



Clipper START Extended Pilot Regional Reimbursement Proposal

CLIPPER. **START.** ▶▶▶

Fare Integration Task Force
August 28, 2023

Agenda Item 4a

Existing Regional Contribution

- Payments are made on a quarterly reimbursement basis
- Funded through LCTOP and STA funds
- Reimbursement limited to 20% of foregone revenue



<\$1 million

Reimbursements to operators since start of Clipper START Pilot in 2020

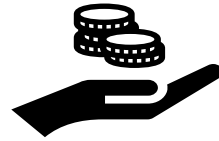


Current approach is administratively burdensome for operators and MTC

Goals of the Proposed Changes



Make the program less administratively burdensome



Increase reimbursement to 50% of forgone revenue



Provide an incentive for a consistent Clipper START user experience (discount % and coverage)



One-time approach allows for further discussion on what a long-term Clipper START funding approach should look like

Extended Pilot One-Time Payment

Proposed one-time payment amount equals the sum of:



1. Reimbursement Estimate

MTC's portion of the projected Clipper START discount offered by operators from June 2023 to June 2025

This is proposed to be 50% of the discount offered. All operators have indicated they will be offering a 50% discount



2. Early Adopter Credit

Acknowledge operators that offered 50% discounts from the beginning of the program

A retroactive payment to operators who offered a 50% discount during the first phase of the pilot to maintain financial parity among the operators.



3. Buffer

A \$1,000,000 add-on distributed among operators according to their share of the regional reimbursements (step #1 above)

To account for forecast uncertainty.



4. Guaranteed Minimum Reimbursement

A \$15,000 reimbursement floor.

Operators with less than \$15,000 in projected reimbursements are brought up to \$15,000.

- MTC Programming and Allocations Committee to consider one-time payment at its September 13th meeting.



Proposed Extended Pilot One-Time Payment

Operator	Reimbursement Estimate	Early Adopter Credit ¹	Buffer ² Total buffer amount	Guaranteed Minimum Reimbursement Minimum reimbursement	TOTAL
			\$ 1,000,000	\$ 15,000	
Large Operators					
SFMTA	\$ 1,036,587	\$ + 436,554	\$ + 265,678	\$ + 0	\$ 1,738,819
BART	\$ 1,641,030	\$ + 0	\$ + 420,598	\$ + 0	\$ 2,061,628
AC Transit	\$ 354,552	\$ + 0	\$ + 90,872	\$ + 0	\$ 445,424
VTA	\$ 293,662	\$ + 0	\$ + 75,266	\$ + 0	\$ 368,928
Caltrain	\$ 128,707	\$ + 46,703	\$ + 32,988	\$ + 0	\$ 208,398
SamTrans	\$ 158,786	\$ + 58,138	\$ + 40,697	\$ + 0	\$ 257,621
Golden Gate	\$ 74,298	\$ + 14,939	\$ + 19,043	\$ + 0	\$ 108,279
Large Operator Subtotal	\$ 3,687,622	\$ + 556,334	\$ + 945,142	\$ + 0	\$ 5,189,098
Small Operators					
County Connection	\$ 22,503	\$ + 0	\$ + 5,768	\$ + 0	\$ 28,271
FAST ³	\$ -	\$ + 0	\$ + 0	\$ + 15,000	\$ 15,000
LAVTA	\$ 8,072	\$ + 0	\$ + 2,069	\$ + 6,928	\$ 17,069
Marin Transit	\$ 4,036	\$ + 811	\$ + 1,034	\$ + 10,964	\$ 16,846
NVTA ³	\$ -	\$ + 0	\$ + 0	\$ + 15,000	\$ 15,000
Petaluma Transit	\$ 1,107	\$ + 0	\$ + 284	\$ + 13,893	\$ 15,284
Santa Rosa CityBus	\$ 9,274	\$ + 0	\$ + 2,377	\$ + 5,726	\$ 17,377
SMART	\$ 16,092	\$ + 4,774	\$ + 4,124	\$ + 0	\$ 24,990
SolTrans	\$ 13,730	\$ + 0	\$ + 3,519	\$ + 1,271	\$ 18,519
Sonoma County Transit	\$ 3,783	\$ + 0	\$ + 969	\$ + 11,217	\$ 15,969
Tri-Delta	\$ 11,130	\$ + 0	\$ + 2,853	\$ + 3,870	\$ 17,853
Union City Transit	\$ 2,114	\$ + 0	\$ + 542	\$ + 12,886	\$ 15,542
Vacaville City Coach ³	\$ -	\$ + 0	\$ + 0	\$ + 15,000	\$ 15,000
WestCat	\$ 9,888	\$ + 0	\$ + 2,534	\$ + 5,112	\$ 17,534
WETA	\$ 112,311	\$ + 32,771	\$ + 28,785	\$ + 0	\$ 173,867
Small Operator Subtotal	\$ 214,039	\$ + 38,357	\$ + 54,858	\$ + 116,866	\$ 424,121
TOTAL	\$ 3,901,661	\$ + 594,691	\$ + 1,000,000	\$ + 116,866	\$ 5,613,218
Notes					
¹ Supplemental allocation to maintain financial parity for operators which offered 50% discounts before June 2023					
² A \$1,000,000 add-on distributed among operators according to their percentage of total regional reimbursements.					
³ FAST, NVTA, and Vacaville City Coach funds are all claimed by SolTrans					

**\$5.6 million “one-time”
payment to operators
for Clipper START
extended pilot until
June 2025**