

Clipper® Executive Board

May 11, 2020

Agenda Item 3c

Clipper® In-Person Customer Service Centers (IPCSCs) Contract Actions: Contract Amendment - Faneuil, Inc. (\$425,000); Contract - Nematode Holdings, LLC (\$335,000) and Funding Agreement Amendment - Alameda-Contra Costa Transit District (\$250,000)

Subject: Request for approval of contract actions for Clipper in-person customer service centers: Faneuil, Inc. (\$425,000), Nematode Holdings, LLC (\$335,000) and Alameda-Contra Costa Transit District (\$250,000).

Background: The Clipper program funds in-person customer service centers at two San Francisco locations and the Alameda-Contra Costa Transit District (AC Transit) Oakland headquarters. In addition to issuing adult, Youth and Senior Clipper cards and selling value, these service centers issue replacement cards, register adult cards that have been purchased through other channels, and accept cash payment for card replacement fees.

Located near rail, bus and ferry hubs, these service centers provide a convenient location for transit riders to obtain a new or replacement cards so that they have immediate access to the savings and benefits offered to Clipper customers (i.e., balance protection, age-based discounts, and avoidance of surcharges for cash payment).

These contract and funding agreement actions were contemplated and are included in the Two Year Clipper Budget and Work Plan. Staff recommends that the Executive Board approve the following contract actions.

i. Contract Amendment – Clipper Customer Service Center Operations at Embarcadero Station: Faneuil, Inc. (Faneuil) (\$425,000)

In March 2017, this Board approved the recommendation to award Faneuil a contract to operate the Clipper Customer Service Center at the Embarcadero BART/Muni Metro station following a competitive procurement. The procurement terms included a two-year initial operating period with an option to extend annually for up to five years (through Fiscal Year 2023-24). This location continues to experience high demand - replacing over 1,100 cards and completing over 7,000 sales on average each month. The current contract amount is \$1,232,888; the amendment would add \$425,000, extending operations through June 30, 2021.

ii. Contract – Clipper Customer Service Center Operations at San Francisco Ferry Building (Bay Crossings): Nematode Holdings, LLC (Nematode) (\$335,000)

In December 2010, MTC entered into a sole source contract with Nematode to offer Clipper customer services based on its Bay Crossings store being the only vendor in the San Francisco Bay Ferry Building to provide transportation information and sell transit tickets to commuters and tourists. Nematode also contracts with Blue and Gold Fleet to sell fare media, including passes for the Water Emergency Transportation Authority (SF Bay Ferry). As we prepare for the launch of the next generation Clipper system's Accelerated Deployment

phase, including a new mobile app and new fare payment validators, staff is recommending that we execute a new contract with an expanded scope of work to bridge transition to the launch of the account-based system. The initial term of the proposed contract would be one year, but staff anticipates the contract may be extended on an annual basis through Fiscal Year 2022-23. The Bay Crossings store continues to be a popular location that complements services offered at the overburdened Embarcadero BART/Muni Metro station location. During the first half of Fiscal Year 2019-20, Bay Crossings completed an average of 260 card replacements and 5,500 Clipper sales each month. Under this contract, Nematode also would maintain the ferry departure flap sign in the Ferry Building's central lobby. The proposed sole source contract would be for \$335,000 for the initial one-year term through June 30, 2021.

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


In April 2012, MTC executed a funding agreement with AC Transit to provide expanded Clipper customer services at AC Transit's headquarters in Oakland. During the first half of FY 2019-20, AC Transit's multilingual staff issued an average of 470 replacement cards each month – a 16% year-over-year increase. The current funding agreement amount is \$2,055,000; the proposed amendment would add \$250,000, funding these ongoing activities through June 30, 2021.

Issues:

On April 13, 2020, the Clipper Executive Board deferred action on these contract actions to its May meeting. While for Clipper contract actions the normal sequence is for Executive Board approval to precede Operations Committee consideration, in light of the extraordinary circumstances presented by the COVID-19 pandemic, staff recommended that the Operations Committee approve these contract actions at its May 8, 2020 meeting subject to subsequent approval by the Clipper Executive Board.

Recommendation:

Staff recommends approval of a contract amendment with Faneuil in an amount not to exceed \$425,000, a contract with Nematode in an amount not to exceed \$335,000, 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.


Carol Kuester

REQUEST FOR CLIPPER EXECUTIVE BOARD APPROVAL

Summary of Proposed Contract Amendment

Contractor:	Faneuil, Inc. Hampton, VA
Work Project Title:	Clipper Customer Service Center Operations at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station
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:	\$425,000 (this amendment) Total Contract value including amendments before this amendment = \$1,232,888 Total contract amount with this amendment = \$1,657,888
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2020-21 MTC agency budget
Motion:	That a contract amendment with Faneuil, for the purposes described herein and in the Executive Director's memorandum dated May 11, 2020, is hereby approved by the Clipper Executive Board, subject to adoption of the FY 2020- 21 MTC agency budget.
Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	Date: May 11, 2020

REQUEST FOR CLIPPER EXECUTIVE BOARD APPROVAL

Summary of Proposed Contract

Contractor:	Nematode Holdings, LLC San Francisco, CA
Work Project Title:	Clipper Customer Service Operations at San Francisco Ferry Building (Bay Crossings) Operations
Purpose of Amendment:	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:	\$335,000
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2020-2021 MTC agency budget
Motion by Board:	That a contract with Nematode Holdings, for the purposes described herein and in the Executive Director's memorandum dated May 11, 2020, is hereby approved by the Clipper Executive Board, subject to adoption of the FY 2020-21 MTC agency budget.
Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	Date: May 11, 2020

REQUEST FOR CLIPPER EXECUTIVE BOARD APPROVAL

Summary of Proposed Funding Agreement Amendment

Contractor:	Alameda-Contra Costa Transit District Oakland, CA
Work Project Title:	Clipper Customer Service Center Operations 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 Contract value including amendments before this amendment = \$2,055,000 Total contract amount with this amendment = \$2,305,000
Funding Source:	Regional Measure 2 Marketing and Operations, STA, STP
Fiscal Impact:	Funds dependent on the approval of the FY 2020-21 MTC agency budget
Motion by Board:	That a funding agreement amendment with Resource Development Associates, Inc., for the purposes described herein and in the Executive Director's memorandum dated May 11, 2020, is hereby approved by the Clipper Executive Board, subject to adoption of the FY 2020-21 MTC agency budget.
Executive Board:	<hr/> Rick Ramacier, Chair
Approved:	Date: May 11, 2020