



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

Meeting Agenda

Clipper Executive Board

Members:

Rick Ramacier, Chair Robert Powers, Vice Chair

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

Monday, July 27, 2020

1:35 PM

Board Room - 1st Floor (REMOTE)

In light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via webcast, teleconference, and Zoom for committee, commission, or board members who will participate in the meeting from individual remote locations.

A Zoom panelist link for meeting participants will be sent separately to board members.

The meeting webcast will be available at <http://mtc.ca.gov/whats-happening/meetings>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number. Board Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. In order to get the full Zoom experience, please make sure your application is up to date.

Attendee Link: <https://bayareametro.zoom.us/j/93686023497>

Join by Telephone: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)

Webinar ID: 936 8602 3497

International numbers available: <https://bayareametro.zoom.us/u/ac11k1cUel>

Detailed instructions on participating via Zoom are available at:
<https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom>.

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

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. [20-1035](#) Minutes of the June 22, 2020 Meeting

Action: Board Approval

Attachments: [2a_CEB Minutes_Jun 22 2020.pdf](#)

- 2b. [20-1111](#) Clipper® Contract Change Order Amendment - Clipper Card Procurement: Cubic Transportation Systems, Inc. (\$4,000,000)

Action: Board Approval

Presenter: Edward Meng

Attachments: [2b_Change Order_Card Procurement.pdf](#)

3. Approval

- 3a. [20-1116](#) Next-Generation Clipper® Payment Services Request for Proposals (RFP)

Request for approval to issue an RFP for payment gateway and acquirer services for the next-generation Clipper (C2) system.

Action: Board Approval

Presenter: David Weir

Attachments: [3a_Payment Services RFP.pdf](#)

4. Information

- 4a. [20-1112](#) Launch of New Clipper® Website

Information on the launch of the new Clipper website.

Action: Information

Presenter: Lysa Hale

Attachments: [4a_New Website.pdf](#)

- 4b.** [20-1113](#) Current Clipper® System
- Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the June 2020 meeting.
- Action:** Information
- Presenter:** Jason Weinstein
- Attachments:** [4b_C1 Program Update.pdf](#)
- 4c.** [20-1114](#) Clipper® START Update
- Update on the Clipper START program.
- Action:** Information
- Presenter:** Lysa Hale
- Attachments:** [4c_Clipper START Update.pdf](#)
- 4d.** [20-1115](#) 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:** [4d_C2 Program Update.pdf](#)
- 4e.** [20-1117](#) Open Payment Acceptance Strategy
- Update on the “Open Payment” concept and on the current strategy and recommendations for open payment acceptance.
- Action:** Information
- Presenter:** Carol Kuester
- Attachments:** [4e_Open Payment Acceptance.pdf](#)
- 4f.** [20-1118](#) Clipper® Mobile Card Fee Update
- Information on the recommended mobile card fee policy.
- Action:** Information
- Presenter:** Edward Meng
- Attachments:** [4f_Mobile Card Fee recommendation.pdf](#)

5. Executive Director's Report – Kuester

6. Public Comment / Other Business

*Board Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9.*

7. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be Monday, August 17, 2020 at 1:35 p.m. remotely and by webcast as appropriate.

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.

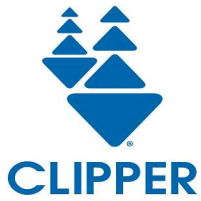
Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We 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 #: 20-1035 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 6/18/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **Final action:**
Title: Minutes of the June 22, 2020 Meeting
Sponsors:
Indexes:
Code sections:
Attachments: [2a_CEB Minutes_Jun 22 2020.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of the June 22, 2020 Meeting

Recommended Action:
Board Approval

Attachments:



Meeting Minutes - Draft

Clipper Executive Board

Members:

Rick Ramacier, Chair Robert Powers, Vice Chair

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

Monday, June 22, 2020

1:35 PM

Board Room - 1st Floor (REMOTE)

The Clipper® Executive Board will be meeting on June 22, 2020 at 1:35 p.m., in the Bay Area Metro Center (Remotely). In light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via webcast, teleconference, and Zoom for committee, commission, or board members who will participate in the meeting from individual remote locations.

A Zoom panelist link for meeting participants will be sent separately to board members.

The meeting webcast will be available at <http://mtc.ca.gov/whats-happening/meetings>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number. Board Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. In order to get the full Zoom experience, please make sure your application is up to date.

**Attendee Link: <https://bayareametro.zoom.us/j/98433218020>
Join by Telephone: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)
Webinar ID: 984 3321 8020**

**Detailed instructions on participating via Zoom are available at:
<https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom>.**

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

1. Roll Call / Confirm Quorum

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

2. Executive Director's Report – Kuester

3. Consent Calendar

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

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

3a. [20-0853](#) Minutes of the May 11, 2020 Meeting

Action: Board Approval

Attachments: [3a 20-0853 CEB Minutes May 11 2020.pdf](#)

3b. [20-0915](#) Clipper® Purchase Order - Network Services: AT&T (\$400,000)

Action: Board Approval

Presenter: Edward Meng

Attachments: [3b 20-0915 Purchase Order ATT Network.pdf](#)

3c. [20-0916](#) Clipper® Contract Change Order - Price Adjustment: Cubic Transportation Systems, Inc. (Cubic) (\$56,498)

Action: Board Approval

Presenter: Lysa Hale

Attachments: [3c 20-0916 Change Order Cubic Transportation Systems.pdf](#)

4. Approval

4a. [20-0917](#) Proposed Amendment to Clipper® Memorandum of Understanding (MOU)

Executive Board's review and approval of regional cost-sharing agreements incorporated in proposed Amendment 2 to the Amended and Restated Clipper® MOU.

Action: Board Approval

Presenter: Edward Meng

Attachments: [4a 20-0917 Clipper MOU Amendment 2.pdf](#)

Upon the motion by Board Member Hartnett and second by Board Member McMillan, the Proposed Amendment to Clipper® Memorandum of Understanding was unanimously approved. The motion carried by the following vote:

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

4b. [20-0981](#) Use of Program Contingency to Procure Next-Generation Equipment and Support Operator-Requested Enhancements

Request for approval to use program contingency to procure equipment and support operator-requested enhancements for the Next-Generation Clipper® Program.

Action: Board Approval

Presenter: Jason Weinstein

Attachments: [4b 20-0981 Use of program contingency.pdf](#)

Upon the motion by Board Member Fernandez and second by Board Member Rannells, the use of Program Contingency to Procure Next-Generation Equipment and Support Operator-Requested Enhancements was amended to include AC Transit request to order rear door readers for the AC Transit Fleet. The motion carried unanimously by the following vote:

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

Upon the motion by Board Member McMillan and second by Board Member Mulligan, the Use of Program Contingency to Procure Next-Generation Equipment and Support Operator-Requested Enhancements was unanimously approved as revised. The motion carried by the following vote:

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

5. Information

5a. [20-0919](#) Current Clipper® System

Update Board members on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the April 2020 meeting.

Action: Information

Presenter: Jason Weinstein

Attachments: [5a_20-0919_C1 Program Update.pdf](#)

5b. [20-1023](#) Clipper® START Means-Based Pilot Program Update

Update on the Clipper START means-based pilot program.

Action: Information

Presenter: Lysa Hale

Attachments: [5b_20-1023_Clipper START Update.pdf](#)

The following individuals spoke on this item:

Aleta Dupree;

Roland Lebrun;

Roan Kattouw; and

Adina Levin of Friends of Caltrain.

5c. [20-0921](#) 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: [5c_20-0921_C2 Program Update.pdf](#)

5d. [20-0982](#) Clipper® Fiscal Year 2020-2021 Operating Budget Update

Update on the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding and Impacts to the Clipper Budget.

Action: Information

Presenter: Edward Meng

Attachments: [5d_20-0982_Clipper Op Budget CARES.pdf](#)

6. Public Comment / Other Business

Aleta Dupree was called to speak.

7. Adjournment / Next Meeting

The next meeting of the Clipper® Executive Board will be Monday, July 27, 2020 at 1:35 p.m. remotely and by webcast as appropriate.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-1111 **Version:** 1 **Name:**

Type: Contract **Status:** Consent

File created: 7/7/2020 **In control:** Clipper Executive Board

On agenda: 7/27/2020 **Final action:**

Title: Clipper® Contract Change Order Amendment - Clipper Card Procurement: Cubic Transportation Systems, Inc. (\$4,000,000)

Sponsors:

Indexes:

Code sections:

Attachments: [2b Change Order Card Procurement.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Clipper® Contract Change Order Amendment - Clipper Card Procurement: Cubic Transportation Systems, Inc. (\$4,000,000)

Presenter:
Edward Meng

Recommended Action:
Board Approval

Attachments:

Clipper[®] Executive Board

July 27, 2020

Agenda Item 2b

Clipper[®] Contract Change Order Amendment – Clipper Card Procurement: Cubic Transportation Systems, Inc. (\$4,000,000)

Subject: Request for approval of a Change Order Amendment for procurement of Clipper cards: Cubic Transportation Systems, Inc. (Cubic) (\$4,000,000).

Background: Since its inception, the Clipper program has issued nearly eight million cards. Demand in 2020 (prior to the pandemic) has remained steady with the program issuing approximately 115,000 new adult cards each month. Demand for cards was still on the rise as BART discontinued sales of magnetic tickets at select stations.

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

The actual cost of each card is approximately \$1.50, while the program cost of issuing each card is approximately \$1.50, bringing the total cost of issuing a new card to approximately \$3. Funds from the \$3 card fee will be used to partially fund this Change Order Amendment. The funds in this Change Order Amendment were fully contemplated in the Two Year Budget and Work Plan approved by the Board in May 2020. The funds for this proposed change order amendment are currently available in the Clipper card fee account.

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

Issues: There are no issues with this amendment.

Recommendation: Staff recommends that the Clipper Executive Board approve a Contract Change Order Amendment with Cubic in an amount not to exceed \$4,000,000 to produce Clipper cards for distribution to customers.



Carol Kuester

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract Change Order Amendment

Consultant:	Cubic Transportation Systems, Inc. Oakland, CA
Work Project Title:	Clipper Card Procurement (Change Order Amendment, CO-145)
Purpose of Project:	To procure Clipper cards
Brief Scope of Work:	Under this Change Order Amendment, Cubic will purchase Clipper cards as directed by MTC. This Amendment adds funds to an already existing Change Order.
Project Cost Not to Exceed:	\$4,000,000 (this Change Order Amendment) Total contract value including amendments before this amendment = \$173,393,541 Total contract amount with this amendment = \$177,393,541
Funding Source:	Clipper cardholder administrative fees, STP, CMAQ, STA, STP Exchange, Regional Measure 2 Capital and Regional Measure 2 Operating, Regional Measure 3, SB1 State of Good Repair
Fiscal Impact:	Funds available in the Clipper card fee account and in the FY 2020-21 MTC agency budget.
Motion by Board:	That the Contract Change Order Amendment with Cubic Transportation Systems, Inc. as described herein and in the Clipper Executive Director's July 27, 2020 memorandum, is hereby approved by the Clipper Executive Board.
Clipper Executive Board:	<hr/>
	Rick Ramacier, Chair
Approved:	July 27, 2020



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-1116 **Version:** 2 **Name:**
Type: Report **Status:** Committee Approval
File created: 7/7/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **Final action:**
Title: Next-Generation Clipper® Payment Services Request for Proposals (RFP)
Request for approval to issue an RFP for payment gateway and acquirer services for the next-generation Clipper (C2) system.

Sponsors:

Indexes:

Code sections:

Attachments: [3a_Payment Services RFP.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Next-Generation Clipper® Payment Services Request for Proposals (RFP)

Request for approval to issue an RFP for payment gateway and acquirer services for the next-generation Clipper (C2) system.

Presenter:

David Weir

Recommended Action:

Board Approval

Attachments:

Clipper® Executive Board

July 27, 2020

Agenda Item 3a

Next-Generation Clipper® Payment Services Request for Proposals (RFP)

Subject: Request for approval to issue an RFP for payment gateway and acquirer services for the next-generation Clipper (C2) system.

Background: A “payment gateway” transmits payment data and transaction authorization between the merchant—in this case, MTC--and the “acquirer”, which is a bank that processes credit/debit card payments for a merchant.

As a reminder, under the existing Clipper system (C1) contract, Cubic Transportation Systems, Inc. arranges for payment gateway services for the Clipper® program. This Board decided a number of years ago, as part of its strategic planning effort to procure and implement the C2 system, to disaggregate the C2 system into four component contracts—one of which is payment services. Consistent with the Board’s vision, this planned RFP is to procure C2 payment gateway and acquirer services. The RFP’s current scope does not, however, impact operators who currently use their own payment gateways to process Clipper transactions; specifically, BART, SMART, and VTA for ticket vending machine (TVM) transactions, and AC Transit and SamTrans for ticket office terminal (TOT) transactions.

Over the last two months, the Payment Services RFP has gone through three rounds of MTC and transit agency staff review. A conference call was held on Tuesday, May 26, 2020, to which staff from all 22 Clipper participating agencies were invited; nine transit agencies and MTC were represented on the call, where C2 program technical advisor IBI reviewed in detail the content of the draft RFP and the technical requirements.


The contract resulting from this RFP will be for an initial five year term from the start date of transaction processing by the C2 system—currently estimated to be May 2022--plus two optional one-year renewals.

Staff will continue to update this Board on key developments and other significant milestones in this procurement process. The current schedule anticipates that staff will return to the Board in January 2021 with a recommendation of a payment services provider for the C2 system.

Issues: None.

Recommendation: Request for approval to issue an RFP for payment gateway and acquirer services for the next-generation Clipper (C2) system.

Attachment: PowerPoint presentation, “C2 Payment Services RFP—Procurement Overview”


Carol Kuester



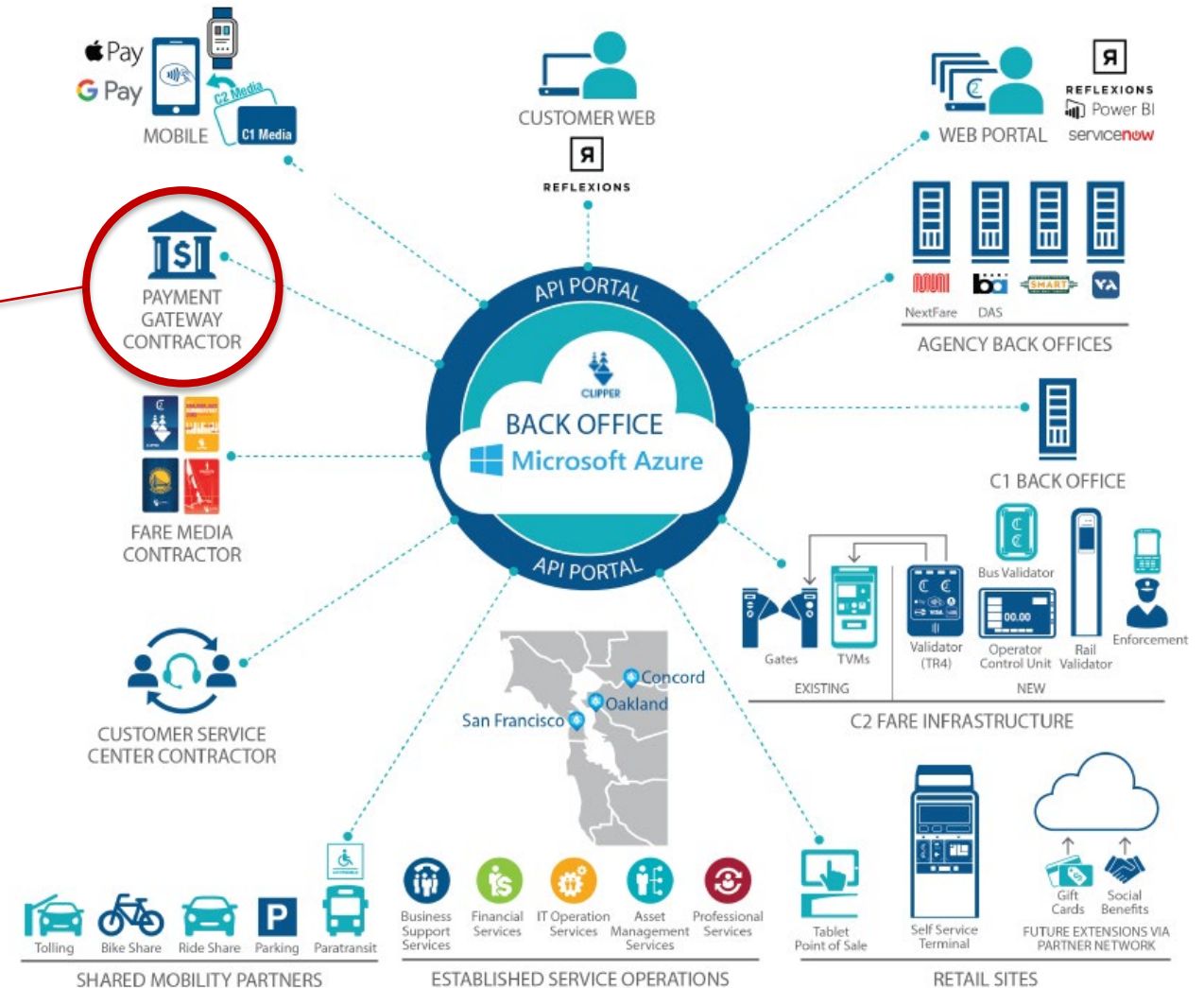
C2 Payment Services RFP

Procurement Overview

Clipper Executive Board meeting
2020-07-27

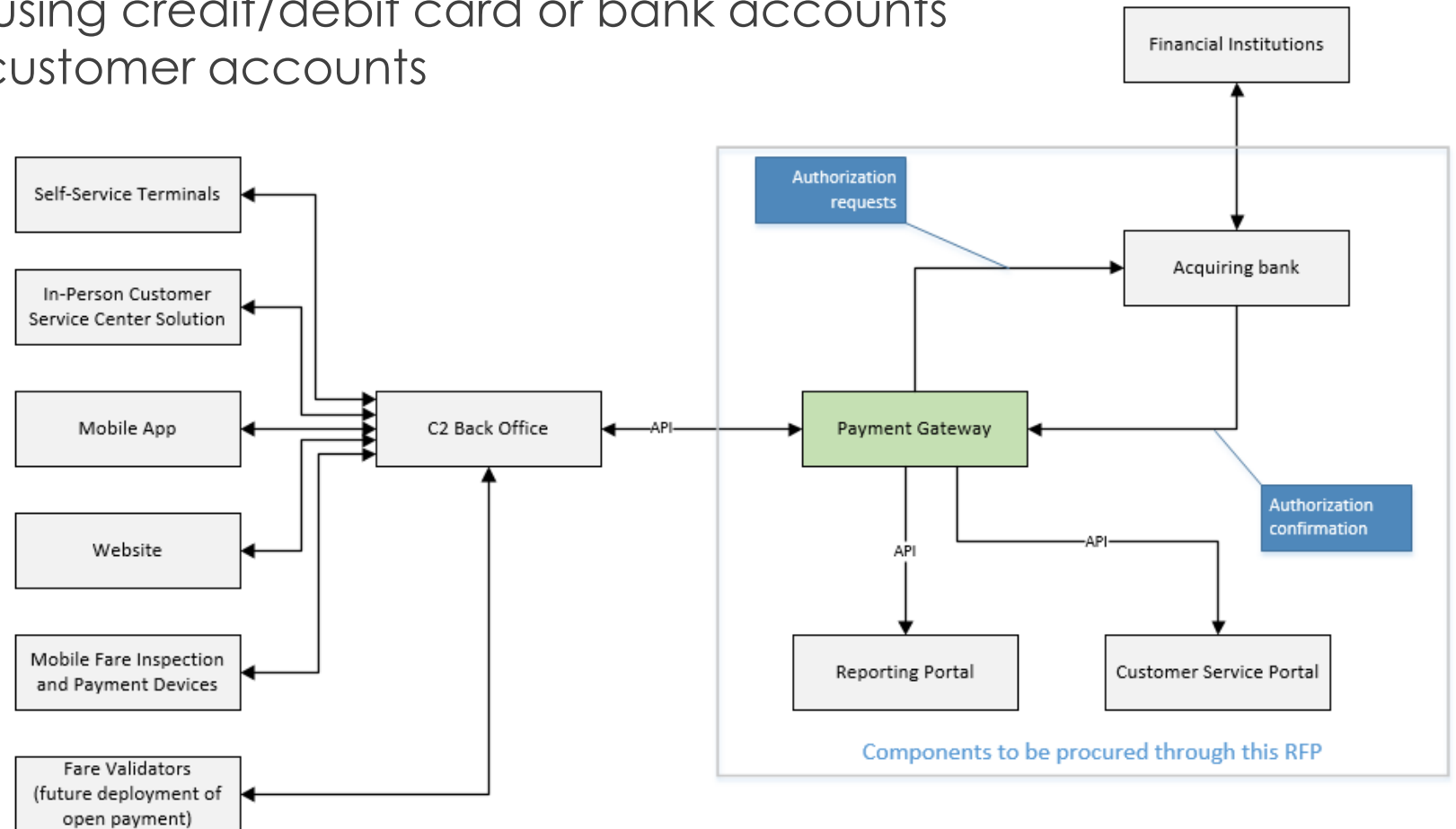
C2 System Architecture and Procurements

- C2 Procurements:
 - System Integrator
 - Customer Service Center
 - Fare Media Supplier
 - **Payment Services**
- Payment Services procurement goals:
 - Competitive pricing
 - Innovation
 - Modularity
 - Limited customization
 - Cardholder data security

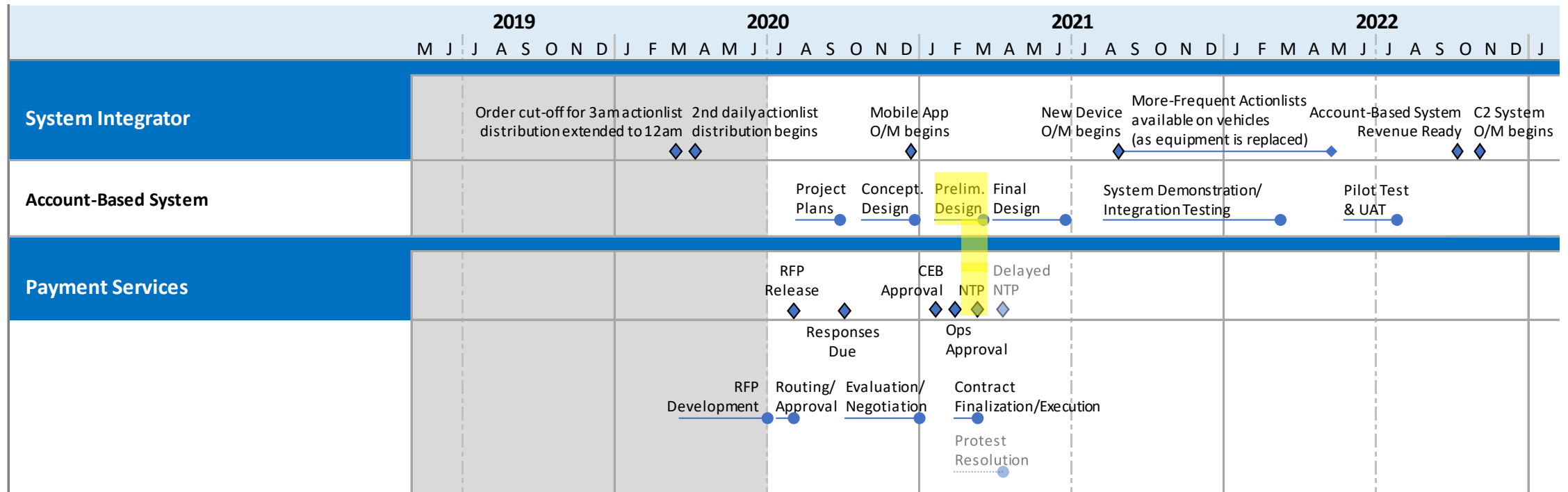


Payment Services Scope

- Processing services for:
 - Credit/debit card transactions on C2 devices
 - Transactions using credit/debit card or bank accounts saved in C2 customer accounts



Procurement Considerations



- Contractor to participate in Account-Based design review
- Requirements accommodate future design decisions
- RFP seeks to determine extent of Proposers' capabilities



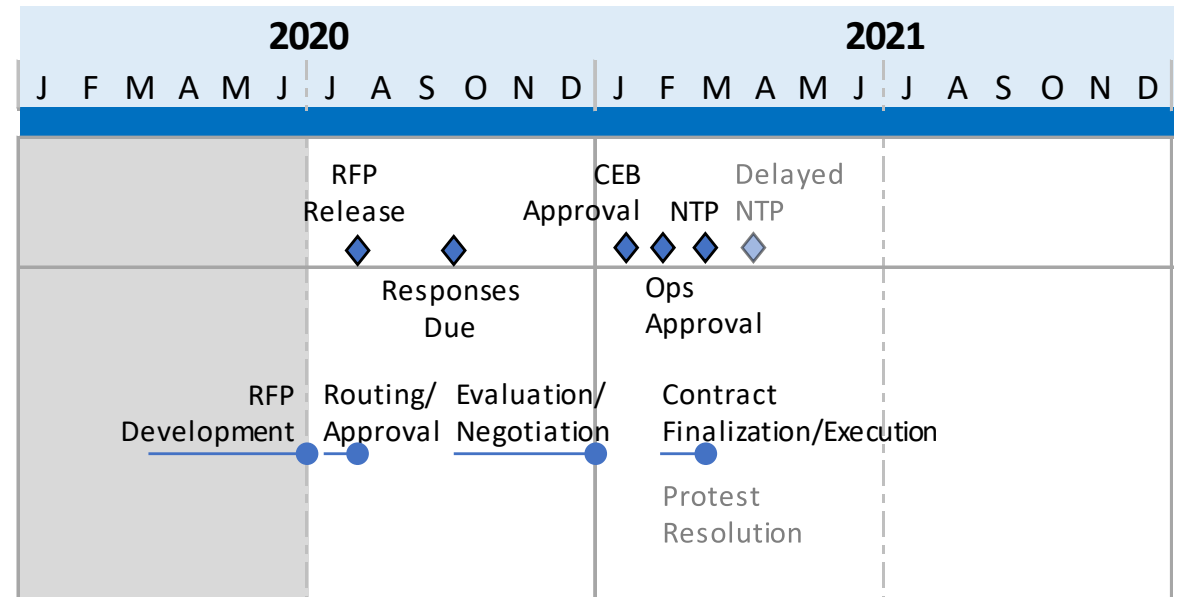
Requested Services and Capabilities

- Financial Management
 - Merchant Setup
 - Authorization
 - Settlement
 - Reporting
 - Chargebacks
 - Automated Clearing House
 - Interchange Optimization
 - Credit Card Updater
 - Fraud Prevention
 - Tokenization
 - Transaction Aggregation
- System
 - Network Operations
 - Security
 - Device Support
 - Interfaces / Integration
- Compliance & Certification
- Account/Technical Support
- Project Management & Implementation



Procurement Timeline

- RFP Release: Aug 2020
- Responses Due: Oct 2020
- Award Approval
 - CEB: Jan 2021
 - Ops: Feb 2021
- Notice to Proceed: Mar–Apr 2021





Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-1112 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 7/7/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **Final action:**
Title: Launch of New Clipper® Website

Information on the launch of the new Clipper website.

Sponsors:

Indexes:

Code sections:

Attachments: [4a New Website.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Launch of New Clipper® Website

Information on the launch of the new Clipper website.

Presenter:

Lysa Hale

Recommended Action:

Information

Attachments:

Clipper® Executive Board

July 27, 2020

Agenda Item 4a

Launch of New Clipper® Website

Subject: Information on the launch of the new Clipper website.

Background: On July 8, 2020, MTC and Cubic launched a new Clipper website – the first substantial website change since we rebranded as Clipper in June 2010. The website design incorporates feedback that we received from customers and transit operators throughout the years.

The development of the website did not require a Change Order with Cubic. Under Section B1-1.12.4 of the Clipper contract, Cubic is required to invest 5% of the amount paid under Price Schedule Item 9.41 (i.e., the active cardholder fee) to enhance cardholder support services. MTC and Cubic agreed to use a portion of the available funds to implement a new website and change management system (CMS).

The new website was a collaboration between Cubic, MTC, MIG (MTC's primary communications contractor) and the Center for Accessible Technology (C for AT). We engaged C for AT early in the design process with the goal of meeting online usability and design requirements recommended by the World Wide Web Consortium in its Web Content Accessibility Guidelines 2.0 Level AA. In doing so, we have improved the accessibility of this website to all users by providing:

- More intuitive site navigation
- A streamlined account management and purchasing experience
- Better access to information about how to get a card, add value and use Clipper
- News stories and features to keep customers up to date

MIG has created a friendly design that celebrates the Bay Area and the places people can visit on transit. The website optimizes the interface in response to whether a person is using a mobile or desktop device to access the site. This new design will translate well to the Clipper mobile app that is currently under development.

We invite you to visit www.clippercard.com – particularly on your phone – to see the improvements.

Attachments: None



Carol Kuester



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-1113 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 7/7/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **Final action:**
Title: Current Clipper® System

Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the June 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 on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the June 2020 meeting.

Presenter:

Jason Weinstein

Recommended Action:

Information

Attachments:

Clipper® Executive Board

July 27, 2020

Agenda Item 4b

Current Clipper® System

Subject: Update on the current Clipper system. Clipper staff last updated this Board on the ongoing work and projects related to the current Clipper system at the June 2020 meeting.

Background: **Transactions and Sales**
In April 2020, Clipper processed 1.39 million transactions and settled \$2.8 million in revenue.
As of July 13, 2020, 15 of the 22 operators were still offering fare-free travel due to the COVID-19 emergency.

Clipper Customer Education

The new Clipper website launched on July 9 and has received positive reviews. The new site features an easy-to-use interface, making it more intuitive for people to find what they need. The card and value ordering process is streamlined, and the site is fully accessible as well as responsive for use on mobile phones.

Customer education efforts have focused on the Clipper START program which launched on July 15 with a coordinated campaign of media relations, social media and advertising.


Implementation and Enhancement Projects

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

- AC Transit BRT Implementation (CO-205) – Installation of Clipper equipment completed on July 10. Launch of service and 90-day free fare period planned for August 9.
- BART Add Fare Machine (CO-229) – Software application update was deployed on all AFMs by June 18.

Clipper equipment continues to meet contractual performance requirements.

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



Carol Kuester

ID	Task Name	Duration	Start	Finish	% Complete	Agenda Item 4b; Attachment A																											
						2019												2020															
						M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A				
2	CONTRACTING PHASE																																
393	IMPLEMENTATION PHASE																																
310	SFMTA Central Subway (CO-195)	1297 days	5/2/16	4/16/21	26%																												
493	AC Transit BRT Implementation, (CO-197 & CO-205)	287 days	7/17/19	8/20/20	95%																												
791	Caltrain TVM Clipper Integration (CO-226)	339 days	8/1/19	11/17/20	50%																												
806	BART Add Fare Machine (CO-229)	139 days	1/13/20	7/23/20	82%																												
1	BUS REPLACEMENT AND EXPANSION																																
824	SFMTA (3 Proterra Coaches)	66 days	7/31/20	10/30/20	0%																												
797	AC Transit (36 MCI Buses)	79 days	8/3/20	11/19/20	0%																												
818	AC Transit (1 Gilig)	1 day	8/4/20	8/4/20	0%																												
820	SFMTA (3 Historic Street Cars)	86 days	8/4/20	12/1/20	0%																												
795	SolTrans (4 MCI Coaches)	5 days	8/11/20	8/17/20	0%																												



Metropolitan Transportation Commission

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Legislation Details (With Text)

File #: 20-1114 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 7/7/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **Final action:**
Title: Clipper® START Update

Update on the Clipper START program.

Sponsors:

Indexes:

Code sections:

Attachments: [4c Clipper START Update.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® START Update

Update on the Clipper START program.

Presenter:

Lysa Hale

Recommended Action:

Information

Attachments:

Clipper® Executive Board

July 27, 2020

Agenda Item 4c

Clipper® START Update

Subject: Update on the Clipper START program.

Background: The Clipper START means-based discount transit fare pilot program launched on July 15, 2020. Leading up to the recent launch, MTC staff had been coordinating with staff of the participating agencies to finalize details for the program, including outreach to organizations and interested individuals.

MTC announced that the Clipper START program would be able to add new agencies in the second half of 2020. On June 25, 2020 MTC notified general managers and asked for a tentative commitment and level of discount (20% or 50%) by July 1, 2020. The following agencies indicated they want to participate in the program at the discount levels indicated:

- | | | |
|----------------------|-----|---|
| • AC Transit | 20% | |
| • East Bay | 20% | (County Connection, LAVTA, Tri Delta, WestCAT) |
| • Napa/Solano | 20% | (FAST, Napa Vine, SolTrans, Vacaville City Coach) |
| • SamTrans | 20% | |
| • Sonoma Transit | 20% | |
| • Union City Transit | 20% | |
| • 101 Corridor | 20% | (Petaluma, Santa Rosa) |
| • WETA | 20% | |
| • SMART | 50% | |
| • Marin Transit | 50% | |

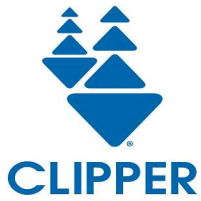
MTC is following up with staff at interested agencies regarding next steps.

Staff will update the Board on the Clipper START program and results seen in the first couple of weeks since the launch.

Attachments: None



Carol Kuester



Metropolitan Transportation Commission

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Legislation Details (With Text)

File #: 20-1115 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 7/7/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **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: [4d_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

July 27, 2020

Agenda Item 4d

Next Generation Clipper® System Update

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

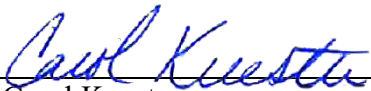
Background: Included as Attachment A to this memorandum is a summary of recently completed activities related to delivering the next-generation Clipper program; upcoming activities and deliverables for MTC, Cubic Transportation Services, and the transit operators; and noteworthy items that the project team is managing.

Highlights include:

- Approval of Review Cycle 4 documents, which comprises the final set of documents for Accelerated Deployment;
- Clipper mobile app testing procedures nearing finalization with initial testing to begin soon; and
- Initial development on the Account-Based design and planning of the next-generation system.

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

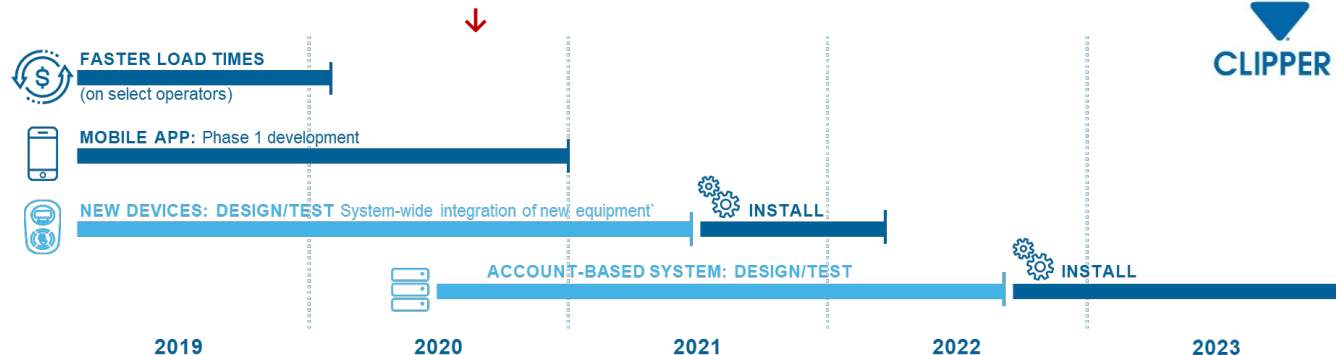


Carol Kuester



Next-Generation Clipper Program

Executive Summary Status Report – July 27, 2020



Summary

- Accelerated Deployment Review Cycle 4 complete. Account-Based planning/design underway.
- Monitoring Faster Load Times implementation and system activity to determine if/when to implement additional daily action list distributions.
- Mobile App test procedures nearing finalization; initial testing to start soon.
- Technical discussions continue with operators, including BART network design, CAD/AVL integration planning, and paratransit integration planning.

Recently Completed Activities

	MTC/IBI	Cubic	Operators	Date
• Review Cycle 4 documents:				
o 3 rd submission received from Cubic		•		Jun 25
o Comments sent to Cubic	•			Jul 8
o 4 th submission received from Cubic		•		Jul 13
o Approved by MTC	•			Jul 17
• Faster Load Times:				
o Comments on System Integration Test Results sent to Cubic	•		•	Jun 25
o 2 nd submission received from Cubic		•		Jul 13
o Approved by MTC	•			Jul 24
• Mobile App:				
o 2 nd submission of System Integration Test procedures received from Cubic		•		Jun 24
o Pilot Test Plan received from Cubic		•		Jul 9
o Comments on SIT procedures sent to Cubic	•		•	Jul 17
• Technical meetings with operators:				
o Paratransit working group	•		•	Jun 19

Upcoming Activities/Deliverables

	MTC/IBI	Cubic	Operators	Date
• Mobile App:				
o System Integration Testing begins	•	•	•	Aug
o Pilot Testing begins	•	•	•	Aug/Sep
• Account-Based System design:				
o Contract Submittal Package 3 expected from Cubic		•		Aug
• Clipper Executive Board Meeting	•		•	Aug 17



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Legislation Details (With Text)

File #: 20-1117 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 7/7/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **Final action:**
Title: Open Payment Acceptance Strategy

Update on the "Open Payment" concept and on the current strategy and recommendations for open payment acceptance.

Sponsors:

Indexes:

Code sections:

Attachments: [4e_Open Payment Acceptance.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Open Payment Acceptance Strategy

Update on the "Open Payment" concept and on the current strategy and recommendations for open payment acceptance.

Presenter:

Carol Kuester

Recommended Action:

Information

Attachments:

Clipper[®] Executive Board

July 27, 2020

Agenda Item 4e

Open Payment Acceptance Strategy

Subject: Update on the concept of open payments and on the current strategy and recommendations for open payment acceptance.

Background: The strategy for acceptance of open payments use within the next-generation system was endorsed by this Board during the Request for Expressions of Interest and draft Request for Proposal for Industry Review process and affirmed with the award of the System Integrator contract and subsequent Clipper[®] budget approvals. The strategy was predicated on:

- Evaluation of the adoption and use of the mobile app,
- Tracking issuance of contactless credit/debit cards, and
- Tracking the use of open payments on other transit systems.

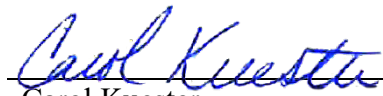
At each of these key decision-making points, the Board agreed that examination of these factors would help the region make a decision on how and when open payment acceptance should be deployed.

In response to requests by Board members, a working group composed of MTC and transit operator staff began meeting in May 2020 to revisit the original strategy around acceptance of open payments on the next-generation Clipper system. The main topic that the working group considered was whether the region should consider deploying open payment acceptance on the next-generation system sooner than originally planned (i.e., when the account-based system has rolled out in 2023).

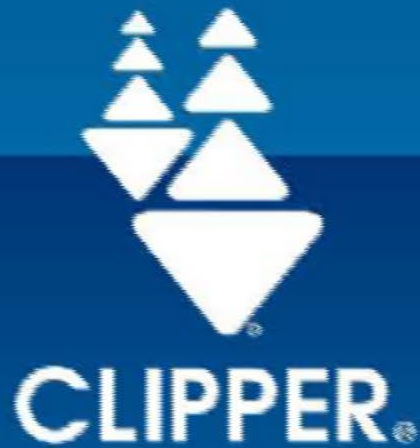
The working group considered the costs to the region, the impacts on the current project delivery schedule, impacts on customers, and who would benefit from open payment acceptance.

Based on this discussion, Clipper and transit agency staff have reaffirmed their unanimous support for the current Clipper deployment strategy: prioritize the Clipper mobile app and account-based system, evaluate the use of open payments at other transit agencies, and revisit the potential investment in open payment functionality after account-based design is completed in 2023.

Attachments: **Attachment A:** Slide Presentation: Next-Generation Clipper Open Payment Recommendation



Carol Kuester




Next-Generation Clipper Open Payment Recommendation

Clipper Executive Board

July 27, 2020

What are Open Payments?

- Open payments is the use of contactless credit/debit cards for fare payment at a transit points-of-entry (gates, fareboxes)
 - Via contactless credit/debit card or
 - Enabled via mobile phone
- Plastic contactless credit/debit cards must have this symbol 
- Cell phones use Apple Pay, Google Pay, Samsung Pay to access or to emulate plastic credit/debit cards

Next-Generation Open Payment Approach

- Strategy Developed at Key Points
 - Request for Expressions of Interest
 - Request for Proposals for Industry Review
 - System Integrator contract award
 - Subsequent budget approvals
- Approved Strategy
 - Accelerate deployment of mobile app, evaluate adoption and use
 - Track issuance of contactless credit/debit cards
 - Track use of open payments on other transit systems
 - Revisit use cases and demand for open payments after account-based implementation

Open Payments Strategy Check-In

- Should we consider open payments acceptance now?
 - Benefits tourists/those without Clipper cards who have open-payment cards
 - No discounted fares
 - Poses equity concerns
 - Low adoption rate of open payments on other operators
- Adds to Clipper next generation schedule risk, cost, & complexity
 - Schedule: delays implementation of account-based system
 - Funding: not included in current Clipper budget
 - Estimated cost = \$7-8M capital, \$190K/year operations & maintenance
 - Other costs TBD
 - Agency network and infrastructure full PCI (Payment Card Industry) compliance
 - Open payments transaction fees and surcharges
 - Complexity: Cubic, MTC, & transit operator staff required to develop new, business rules

Open Payment Recommendation

- Deploy Clipper mobile app & evaluate utilization
 - App meets needs of broadest customer base
 - Supports youth, senior and disabled fares
 - Adds option for customers to immediately load Clipper value
 - Follows Future of Clipper public engagement findings and prioritizations
- Continue dialogue with payment brands (VISA, Mastercard)
- Continue monitoring industry and peer agency trends

Recommendation: Continue current strategy until account-based implementation



Metropolitan Transportation Commission

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Legislation Details (With Text)

File #: 20-1118 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 7/7/2020 **In control:** Clipper Executive Board
On agenda: 7/27/2020 **Final action:**
Title: Clipper® Mobile Card Fee Update

Information on the recommended mobile card fee policy.

Sponsors:

Indexes:

Code sections:

Attachments: [4f_Mobile Card Fee recommendation.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Mobile Card Fee Update

Information on the recommended mobile card fee policy.

Presenter:

Edward Meng

Recommended Action:

Information

Attachments:

Clipper[®] Executive Board

July 27, 2020

Agenda Item 4f

Clipper[®] Mobile Card Fee Update

Subject: Information on the recommended mobile card fee policy.

Background: To prepare for the launch of the Clipper mobile app during Fiscal Year 2020-21, MTC and transit operator staff began meeting in May 2020 to discuss the implications for Clipper card fee policy.


Clipper card fees are incorporated into the Clipper Operating Rules, which are subject to the approval of the Clipper Executive Board, and published in the Clipper Cardholder License Agreement. The planned mobile app implementation led to an examination of the standard Clipper card fees for the adult, senior and youth fare categories and the future pricing of new mobile adult Clipper cards.

The attached presentation slides are the outcome of the working group's discussions about program costs, peer program policies, equity concerns and Title VI requirements, as well as regional program goals.

The working group recommends that the program charge a \$3 fee for new adult mobile and standard Clipper cards but offer a promotional period of up to six months during which adult mobile cards will be offered free of charge.

The working group also recommends that customers who convert eligible adult, Youth, Senior or Regional Transit Connection (RTC) Discount Clipper cards to a mobile version will be able to do so at no additional cost.

Attachments: **Attachment A:** Slide Presentation: Mobile Card Fee Recommendation



Carol Kuester



Mobile Card Fee Recommendations

Clipper Executive Board

Current Clipper Card Fees

- Card fees are documented in the Clipper Operating Rules and cardholder agreement*
 - Adult cards are \$3
 - Youth and Senior cards are free
- MTC conducted a Title VI analysis in preparation for the fare media conversions mandated by Resolution 3866
 - The original \$5 card fee was judged to have disparate impacts on Title VI-protected populations
 - Reducing the adult card fee to \$3 and making Youth and Senior Clipper cards free was considered adequate mitigation based on an analysis of public input and offsetting Clipper benefits
 - MTC partners with community-based organizations to distribute free adult cards
- Historically, the \$3 card fee did not cover the cost to manufacture and issue a card, but we now roughly break even on each purchased adult card due to a drop in manufacturing costs.

* RTC card fees are governed by the RTC MOU.

The Cost of Mobile Cards

- While invisible to the customer, handset providers charge fees to support mobile cards
 - The fees vary and are subject to Non-Disclosure Agreements
- While many transit agencies in the U.S. offer an app payment option at no cost to the customer, these apps do not involve a mobile card
- Portland Tri-Met cites fairness as a reason for charging a \$3 fee for both plastic and mobile cards
 - This policy ensures that full-fare customers pay the same amount for a card, regardless of whether they own a compatible smart phone or have a credit/debit card for online payment

Next Steps

- Any changes to the card fees need to be incorporated into the Clipper Operating Rules and approved by the Clipper Executive Board (CEB).
 - To support the mobile app launch, we plan to bring an updated version of the Clipper Operating Rules to CEB by the end of the calendar year
- The Clipper program can offer mobile cards free of charge for a promotional period of up to six months without MTC having to conduct a Title VI analysis.
- MTC would need to conduct a Title VI analysis before implementing the fee and before the CEB could approve the new fee structure, if the Clipper program proposes either of the following:
 - Charging less for mobile cards than standard cards
 - Charging more than \$3 for any type of Clipper card
- MTC and operator staff recommend that the program implement a \$3 fee for new adult mobile cards, but plan to offer mobile cards free of charge for a limited promotional period
 - The program will not charge customers to convert standard adult, Youth, Senior and RTC cards to mobile cards