

**Metropolitan Transportation Commission
Regional Network Management Committee**

September 13, 2024

Agenda Item 2c

**MTC Resolution No. 4662: Clipper BayPass Phase 2 Pilot – Allocation and Authorization
to Distribute Revenues to Transit Operators**

Subject:

Request that the Committee refer to the Commission MTC Resolution No. 4662, which would allocate and authorize the distribution of Clipper BayPass Phase 2 Pilot revenues to transit operators for trips taken during the period from January 1, 2024 to June 30, 2024.

Background:

In January 2024, MTC and transit operators jointly launched Phase 2 of the Clipper BayPass Pilot Program. Phase 2 involves selling the Clipper BayPass product to institutions (employers, educational institutions, housing properties, transportation management associations, etc.) around the Bay Area, with the intent that the revenues generated from the sale of the Clipper BayPass are sufficient to reimburse transit operators for all trips taken using Clipper BayPass.

In November 2023, MTC and transit operators signed a Clipper BayPass Participation Agreement which defines roles and responsibilities for MTC and transit operators during the Clipper BayPass Phase 2 Pilot. Under the terms of the Participation Agreement, MTC is responsible for allocating revenue generated from the sale of Clipper BayPass to the transit operators every six months for the duration of the Phase 2 Pilot. MTC staff intend to bring forward these allocations each September and March to reimburse operators for Clipper BayPass trips taken in the preceding six months (January to June for September allocations and July to December for March allocations).

Issues:

From January 1, 2024 to June 30, 2024, 440,142 trips were taken with the Clipper BayPass Phase 2 Pilot transit pass. These trips represent \$1,457,089 of reimbursable fare revenue to transit operators. Over that same six-month period, the sales of Clipper BayPass to institutional customers generated \$3,281,121 in revenue, resulting in a revenue surplus. This surplus will remain available to support reimbursement to operators for the duration of the Phase 2 Pilot as specified in the Clipper BayPass Participation Agreement. Details on the amount proposed to be

allocated and distributed (by transit operator) are included in Attachment A to Resolution No. 4662.

Recommendations:

Refer MTC Resolution No. 4662 to the Commission for approval.

Attachments:

- Attachment A: MTC Resolution No. 4662



Andrew B. Fremier