



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 4c
Bay Area Metro Center
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Memorandum

TO: Operations Committee

DATE: May 6, 2016

FR: Executive Director

W.I.: 1231

RE: Contract Actions – Clipper® Customer Communications and In-Person Customer Services

- i. Contract – Customer Information Services: MIG, Inc. (\$550,000)
- ii. Contract Amendment – Distribution and Communications Planning and Support Services: Synapse Strategies (\$250,000)
- iii. Contract Amendment – Clipper® Customer Education/Outreach Services: Caribou Public Relations (\$200,000)
- iv. Funding Agreement Amendment – Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)
- v. Contract Amendment – Customer Service Center/Transportation Kiosk at Embarcadero San Francisco Bay Area Rapid Transit District (BART) Station Operations: Nematode Holdings, LLC (\$625,000)
- vi. Contract Amendment – Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000)

The contracts described in this memo are to provide ongoing education and outreach to current and potential Clipper® customers, as well as in-person Clipper® customer services. The three in-person customer service centers assist Clipper® customers by directly issuing new and replacement adult, youth and senior cards; accepting multiple forms of payment for Clipper® value, including transit benefit vouchers and debit cards; and offering program information to the public.

Attachment 1 includes information about current Clipper® system operations.

Contract Actions

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into the following contract actions:

i. Contract – Customer Information Services: MIG, Inc. (MIG) (\$550,000)

In July 2014, this Committee approved a list of Consultants prequalified to enter into contracts with MTC to provide on-call consultant assistance for customer information services. Under this Request for Qualifications, MIG was prequalified to perform work in the areas of strategic planning, creative design and online services. MIG is neither a small business enterprise (SBE) nor a disadvantaged business enterprise (DBE). MIG's subcontractor, Convey, is a certified SBE and DBE, as referenced on Attachment 2.

The scope of work for this new contract includes strategic planning and implementation of customer education initiatives in support of the launch of Clipper® on new transit services, including Sonoma Marin Area Rail Transit (SMART) and Union City Transit. MIG will also

support ongoing operational changes, such as fare policy changes and Clipper® system improvements, by updating the Clipper® website and brochures, as well as by producing signage and handouts for Clipper® customer service locations, retailers and outreach efforts.

This item was approved by the Clipper® Executive Board on April 25, 2016.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into a contract with MIG for a period of performance through June 30, 2017, at a cost not to exceed \$550,000, subject to Commission approval of the FY 2016-17 agency budget.

ii. Contract Amendment – Distribution and Communications Planning and Support Services: Synapse Strategies (Synapse) (\$250,000)

This Committee approved Synapse as part of the Clipper® Electronic Payment Implementation and Operations bench in May 2013, and MTC executed a contract with Synapse in July 2014. Tasks under this contract include strategic planning and management of customer education initiatives and research, as well as assistance with operational reporting. Synapse is a certified DBE, as referenced on Attachment 2. There are no subcontractors to Synapse.

This item was approved by the Clipper® Executive Board on April 25, 2016.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into a contract amendment with Synapse to continue existing, ongoing contract tasks at a cost not to exceed \$250,000, subject to Commission approval of the FY 2016-17 agency budget.

iii. Contract Amendment – Clipper® Customer Education/Outreach Services: Caribou Public Relations (Caribou) (\$200,000)

This Committee approved Caribou as part of the On-Call Consultant Assistance for the Operational Programs Customer Information Services bench in July 2014, and MTC subsequently executed a contract in September 2014. Under the proposed amendment, MTC will add \$200,000 to the contract in order for Caribou to continue its work providing Clipper® education and outreach services to Bay Area transit riders, including Title VI protected customers. Caribou is a certified DBE, as referenced on Attachment 2. There are no subcontractors to Caribou.

This item was approved by the Clipper® Executive Board on April 25, 2016.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into a contract amendment with Caribou at a cost not to exceed \$200,000, subject to Commission approval of the FY 2016-17 budget.

iv. Funding Agreement Amendment – Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)

In April 2012, MTC executed a funding agreement with AC Transit for the provision of Clipper® customer services at AC Transit's headquarters in Oakland. AC Transit's multilingual staff issue new and replacement cards, distribute Clipper® brochures, and are trained to provide information about using Clipper® on all participating transit services.

This item was approved by the Clipper® Executive Board on April 25, 2016.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into a funding agreement amendment with AC Transit to

extend the period of performance through June 30, 2017, at a cost not to exceed \$250,000, subject to Commission approval of the FY 2016-17 agency budget.

v. Contract Amendment – Customer Service Center/Transportation Kiosk at Embarcadero San Francisco Bay Area Rapid Transit District (BART) Station Operations: Nematode Holdings, LLC (Nematode) (\$625,000)

In October 2009, the Bay Area Toll Authority (BATA) executed a competitively-procured agreement with Nematode Holdings, LLC (“Nematode”) for operation of a transportation support kiosk in the Embarcadero BART station. This agreement was later assigned to MTC. The final option to extend that agreement expired June 30, 2015. MTC subsequently executed a sole source contract for Nematode to continue providing Clipper® in-person customer service at this location based on Nematode’s having secured a multi-year permit from BART to operate this highly-visible kiosk space. Staff recommends extending the period of performance for the existing contract through June 30, 2017, which is when Nematode’s permit for the current space is set to expire. Nematode is neither an SBE nor a DBE. There are no subcontractors to Nematode.

This item was approved by the Clipper® Executive Board on April 25, 2016.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into a contract amendment with Nematode through June 30, 2017, at a cost not to exceed \$625,000, subject to Commission approval of the FY 2016-17 agency budget.

vi. Contract Amendment – Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (Nematode) (\$300,000)

In January 2011, MTC entered into a sole source contract with Nematode to begin offering expanded Clipper® customer services, including issuance of new and replacement cards, based on the unique position of this store as the only vendor in the San Francisco Ferry Building selling transit tickets to ferry commuters and tourists. Under this agreement, Nematode is also responsible for the operation and maintenance of the ferry departure flap sign in the central lobby of the Ferry Building. Nematode is neither an SBE nor a DBE. There are no subcontractors to Nematode.

This item was approved by the Clipper® Executive Board on April 25, 2016.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into a contract amendment with Nematode to extend the period of performance through June 30, 2017, at a cost not to exceed \$300,000, subject to Commission approval of the FY 2016-17 agency budget.



Steve Heminger

Attachments:

- Attachment 1: Current Clipper® system operations
- Attachment 2: Disadvantaged Business Enterprise and Small Business Enterprise Status

SH: KJ

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Attachment 1

Table 1: Summary of System Usage

	Last Month March 2016	Prior Month February 2016	Prior Year March 2015
Transaction Volume			
Average Weekday Ridership ¹	820,826	820,898	804,125
Fee-Generating Transactions ²	22,819,399	21,343,536	21,821,965
Unique Cards Used	897,304	900,488	824,215
Active Card Accounts	1,768,171	1,760,696	1,583,806
Settled Transit Operator Revenue	\$47,619,933	\$45,126,885	\$44,026,577
Autoload Activity			
Percent of Registered Cards with Autoload	32%	32%	35%
Call Volume			
Customer Service Representative (CSR) Calls	27,397	27,120	29,203
CSR Calls per Unique Card Used	0.03	0.03	0.04
Website Traffic			
Unique Visitors - Standard	132,473	133,342	135,156
Unique Visitors - Mobile	54,662	56,244	42,961
Website Visits - Standard	188,663	188,509	192,557
Website Visits - Mobile	92,140	93,842	73,808
Website Visits per Unique Card Used	0.31	0.31	0.32

Notes on System Usage:

Average weekday ridership stayed virtually the same – without the benefit of the Super Bowl – while unique cards used dropped 0.4 percent. However, fee-generating transactions grew 6.9 percent and settled transit operator revenue was up 5.5 percent. Active card accounts were up a slight 0.4 percent. Autoload usage stayed the same, while use of customer service channels changed very little: Calls to customer service and website visits per unique card use were the same, and total visits to the desktop website was barely up, 0.1 percent. We saw slight drops in unique visits to the desktop website (-0.7 percent), unique visits to the mobile site (-2.8 percent) and total visits to the mobile site (-1.8 percent).

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

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

Table 2: Monthly Market Penetration Rates³

	Monthly Clipper Boardings	Clipper Market Penetration Rate		
	February 2016	February 2016	January 2016	February 2015
AC Transit	1,817,060	40.7%	43.0%	40.2%
BART ⁴	6,680,035	62.0%	62.9%	60.5%
Caltrain ⁵	877,932	62.1%	59.9%	62.2%
Golden Gate Ferry	182,471	95.8%	96.1%	95.1%
Golden Gate Transit	166,992	36.7%	39.6%	41.1%
SamTrans	400,632	37.1%	34.6%	34.2%
SFMTA (Muni)	8,658,325	48.6%	48.0%	49.2%
VTA	1,625,901	47.8%	44.0%	37.4%
WETA	104,825	54.6%	61.6%	55.6%
Napa Solano Group	32,151	9.4%	10.0%	6.6%
FAST	11,148	12.8%	12.6%	8.7%
Napa VINE	1,837	2.1%	4.1%	3.2%
SolTrans	19,017	14.8%	15.1%	8.8%
Vacaville City Coach	149	0.4%	0.5%	0.4%
East Bay Group	82,028	10.8%	9.6%	N/A
County Connection	25,019	8.0%	7.3%	N/A
Tri Delta Transit	25,291	12.2%	10.5%	N/A
WestCAT	19,194	18.8%	17.3%	N/A
Wheels (LAVTA)	12,524	9.2%	7.7%	N/A

³ MTC uses the National Transit Database (NTD) to calculate most market penetration rates. NTD typically has a two-month delay before ridership data are available.

⁴ Calculation of BART monthly market penetration is calculated using monthly BART total exits by ticket type, which is equivalent to number of linked trips per month.

⁵ Calculation of Caltrain market penetration assumes that monthly pass holders board Caltrain 1.75 times a day per weekday. Caltrain sold 15,925 calendar passes during the February 2016 pass vending window.

Attachment 2
Disadvantaged Business Enterprise and Small Business Enterprise Status

			DBE* Firm			SBE** Firm		
	Firm Name	Role on Project	Yes	If Yes, List #	No	Yes	If Yes, List #	No
Prime Contractor	MIG, Inc.	Customer Information Services			X			X
Subcontractor	Convey, Inc.	Communications and Outreach	X	38411		X	1367600	
Subcontractor	FM3, Inc.	Research			X			X
Prime Contractor	Lisa Hale (d/b/a Synapse Strategies)	Communications Planning	X	41964				X
Prime Contractor	Caribou Public Relations	Outreach	X	41619				X
Prime Contractor	Nematode Holdings, LLC	Customer Service Provider			X			X

*Denotes certification by the California Unified Certification Program (CUCP).

**Denotes certification by the State of California.

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract

Work Item No.:	320-1221
Contractor:	MIG, Inc. Berkeley, CA
Project Title:	Public Awareness and Customer Education Services
Purpose of Amendment:	Inform transit riders about Clipper®, how to get a card, how to load value, and how to pay fares with Clipper®.
Brief Scope of Work:	Provide customer education information through printed materials, content on clippercard.com and other websites, and, where appropriate, paid media, i.e., advertisements.
Project Cost Not to Exceed:	\$550,000
Funding Source:	Regional Measure 2 Marketing and Operations
Fiscal Impact:	Funds dependent on the approval of the FY 2016-17 agency budget.
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract with MIG, Inc., for the purposes described herein and in the Executive Director's memorandum dated May 6, 2016, and the Chief Financial Officer is authorized to set aside \$550,000 for such contract, subject to adoption of the FY 2016-17 agency budget.
Operations Committee:	<hr/> Scott Haggerty, Chair
Approved:	Date: May 13, 2016

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.:	320-1221
Contractor:	Synapse Strategies Oakland, CA
Project Title:	Distribution and Communications Planning and Support Services
Purpose of Contract:	Provide oversight and support for customer education, distribution, and customer service functions.
Brief Scope of Work:	Oversee in-person customer education/outreach services; planning and support services related to Clipper [®] marketing and communication and customer service initiatives.
Project Cost Not to Exceed:	\$250,000 (this amendment) Total Contract value including amendments before this amendment = \$415,000 Total contract amount with this amendment = \$665,000
Funding Source:	Regional Measure 2 Marketing
Fiscal Impact:	Funds dependent on the approval of the FY 2016-17 agency budget.
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Synapse Strategies, for the purposes described herein and in the Executive Director's memorandum dated May 6, 2016, and the Chief Financial Officer is authorized to set aside \$250,000 for such contract amendment, subject to adoption of the FY 2016-17 agency budget.
Operations Committee:	<hr/> Scott Haggerty, Chair
Approved:	Date: May 13, 2016

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.:	320-1221
Contractor:	Caribou Public Relations Martinez, CA
Project Title:	Clipper® Customer Education/Outreach Services
Purpose of Amendment:	On-call public outreach services.
Brief Scope of Work:	Provide general education and communicate the benefits of Clipper® to Bay Area transit riders, including Title VI protected customers.
Project Cost Not to Exceed:	\$200,000 (this Amendment) Total contract value including amendments before this amendment = \$140,000 Total contract amount with this amendment = \$340,000
Funding Source:	Regional Measure 2 Marketing
Fiscal Impact:	Funds dependent on the approval of the FY 2016-17 agency budget.
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Caribou Public Relations for the purposes described herein and in the Executive Director's memorandum dated May 6, 2016, and the Chief Financial Officer is authorized to set aside \$200,000 for such contract amendment, subject to adoption of the FY 2016-17 agency budget.
Operations Committee:	<hr/> Scott Haggerty, Chair
Approved:	Date: May 13, 2016

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Funding Agreement Amendment

Work Item No.: 320-1221

Contractor: Alameda-Contra Costa Transit District (AC Transit)
Oakland, CA

Project Title: In-Person Clipper® Customer Service Center at AC
Transit Headquarters

Purpose of Amendment: Provide Clipper® in-person customer service center in
the East Bay

Brief Scope of Work: Operate Clipper® in-person customer service center at
AC Transit's District Headquarters building located at
1600 Franklin Street in Oakland.

Project Cost Not to Exceed: \$250,000 (this amendment)
Total funding agreement value including amendments
before this amendment = \$1,076,200
Total authorized funding agreement amount with this
amendment = \$1,326,200.

Funding Source: Regional Measure 2 Operating, Regional Measure 2
Marketing and STA

Fiscal Impact: Funds dependent on the approval of the FY 2016-17 agency
budget.

Motion by Committee: That the Executive Director or his designee is authorized to
negotiate and enter into a funding agreement amendment with
AC Transit, for the purposes described herein and in the
Executive Director's memorandum dated May 6, 2016, and
the Chief Financial Officer is authorized to set aside
\$250,000 for such funding agreement amendment, subject to
adoption of the FY 2016-17 agency budget.

Operations Committee:

Scott Haggerty, Chair

Approved:

Date: May 13, 2016

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.: 320-1221

Contractor: Nematode Holdings, LLC
San Francisco, CA

Project Title: Customer Service Center/Transportation Information Kiosk
at Embarcadero BART Station Operations

Purpose of Amendment: Provide Clipper® in-person customer service, such as
issuance of new and replacement cards, and sell FasTrak®
transponders, and operate 511 Departure Times displays.

Brief Scope of Work: Contractor shall provide trained staff to support a range of
Clipper® customer services.

Project Cost Not to Exceed: \$625,000 (this Amendment)
Total contract value including amendments before this
amendment = \$525,000
Total contract amount with this amendment = \$1,150,000

Funding Source: Regional Measure 2 Operating, Regional Measure 2 Marketing
and STA

Fiscal Impact: Funds dependent on the approval of the FY 2016-17 agency
budget.

Motion by Committee: That the Executive Director or his designee is authorized to
negotiate and enter into a contract amendment with Nematode
Holdings, LLC, for the purposes described herein and in the
Executive Director's memorandum dated May 6, 2016, and the
Chief Financial Officer is authorized to set aside \$625,000 for
such contract amendment, subject to adoption of the FY 2016-17
agency budget.

Operations Committee:

Scott Haggerty, Chair

Approved:

Date: May 13, 2016

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.:	320-1221
Contractor:	Nematode Holdings, LLC San Francisco, CA
Project Title:	Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations
Purpose of Amendment:	Provide Clipper® in-person customer service, such as issuance of new and replacement cards, and sell FasTrak® transponders, distribute MTC project materials and maintain ferry schedule flap sign display.
Brief Scope of Work:	Contractor shall provide trained staff to support a range of Clipper® customer services and the operations and maintenance of the ferry schedule flap sign display.
Project Cost Not to Exceed:	\$300,000 (this amendment) Total Contract value including amendments before this amendment = \$1,204,030 Total authorized contract amount with this amendment = \$1,504,030
Funding Source:	Regional Measure 2 Operating, Regional Measure 2 Marketing and STA
Fiscal Impact:	Funds dependent on the approval of the FY 2016-17 agency budget.
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Nematode Holdings, LLC, for the purposes described herein and in the Executive Director's memorandum dated May 6, 2016, and the Chief Financial Officer is authorized to set aside \$300,000 for such contract amendment, subject to adoption of the FY 2016-17 agency budget.
Operations Committee:	<hr/> Scott Haggerty, Chair
Approved:	Date: May 13, 2016