



Agenda Item 3a

Bay Area Metro Center
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TO: Clipper® Executive Board

DATE: March 13, 2017

FR: Carol Kuester

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

- i. Contract – Customer Service Center at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Faneuil, Inc. (\$900,000)
- ii. Contract Amendment – Customer Service Center at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000)
- iii. Funding Agreement Amendment – Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)

Background and Overall Strategy

The Clipper® program currently offers in-person Clipper® customer service centers (IPCSC) at two downtown San Francisco locations and Alameda-Contra Costa Transit District's (AC Transit) Oakland headquarters. These IPCSC locations, which are adjacent to rail, bus and ferry hubs, provide customers with an immediate option for obtaining adult, youth, senior and replacement cards, in addition to answering general questions about the program and enabling access to printed forms and brochures.

Staff recommends continued operation of the three Clipper® IPCSCs that MTC financially supports. The IPCSC locations, individually and collectively, provide a channel of service utilized and relied upon by a significant number of Clipper® customers.

Without the Clipper® IPCSCs, serving customers in-person would fall to transit agency ticket offices and customer service centers or the Clipper® retailer network. Customers wanting to obtain new senior or youth cards in person would be able to go only to transit agency ticket offices and customer service centers. Additionally, the only option for getting a replacement for a lost or stolen card with a transferred balance would be by mail. The two IPCSCs in San Francisco have also recently taken on the added responsibility of selling BART High Value Discount, senior and youth/disabled magnetic stripe tickets.

Overview of IPCSC at Embarcadero

MTC has operated a Clipper® IPCSC at the Embarcadero BART/Muni station since 2011. This location is by far the most heavily patronized Clipper® IPCSC because of its visibility and ease of access by transit. The contract with the current supplier expires June 30, 2017. On November 21, 2016, MTC issued a Request for Proposal (RFP) for operation of the Embarcadero IPCSC.

Overview of IPCSC at the Ferry Building

Nematode Holdings, LLC provides Clipper® customer service at the Bay Crossings store located in the San Francisco Ferry Building. While only a few blocks from the IPCSC at the Embarcadero station, this store is uniquely positioned as the only retail outlet in the Ferry Building aimed at providing transportation information to the public. MTC's contract with Nematode also includes responsibility for operating and maintaining the ferry departure flap sign that hangs prominently in the Ferry Building's main lobby.

With over 95% of Golden Gate Ferry customers and more than half of San Francisco Bay Ferry customers using the Clipper® system to pay their fares, staff believes the Bay Crossings store will continue to be an important location for new and existing Clipper® customers during Fiscal Year 2017-18.

Overview of IPCSC at AC Transit

AC Transit began offering in-person Clipper® customer services in the East Bay in May 2012. AC Transit's ground floor customer service center offers a spacious location for providing new and replacement cards, as well as displaying Clipper® forms and brochures. This location, midway between BART's 12th Street and 19th Street stations in downtown Oakland and within walking distance of several AC Transit bus routes, features prominent Clipper® signage on the front columns and windows.

Contract Actions

Staff recommends that the Executive Board approve the following contract actions:

i. Contract – Customer Service Center at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Faneuil, Inc. (\$900,000)

MTC received four proposals in response to its RFP and requested Best and Final Offers (BAFOs) from three firms: the incumbent Nematode Holdings; Faneuil, and WSP/Parsons Brinkerhoff. The evaluation panel determined the Faneuil BAFO to be most advantageous based on the evaluation criteria in the RFP, in particular cost effectiveness. Faneuil's cost proposal was 30% lower than the closest competitor over the initial contract term. The proposed contract would be for 2 years of operation commencing July 1, 2017, plus a pre-operations period of transition.

ii. Contract Amendment – Customer Service Center 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. The amendment before you today will fund these ongoing activities through June 30, 2018 on a sole-source basis.

iii. 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. The amendment before you today will fund these ongoing activities through June 30, 2018.

Recommendation

Staff is recommending approval to enter into a contract with Faneuil, Inc. in an amount not to exceed \$900,000, a contract amendment with Nematode Holdings, LLC, in an amount not to exceed \$300,000, and a funding agreement amendment with AC Transit in an amount not to exceed \$250,000, to provide in-person Clipper® customer services as described above and in the attached Board Approval forms.



Carol Kuester

REQUEST FOR CLIPPER® EXECUTIVE BOARD APPROVAL

Summary of Proposed Contract

Contractor:	Faneuil, Inc. Hampton, VA
Work Project Title:	In-Person Customer Service Center at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations
Purpose of Amendment:	Provide Clipper® in-person customer service, such as issuance of new and replacement cards
Brief Scope of Work:	Contractor shall provide trained staff to support a range of Clipper® customer services
Project Cost Not to Exceed:	\$900,000
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2017-18 MTC agency budget
Motion:	That a contract with Faneuil, for the purposes described herein and in the Executive Director's memorandum dated March 13, 2017, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2017-18 MTC agency budget.

Executive Board:

Denis Mulligan, Chair

Approved:

Date: March 20, 2017

REQUEST FOR CLIPPER® EXECUTIVE BOARD APPROVAL

Summary of Proposed Contract Amendment

Contractor:	Nematode Holdings, LLC San Francisco, CA
Project Title:	In-Person Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations
Purpose of Contract:	Provide Clipper® in-person customer service, such as issuance of new and replacement cards; 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 = \$1,476,366 Total contract amount with this amendment = \$1,776,366
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2017-18 MTC agency budget.
Motion:	That a contract amendment with Nematode Holdings, for the purposes described herein and in the Executive Director's memorandum dated March 13, 2017, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2017-18 MTC agency budget.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: March 20, 2017

REQUEST FOR CLIPPER® EXECUTIVE BOARD APPROVAL

Summary of Proposed Funding Agreement Amendment

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 = \$1,320,600 Total Funding Agreement amount with this amendment = \$1,570,600
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2017-18 MTC agency budget.
Motion:	That a funding agreement amendment with AC Transit for the purposes described herein and in the Executive Director's memorandum dated March 13, 2017, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2017-18 MTC agency budget.

Executive Board:

Denis Mulligan, Chair

Approved:

Date: March 20, 2017