this Board approved the disbursement of slightly over \$1.6M of inactive unregistered cardholder funds from the Clipper Float Account into the Clipper operating reserves. The Board requested that staff provide additional information as to which operating expenses those funds would be applied before approving the inclusion of those funds in the Clipper Operating Budget.
- As shown in Attachment A to this agenda item, the Clipper Operating Budget approved by this Board in February 2019 did not assume as revenue any amount of inactive unregistered cardholder funds. The attached table also shows that expected Clipper operating expenses for FY 2019-2020 would exceed expected Clipper operating revenues by \$1.8M. This shortfall was addressed by including reserves built up from surpluses in prior fiscal years to address that deficit.
- As FY 2019-2020 has unfolded, actual Clipper operating expenses have exceeded expectations due to increased demand for Clipper cards and the corresponding increase in transaction volume, primarily as a result of BART's Clipper-only pilot which began in August 2019. While greater Clipper card adoption is certainly a very positive development, a portion of the operating costs charged under the current Clipper Contract are variable based on sales and usage. As shown in Attachment A, projected costs, based on what has already been expended in this fiscal year, are expected to exceed the budgeted amount by \$1.2M.
- Issues:** The below-recommended application to the Clipper Operating Budget of money held in reserve is subject to the MTC Operations Committee being informed of this Board's prior approval to disburse inactive unregistered funds, and the actual transfer of funds from the Clipper Float Account to the MTC Budget.
- Recommendation:** Staff recommends that \$1,638,130, currently held in reserve and available because of prior approval by this Board of a disbursement of inactive cardholder funds in the same amount, be included in the FY 2019-2020 Clipper Operating Budget as a source of revenue, to cover higher operating costs in the current fiscal year than what was originally budgeted.
- Attachments:** Attachment A: MTC FY 2019-2020 Clipper Operating Budget (Originally Approved vs Actual to Date/Projected)


Carol Kuester

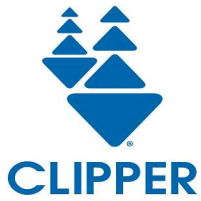
MTC Fiscal Year 2019-2020 Clipper Operating Budget (Originally Approved vs Actual to Date/Projected)

Costs (\$M)	as Originally Approved in Mar 2019	Actual to Date + Projected
C1 Operating Costs – MTC	\$9.3	\$10.5
Next Gen System Integrator	\$0.3	\$0
Next Gen Other	\$0.7	\$0
MTC Staff	\$1.3	\$1.4
Misc. Clipper Operations	\$0.6	\$0.6
In Person Customer Service	\$1.2	\$1.2
<u>Customer Education</u>	<u>\$1.8</u>	<u>\$1.8</u>
Total Costs (MTC)	\$15.2	\$15.5

Revenue (\$M)	as Originally Approved in Mar 2019	Actual to Date + Projected
STA	\$7.1	\$7.1
RM2 Marketing	\$2.8	\$3.0
Additional RM2 Operating	\$2.0	\$2.0
Float Account Interest	\$1.5	\$1.2
STA Reserve	\$0	\$0.6
<u>Inactive Unregistered Funds</u>	<u>\$0</u>	<u>\$1.6</u>
Total Revenue (MTC)	\$13.4	\$15.5

Total Revenue – Total Costs	(\$1.8)	\$0
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Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-0294 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 2/3/2020 **In control:** Clipper Executive Board
On agenda: 2/24/2020 **Final action:**
Title: Clipper® Draft Two Year Budget and Work Plan

Draft Clipper budget and work plan for Fiscal Years (FY) 2020-2021 and 2021-22 for the Executive Board's review and discussion. Staff plan to bring this item to the Board in March 2020 for approval.

Sponsors:

Indexes:

Code sections:

Attachments: [4a_Clipper Two Year Budget and Work Plan.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Draft Two Year Budget and Work Plan

Draft Clipper budget and work plan for Fiscal Years (FY) 2020-2021 and 2021-22 for the Executive Board's review and discussion. Staff plan to bring this item to the Board in March 2020 for approval.

Presenter:

Edward Meng

Recommended Action:

Information

Attachments:

Clipper® Executive Board

February 24, 2020

Agenda Item 4a

Clipper® Draft Two Year Budget and Work Plan

Subject: This memorandum presents the draft Clipper budget and work plan for Fiscal Years (FY) 2020-2021 and 2021-22 for the Executive Board's review and discussion. Staff plan to bring this item to the Board in March 2020 for approval.

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

Attached for your review are the budget and work plan for FYs 2020-21 and 2021-22. Included as attachments to this memo are the Clipper Projected Operating Budget and the Clipper Projected Capital Budget.

Highlights

1. Both Operating and Capital Budgets are balanced in the two-year timeframe.
2. The Operating Budget and Work Plan is balanced in the two-year timeframe only with the use of reserves built up from prior year surpluses.
3. The proposed capital funding plan covers the Capital Budget and Work Plan, which includes deployment of the next-generation Clipper system through FY 2024-25, although there are some risks related to cash flow and litigation.

Detail of Proposed FY 2020-21 and 2021-22 Budget and Work Plan

Details of the Clipper Draft Two Year Budget and Work Plan are listed below.

1. In both Operating and Capital Budgets, costs for the current Clipper system are expected to be minimized and/or decrease, while resources are shifted to next-generation implementation, accelerated deployment, and transition efforts, until Clipper is fully transitioned to the next-generation system in FY 2024-25.
2. Similar to prior year budgets, the program has identified several fund sources to help offset short-term Operating deficits. Agenda Item 3b of this packet seeks approval to include approximately \$1.6M of Inactive Unregistered Funds to offset the current year's deficit (line 20 of the Operating Budget). Furthermore, since 2018, a portion of Float Account funds deemed not immediately needed for daily operations were invested in a money market fund which is expected to earn an estimated \$1.2M annually based on current returns (line 21). Further, staff is proposing the use of SB1 State of Good Repair funds (line 22) to offset a portion of next-generation system startup costs over the next two fiscal years.

3. Based on this budget, an operating funding shortfall occurs in FY 2022-23 with an operating deficit of \$5.7M, consistent with prior approved Operating budgets. This is largely due to concurrent operating costs for both the current and next-generation Clipper systems. MTC and transit agency staff are working to identify potential funding sources and solutions to address this shortfall, which may require changes to MTC and operator contributions.
4. Since last year's Clipper Two Year Budget and Work Plan, at the board's direction, a change in equipment strategy was determined that will replace all onboard (bus and light rail) equipment during the next-generation Clipper Accelerated Deployment phase (line 10 of the Capital Budget). While this strategy does not change the overall budgeted equipment amount, these equipment costs are now frontloaded, and are expected to be incurred in FY 2021-22 upon installation. This budget also assumes equipment quantities based on operator fleet estimates projected to the end of 2022, a 15% regional spares inventory, 10% sales tax, and includes additional operator equipment requests that were not contemplated when the contract was awarded in September 2018 (line 11), such as card readers at every door on SFMTA's light rail fleet and additional card readers at Caltrain platforms to accommodate electrification and modified Caltrain boarding procedures.
5. Senate Bill 1 State of Good Repair (SGR), Regional Measure 3 (RM3), and future Federal Transit Administration (FTA) formula funds in the amount of \$88M (line 15) were projected to fund next-generation system integrator costs at contract award. If RM3 funds are not available based on current best estimates and pending litigation, new fund sources and funding plans will need to be examined and identified. At the time of contract award, if SGR or RM3 funds were not available, FTA funds were identified to address potential deficits.
6. An additional \$48.1M of uncommitted funding (line 21), highlighted in yellow, is needed to fully fund current and next-generation Clipper capital expenses. These fund sources have yet to be identified.

MTC and transit operator staff will continue to work together to update the operating and capital budgets and plan to return to the Clipper Executive Board next month to obtain approval for the Clipper Two Year Budget and Work Plan.

Attachments:

Attachment A: Clipper Projected Operating Budget

Attachment B: Clipper Projected Capital Budget



Carol Kuester

CLIPPER® PROJECTED OPERATING BUDGET - FEBRUARY 12, 2020

Item No.	Descriptions	Current FY 19/20 (\$M)	FY 20/21 (\$M)	FY 21/22 (\$M)	FY 22/23 (\$M)	FY 23/24 (\$M)	FY 24/25 (\$M)	Total FY 19/20-FY 24/25
MTC Operating Costs								
1	Annual Current Clipper Operating Costs - MTC	\$10.5	\$11.1	\$11.6	\$6.0	\$2.0	\$0.3	\$41.5
2	Annual Next Gen Clipper SI Operating Costs - MTC	\$0.0	\$0.5	\$1.8	\$7.5	\$11.0	\$11.6	\$32.4
3	Annual Next Gen Clipper Other Operating Costs - MTC ¹	\$0.0	\$0.0	\$0.0	\$1.1	\$1.5	\$1.6	\$4.2
4	MTC Staff - Current Clipper Operating	\$1.4	\$1.4	\$1.3	\$0.7	\$0.2	\$0.0	\$5.1
5	MTC Staff - Next Gen Clipper Operating	\$0.0	\$0.1	\$0.2	\$1.0	\$1.5	\$1.8	\$4.4
6	Clipper® Operations - Misc.	\$0.6	\$0.7	\$0.7	\$0.7	\$0.8	\$0.8	\$4.3
7	In Person Customer Service Centers	\$1.2	\$1.2	\$1.3	\$1.4	\$1.4	\$1.5	\$8.0
8	Customer Education Program	\$1.8	\$1.8	\$1.9	\$2.0	\$2.1	\$2.2	\$12.0
9	<i>Subtotal MTC expenses</i>	<i>\$15.5</i>	<i>\$16.8</i>	<i>\$18.9</i>	<i>\$20.3</i>	<i>\$20.5</i>	<i>\$19.7</i>	<i>\$111.7</i>
Transit Agency Costs								
10	Annual Current Clipper Operating Costs - Transit Agencies	\$21.0	\$22.2	\$23.2	\$12.0	\$4.0	\$0.5	\$82.9
11	Annual Next Gen Clipper SI Operating Costs - Transit Agencies	\$0.0	\$0.5	\$1.8	\$7.5	\$11.0	\$11.6	\$32.4
12	Annual Next Gen Clipper Other Operating Costs - Transit Agencies ²	\$0.0	\$0.5	\$1.8	\$8.6	\$12.5	\$13.1	\$36.5
13	<i>Subtotal Transit Agency expenses</i>	<i>\$21.0</i>	<i>\$23.2</i>	<i>\$26.8</i>	<i>\$28.1</i>	<i>\$27.5</i>	<i>\$25.2</i>	<i>\$151.8</i>
14	Total Operating Costs (MTC+Transit)	\$36.5	\$40.0	\$45.7	\$48.4	\$48.0	\$44.9	\$263.5
Operating Revenues								
15	Total STA Revenues	\$7.1	\$7.5	\$7.3	\$7.5	\$7.7	\$7.8	\$44.9
16	Total RM2 Marketing Revenue	\$1.2	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$6.7
17	Additional RM2 Marketing Revenue ³	\$1.8	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7	\$10.3
18	Additional RM2 Operating Revenue ³	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$12.0
19	STA Reserve	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.6
20	Unregistered Inactive Funds	\$1.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.6
21	Float Account Interest	\$1.2	\$1.2	\$1.2	\$1.2	\$1.2	\$1.2	\$7.2
22	State of Good Repair (SB1) ⁴	\$0.0	\$0.6	\$2.0	\$0.0	\$0.0	\$0.0	\$2.6
23	Total Transit Agency Revenue	\$21.0	\$23.2	\$26.8	\$28.1	\$27.5	\$25.2	\$151.8
24	Total Operating Revenue	\$36.5	\$37.3	\$42.1	\$41.6	\$41.2	\$39.0	\$237.6
25	Cumulative Surplus/Deficit⁵	\$7.4	\$4.7	\$1.1	(\$5.7)	(\$12.6)	(\$18.5)	

¹ Includes O&M Estimate for CSC

² Includes O&M Estimate for CSC, Pass Through Fees (incl. Mobile Fees & Third Party Commissions), Payment Gateway Fees, etc.

³ Contingent upon availability and MTC Commission Approval

⁴ Used for Next-Gen Clipper Operating Startup Costs

⁵ Operations Carry Forward From Prior Year = \$7.4M

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

Assumes 10% tax, no contingency

CLIPPER® PROJECTED CAPITAL BUDGET - FEBRUARY 14, 2020

Item No.	Description	Current FY 19/20 (\$M)	FY 20/21 (\$M)	FY 21/22 (\$M)	FY 22/23 (\$M)	FY 23/24 (\$M)	FY 24/25 (\$M)	TOTAL FY 19/20 - 24/25 (\$M)
Capital Costs (See Table 1a for Cost Detail)								
1	Clipper Cards & Fare Media	\$4.0	\$4.0	\$3.0	\$3.0	\$2.0	\$1.0	\$17.0
	Current Clipper® System (C1)							
2	MTC Staff	\$1.3	\$1.3	\$0.7	\$0.0	\$0.0	\$0.0	\$3.3
3	Consultants	\$1.0	\$1.0	\$0.5	\$0.0	\$0.0	\$0.0	\$2.5
4	System Enhancements	\$0.5	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$1.0
5	System Enhancements - Operator Requested and Paid	\$1.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.6
6	Infrastructure Refresh/End-of-Lifecycle Replacement	\$1.0	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$1.5
	Next Generation Clipper® System							
7	MTC Staff	\$2.6	\$3.7	\$4.6	\$5.6	\$5.9	\$6.2	\$28.5
8	Consultants	\$2.0	\$4.7	\$2.0	\$2.1	\$2.2	\$2.3	\$15.3
9	System Integrator Contract ¹	\$24.2	\$37.6	\$48.5	\$11.6	\$7.3	\$0.0	\$129.2
10	Next-Gen Clipper Equipment ¹	\$0.0	\$0.0	\$46.7	\$0.0	\$5.1	\$1.3	\$53.1
11	Next-Gen Clipper Equipment - add'l ²	\$0.0	\$0.0	\$2.6	\$0.3	\$0.3	\$0.3	\$3.5
12	Integrate Existing Operator Equipment	\$0.0	\$0.0	\$1.5	\$1.0	\$0.0	\$0.0	\$2.5
13	Customer Service Center, Fare Media, Payment Gateway	\$0.0	\$1.0	\$0.5	\$0.5	\$0.5	\$0.0	\$2.5
14	Total Expenses	\$38.1	\$54.3	\$110.6	\$24.1	\$23.3	\$11.1	\$261.4
Revenue								
15	TCP - FTA / SGR / RM3 ³	\$10.2	\$9.9	\$61.6	\$6.3	\$0.0	\$0.0	\$88.0
16	TCP - FTA ⁴	\$5.0	\$14.1	\$0.0	\$0.0	\$0.0	\$0.0	\$19.1
17	TCP - OBAG2-STP/CMAQ ⁴	\$0.0	\$14.5	\$20.4	\$0.0	\$0.0	\$0.0	\$34.9
18	TCP - OBAG2-RM2 ⁴	\$0.0	\$13.0	\$0.0	\$0.0	\$0.0	\$0.0	\$13.0
19	Fare Media and Card Fee Revenue	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0	\$30.0
20	Operator Paid Revenue	\$1.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.6
21	TBD - Uncommitted	\$0.0	\$0.0	\$10.9	\$12.8	\$18.3	\$6.0	\$48.1
22	Total Annual Revenue	\$21.8	\$56.5	\$97.9	\$24.1	\$23.3	\$11.0	\$234.6
23	Cumulative Surplus/Deficit⁵	\$10.5	\$12.7	\$0.0	\$0.0	\$0.0	\$0.0	

¹ Assumes No Open Payment Deployment, 10% tax where applicable

² Includes readers at all SFMTA light rail doors, add'l platform readers at Caltrain

³ Projected at Contract Award

⁴ Committed at Contract Award

⁵ Capital Carry Forward From Prior Year = \$26.8M (LCTOP, FTA, CMAQ, SB1, BATA Rehab)



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-0295 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 2/3/2020 **In control:** Clipper Executive Board
On agenda: 2/24/2020 **Final action:**
Title: Current Clipper® System Update

Update 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 January 2020 meeting.

Sponsors:

Indexes:

Code sections:

Attachments: [4b_C1 Program Update.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Current Clipper® System Update

Update 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 January 2020 meeting.

Presenter:

Jason Weinstein

Recommended Action:

Information

Attachments:

Clipper® Executive Board

February 24, 2020

Agenda Item 4b

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 January 2020 meeting.

Background: **Transactions and Sales**

Clipper processed 22.9 million transactions and settled \$59 million in revenue in January 2020.

Clipper Customer Education

MTC presented detailed information on our recent intercept surveys of Clipper and non-Clipper users on transit in the last Clipper Customer Education/Service and Distribution Committee (CESD) meeting in January.

MTC is preparing to launch the new website in the spring and will be sending emails to the opt-in list to inform users about the new look and improved navigation. The new website will also be promoted via social media and other methods.

An updated fact sheet and frequently asked questions about the next-generation Clipper system are available at futureofclipper.com.

Implementation and Enhancement Projects

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

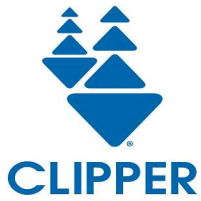
- San Francisco Municipal Transportation Agency Central Subway (CO-195) – Due to project delays, installation of faregates and ticket vending machines now expected to start in January 2021.
- Caltrain Ticket Vending Machine Clipper Integration (CO-226) – Prototype testing is now scheduled for Spring 2020.

Clipper equipment continues to perform well in the field and meets contractual performance requirements.

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


Carol Kuester

ID	Task Name	Duration	Start	Finish	% Comple	2020											
						O	N	D	J	F	M	A	M	J	J	A	S
2	CONTRACTING PHASE																
770	End-of-Life Clipper Device Order (CO-230)	170 days	7/19/19	3/12/20	75%												
778	SSAE-18I (CN-159, Amendment 7)	119 days	11/18/19	4/30/20	39%												
813	Walgreens Commission Increase (CO-163, Amend 2)	78 days	12/10/19	3/26/20	44%												
393	IMPLEMENTATION PHASE																
310	SFMTA Central Subway (CO-195)	1297 days	5/2/16	4/16/21	26%												
765	Means Based Fare Discount Clipper Coupon (CO-227)	380 days	10/15/18	3/27/20	80%												
492	AC Transit BRT Implementation, (CO-197 & CO-205)	263 days	7/17/19	7/17/20	76%												
767	SamTrans Business Rules Update--Intra-Operator Transfer (CO-228)	153 days	8/1/19	3/2/20	77%												
791	Caltrain TVM Clipper Integration (CO-226)	252 days	8/1/19	7/17/20	50%												
804	BART Add Fare Machine (CO-229)	142 days	1/13/20	7/28/20	0%												
1	BUS REPLACEMENT AND EXPANSION																
795	Soltrans (2 BYD Buses)	7 days	2/3/20	2/11/20	0%												



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	20-0296	Version:	1	Name:	
Type:	Report	Status:		Informational	
File created:	2/3/2020	In control:		Clipper Executive Board	
On agenda:	2/24/2020	Final action:			
Title:	Next Generation Clipper® System Update				
	Update on key developments related to the implementation of the Next Generation Clipper System Integrator project.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	4c_C2 Program Update.pdf				

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

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

Presenter:
Jason Weinstein

Recommended Action:
Information

Attachments:

Clipper® Executive Board

February 24, 2020

Agenda Item 4c

Next Generation Clipper® System Update

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

Background: **Executive Summary**

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

Highlights include the completion of the technical meeting “road shows” held on-site at transit operator locations to familiarize transit operator staff with the next-generation equipment and to discuss integration options with existing on-board vehicle solutions. Accelerated Deployment documents for Review Cycle 3 are nearly complete, with design of the mobile app to be approved soon and testing plans and procedures expected in March.

Testing for faster and more frequent load times at rail stations and ferry terminals when purchasing products via phone or through the website is nearly complete, with faster load times to begin rolling out within the next several months.

As we continue to move through the various phases of accelerated deployment, we want to remind transit operators of the importance of their involvement, especially as it pertains to updated plans for equipment quantities and procurement, integration of next-generation equipment with existing on-board systems, and testing and witnessing of next-generation system features.

To date, no critical milestones have slipped beyond their contractual guaranteed completion dates, and the program is currently on schedule and within expected budget.

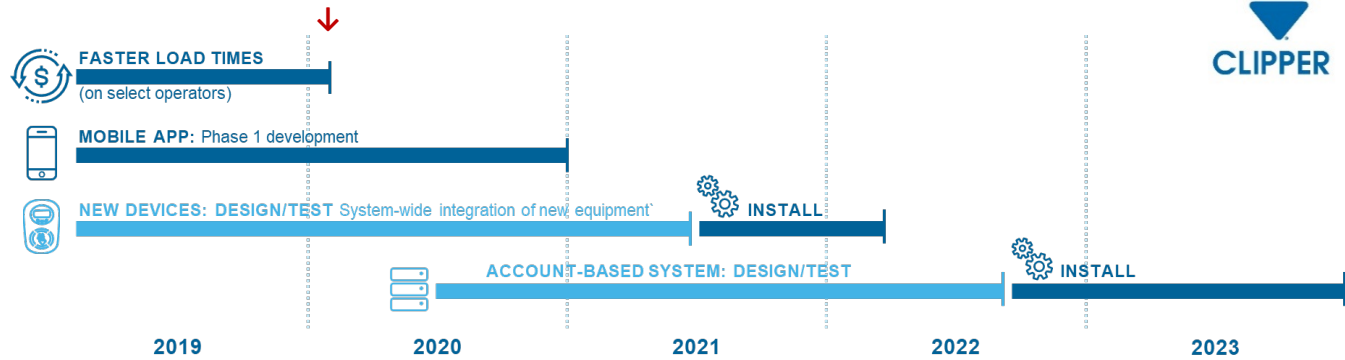
Attachments: **Attachment A:** Next Generation Clipper Program Executive Summary Status Report


Carol Kuester



Next-Generation Clipper Program

Executive Summary Status Report – February 24, 2020



Summary

- Review Cycle 3 for Accelerated Deployment design documents nearly complete.
- Review Cycle 4 submittal expected from Cubic in March.
- Deployment of Faster Load Times underway.
- Mobile App test plans/procedures expected from Cubic in March.
- Technical discussions continue with operators, including CAD/AVL integration planning.

Recently Completed Activities

	MTC/IBI	Cubic	Operators	Date
• Review Cycle 3 documents:				
o Initial comments submitted to Cubic	•			Feb 3
o Resubmittal by Cubic		•		Feb 18 (tentative)
• System Integration Testing for Faster Load Times:				
o Test Report submitted by Cubic		•		TBD
• Technical meetings with operators:				
o SFMTA	•	•	•	Feb 20

Upcoming Activities/Deliverables

	MTC/IBI	Cubic	Operators	Date
• Review Cycle 3 documents:				
o Submit final comments to Cubic	•			Feb 27 (tentative)
o Approval by MTC	•			Mar 2 (tentative)
• Review Cycle 4 documents:				
o Initial submittal expected from Cubic		•		Mar 12
o Review meetings with Cubic	•	•	•	Mar 24–27 (tentative)
• Mobile App Test Plans:				
o Initial submittal expected from Cubic		•		Mar (TBD)
• Technical meetings with operators:				
o BART	•	•	•	Mar 18
o SFMTA	•	•	•	Mar 19
• Clipper Executive Board Meeting	•		•	Mar 23