



**METROPOLITAN
TRANSPORTATION
COMMISSION**
Meeting Transcript



MAY 16, 2022

METROPOLITAN TRANSPORTATION COMMISSION

CLIPPER EXECUTIVE BOARD

MONDAY, MAY 16, 2022 1:30 PM

ROBERT POWERS, CHAIR: CALLING THE MEETING TO ORDER FOR THE CLIPPER EXECUTIVE BOARD. PLEASE ROLL THE ANNOUNCEMENT.

[RECORDED MEETING PROCEDURES ANNOUNCEMENT] THIS MEETING WILL BE CONDUCTED AS A HYBRID MEETING A ZOOM WEBINAR LINK HAS BEEN PROVIDED AS WELL AS ACCOMMODATIONS FOR IN-PERSON ATTENDANCE. THIS MEETING IS ALSO BEING WEBCAST ON THE METROPOLITAN TRANSPORTATION COMMISSION WEB SITE. COMMISSIONERS AND MEMBERS OF THE PUBLIC PARTICIPATION BY ZOOM, WISHING TO SPEAK, SHOULD USE THE RAISE HAND FEATURE OR DIAL STAR 9, AND THE CHAIR WILL CALL UPON THEM AT THE APPROPRIATE TIME. TELECONFERENCE ATTENDEES WILL BE CALLED UPON BY THE LAST FOUR DIGITS OF THEIR PHONE NUMBER. IT IS REQUESTED THAT PUBLIC SPEAKERS STATE THEIR NAMES AND ORGANIZATION, BUT, PROVIDING SUCH INFORMATION IS VOLUNTARY. WRITTEN PUBLIC COMMENTS RECEIVED AT INFO@BAYAREAMETRO.GOV BY 5 P.M., YESTERDAY, WILL BE POSTED TO THE ONLINE AGENDA AND ENTERED INTO THE RECORD, BUT WILL NOT BE READ OUT LOUD. A ROLL CALL VOTE WILL BE TAKEN FOR ALL ACTION ITEMS. PANELISTS AND ATTENDEES SHOULD NOTE THAT THE CHAT FEATURE IS NOT ACTIVE. IN ORDER TO PARTICIPATE, PLEASE MAKE SURE YOUR APPLICATION IS UP TO DATE.



**METROPOLITAN
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Meeting Transcript**

MAY 16, 2022

1 **ROBERT POWERS, CHAIR:** OKAY. THANK YOU FOR THAT. WOULD THE
2 CLERK, PLEASE, CALL THE ROLL CALL, AND SEE IF WE HAVE A QUORUM
3 HERE

4

5 **CLERK, FRED CASTRO:** YES, SIR. CHAIR POWERS?

6

7 **ROBERT POWERS, CHAIR:** HERE.

8

9 **CLERK, FRED CASTRO:** GONOT?

10

11 **CAROLYN M. GONOT:** HERE.

12

13 **CLERK, FRED CASTRO:** KRANDA?

14

15 **BETH KRANDA:** HERE.

16

17 **CLERK, FRED CASTRO:** MCMILLAN?

18

19 **THERESE MCMILLAN:** HERE.

20

21 **CLERK, FRED CASTRO:** MULLIGAN?

22

23 **DENIS MULLIGAN:** HERE.

24

25 **CLERK, FRED CASTRO:** TUMLIN?



MAY 16, 2022

1

2 **JEFFREY TUMLIN:** HERE.

3

4 **CLERK OF THE BOARD:** QUORUM IS PRESENT.

5

6 **ROBERT POWERS, CHAIR:** THANK YOU. WE HAVE 100% ATTENDANCE.

7 LET'S TAKE THAT TO AGENDA ITEM TWO, CONSENT CALENDAR, THERE IS

8 TWO ITEMS THERE. DO WE HAVE A MOTION ON THE CONSENT ITEM?

9 PLURAL?

10

11 **JEFFREY TUMLIN:** SO MOVED. TUMLIN.

12

13 **BETH KRANDA:** SECOND.

14

15 **ROBERT POWERS, CHAIR:** OKAY. SO WE HAVE A MOTION BY MR. HURSH,

16 AND THE SECOND BY MS. CRAN DA. KRANDA. DO WE HAVE PUBLIC

17 COMMENT FOR THIS ITEM?

18

19 **CLERK, FRED CASTRO:** THERE ARE NO MEMBERS OF THE PUBLIC WITH

20 THEIR HAND RAISED, AND THERE WAS NO PUBLIC COMMENT SUBMITTED

21 ON THIS ITEM. NO MEMBERS IN THE BOARDROOM.

22

23 **ROBERT POWERS, CHAIR:** ANY DISCUSSION ON THIS ITEM FROM

24 ANYBODY? SEEING NONE, I WILL TURN IT BACK OVER TO THE CLERK TO

25 CONDUCT A ROLL CALL ADVOCATE, PLEASE.



MAY 16, 2022

1

2 **CLERK, FRED CASTRO:** MOTION BY HURSH SECOND BY KRANDA. CHAIR
3 POWERS?

4

5 **ROBERT POWERS, CHAIR:** YES.

6

7 **CLERK, FRED CASTRO:** VICE CHAIR MAU?

8

9 **CARTER MAU:** YES.

10

11 **CLERK, FRED CASTRO:** BILL CHURCHILL?

12

13 **BILL CHURCHILL:** AYE.

14

15 **CLERK, FRED CASTRO:** CAROLYN GONOT?

16

17 **CAROLYN M. GONOT:** YES.

18

19 **CLERK, FRED CASTRO:** MICHAEL HURSH?

20

21 **MICHAEL HURSH:** AYE.

22

23 **CLERK, FRED CASTRO:** BETH KRANDA?

24

25 **BETH KRANDA:** YES.



MAY 16, 2022

1

2 **CLERK, FRED CASTRO:** THERESE MCMILLAN?

3

4 **THERESE MCMILLAN:** YES.

5

6 **CLERK, FRED CASTRO:** MULLIGAN?

7

8 **DENIS MULLIGAN:** AYE.

9

10 **CLERK, FRED CASTRO:** TUMLIN?

11

12 **JEFFREY TUMLIN:** AYE.

13

14 **CLERK, FRED CASTRO:** PASSES UNANIMOUSLY BY ALL MEMBERS PRESENT.

15

16 **ROBERT POWERS, CHAIR:** OKAY. THANK YOU. MOVING TO ITEM 3A, THIS
17 IS AN ACTION ITEM, AND KELLY JACKSON IS GOING TO PRESENT THIS
18 ITEM. SO, WITH THAT, KELLY, I'LL JUST TURN IT OVER TO YOU.

19

20 **KELLY JACKSON:** STAFF IS REQUESTING APPROVAL FOR THREE
21 CONTRACT ACTIONS TODAY RELATED TO CLIPPER IN-PERSON CUSTOMER
22 SERVICE. THE FIRST CONTRACT AMENDMENT IN THE AMOUNT OF 485,000
23 FOR IT. TECH GOVERNMENT SOLUTIONS TO OPERATE THE CLIPPER
24 CUSTOMER SERVICE CENTER AT EMBARCADERO BART MUNI METRO STATION
25 AND I WANT TO NOTE IN PAST YEAR THERE WAS REQUEST FOR AN



MAY 16, 2022

1 AMENDMENT INCORPORATED AT THAT LOCATION T TECH WAS A CONTRACT
2 EFFECTIVE APRIL 1ST, 2022 ACCORDING TO THE TERMS OF AN ASSET
3 PURCHASE AGREEMENT THE SECOND CONTRACT ACTION IS AMENDMENT IN
4 THE AMOUNT OF \$300,000 HOLDING CLIPPERS SERVICES AT THE
5 BEHAVIOR CROSSING AT SAN FRANCISCO FERRY BUILDING. THIRD SAY
6 FUNDING AGREEMENT AMENDMENT IN THE AMOUNT OF \$250,000 FOR AC
7 TRANSIT CLIPPER SERVICES AT ITS OPEN HEADQUARTERS ALL
8 CONTRACTS FINDING ACTIONS WERE CONTEMPLATED IN THE TWO YEAR
9 CLIPPER BUDGET WORK PLAN. BUS AND FERRY SERVICE PROVIDING A
10 CONVENIENT LOCATION FOR TRANSIT REQUIRED TO OBTAIN CARDS
11 IMMEDIATELY ACCESS TO BENEFITS OF CLIPPER INCLUDING -- ADULT
12 YOUTH CLIPPER CARDS REGISTER CARDS REPLACE ELIGIBLE
13 IMMEDIATELY REPLACE CASH PAYMENT FOR CLIPPER FEES DISTRIBUTES
14 CLIPPER CARD MATERIALS PROVIDING INFORMATION ABOUT OBTAINING
15 ON AND USING CLIPPER MOBILE CARDS NOW WHILE ACTIVITIES HAVE
16 NOT REBOUNDED TO PREPANDEMIC LEVELS THEY HAVE IN THE PAST YEAR
17 BAY AREA RIDERSHIP AND REVENUE TRENDS TWO LOCATIONS REGULARLY
18 ISSUE 20 TO 25% OF ALL SENIORS CARDS DISTRIBUTED BY THE
19 CLIPPER PROGRAM MONTHLY BASIS THESE IN-PERSON LOCATIONS ARE A
20 HELPFUL SPOT FOR OUR IN-PERSON CUSTOMERS. 25% OF ALL CARD
21 REPLACEMENTS DURING THE PAST YEAR RECOMMENDING APPROVAL FOR
22 THE THREE CONTRACT ACTIONS TO PROVIDE TRANSIT RIDERS WITH IN-
23 PERSON CUSTOMER SERVICE SUPPORT IN FISCAL YEAR 2022, 2023.
24



MAY 16, 2022

1 **ROBERT POWERS, CHAIR:** OKAY. THANK YOU, KELLY FOR THAT REPORT.
2 CLERK, DO WE HAVE ANY PUBLIC COMMENT? HAVE WE RECEIVED ANY
3 PUBLIC COMMENT ON THIS ITEM?

4

5 **CLERK, FRED CASTRO:** NO WRITTEN COMMENTS RECEIVED. ONE MEMBER
6 OF THE ATTENDEES WITH THEIR HAND RAISED. IF YOU GIVE ME A
7 MOMENT TO SHARE MY SCREEN FOR THE TIMER.

8

9 **ROBERT POWERS, CHAIR:** OF COURSE.

10

11 **CLERK, FRED CASTRO:** FIRSTS SPEAKER IS ALETA DUPREE. GO AHEAD,
12 PLEASES.

13

14 **SPEAKER:** THANK YOU, AGAIN, CHAIR BOB POWERS AND MEMBERS. ALETA
15 DUPREE FOR THE RECORD SHE AND HER THIS IS IMPORTANT WORK.
16 ESPECIALLY AS WE COME OUT OF THE PANDEMIC. IN-PERSON OUTREACH
17 AND CONVERSATION IS ESSENTIAL BECAUSE THERE ARE THINGS THAT
18 YOU CAN GET IN-PERSON THAT YOU CAN'T GET ON WEB SITES NOW. AND
19 EMBARCADERO AND THE FERRY BUILDING ARE VERY IMPORTANT
20 LOCATIONS, ESPECIALLY FOR PEOPLE WHO VISIT THE BAY AREA,
21 ESPECIALLY SAN FRANCISCO AND OAKLAND. IT'S REALLY NO DIFFERENT
22 THAN SELLING OMNI FARE CARDS IN NEW YORK CITY. THEY SHOULD BE
23 SOLD IN PENNSYLVANIA STATION IN GRAND CENTRAL TERMINAL. SO WE
24 WANT TO GET MORE PEOPLE ON CLIPPER, AND AS MUCH AS I WOULD
25 LIKE TO SEE PEOPLE PREPLAN THEIR CLIPPER BEFORE THEY COME,



MAY 16, 2022

1 MANY DON'T KNOW ABOUT IT. THIS IS A WAY THAT WE CAN HOPEFULLY
2 HELP PEOPLE EARLY IN THEIR VACATIONS, THAT THEY CAN DISCOVER
3 THAT CLIPPER CAN BE A VERY USEFUL PROGRAM FOR THEM THAT THEY
4 CAN RETURN TO ON SUBSEQUENT VISITS TO THE BAY AREA, RATHER
5 THAN WALKING AROUND WITH A POCKET FULL OF MONEY, AND THEY LOSE
6 MONEY ALONG THE WAY. IT DROPS ON THE GROUND, NEVER TO BE FOUND
7 AGAIN, AND REGISTRATION IS VERY IMPORTANT. WE CAN HELP PEOPLE
8 GET THESE CARDS REGISTERED. IT'S VERY HARD FOR TOURISTS WHEN
9 THEY LOSE MONEY FOR TRANSIT TICKETS OR IT GETS STOLEN. THEY
10 HAVE NO RECOURSE. CLIPPER GIVES RECOURSE. WE'VE SHOULD PASS
11 THIS ITEM. YOU NEVER KNOW THERE MAY BE A TIME WHEN I NEED
12 ANSWERS TO MY QUESTIONS IN-PERSON. I WANT THEM TO BE THERE FOR
13 ME. VOTE YES. THANK YOU

14

15 **ROBERT POWERS, CHAIR:** THANK YOU ALETA FOR THAT PUBLIC COMMENT.
16 FRED, ARE THERE ANY PUBLIC COMMENTS?

17

18 **CLERK, FRED CASTRO:** THERE ARE NO MEMBERS OF THE PUBLIC WITH
19 THEIR HAND RAISED, AND THERE WAS NO PUBLIC COMMENT SUBMITTED
20 ON THIS ITEM. AND NO PUBLIC SPEAKERS IN THE BOARDROOM.

21

22 **ROBERT POWERS, CHAIR:** THANK YOU. LET'S TURN TO OUR MEMBERS
23 HERE. ANY COMMENTS OR DISCUSSION ON THE ITEM IN FRONT OF YOU.
24 I SEE CAROLYN.

25



MAY 16, 2022

1 **CAROLYN M. GONOT:** I GUESS THIS CAN BE ANSWERED OFFLINE. I'M
2 JUST CURIOUS IF THERE IS ANY IDEA ON SOME TIME FRAME TO PUT
3 SOMETHING IN THE SOUTH BAY OR THE NORTH BAY OR THOSE
4 CONNECTION -- SOME KIND OF TRANSIT CENTER IN-PERSON CUSTOMER
5 SERVICE WHERE WE SEE THOSE FOR CALTRAIN, SAMTRANS, PALO ALTO,
6 NORTH BAY, OR THAT WOULD BE COMING ON BOARD, JUST CURIOUS IF
7 THAT CAN BE ANSWERED EITHER OFFLINE OR IN THE FUTURE.

8

9 **ROBERT POWERS, CHAIR:** THANK YOU CAROLYN. OTHER COMMENTS?
10 QUESTIONS FROM THE BOARD MEMBERS? NOT SEEING ANY. KELLY, I
11 HAVE ONE QUESTION FOR YOU. ARE EITHER NOTWITHSTANDING AC
12 TRANSIT THE THIRD AGREEMENT IN FRONT OF US, THE OTHER TWO, ARE
13 THOSE LOCAL BUSINESS OR SMALL BUSINESS?

14

15 **KELLY JACKSON:** NO. NEITHER IS A DISADVANTAGED BUSINESS
16 ENTERPRISE OR A SMALL BUSINESS ENTERPRISE.

17

18 **ROBERT POWERS, CHAIR:** OKAY. OKAY. SO, DO I HAVE A MOTION?

19

20 **THERESE MCMILLAN:** MCMILLAN PROPOSES THE MOTION.

21

22 **ROBERT POWERS, CHAIR:** OKAY. WE HAVE A MOTION FROM THERESE
23 MCMILLAN. AND A SECOND?

24

25 **MICHAEL HURSH:** SECOND.



MAY 16, 2022

1

2 **ROBERT POWERS, CHAIR:** MIKE VOTING TO APPROVE HIS FUNDING
3 AGREEMENT. THAT'S SMART, MIKE. NOTWITHSTANDING ANY OTHER
4 COMMENTS THERE, FRED, CAN WE GO TO THE ROLL CALL VOTE, PLEASE?

5

6 **CLERK, FRED CASTRO:** YES. MOTION BY MCMILLAN, SECOND BY HURSH.
7 CHAIR POWERS?

8

9 **ROBERT POWERS, CHAIR:** YES.

10

11 **CLERK, FRED CASTRO:** VICE CHAIR MAU?

12

13 **CARTER MAU, V. CHAIR:** YES.

14

15 **CLERK, FRED CASTRO:** BILL CHURCHILL?

16

17 **BILL CHURCHILL:** AYE.

18

19 **CLERK, FRED CASTRO:** CAROLYN GONOT?

20

21 **CAROLYN M. GONOT:** AYE.

22

23 **CLERK, FRED CASTRO:** MICHAEL HURSCH?

24

25 **MICHAEL HURSH:** AYE.



MAY 16, 2022

1

2 **CLERK, FRED CASTRO:** BETH KRANDA.

3

4 **BETH KRANDA:** AYE.

5

6 **CLERK, FRED CASTRO:** MCMILLAN.

7

8 **THERESE MCMILLAN:** AYE.

9

10 **CLERK, FRED CASTRO:** MULLIGAN.

11

12 **DENIS MULLIGAN:** AYE.

13

14 **CLERK, FRED CASTRO:** TUMLIN?

15

16 **JEFFREY TUMLIN:** AYE.

17

18 **CLERK, FRED CASTRO:** PASSES UNANIMOUSLY BY ALL MEMBERS PRESENT.

19

20 **ROBERT POWERS, CHAIR:** OKAY. THANK YOU FOR THAT. SO, BOARD

21 MEMBERS, WE ARE AGENDA ITEM NUMBER FOUR. AND THERE IS TWO

22 ITEMS THERE, 4A, 4B. AND BOTH OF THEM ARE ON CLIPPER, ONE IS A

23 CLIPPER SCHEDULE IMPLEMENTATION UPDATE, AND THE OTHER IS THE

24 CURRENT CLIPPER OPERATIONS AND PERFORMANCE UPDATE. WE'LL TAKE



MAY 16, 2022

1 THEM INDIVIDUALLY HERE. AND JASON IS GOING TO PRESENT ON BOTH
2 OF THEM. JASON WHY DON'T YOU WALK US THROUGH 4A, PLEASE?

3

4 **JASON WEINSTEIN:** THANK YOU CHAIR POWERS. BROADCASTING TEAM. WE
5 CAN WAIT FOR A SECOND, PULL THOSE DOWN WHILE I GO THROUGH THIS
6 FIRST PART. ACTUALLY, ATTACHMENT A, ATTACHED TO YOUR MEMO, BUT
7 WE'RE NOT GOING TO PUT ON THE SCREEN, INCLUDES, AS WE DO
8 REGULARLY, A STATUS REPORT MONTHLY. IT SHOWS THAT HIGH-LEVEL
9 SCHEDULE RECENTLY COMPLETED ACTIVITIES UPCOMING DELIVERABLES
10 AND HIGHLIGHTS. A COUPLE OF THINGS I WANT TO HIGHLIGHT, PILOT
11 TESTING FOR FERRY AND TRAIN PLATFORM READERS AND RETAIL
12 DEVICES ARE ONGOING, SYSTEM INTEGRATION TESTING FOR BUSES AND
13 LIGHT RAIL VEHICLES RESUMING SOON WITH THE -- WITH REGARD TO
14 THE ACCOUNT BASED SYSTEM INTEGRATION, WE'RE CONTINUING AND
15 WE'RE GETTING CLOSE TO FINAL DESIGN REVIEW ON THE -- WHICH
16 WE'LL REVIEW TO MAKE SURE OUR COMMENTS HAVE BEEN INCORPORATED
17 AND THEN WE'LL GO FROM THERE. ADDITIONALLY, TO FOLLOW UP ON
18 THE PREVIOUS MEETING, WE'RE INCORPORATING THE CHANGES TO THE
19 SCHEDULE THAT YOU APPROVED LAST MONTH, THAT WERE APPROVED BY
20 THE MTC OPERATIONS COMMITTEE, ALSO, THIS PAST FRIDAY. AND,
21 NOW, INCLUDED, ALSO, ARE A FEW PICTURES -- IF WE COULD PULL
22 THOSE UP? -- THANK YOU. NEXT SLIDE. SO THIS FIRST SLIDE, HERE,
23 WE SHOWED SOME IMAGES LAST MONTH BUT THESE IMAGES ARE NOW MORE
24 COMPLETE. YOU CAN SEE THE BRANDING STICKERS FOR BOTH AC
25 TRANSIT AND CLIPPER AND VARIOUS LANGUAGES FOR TELLING PEOPLE



MAY 16, 2022

1 TO TAG YOUR CORD. THESE PICTURES ARE AC TRANSIT LOCATIONS AT A
2 BUS RAPID TRANSIT STATION. LET'S MOVE ON. NEXT SLIDE. HERE IS
3 WETA IN GOLDEN GATE FERRY PLATFORM READERS, THEY DON'T HAVE
4 THE STICKERS YET BUT WILL SOON. FINALLY, WE HAVE, NEXT SLIDE
5 PLEASE -- THIS IS MUNI, LIGHT RAIL VEHICLE. LIGHTING LIGHT
6 RAIL VEHICLE, LV, THIS IS WHAT YOU WILL SEE ON BUSES. THAT'S
7 MY REPORT. I CAN ANSWER QUESTIONS FROM THE PREVIOUS TASK FORCE
8 MEETING AND CERTAINLY HERE.

9

10 **ROBERT POWERS, CHAIR:** CAN WE GO TO THE PUBLIC COMMENT WHETHER
11 WRITTEN OR PRESENT?

12

13 **CLERK, FRED CASTRO:** I HAVE RECEIVED ON NOTHING IN WRITING. I
14 HAVE ONE ATTENDEES WITH THEIR HAND RAISED. FIRST SPEAKER IS
15 SEAMLESS BAY AREA. GO AHEAD, PLEASE. SEAMLESS BAY AREA, IF YOU
16 CAN UNMUTE, PLEASE?

17

18 **ADINA LEVIN:** GOOD AFTERNOON. THIS IS ADINA LEVIN, ALSO WITH --
19 ON THE MTC POLICY ADVISORY COUNCIL, THOUGH, REPRESENTING
20 MYSELF AND ALWAYS FORGETTING TO LOG OUT TO NOT GET THE
21 SEAMLESS NAME. I THINK MOST OF THE PEOPLE HERE HEARD THE
22 QUESTION THEY ASKED IN THE PREVIOUS FARE INTEGRATION TASK
23 FORCE MEETING THAT RELATES TO THIS AGENDA ITEM AND THE
24 SCHEDULE OF THE CLIPPER 2.0 ROLL OUT. AT THE FARE INTEGRATION
25 TASK FORCE THE STAFF GAVE A PRESENTATION ON GETTING STARTED



MAY 16, 2022

1 THINKING THROUGH THE IMPLEMENTATION OF THE FREE AND REDUCED
2 COST TRANSFERS THAT WAS PART OF THE FARE POLICY VISION THAT
3 WAS APPROVED BY THE FARE INTEGRATION TASK FORCE IN -- LAST
4 NOVEMBER. AND THE QUESTION FOR THIS AGENDA ITEM IS HOW THAT
5 RELATES TO THE ROLL OUT OF CLIPPER 2.0. THE TIMING OF THAT
6 FEATURE IS BEING WORKED OUT TO BE POTENTIALLY ALONG WITH THE
7 CLIPPER 2.0 ROLL OUT HOWEVER THERE IS ANOTHER FEATURE THAT'S
8 SUPPOSED TO BE PART OF THE CLIPPER 2.0 ROLL OUT WHICH IS A
9 BASIC IMPLEMENTATION OF OPEN PAYMENT SO THAT PEOPLE ARE ABLE
10 TO USE A DEBIT CARD OR A CREDIT CARD OR AN APP THAT THEY HAVE
11 TO BE ABLE TO PAY IN ADDITION TO THE BLUE PLASTIC CLIPPER CARD
12 AND THE CLIPPER MOBILE APP, AND THAT WOULD BE -- THAT WOULD
13 WORK WITH A SINGLE ADULT FARE. FOR EXAMPLE, IF YOU USE AC
14 TRANSIT OR BART, ONE FARE. BUT THE QUESTION IS, WILL THAT ALSO
15 APPLY TO THE FREE AND REDUCED COST TRANSFERS? THAT WOULD BE
16 GOOD TO KNOW WHAT THE SCHEDULE WOULD BE FOR THAT, BECAUSE IT
17 WILL BE CONFUSING FOR RIDERS THAT THEY GET THE FREE TRANSFERS
18 WITH THE BLUE CARD AND NOT WITH THE OTHER PAYMENT METHODS.
19 THANK YOU.

20

21 **CLERK, FRED CASTRO:** NEXT SPEAKER IS ALETA DUPREE. GO AHEAD,
22 PLEASE.

23

24 **SPEAKER:** THANK YOU, CHAIR POWERS'. ALETA DUPREE FOR THE RECORD
25 SHE AND HER. I SPEAK TO YOU AS SIMPLY AN ORDINARY USER OF



MAY 16, 2022

1 PUBLIC TRANSPORTATION AND I'M GOING TO TALK ABOUT THESE
2 READERS. I'M REALLY LOOKING FORWARD TO THE NEW READERS BECAUSE
3 THE OLD ONES ARE REALLY SHOWING THEIR AGE IN WHICH THE NUMBERS
4 AND LETTERS, THE BLUE OR BLACK NUMBERS, CHARACTERS ON THAT
5 GREENISH SCREEN ARE REALLY FADING AWAY. MOST OF THE TIME I
6 DON'T WORRY ABOUT IT, BECAUSE WHEN IT MAKES THE SOUND, I KNOW
7 THAT IT'S TAKEN. BUT I EMPHASIZE THE IMPORTANCE OF THESE
8 READERS, IN WHICH I HAVE USED SIMILAR ONES IN LOS ANGELES AND
9 CHICAGO, WHICH ARE MUCH BETTER DISPLAYS -- I HAD MY TOOTH
10 FILLED THIS MORNING -- THERE IS A QUIRK IN THE SYSTEM THAT
11 REALLY REQUIRES ME TO BE ABLE TO SEE THE DISPLAYS, AND THAT IS
12 USING THE TRANSBAY BUSES ON AC TRANSIT, IN THE DIRECTION OF
13 LEAVING THE EAST BAY AND GOING TO SAN FRANCISCO. I USUALLY USE
14 WHAT'S CALLED THE F-BUS. F, AND IN FRANK, IT GOES THROUGH
15 BERKELEY, EMERYVILLE AND OAKLAND. AND I DON'T ALWAYS USE THAT
16 BUS TO GO OVER THE BRIDGE. THE BUS DRIVER HAS A SWITCH TO
17 SELECT PAY TRANSFER OR LOCAL FARE, AND IT'S CERTAINLY THEY SEE
18 THAT INFORMATION BEFORE I TAP MY CARD SO THEY DON'T ACTUALLY
19 GET CHARGED THE TRANSBAY FARE. SO I HOPE WE CAN GET THESE NEW
20 READERS OUT, AND I WOULD DEFINITELY PRIORITIZE THEM ON THE AC
21 TRANSIT TRANSBAY ROUTES. THANK YOU.

22

23 **ROBERT POWERS, CHAIR:** THANK YOU ALETA.

24



MAY 16, 2022

1 **CLERK, FRED CASTRO:** THANK YOU. AND IF STAFF CAN SHOW US THE
2 BOARDROOM FOR ANY PUBLIC SPEAKERS? AND I SEE NO PUBLIC
3 SPEAKERS IN THE BOARDROOM.

4

5 **ROBERT POWERS, CHAIR:** THANKS, FRED. WHY DON'T WE START, JASON,
6 NOT TO PUT YOU ON THE SPOT, BUT THERE WAS A BRIEF DISCUSSION
7 AT THE FARE INTEGRATION MEETING JUST AHEAD OF THIS ONE. AND
8 WHY DON'T YOU JUST WALK US THROUGH THE COORDINATION. I GOT TO
9 THINK YOU AND EISEMAN AND BACON, AND YOU ARE CLOSELY
10 COORDINATED AND YOU HAVE A PLAN ON HOW THE CLIPPER TWO
11 SCHEDULE AND IMPLEMENTATION CROSSWALKS INTO OUR FARE
12 INTEGRATION PILOT, SO THERE IS, YOU KNOW, THAT FROM A RISK
13 REGISTER, WE'RE MINIMIZING THOSE RISKS THAT ARE KNOWN OUT
14 THERE. SO DO YOU WANT TO TAKE THAT HEAD ON?

15

16 **JASON WEINSTEIN:** SURE, I CAN DO THAT, AND I CAN ATTEMPT TO
17 ADDRESS THE OPEN PAYMENT QUESTION, AS WELL. AS I AM SURE YOU
18 ARE ALL AWARE AND HAVE DISCUSSED BRIEFLY IN THE LAST MEETING,
19 SO PHASE ONE OF THE, YOU KNOW, PILOT PROGRAM IS SET TO LAUNCH
20 THIS SUMMER. THAT'S GOING TO BE IN OUR CARD-BASED C1
21 ENVIRONMENT, AND THE NEXT PHASE OF THE ITEMS THAT WOULD BE
22 ADDRESSED WOULD BE, ONCE WE HAVE THE ACCOUNT-BASED SYSTEM
23 AVAILABLE, SUCH THAT THOSE NEWER FEATURES WOULD BE AVAILABLE
24 TO THE REGION. SO, YOU KNOW, WE'RE IN LINE, AND WE HAVE BEEN
25 IN LINE FOR SOMETIME, AND WE ARE ON OUR OWN PATH IN TERMS OF



MAY 16, 2022

1 GETTING C2 DEPLOYED. AND SO, TO THE EXTENT THAT THERE IS GOING
2 TO BE PRESSURE THERE, THERE WILL, I'M SURE WE'LL FEEL PRESSURE
3 FROM THE FARE INTEGRATION TASK FORCE THAT WE MAKE SURE WE GET
4 THEM GOING AT THE SAME TIME. I WANT TO MENTION WITH REGARD TO
5 CONTACTLESS OPEN PAYMENTS, THE USE OF ENABLED CONTACTLESS
6 ENABLED CREDIT OR DEBIT CARD, YES, IF YOU REMEMBER IN NOVEMBER
7 OF 2020 IT SEEMED LIKE A LONG TIME AGO, THIS BOARD APPROVED
8 THE EXERCISING OPTION TO ACCEPT OPEN PAYMENT AS PART OF NEXGEN
9 CLIPPER, SO EVERYBODY, ALL 22 OF US WILL BE ABLE TO ACCEPT
10 CONTACTLESS CREDIT AND DEBIT CARDS WHEN WE LAUNCH TO THE
11 PUBLIC. NOW, AS ADINA MENTIONED IN SOME OF HER COMMENTS, THE
12 CURRENT PLAN, AND WE MENTIONED THIS AS WELL IS WHEN YOU SHOW
13 UP TO OUR SYSTEM, WE DON'T KNOW WHO YOU ARE. WE DON'T KNOW IF
14 YOU ARE ADULT, YOUTH, OR SENIOR, AND WITHOUT REGISTERING IT
15 WOULD BE IMPOSSIBLE TON WHO YOU ARE IF YOU JUST CAME TO OUR
16 SYSTEM WITH YOUR CONTACTLESS CREDIT OR DEBIT CARD AND SAID I
17 WANT TO RIDES YOUR SYSTEM. THE WAY IT'S GOING TO WORK IS
18 YOU'RE CHARGED AS THOUGH YOU WERE A FULL FARE ADULT FOR A
19 RIDE. JUST LIKE WHEN YOU WENT TO A STORE, I WENT TO GO BUY A
20 PRODUCT, AND YOU PURPOSE THAT PRODUCT AND IT'S PAY AS YOU GO.
21 THE IDEA BEHIND THAT IS THAT, IF YOU WANT ALL THE DISCOUNTS
22 AND TRANSFERS AND EVERYTHING THAT WE'RE OFFERING, CLIPPER IS
23 THE WAY TO GO. USING YOUR CONTACTLESS CREDIT OR DEBIT CARD IS
24 NOT NECESSARILY THE WAY TO GO. AT LEAST INITIALLY. YOU KNOW,
25 AND, YES, IT WILL BE A CHALLENGING DISTINCTION. SO, THE IDEA



MAY 16, 2022

1 WOULD BE FOR, AT LEAST, INITIAL ROLL OUT, IF YOU WANT TO -- IF
2 YOU ARE AN INFREQUENT RIDER AND NOT TRANSFERRING ALL OVER THE
3 PLACE AND USING YOUR CONTACTLESS CREDIT OR DEBIT CARD MAKES
4 SENSE, IF YOU WANT TO TRAVEL THE SYSTEM AND HAVE THE BENEFIT
5 OF ALL THE TRANSFER DISCOUNTS BECAUSE IT IS COMPLICATED WITH
6 ALL OF THE SYSTEMS THAT WE HAVE INTERPLAYING WITH EACH OTHER,
7 THEN CLIPPER IS THE WAY TO GO. SO, I'LL JUST PAUSE THERE FOR A
8 SECOND AND SEE IF THERE ARE ANY FOLLOW-UP QUESTIONS.

9

10 **ROBERT POWERS, CHAIR:** NO. GOOD. THAT'S A GOOD REMINDER.

11

12 **JASON WEINSTEIN:** I ALSO WANT TO SET THE RECORD STRAIGHT WITH
13 REGARD TO APPS. YOU WILL NOT PAY WITH THE APP. THERE IS
14 PAYMENT WITH OUR APP. WE HAVE A MOBILE CLIPPER CARD WHICH IS
15 IN YOUR PHONE'S WALLET. IT WILL BE A LITTLE BIT CHALLENGING IN
16 THE FUTURE, BECAUSE IF YOU HAVE A CONTACTLESS CREDIT OR DEBIT
17 CARD IN YOUR MOBILE WALLET, INDEPENDENT OF CLIPPER, YOU COULD
18 USE THAT AS AN OPEN PAYMENT METHOD THAT HAS NOTHING TO DO WITH
19 PAYING WITH AN APP.

20

21 **ROBERT POWERS, CHAIR:** THANK YOU, JASON. LET'S GO TO COMMITTEE
22 MEMBERS COMMENTS OR THOUGHTS FOR JASON? ANYBODY? DENIS, ARE
23 YOU GOOD? OKAY. OKAY. I'M NOT SEEING FOLKS HERE. SO, JASON,
24 WHY DON'T WE MIGRATE OVER TO AGENDA ITEM 4B, WHICH IS THE
25 UPDATE ON THE CLIPPER OPERATIONS AND PERFORMANCE. AND, JASON,



MAY 16, 2022

1 I THINK YOU'RE GIVING THIS REPORT, AS WELL. JAYS AREAS YEP. IF
2 WE CAN PULL UP THE SLIDES FOR THAT, I'LL WALK YOU THROUGH
3 THEM. NEXT SLIDE PLEASE. WE SHARED THESE SLIDES WITH YOU LAST
4 MONTH AND WILL CONTINUE TO DO SO FOR THE NEXT COUPLE OF MONTHS
5 SO WE CAN KEEP AN EYE ON TRENDS. THE SLIDE SHOWS THE NUMBER OF
6 CLIPPER TRANSACTIONS OVER THE LAST YEAR AND IN APRIL WE
7 PROCESSED OVER 10 MILLION TRANSACTIONS AFTER OUR TYPICAL
8 SEASONAL DIP COUPLED WITH OUR, WHAT WE PRESUME TO BE IMPACTS
9 OF COVID-19 IS SLIGHTLY DOWN FROM MARCH THIS PAST YEAR BUT
10 REMAINS RELATIVELY STABLE. SO IT'S GOOD. NEXT SLIDE. THE NEXT
11 SLIDE PORTRAY TOTAL REVENUE BY CLIPPER BY TRANSACTION SLIGHTLY
12 DOWN SETTLED JUST OVER \$20 MILLION IN REVENUE IN APRIL. LET'S
13 GO TO THE NEXT SLIDE. AS WE MENTIONED, I THINK, LAST MONTH,
14 IT'S BEEN OVER A YEAR NOW SINCE WE INTRODUCED THE MOBILE
15 CLIPPER CARD, AS WELL AS, AT THE SAME TIME, LAUNCHING
16 SEPARATELY THE CLIPPER APP. THIS SLIDE REPRESENTS HOW MANY
17 MOBILE CARDS HAVE BEEN PROVISIONED SINCE APRIL 15TH OF LAST
18 YEAR, AND AS YOU CAN SEE, WE'RE MAKING SOME GREAT PROGRESS.
19 THE LIGHT BLUE LINE IS NEW CARD ISSUANCE. AND, SO, AS YOU
20 RECALL, WE HAVE A PUSH WHICH I'LL TALK ABOUT IN A SECOND TO
21 GET PEOPLE TO USE MOBILE CARDS. YOU CAN SEE I THINK THAT IT'S
22 HAVING SUCCESS. THE LIGHT LINE IS DIGITAL PROVISIONAL CARDS IN
23 SOMEBODY'S WALLET, AND THE DARK BLUE LINE ARE PLASTIC CARDS
24 THAT HAVE BEEN TRANSFERRED FROM PHYSICAL PLAST PICK CARDS TO
25 SOMEBODY'S WALLET. TO GIVE YOU AN IDEA OF SOME OF THE NUMBERS,



MAY 16, 2022

1 WE'RE ABOUT 300 -- A LITTLE LESS THAN 340,000 TOTAL FOR CARDS
2 THAT HAVE BEEN PURCHASED INDIRECTLY TO SOMEBODY'S WALLET, AND
3 246,000 WHICH HAVE BEEN TRANSFERRED FROM PLASTIC SO A LITTLE
4 OVER 550,000 TOTAL. THIS SLIDE INDICATES NUMBERS USING MOBILE
5 CARDS YOU CAN SEE IT'S GREAT OVERALL. AND I THINK THAT'S
6 REALLY ALL I WANT TO SAY HERE. IT'S GOOD PROGRESS TO SEE SINCE
7 THAT JANUARY DIP. NEXT SLIDE. FINALLY WE HAVE THIS TABLE THAT
8 SHOWS THE COMPARISON ON THE LEFT SIDE WE HAVE SINCE THE APRIL
9 2021 LAUNCH BY EVERY OPERATOR, NUMBER USING THE CLIPPER CARDS
10 MOBILE CARD WE HAVE TOTAL PERCENTAGE SINCE LAST YEAR OUR
11 PERCENTAGE KEEPS TICKING UP, WE'RE AT ABOUT 11% TOTAL TRIPS
12 SINCE APRIL OF 2021 BUT JUST APRIL ALONE OF 2022, THAT'S THE
13 RIGHT SIDE, YOU CAN SEE WE'RE CONTINUING TO MAKE PROGRESS. I
14 THINK LAST MONTH WE WERE AROUND 50% OF TOTAL TRIPS MADE BY
15 MOBILE AND YOU CAN SEE THIS MONTH WHERE IT'S 16% ON THE BOTTOM
16 RIGHT THERE. AND I'LL JUST PAUSE THERE AND SEE IF WE HAVE ANY
17 QUESTIONS ABOUT THAT.

18

19 **ROBERT POWERS, CHAIR:** JASON, IS THIS THE END OF YOUR REPORT?
20 OR ARE THERE MORE SLIDES HERE?

21

22 **JASON WEINSTEIN:** NO MORE SLIDES. BUT I HAVE A COUPLE OF OTHER
23 THINGS. IN TERMS OF THE MOBILE CARD FEE I WANT TO LET YOU
24 KNOW, AS YOU'RE ALL AWARE WE BEGAN THIS PILOT IN MARCH SO
25 WE'RE JUST APPROACHING TWO MONTHS OF HAVING THE CARD BE FREE



MAY 16, 2022

1 AGAIN. YOU WILL LIKELY BE SEEING ADDS IF YOU HAVE THAT
2 ALREADY, IN BOTH DIGITAL AND PRINT MEDIA PROMOTING THE USE OF
3 THE MOBILE CARDS AND THE CAMPAIGN BEGAN IN EARLY APRIL TO
4 PROMOTE THAT. AND WITH REGARD TO THAT, WE HAD MENTIONED
5 CLIPPER AND OPERATOR STAFF HAVE MET WITH OUR CONTRACTOR ALL --
6 [INDISCERNIBLE] ALTERNATIVES ANOTHER SUBCONTRACTOR TO GATHER
7 MORE INFORMATION ABOUT THE UPCOMING TITLE SIX ANALYSIS
8 REGARDING THE CARD FEE DIFFERENTIALS THAT WILL BE COMING BACK
9 IN THE NEXT COUPLE OF MONTHS AND FINALLY IN TERMS OF C1
10 QUARTERLY FARE CHANGE DEADLINES A REMINDER AGAIN FROM LAST
11 MONTH CUBIC REQUESTED THAT WE GIVE THEM QUARTERLY FARE CHANGE
12 REQUESTS TO HELP THEM MANAGE THE WORK ON THE NEW DEVICE
13 MANAGEMENT AND DEVELOPING NEXGEN SYSTEM. SO, FOR JULY 1ST THE
14 DEADLINE IS PASSED, BUT FOR OCTOBER 1ST FARE CHANGES, THE
15 DEADLINE IS JULY 1ST. THAT IS MY REPORT. AND HAPPY TO ANSWER
16 ANY QUESTIONS.

17

18 **ROBERT POWERS, CHAIR:** OKAY. THANKS JASON. LET'S GO BACK TO
19 FRED. FRED, PUBLIC COMMENT?

20

21 **CLERK, FRED CASTRO:** THERE ARE NO MEMBERS OF THE PUBLIC WITH
22 THEIR HAND RAISED, AND THERE WAS NO PUBLIC COMMENT SUBMITTED
23 ON THIS ITEM. AND I SEE NO MEMBERS OF THE PUBLIC IN THE
24 BOARDROOM QUEUED UP FOR PUBLIC COMMENT. THANK YOU.

25



MAY 16, 2022

1 **ROBERT POWERS, CHAIR:** OKAY. THANK YOU. LET US GO TO COMMITTEE
2 MEMBERS. THOUGHTS OR COMMENTS FOR JASON ON THIS TOPIC? CARTER
3 MAU?

4

5 **CARTER MAU, V. CHAIR:** THANK YOU CHAIR POWERS. JASON, I MAY
6 HAVE MISSED IT, BUT IS IT POSSIBLE FOR US TO GIVE US THE
7 CLIPPER START NUMBERS, ALSO, DURING YOUR REPORT? AND I WOULD
8 BE INTERESTED TO SEE HOW THAT PROGRAM IS ROLLING OUT. AND I'M
9 JUST CURIOUS, CAN YOU DO CLIPPER START WITH THE CLIPPER MOBILE
10 AS WELL, AND IF SO WHAT PERCENTAGE OF CLIPPER START ARE YOU
11 USING FOR CLIPPER MOBILE. IF YOU COULD GET THAT FOR THE
12 FUTURE, THAT WOULD BE HELPFUL.

13

14 **JASON WEINSTEIN:** YES, LISA IS TALKING TO ME IN THE BACKGROUND,
15 SAYING YES. OF COURSE, WE CAN BRING STATS FOR FUTURE MEETINGS
16 TO THIS GROUP. YOU CAN TRANSFER YOUR PLASTIC CLIPPER START
17 CARD TO YOUR MOBILE PHONE.

18

19 **ROBERT POWERS, CHAIR:** OKAY. ANY OTHER BOARD MEMBERS, COMMITTEE
20 MEMBERS COMMENTS, OBSERVATIONS FOR JASON ON THIS TOPIC. NOT
21 SEEING ANY. OF THE. JASON AS A HEADS UP FOR ME AS THE
22 COMMITTEE CHAIR AT SOME POINT I MIGHT WANT ANDY FREMIER HERE
23 WITH YOU TO WALK US THROUGH WHERE WE ARE WITH CARDS. AS A
24 REGION WE'RE TRYING TO ENCOURAGE FOLKS TO GO TO CLIPPER, SOME
25 FORM OF CLIPPER CARD OR, YOU KNOW, IN YOUR WALLET O YOUR



MAY 16, 2022

1 PHONE, BUT, YOU KNOW, CARD AVAILABILITY. I TOOK A BRIEFING ON,
2 AS IT RELATES TO A LOT OF AVAILABILITIES, IT'S NOT JUST UNIQUE
3 TO THE CLIPPER CARD, BUT, YOU KNOW, EVERYTHING FROM, YOU KNOW,
4 FROM REBAR TO, YOU KNOW, CEMENT, TO -- THERE IS A LOT OF
5 CHALLENGES IN THE -- IN THAT DELIVERY SPHERE. AND I'M HEARING
6 THAT IT'S -- THE CLIPPER CARDS ARE NOT IMMUNE TO THAT. SO I
7 DON'T KNOW IF IT'S THE NEXT MEETING OR THE FOLLOWING MEETING.
8 I JUST WANT TO GIVE YOU A HEADS UP SO YOU'RE NOT SURPRISED
9 ABOUT THAT. AND THERESE AND ANDY WORK TOGETHER, AND THIS ROLLS
10 YOU WILL UNDER THERESE ON THE COMMITTEE AND I DIDN'T WANT TO
11 MIX THE TWO, SO ANYWAY HOW EVER THAT SHAKES OUT.

12

13 **JASON WEINSTEIN:** CHIP SHORTAGE IS REAL, AND WE CAN CERTAINLY
14 BRING AN UPDATE TO THIS BOARD.

15

16 **ROBERT POWERS, CHAIR:** SHOULDN'T IT BE UNDER THIS ITEM?

17

18 **JASON WEINSTEIN:** YEAH. I MEAN, IT'S -- SURE. YES. I WOULD
19 AGREE. IT'S TOTALLY A PART OF OUR CURRENT OPERATIONS. WE'LL
20 HAVE ISSUES WITH REGARD TO, AS YOU MAY BE AWARE, PRETTY SOON
21 WE'RE GOING TO BE GOING OUT WITH A PROCUREMENT FOR THE NEXT
22 GENERATION CARDS. BUT, IN EITHER CASE, WE NEED CHIPS FOR ALL
23 OF THEM.

24



MAY 16, 2022

1 **ROBERT POWERS, CHAIR:** TOTALLY. AGREE 100%. ANYWAY JUST WANT TO
2 GIVE YOU A HEADS UP. NO SURPRISES FROM ME AS THE CHAIR.

3

4 **JASON WEINSTEIN:** SURE. WE'LL GET THAT IN THE NEXT ONE.

5

6 **ROBERT POWERS, CHAIR:** THANK YOU. THAT WRAPS UP 4A AND 4B. WHY
7 DON'T WE GO TO 4C NOW AND MIGRATE TO EDWARD. AND EDWARD IS
8 GOING GIVE A REPORT ON WHERE WE ARE WITH OUR MEMORANDUM OF
9 UNDERSTANDING. ED, I'LL TURN IT OVER TO YOU.

10

11 **EDWARD MENG:** THANK YOU, CHAIR POWERS. CAN YOU HEAR ME?

12

13 **ROBERT POWERS, CHAIR:** YES. COPY THAT.

14

15 **EDWARD MENG:** LAST MONTH WE PRESENTED AN UPDATE TO YOU ALL ON
16 SOME OF THE COST SHARING AGREEMENTS FOR THE NEW MOU AS WELL AS
17 NEXT STEPS TO GET THIS MEMO FULLY EXECUTED BY SEPTEMBER OF
18 THIS YEAR. SO PER THE REQUEST OF THE BOARD, WE HAVE ATTACHED A
19 DRAFT MOU TO THIS ITEM. THE PURPOSE OF THIS IS SPECIFICALLY
20 FOR THE EXECUTIVE OFFICERS, GENERAL COUNSELS, AND AGENCY STAFF
21 TO BE ABLE TO REVIEW THE UPDATES TO THE CURRENT 2016MOU, AND
22 IT'S THREE AMENDMENTS WHAT ARE I TALL SIZED IN THE DRAFT
23 2022MOU. WE WANTED TO HAVE THE GENERAL COUNSEL MANAGERS AND
24 STAFF FAMILIAR WITH NOT ONLY THE FORMAL MEMO OF 2022 WHICH IS
25 ACTUALLY NOT THAT SIGNIFICANT DIFFERENT THAN THE CURRENT MOU



MAY 16, 2022

1 IN PLACE BUT TO BE FAMILIAR WITH THE UPDATES GENERAL CLEAN UP
2 AND CLARIFICATIONS, INCLUSION OF THE ADDITIONAL CONTRACTS
3 NEEDED TO SUPPORT THE NEXT GENERATION CLIPPER PROGRAM,
4 APPENDIX B, WHICH ARE THE REGIONAL COST SHARING AGREEMENTS AND
5 SPLITTING OF THE COST AND REVENUE, AND APPENDIX C WHICH ARE
6 THE CLIPPER PROGRAM GOALS AND PERFORMANCE MEASURES. APPENDIX
7 B1 OF THE DRAFT 2022MOU DESCRIBES THE AGREEMENTS ON THE
8 CURRENT CONTRACT WHICH IS LINE ITEM BASED THIS APPENDIX IS NOT
9 UPDATED OR CHANGED AT ALL FROM THE CURRENT MOU. WHERE I THINK
10 YOU CAN TELL WHERE THE MOU DID NOT NEED UPDATING OR WHERE THE
11 MOU WAS CLEAR, WE'RE HAVE KIND OF AGREED ON IT WE DIDN'T
12 PROPOSE ANY CHANGES. WE LIKELY ARE JUST ADDING CHANGES TO THE
13 NEEDED THINGS THAT ARE COMING UP WITH THE RESULT OF THE
14 DEPLOYMENT OF THE ACCOUNT BASED SYSTEM. WE ALSO DID INCLUDE
15 SOME SLIDES ON THIS ITEM, WHICH, HOPEFULLY, WE CAN PUT UP
16 THERE. SO, IF YOU GO TO THE NEXT SLIDE, PLEASE. APPENDIX B2
17 NOW DESCRIBES THE COST SHARING AGREEMENTS BETWEEN THE TRANSIT
18 OPERATORS THAT WERE PRESENTED TO THE BOARD LAST MONTH IN
19 RELATIONSHIP TO THE -- OR REGARDING THE RTC PROGRAM. SO, IF
20 YOU WILL RECALL, ALL 23 AGENCIES WILL CONTRIBUTE AT LEAST 1%
21 TO THE RTC OPERATING COST WITH THE REMAINING 77% BEING SPLIT
22 BY AGENCY BASED ON THE RTC, THE UNIQUE RTC CARDS USED DURING
23 THE BILLING PERIOD, AND YOU WILL SEE THAT REFLECTED IN TEXT IN
24 THE CURRENT APPENDIX B2 TO THE DRAFT MOU. I DID, ALSO, WANT TO
25 POINT OUT A APPENDIX B3 IS STILL UNDER DEVELOPMENT AND WE HAVE



MAY 16, 2022

1 RECENT UPDATES. WE MET WITH THE TRANSIT OPERATORS LAST FRIDAY
2 AND WE'LL HAVE UPDATES TO THAT LATER DURING THIS PRESENTATION.
3 IF YOU COULD GO TO THE NEXT SLIDE, PLEASE. SO, AS WE PRESENTED
4 AND DISCUSSED WITH THE BOARD LAST MONTH, MTC AGREED TO
5 SHOULDER A HIGHER PERCENTAGE OF THE COST FOR C2 AS RELATED TO
6 C1 WITH EARLY OPERATOR COMMITMENTS TO -- COMMITMENTS AND
7 RECOMMITMENTS TO THE MOU CLIPPER GOALS. APPENDIX C NOW HAS THE
8 ADDITIONAL LANGUAGE IN ITALICS THESE REFLECT THE FURTHER
9 ENCOURAGEMENT FOR TRANSIT RIDERS TO PREFER OR PREFERENCES FOR
10 THE CLIPPER AS THE PRIMARY FARE PAYMENT SYSTEM IN THE BAY AREA
11 AS WELL AS OTHER REGIONAL PRIORITIES THAT LANGUAGE IS MARKED
12 IN ITALICS IN THE APPENDIX C TO THE DRAFT MOU. I MENTIONED
13 BEFORE -- NEXT SLIDE, PLEASE -- SO FOR THE NEXT STEPS, WE'LL
14 NEED TO FINALIZE AND DOCUMENT ACCOUNT BASED COST AND REVENUE
15 ALLOCATION. THESE WILL OCCUR APPENDIX B3 WHICH I'LL TALK ABOUT
16 RIGHT NOW. AS FOR THE ACCOUNT BASED COST SHARING AGREEMENTS
17 THAT WILL BE DOCUMENTED IN APPENDIX B3 THERE HAS BEEN AN
18 UPDATE FROM A TRANSIT LED OPERATOR MEETING LAST FRIDAY. SO THE
19 TRANSIT OPERATORS HAVE PROPOSED TO USE CLIPPER RIDERSHIP AS A
20 METRIC FOR APPORTIONING THE OPERATOR SHARE OF THE COSTS, WITH
21 A REQUEST THAT THE REGION'S CLIPPER AND TRANSIT OPERATOR STUFF
22 CONTINUE TO DEVELOP A ROADMAP TO TRANSITION THE REMAINING NON-
23 CLIPPER TRANSIT RIDERS ON TO CLIPPER. AND THIS HAS LARGELY
24 BEEN A TRANSIT OPERATOR REQUEST. I'M SURE, CHAIR POWERS, YOU
25 HAVE BEEN KEPT UPDATED BECAUSE BART HAS BEEN A BIG PART OF



MAY 16, 2022

1 THIS CONVERSATION, AS HAS SFMTA. IT'S ALSO WORTH NOTING, BY
2 THE WAY, THAT OVER THE NEXT YEAR, ESPECIALLY, AS JASON NOTED
3 IN HIS REPORT THAT THE EQUIPMENT IS REPLACED AND WE STARTED TO
4 TRANSITION THE CUSTOMERS FROM THE CARD TO AN ACCOUNT BASED
5 SYSTEM THAT WE'LL BEGIN TO SEE FEATURES THAT WILL START SEEING
6 INSTANT OR REALTIME LOADS ADDITIONAL RETAILER LOCATIONS,
7 TRANSFER PRODUCTS ROLLED OUT AND FARE ACCUMULATORS SO WITHOUT
8 EVEN ANY ADDITIONAL POLICY OR APPROACHES TO TRANSITIONING TO
9 CLIPPER THAT THE NEW FEATURES WILL NATURALLY ATTRACT SOME OF
10 THE REGION'S TRANSIT RIDERS THAT HAVEN'T YET FULLY ADOPTED OR
11 TRANSITIONED TO CLIPPER TWO TO KIND OF MAKE THAT DECISION.
12 ALSO WE'RE PROPOSING TO RETURN TO THE BOARD ON A REGULAR BASIS
13 TO UPDATE THE BOARD ON THE REGION'S ACTIONS TO ENCOURAGE
14 FURTHER CLIPPER USAGE, AND, YOU KNOW, KIND OF WHICH STRATEGIES
15 AND APPROACHES THAT WE BELIEVE HAVE SEEN OR HAVE RESULTED IN
16 THE BIGGEST IMPACT TO CLIPPER USAGE WE ARE PLANNING TO BRING
17 THE CLIPPER MOU BACK TO THE BOARD NEXT MONTH FOR APPROVAL.
18 THAT VERSION OF THE MOU WILL HAVE THE COST SHARING AGREEMENTS
19 IN APPENDIX B3 DOCUMENTED. YOU SHOULD ALSO, HOPEFULLY, SEE IN
20 YOUR INBOXES THAT, WE HAVE ALSO SENT AN E-MAIL, AND WE WILL
21 LIKELY SEND AN UPDATE TO THAT E-MAIL AGAIN WITH APPENDIX B3
22 FILLED OUT. AND THAT WILL JUST -- THAT WILL HOPEFULLY LEAD TO
23 AN APPROVAL FROM THIS BOARD AND THEN SUBSEQUENT APPROVAL FROM
24 THE MTC OPERATIONS COMMITTEE IN JULY. I ALSO WANT TO NOTE THAT
25 THE MTC OPERATIONS COMMITTEE IS DARK IN AUGUST THIS YEAR. SO,



MAY 16, 2022

1 WE ARE REQUESTING GENERAL MANAGER, COUNCIL, AND STAFF FEEDBACK
2 AS SOON AS POSSIBLE SO THAT WE CAN GET THIS MOU WRAPPED UP AND
3 PREPARED FOR SIGNATURE, AND ULTIMATELY FULLY EXECUTED IN
4 SEPTEMBER OF THIS YEAR. AND, SO, WE PLAN ON BEGINNING TO ROUTE
5 THE NEW MOU FOR SIGNATURE, AND THAT IS EACH AGENCY'S COUNSEL
6 AND GENERAL MANAGER, AFTER THE JULY OPERATIONS COMMITTEE HAS
7 APPROVED -- THE JULY MTC OPERATIONS COMMITTEE HAS APPROVED THE
8 MOU. HAPPY TO TAKE ANY QUESTIONS. AND IF THERE ARE ANY
9 QUESTIONS IN PARTICULAR, GENERAL QUESTIONS OR CLARIFICATIONS,
10 PLEASE FEEL FREE, YOU OR YOUR STAFF TO REACH OUT TO ME, JASON,
11 OR CAROL, AND IF THERE ARE ANY SPECIFIC LEGAL QUESTIONS TO
12 PLEASE REACH OUT TO MATTHEW LAVRINET. AND HOPEFULLY WE'LL BE
13 ABLE TO RESOLVE OR ADDRESS YOUR COMMENTS OR QUESTIONS OR
14 CONCERNS AS SOON AS POSSIBLE. SO WITH THAT, HAPPY TO TAKE ANY
15 COMMENTS OR QUESTIONS. THANK YOU.

16

17 **ROBERT POWERS, CHAIR:** OKAY. AND, JUST, SO WHILE IT'S FRESH,
18 FRED, HOLD OFF ON THE PUBLIC COMMENT. I THINK THE DATA SET
19 THAT EDWARD JUST WALKED EVERYBODY THREE IS REFLECTIVE OF THE
20 E-MAIL THAT WAS SENT OUT AT 10:00 TODAY. RIGHT? IS THAT
21 CORRECT EDWARD?

22

23 **EDWARD MENG:** CORRECT.

24



MAY 16, 2022

1 **ROBERT POWERS, CHAIR:** SO WE ALL COLLECTIVELY HAVE THE DATA
2 THAT EDWARD WAS WALKING THROUGH TO TAKE A LOOK AT. JEFF,
3 BEFORE I GET TO COMMITTEE MEMBERS. LET'S GO TO THE PUBLIC REAL
4 QUICK. FRED, WHAT SAY YOU?

5

6 **CLERK, FRED CASTRO:** THERE ARE NO MEMBERS OF THE PUBLIC WITH
7 THEIR HAND RAISED, AND THERE WAS NO PUBLIC COMMENT SUBMITTED
8 ON THIS ITEM. AND IN THE BOARDROOM, THERE ARE NO PUBLIC
9 MEMBERS QUEUED UP FOR PUBLIC COMMENT. THANK YOU.

10

11 **ROBERT POWERS, CHAIR:** OKAY. WHY DON'T WE GO JEFFREY TUMLIN,
12 HEAD OF SFMTA. THANK YOU, JEFF.

13

14 **JEFFREY TUMLIN:** THANK YOU FOR THE PRESENTATION, EDWARD. QUICK
15 QUESTION, WHERE DO WE STAND ON INCREASING THE RETAILER CUT IN
16 ORDER TO ALLOW US TO MAKE CLIPPER CARDS MORE READILY AVAILABLE
17 TO THE PUBLIC?

18

19 **EDWARD MENG:** IN TERMS OF THE COMMISSION PAID TO THE RETAILER
20 THAT'S SOMETHING THAT CUBIC MANAGES. I CAN SAY THAT HOWEVER
21 WHILE WE PLAN TO INCREASE OUR RETAILER FOOTPRINT, WE HAVE
22 INCENTIVE IN PLACE FOR ESSENTIALLY CUBIC TO SEEK OUT RETAILERS
23 IN THESE EQUITY OPPORTUNITY ZONES. I BELIEVE THEY USED TO BE
24 CALLED COMMUNITIES OF CONCERN, AND THE MTC LINGO, AS WELL AS
25 INCREASING THE REGION'S FOOTPRINT BY AROUND 100 RETAILERS.



MAY 16, 2022

1 THIS IS IN ADDITION TO ONCE THERE ARE NEW DEVICES OUT THERE,
2 THEY WILL BE CONNECTED TO THE CLIPPER BACK END THROUGH TELE--
3 THROUGHOUT CELLULAR NETWORK. AND, SO WHEN CUSTOMERS CAN LOAD
4 THEIR PRODUCTS VIA THE WEB, THEY SHOULD BE ABLE TO RECEIVE
5 THOSE PRODUCTS INSTANTLY. BUT IN TERMS OF THE RETAILER
6 NETWORK, RIGHT NOW, THE COMMISSIONS ARE THE SAME AS UNDER C1,
7 BUT THEY COULD BE DIFFERENT UNDER C2, WE JUST HAVEN'T GOTTEN
8 TO THAT YET, I BELIEVE.

9

10 **ROBERT POWERS, CHAIR:** OKAY. OTHER QUESTIONS FROM COMMITTEE
11 MEMBERS? OKAY. EDWARD, I'M NOT SEEING A WHOLE BUNCH OF
12 ADDITIONAL QUESTIONS FROM COMMITTEE MEMBERS ON THIS ITEM HERE.
13 OKAY. I WOULD JUST ENCOURAGE ALL OF US TO READ THE DATA SET,
14 AND TO GET OUR STAFF WAS TO START GOING THROUGH -- THERE IS A
15 LOT OF MATERIAL THERE. SO, THANK YOU FOR THAT, EDWARD. THANKS
16 FOR THAT REPORT. AND WE'RE GOING STAY WITH EDWARD, AND HE'S
17 GOING TO PROVIDE AN UPDATE ON OUR TWO-YEAR BUDGET AND WORK
18 PLAN AS IT RELATES TO CLIPPER. SO, EDWARD?

19

20 **EDWARD MENG:** THANKS AGAIN, CHAIR POWERS.

21

22 **ROBERT POWERS, CHAIR:** OF COURSE.

23

24 **EDWARD MENG:** I WOULD LIKE TO REMIND YOU ALL THAT THIS IS AN
25 INFORMATION ITEM THIS MONTH. WE PLAN TO RETURN TO THE BOARD



MAY 16, 2022

1 NEXT MONTH WITH A REQUEST FOR APPROVAL. BUT THIS ITEM IS THE
2 DRAFT TWO-YEAR CLIPPER BUDGET FOR YOUR REVIEW AND COMMENT. FOR
3 CLARIFICATION, THE TWO YEARS THAT WE'RE ASKING TO YOU KIND OF
4 TAKE A REVIEW ON AND TO -- THAT WE WILL ULTIMATELY REQUEST FOR
5 APPROVAL ARE FISCAL YEARS 2022/'23. SO FISCAL YEAR BEGINNING
6 JULY THIS YEAR OVER THROUGH JUNE 30TH, 2023, AND 2023/'24. SO
7 THE SIMILAR PERIOD FROM 2023 TO 2024.

8

9 **ROBERT POWERS, CHAIR:** EDWARD, WE'LL APPROVE FY23 AND 24. NOT
10 FY -- WE'RE ALMOST IN THE MIDDLE OF CLOSING OUT '22 RIGHT NOW.
11 SO JUST FY23 AND FY '24. CORRECT? MENG CORRECT. THE PERIOD
12 BEGINNING JUNE 1ST OF THIS YEAR, TO JUNE 30TH NEXT YEAR.

13

14 **ROBERT POWERS, CHAIR:** THAT'S FY '23.

15

16 **EDWARD MENG:** AND THE REMAINING YEAR AFTER THAT.

17

18 **ROBERT POWERS, CHAIR:** YOU'RE JUST CONFUSION THE TWO. IT'S FY
19 2023 AND '24.

20

21 **EDWARD MENG:** IN THE OVERALL PICTURE WHEN YOU LOOK AT THE
22 OPERATING COSTS, THAT'S WHAT I'M GOING TO TALK ABOUT FIRST
23 OPERATING COSTS ARE EXPECTED TO INCREASE OVER THE NEXT TWO
24 YEARS FOR BOTH MTC AND THE TRANSIT OPERATORS THIS IS LARGELY
25 THE RESULT OF NEEDING TO PAY TO KEEP TWO PARALLEL SYSTEMS



MAY 16, 2022

1 OPERATIONAL. SO THAT'S THE CURRENT CARD BASED SYSTEM. AND THE
2 UPCOMING ACCOUNT BASED SYSTEM IN WHICH WE'LL EXPECT TO BEGIN
3 PAYING ACCOUNT-BASED COST FOR, ONCE WE REACH THAT REVENUE
4 READY MILESTONE. AND WE EXPECT THAT WE CAN COMPLETELY TURN OFF
5 THE C1 SYSTEM BY NOVEMBER 2024. THAT'S WHEN WE PLAN TO BE
6 FULLY TRANSITIONED TO THE ACCOUNT-BASED SYSTEM WITH NO KIND OF
7 LINGERING IMPACTS FROM SHUTTING OFF THE CARD-BASED SYSTEM.
8 AFTER WE ARE ABLE TO TURN OFF THE C1 SYSTEM, YOU WILL NOTICE
9 THAT OPERATING COSTS IN THE KIND OF FURTHER YEARS OUT ARE
10 RELATIVELY STABLE. ESPECIALLY AS COMPARED WITH CURRENT C1
11 OPERATING COSTS. AND I'LL REMIND YOU THAT HAD THE C2
12 OPERATIONS COST, AS A RESULT OF THE REQUEST FROM THIS BOARD,
13 THEY WILL BE FIXED MONTHLY TERM COSTS, SO THAT WE HAVE LARGELY
14 TAKEN THE GUESS WORK OUT OF THINGS, OUT OF MOST OF THE
15 VARIABLE COSTS THAT ARE A RESULT OF THE CURRENT C1 CARD-BASED
16 CONTRACT. SO, AS IN PRIOR YEARS, WE'RE EXPECTING AN OPERATING
17 DEFICIT BEYOND THE TWO FISCAL YEARS THAT WERE BEING ASKED TO
18 APPROVE -- OR WE'RE ASKING THIS BOARD TO APPROVE. SO MTC'S
19 OPERATING BUDGETS ARE APPROVED ANNUALLY. SO WE DIDN'T WANT TO
20 MAKE ANY ASSUMPTIONS ABOUT FUNDING BEYOND THE TWO YEARS BEING
21 APPROVED BY THIS BOARD BEYOND EXPECTATIONS AND WITH BEING ABLE
22 TO PAY OUR INVOICES WE ARE WORKING CLOSELY WITH MTC FUNDING
23 PROGRAMMING AND POLICY GROUP TO IDENTIFY THESE FUNDS AND WE
24 HAVE IDENTIFIED WELL OVER TWO YEARS IN ADVANCE THAT WE'LL
25 EXPECT THAT WE NEED TO FIND A SOLUTION TO THIS SO WE HAVE A



MAY 16, 2022

1 HEAD START ON THIS. IN TERMS OF THE NEXT ATTACHMENT, WHICH IS
2 THE CLIPPER CAPITAL BUDGET, IT STILL REMAINS STABLE. AS WE
3 HAVE IDENTIFIED FUNDING FOR CAPITAL WORK FOR THE SYSTEM
4 COMPLETION MILESTONE IN 2024. IN THIS CAPITAL BUDGET WE HAVE
5 ASSUMED ADDITIONAL CAPITAL WORK AND EQUIPMENT PROCUREMENT OF
6 SYSTEM COMPLETION AROUND 6 TO 7 MILLION ANNUALLY I BELIEVE WE
7 HIGHLIGHT THAT IN RED IN THE CAPITAL BUDGET THAT WORK HAS YET
8 TO BE IDENTIFIED AND FUNDED BUT WE EXPECT THERE WILL STILL BE
9 ADDITIONAL DESIGN WORK ADDITIONAL TESTING PERHAPS MORE
10 EQUIPMENT AS COMPLETES EXPAND. WE DON'T KNOW YET WHAT THE
11 SCOPE OF THE WORK WILL BE BUT WE ARE PREDICTING IT SO WE CAN
12 MAKE SURE THAT IF THERE IS ANY FURTHER REQUESTS FROM THE
13 REGION ON ANY TYPE OF ADDITIONAL CAPITAL WORK FOR THE CLIPPER
14 PROGRAM THAT WE'LL HAVE IT FUNDED. THE MEMO ALSO MENTIONS RM3,
15 RM3, OF COURSE, IS STILL NOT AVAILABLE SO WE ARE CURRENTLY
16 FINDING ALTERNATE FUNDINGS SOURCES, AND WILL BE REFRESHED ONCE
17 RM3 BECOMES AVAILABLE IT'S NOT LIKE WE'RE DOUBLE DIPPING ON
18 ALTERNATIVE FUNDING SOURCES. IT'S MORE OF A TIMING ISSUE WHEN
19 THESE ADDITIONAL RESOURCES WILL COME IN AND WHEN WE'LL BE ABLE
20 TO ACCESS THE FUNDS. SO I'M HAPPY TO TAKE ANY ADDITIONAL
21 COMMENTS OR QUESTIONS. WE PLAN TO HAVE YOUR CONCERNS OR
22 COMMENTS ADDRESSED BEFORE WE RETURN NEXT MONTH WITH THE
23 REQUEST FOR APPROVAL FOR THE CLIPPER TWO-YEAR OPERATING
24 CAPITAL BUDGETS. THAT CONCLUDES MY REMARKS.
25



MAY 16, 2022

1 **ROBERT POWERS, CHAIR:** OKAY. THANKS EDWARD. FRED, HOW ARE WE
2 LOOKING ON PUBLIC COMMENT?

3

4 **CLERK, FRED CASTRO:** NO WRITTEN COMMENTS RECEIVED FOR THIS
5 ITEM. NO MEMBERS OF THE ATTENDEES WITH THEIR HAND RAISED AND
6 IN THE BOARDROOM. IF I CAN --

7

8 **ROBERT POWERS, CHAIR:** OKAY.

9

10 **CLERK, FRED CASTRO:** NO MEMBERS IN THE BOARDROOM QUEUED UP FOR
11 PUBLIC COMMENT ON THIS ITEM THANK YOU.

12

13 **ROBERT POWERS, CHAIR:** OKAY. COMMITTEE MEMBERS. COMMENTS ON
14 EDWARD'S TWO YEAR BUDGET? OKAY. I'M IS NOT SEEING ANY, EDWARD.
15 I WAS JUST TYING THIS REPORT BACK, EDWARD, TO TUMLIN'S
16 COMMENT, AND I THINK THE INTENT OF THE QUESTION OR COMMENT
17 EARLIER. IS THIS WHERE WE WOULD MAKE PROVISIONS TO INCREASE
18 THAT ALLOTMENT FOR SMALL BUSINESSES HERE IN THIS TWO-YEAR
19 BUDGET AND WORK PLAN? IS THIS AN OPPORTUNITY?

20

21 **EDWARD MENG:** YOU CAN REPEAT THE QUESTION? ARE YOU ASKING ABOUT
22 RETAIL COMMISSIONS?

23

24 **ROBERT POWERS, CHAIR:** YEAH. RETAIL -- SO, JEFF HAD A QUESTION
25 ABOUT -- AND I THINK THE INTENT -- AND JEFF CAN SPEAK FOR



MAY 16, 2022

1 HIMSELF -- YOU KNOW, HOW DO WE INCREASE THE PARTICIPATION AND
2 ONE WAY TO DO THAT IS TO INCREASE THE COMMISSION. AND WOULD
3 THAT BE REFLECTED IN THIS TWO-YEAR BUDGET IF THIS BOARD WANTED
4 TO?

5

6 **EDWARD MENG:** THIS -- LET ME THINK. WHERE THE RETAIL
7 COMMISSIONS, RIGHT NOW, ARE STAND, O&M, ON THE C2 CONTRACT HAS
8 400 IN THERE FOR DIFFERENT RETAILERS WE NOW HAVE 300 THAT WILL
9 INCREASE THE REGION'S FOOTPRINT ALONG WITH ADDITIONAL
10 RETAILERS ALONG WITH INCENTIVE PAYMENT THOSE ARE ALL EXPECTED
11 IN THE OPERATIONS AND MAINTENANCE IN BETWEEN MTC AND THE
12 TRANSIT OPERATORS IN THE C2 O&M COST.

13

14 **ROBERT POWERS, CHAIR:** JEFF, GO AHEAD.

15

16 **JEFFREY TUMLIN:** HERE IN SAN FRANCISCO, WHEN WE STILL SOLD FAST
17 PASSES, FAST PASSES WERE AVAILABLE IN SEVERAL HUNDRED
18 RETAILERS ALL OVER SAN FRANCISCO EVERY CORNER STORE SOLD FAST
19 PASSES SINCE THEN IT'S BECOME MORE CHALLENGING FOR SAN
20 FRANCISCO ANS TO GET THE CLIPPER CARD ESPECIALLY IN RURAL
21 PARTS ESPECIALLY DIFFICULT TO RECEIVE THE CLIPPER CARD MY GOAL
22 IS TO REDUCE OBSTACLES FOR PEOPLE TO BE ABLE TO RECEIVE A
23 CLIPPER CARD AND THEN BE ABLE TO EASILY PUT WHATEVER CASH ON
24 THOSE CARDS. I HAVE BEEN REQUESTING FOR QUITE SOMETIME THAT



MAY 16, 2022

1 MTC EXPAND ACCESS TO PUTTING CASH ON THE CLIPPER CARDS I HOPE
2 THAT WOULD BE DONE IN THIS RESPECTED BUDGET.

3

4 **ROBERT POWERS, CHAIR:** I'M TRYING TO CONNECT THOSE TWO DOTS AND
5 THOUGHT PROCESSES. EDWARD SOMETHING FOR YOU AND THE TEAM TO
6 THINK ABOUT. JASON I SEE YOUR HAND UP.

7

8 **JASON WEINSTEIN:** ONE THING I WANT TO ADD AS WE START ROLLING
9 OUT THE RETAIL DEVICES I THINK ONE OF THE BARRIERS TO
10 RETAILERS TODAY IS THE FACT THAT THEY HAVE TO HAVE A FAIRLY
11 LARGE FOOTPRINT AND A DEDICATED PHONE LINE AND SOME OTHER
12 THINGS THAT ARE NOT VERY CONVENIENT FOR ANYBODY THAT IS DOING
13 POINT OF SALES PARTICULARLY WHEN THEY MIGHT NOT BE DOING MUCH
14 VOLUME AND OUR GOAL ISN'T ABOUT VOLUME IT'S ABOUT AVAILABILITY
15 OF ACCESS AS YOU MENTIONED BOARD MEMBER TUMLIN. THE NEW
16 DEVICES WILL BE CELLULAR, SO THEY'RE SMALL, YOU KNOW, YOU
17 PROBABLY -- WE HAVE SHOWN YOU PICTURE IN THE PAST, OF THIS
18 LITTLE DEVICE. IT'S, YOU KNOW, ABOUT THAT BIG. AND IT DOESN'T
19 REQUIRE A DEDICATED PHONE LINE. SO, THINGS LIKE THAT MIGHT
20 ENCOURAGE RETAILERS THAT MIGHT HAVE BEEN APPREHENSIVE BEFORE,
21 EVEN THOUGH THEY MIGHT NOT DO A LOT OF VOLUME TO STILL WANT TO
22 DO IT BECAUSE IT'S THE RIGHT THING TO DO. AND OF COURSE, YES,
23 WE CAN CERTAINLY LOOK AT COMMISSIONS TO RETAILERS THEMSELVES.
24 ED MENTIONED THE THINGS THAT WE HAVE AS PROVISIONS AS PART OF
25 OUR CONTRACT WITH CUBIC WITH THEM TO SEEK OUT RETAILERS IN



MAY 16, 2022

1 PARTICULARLY EQUITY AREAS, AS ED MENTIONED BUT YES THERE IS AN
2 EQUITY COMPONENT AS IT RELATES TO VENDORS OR MERCHANTS
3 THEMSELVES, THE STORIES TO TRY TO GET THEM TO PARTICIPATE.

4

5 **ROBERT POWERS, CHAIR:** JASON KEEP THIS IN MIND AS WE'RE COMING
6 BACK IN THE TWO YEAR BUDGET IT'S CERTAINLY SOMETHING THAT JEFF
7 WILL BRING UP BUT I'LL BRING UP AS WELL TO SEE IF WE CAN
8 CONNECT THE DOTS THERE IF YOU WILL.

9

10 **EDWARD MENG:** I WOULD -- I APOLOGIZE, I THINK I MISUNDERSTOOD
11 THE QUESTION. REGARDING THE RETAILER COMMISSIONS WE DID ADD
12 INN ESTIMATE FOR THE RETAILER COMMISSIONS THAT IS EXTREMELY ON
13 THE CONSERVATIVE SIDE. IT MEANS WE BASICALLY THINK WHAT IT IS
14 ONE OF THE UPPER BOUNDS OF HOW MUCH THE TOTAL RETAILER
15 POPULATION COMMISSION IS GOING TO GET. SO, IT IS, WHILE WE --
16 SO, INCLUDED IN O&M IS BOTH THE ASSUMPTION THAT THE RETAILER
17 NETWORK IS GOING TO GROW THAT, WE WILL BE PAYING INCENTIVE
18 PAYMENTS TO CUBIC SO THAT THEY CAN CONTINUE TO GROW RETAIL
19 NETWORKS IN THE AREAS OF CONCERN THAT WE HAVE IDENTIFIED AND
20 THAT LARGER SALES OF THE ITEM AND THE REFLECTIVE COMMISSIONS
21 ARE REFLECTED IN THAT BUDGET. IF THERE NEEDS TO BE A MORE
22 AGGRESSIVE APPROACH, WE'RE HAPPY TO MAKE DIFFERENT
23 ASSUMPTIONS, BUT FOR RIGHT NOW, IT'S -- THE AMOUNT THAT WE ARE
24 ESTIMATING FOR THE RETAIL COMMISSION IS ON THE HIGH END SO
25 THAT WE DON'T UNDER BUDGET.



MAY 16, 2022

1

2 **ROBERT POWERS, CHAIR:** OKAY. LET US GO TO THE HEAD OF VTA,
3 CAROLYN GONOT, AND THEN HEAD OVER TO MTC, THERESE MCMILLAN.
4 CAROLYN.

5

6 **CAROLYN M. GONOT:** THANK YOU. ON THE BUDGET, I'M JUST CURIOUS,
7 YOU KNOW, I KNOW WE'RE SPENDING A LOT OF TIME DEVELOPING THIS,
8 YOU KNOW, THIS NEXT ROUND FOR CLIPPER, BUT I WANT TO MAKE SURE
9 THAT WE'RE TRYING TO BE AS RESILIENT AS POSSIBLE IN THE FACE
10 OF, YOU KNOW, EVER-CHANGING TECHNOLOGY. SO IS THAT SOMEHOW
11 THOUGHT ABOUT OR REFLECTED IN THE BUDGET IN TERMS OF BEING
12 ABLE TO ADAPT AS TIME GOES ON?

13

14 **EDWARD MENG:** YEAH. THAT'S -- OH, I'M SORRY. WERE YOU FINISHED?

15

16 **CAROLYN M. GONOT:** YEAH. I'M DONE.

17

18 **EDWARD MENG:** YEAH THAT REFLECTED IN THE KIND OF ADDITIONAL
19 CAPITAL AROUND THE TUNE OF 6 TO \$7 MILLION AFTER THE SYSTEM OF
20 COMPLETION, YOU KNOW, TO KIND OF, EITHER, ADVANCE THE SYSTEM,
21 TO PERHAPS MAKE IT FUTURE PROOF TO THE AVERAGE CHANGING TRENDS
22 OF TECHNOLOGY AND TELECOMMUNICATIONS. RIGHT NOW, WE BELIEVE
23 THAT WE ARE DESIGNING AND IMPLEMENTING AND ROLLING OUT THE
24 STATE-OF-THE-ART SYSTEM, BUT WHO KNOWS, IN 2024, 2025, WHERE
25 WE WILL BE ON THAT FRONT. AND, SO, WE HAVE -- OUR THINKING



MAY 16, 2022

1 AHEAD, AND ALREADY THINKING THAT WE MIGHT NEED, ROUGHLY 6 TO 7
2 MILLION, ROUGHLY, TO JUST STAY WITH THE EXPECTATIONS OF THE
3 TRANSIT RIDING POPULATION IN THE BAY AREA.

4

5 **ROBERT POWERS, CHAIR:** OKAY.

6

7 **CAROLYN M. GONOT:** THANK YOU.

8

9 **ROBERT POWERS, CHAIR:** THANK YOU EDWARD. THERESE, HEAD OF MTC.

10

11 **THERESE MCMILLAN:** TO THE SPECIFIC QUESTION ON THE RETAIL, IT
12 SEEMS TO ME AND I AM SURE YOU GUYS CAN PULL THIS TOGETHER,
13 THERE WOULD BE A COMPARISON OF ROUGHLY, YOU KNOW, COMMISSION
14 PER RETAILER, SORT OF, TODAY, VERSUS WHAT'S BUILT IN, YOU
15 KNOW, COMMISSION AMOUNT PER RETAILER AT THE TOP ENDS AND WHAT
16 THAT LOOKS LIKE. BECAUSE IT SOUND LIKE WE'RE ASSUMING -- TELL
17 ME IF I GOT THIS RIGHT -- ASSUME WEEK HAVE A CAPACITY CUSHION
18 TO GO FOR A HUNDRED MORE RETAILERS, 300 TO 400?

19

20 **EDWARD MENG:** YES THAT'S ALREADY INCLUDED IN THE COST.

21

22 **THERESE MCMILLAN:** AND THAT WE HAVE ALSO ALLOWED EVEN WITH THE
23 GROWTH TO PAY THE INDIVIDUAL RETAILER MORE IN COMMISSION,
24 CORRECT?

25



MAY 16, 2022

1 **EDWARD MENG:** I -- WELL, WE HAVE N OUR CONTRACT THAT WE WOULD
2 PAY CUBIC MORE TO FIND RETAILER IN SPECIFIC AREAS AND THOSE
3 AREAS THAT ARE IDENTIFIED IN THE EQUITY ZONES, I BELIEVE.

4

5 **THERESE MCMILLAN:** OKAY. I -- MAYBE I WAS CONFUSED ON YOUR
6 REFERENCE TO, THAT YOU HAD A CONSERVATIVE ESTIMATE ON THE
7 COMMISSIONS.

8

9 **EDWARD MENG:** GENERAL WHEN WE PLAN OUR BUDGET WE ROUND UP, AT
10 LEAST FOR US IT'S -- I THINK WE HAVE SEEN IN THE PAST IT'S
11 EASIER TO EXPECT MORE COST THAN TO EXPECT LESS COST SO OUR
12 ASSUMPTION IN THIS BUDGET IS THAT THE RETAIL COMMISSIONS WILL
13 KIND OF BE AT THE MOST CONSERVATIVE WHICH MEANS WE BELIEVE WE
14 ARE OVERESTIMATING WHAT THE ACTUAL FEES WILL BE. SO WE
15 PLANNING FOR A BUDGET HIGHER THAN WHAT WE THINK THE ACTUALS
16 WILL BE SO THAT WE'RE BASICALLY COVERING OURSELVES SO WE DON'T
17 NEED TO RETURN BACK TO THE BOARD AND SAY WE NEED APPROVAL OF A
18 HIGH RETAIL COMMISSION RATE FOR EXAMPLE.

19

20 **THERESE MCMILLAN:** AND THE OTHER THING I WANT TO HIGHLIGHT FOR
21 THE GROUP IS ONE OF THE WAYS OF INCREASING OUR REGION IS
22 THROUGH THE MOBILE APP AND I THINK THAT'S IMPORTANT TO KEEP
23 THAT MIND BECAUSE THAT DOESN'T REQUIRE SOMEONE HAVING TO GO TO
24 A SPECIFIC LOCATION MADE WITH ALL OF THE OBSERVATION THAT IS
25 NOT EVERYONE HAS A SMART -- ALSO THE NEED TO CONTINUE TO PUSH



MAY 16, 2022

1 OUT THE INFORMATION ABOUT THE MOBILE CARD AND HOW IT CAN BE
2 USED ET CETERA IT'S A COMBINATION OF HOW WE'RE SPEAKING TO GET
3 CLIPPER IN HANDS IS BOTH NOT ONLY THE PHYSICAL CARD WHICH WILL
4 CONTINUE TO BE IMPORTANT AS BOB YOU POINTED OUT AND ALL OF THE
5 SUPPLY ISSUES WE'RE HEARING ATTACHED, AND THE SUCCESS OF
6 SEEING IN TERMS OF GROWTH JUST PART OF THE OVERALL PICTURE OF
7 HOW WE GET OUT AND PUSH CLIPPER INTO THE POPULATION JUST WANT
8 TO MAKE THAT OBSERVATION.

9

10 **ROBERT POWERS, CHAIR:** AGREE. EDWARD I'M NOT SEEING ANY OTHER
11 HANDS RAISED HERE. SO, THAT WRAPS UP 4D. AND THEN WE'RE GOING TO
12 GO TO AGENDA ITEM NUMBER FIVE, WHICH IS OUR EXECUTIVE
13 DIRECTORS REPORT. AND, JASON, ARE YOU WALKING THROUGH THIS FOR
14 US?

15

16 **JASON WEINSTEIN:** SO, CAROL, IS IT -- IVTPA EVENT IN DENVER AND
17 THAT'S WHY SHE'S NOT WITH US. I DO NOT HAVE A REPORT. I'LL
18 PASS IT BACK TO YOU.

19

20 **ROBERT POWERS, CHAIR:** OKAY. FRIENDS, ARE THERE ANY OTHER
21 PUBLIC COMMENTS WRITTEN RECEIVED AHEAD OF US GETTING THIS
22 REPORT.

23

24 **CLERK, FRED CASTRO:** NO WRITTEN COMMENTS RECEIVED FOR ITEM
25 FIVE, NO MEMBERS OF ATTENDEES WITH THEIR HAND RAISED AND NO



MAY 16, 2022

1 MEMBERS OF THE PUBLIC QUEUED UP IN THE BOARDROOM FOR PUBLIC
2 COMMENT ON THIS ITEM.

3

4 **ROBERT POWERS, CHAIR:** THANK YOU, SIR. ITEM SIX, PUBLIC COMMENT
5 AND ANY OTHER BUSINESS. FRED, WHAT SAY YOU?

6

7 **CLERK, FRED CASTRO:** CHAIR, THERE WAS A LATE SUBMITTAL OF A
8 WRITTEN COMMENT FROM ALETA DUPREE THAT WAS POSTED ON MTC
9 LEGISTAR WEB SITE, AND I JUST E-MAILED THAT TO COMMITTEE
10 MEMBERS. THERE WERE NO OTHER WRITTEN COMMENTS RECEIVED FOR
11 THIS ITEM, AND THERE ARE TWO MEMBERS OF THE ATTENDEES WITH
12 THEIR HANDS RAISED, AND I'M GOING STALL FOR TIME AS I START
13 THE TIMER.

14

15 **ROBERT POWERS, CHAIR:** OKAY. AND I SAW YOUR E-MAIL, FRED. I
16 THINK MOST OF US SAW, THAT YOU SENT OUT EARLIER THIS
17 AFTERNOON.

18

19 **CLERK, FRED CASTRO:** YES. AND I WILL SHARE. LET ME TRY THIS
20 AGAIN. I HAVE THE TIMER. SHARED. AND OUR FIRST SPEAKER IS
21 ALETA DUPREE. GO AHEAD, PLEASE.

22

23 **SPEAKER:** THANK YOU, AGAIN, CHAIR BOB POWERS. ALETA DUPREE FOR
24 THE RECORD SHE AND HER. I WAS IN THE BAY AREA A WEEK AND A
25 HALF AGO AND I MIGHT COME BACK IN A FEW DAYS AND ONCE AGAIN



MAY 16, 2022

1 USE CLIPPER. AND MY INTRODUCTION TO CLIPPER, LATELY, HAS BEEN
2 AT THE OAKLAND AIRPORT. I HAVE BEEN USING AC TRANSIT OR THE
3 BART CONNECTOR. SO, HOW DO WE CONTINUE BEMOANING AND
4 DEVELOPING THE SYSTEM THAT IS CLIPPER, WHICH I HAVE USED FOR A
5 DOZEN YEARS, AND FOR WHICH I HAVE BEEN SPEAKING ON FOR JUST
6 ABOUT FIVE YEARS. AND I BELIEVE IN THE CLIPPER IDEA, ALL-IN.
7 NOW, I DON'T RECOMMEND PEOPLE GO AND TAKE THEIR ENTIRE LIFE
8 SAVINGS AND BET IT ON A SPORTS BETTING APP ON A FAVORITE
9 FOOTBALL TEAM. I DON'T BET ON SPORTS ANYWAY, I JUST WEAR A
10 RAIDERS T-SHIRT. CLIPPER ISN'T ABOUT GAMBLING THEREFORE I SEE
11 THE POSITIVE POSSIBILITIES OF GOING ALL IN. SO I WONDER AS I
12 LOOK AT THE AGENCY BUDGETS, THE OPERATING OF MULTIPLE SYSTEMS
13 OF WHICH NOT MANY OF THEM FALL SHORT, AS YOU WILL PROBABLY SEE
14 IN MY LETTER, THAT SOME OF US AGENCIES ARE STILL HANGING ON TO
15 METHODS THAT HAVE NOT CHANGED SINCE THE LATE 1800S. I LOVE
16 HISTORIC PRESERVATION. AND IN NEW YORK CITY, THERE IS A
17 LEGENDARY MUSEUM, NEW YORK TRANSIT MUSEUM WHICH HAS SUBWAY
18 TRAINS, I THINK WE HAVE TO THINK FORWARD. THANK YOU.

19

20 **CLERK, FRED CASTRO:** THANK YOU. OUR NEXT SPEAKER IS SEAMLESS
21 BAY AREA. GO AHEAD, PLEASE.

22

23 **SPEAKER:** HI. THIS IS ADINA LEVIN, AND I SERVE ON THE MTC
24 POLICY ADVISORY COUNCIL, SPEAKING FOR MYSELF AND TWO MINUTES.
25 ONE, BUILDING ON AND BEING THANKFUL FOR GENERAL MANAGER TUMLIN



MAY 16, 2022

1 IN TERMS OF WANTING TO HAVE MORE RETAIL OUTLET BEING ABLE TO
2 PROVIDE CLIPPER CARDS. AND, ALSO, THIS IS SOMETHING THAT I
3 HAVE HEARD FROM COMMUNITY-BASED ORGANIZATIONS ABOUT, IN
4 ADDITION TO HAVING A RETAIL OUTLETS TO GET THE CARD BUT ALSO
5 BEING ABLE TO ADD CASH TO THE CLIPPER CARD, FOR PEOPLE THAT
6 CONTINUE TO DEPEND ON CASH, AND, ALSO, HAVING MORE LOCATIONS,
7 AND IT IS POSSIBLE TO ADD CASH TO A CLIPPER CARD. THESE ARE
8 THINGS THAT WILL HELP PEOPLE WHO DEPEND ON CASH BE ABLE TO USE
9 THE CLIPPER SYSTEM. AND, LASTLY, BUILDING ON A COMMENT THEY
10 MADE EARLIER ABOUT THE RELATIONSHIP BETWEEN OPEN PAYMENT AND
11 NEXT GENERATION CLIPPER. YOU KNOW, I DO HEAR THE RATIONALE
12 THAT HAVING EVEN MORE FEATURES ON THE CLIPPER CARD THAN OTHER
13 PAYMENT METHODS IS SOMETHING TO STEER PEOPLE TOWARD CLIPPER,
14 HOWEVER, WITH A GOAL OF MAKING TRANSIT MOST CONVENIENT FOR
15 RIDERS, I THINK I WOULD LOVE TO SEE THE THOUGHT PROCESS BEING
16 ABOUT MAKING THAT SYSTEM TO BE THE MOST CONVENIENT, REGARDLESS
17 OF THE WAYS THAT PEOPLE MIGHT CHOOSE TO PAY. AND, FOR EXAMPLE,
18 I THINK IT WAS MENTIONED TO MAKE A DISTINCTION BETWEEN A
19 MOBILE APP AND A MOBILE WALLET. I DON'T EVEN UNDERSTAND THAT
20 DISTINCTION, AND I THINK WE SHOULD THINK ABOUT HOW TO BE
21 CONVENIENT TO RIDERS. THANK YOU

22

23 **CLERK, FRED CASTRO:** THANK YOU. NO OTHER MEMBERS OF ATTENDEES
24 WITH THEIR HAND RAISED, AND IN THE BOARDROOM, IF I COULD HAVE



MAY 16, 2022

1 THE BOARDROOM COME UP. THERE ARE NO MEMBERS IN THE BOARDROOM
2 QUEUED UP FOR THIS ITEM.

3

4 **ROBERT POWERS, CHAIR:** THANK YOU, FRED. THAT BRINGS US -- LOOKS
5 LIKE IT BRINGS US TO AGENDA ITEM SEVEN, ADJOURNMENT, AND OUR
6 NEXT MEETING. I THINK IT'S ON OUR CALENDARS IT'S GOING TO BE
7 20, JUNE, AND IT WILL BE AT 1:30 AND, WITH THAT, THIS MEETING
8 IS ADJOURNED. THANK YOU. [ADJOURNED]

9

10

11

12

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