



Meeting Agenda

Clipper® Executive Board

Metropolitan
Transportation
Commission
101 Eighth Street,
Joseph P. Bort
MetroCenter
Oakland, CA

Committee Members:

Denis Mulligan, Chair Edward D. Reiskin, Vice Chair

*Grace Crunican, Nuria Fernandez, Jim Hartnett,
Steve Heminger, Michael Hursh, Rick Ramacier,
Nina Rannells*

Monday, April 25, 2016

4:00 PM

Meeting Location:
San Francisco Bay Area Rapid Transit District
344 20th Street, 3rd Floor
Oakland CA, 94612
BART Board Room

This meeting will be recorded. Copies of recordings may be requested at the Metropolitan Transportation Commissioner (MTC) at nominal charge, or recordings may be listened to at MTC offices by appointment.

To access meeting location, please access through the Webster Street entrance between CVS Pharmacy and 24-Hour Fitness. Take the elevator to the 3rd floor and exit the elevator to your right where the agenda will be posted. Please enter the room through the double doors. For meeting location questions, please contact Angelica Dill-James at 510-464-6093.

1. Roll Call / Confirm Quorum

Quorum: A quorum of this committee shall be a majority of its regular voting members (5).

2. Consent Calendar

2a. [15-1459](#) Minutes of March 28, 2016 meeting.

Action: Board Approval

Attachments: [2a_CEB Minutes_Mar 2016](#)

2b. [15-1476](#) Contract Actions - Clipper® Customer Communications

- 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)

Action: Board Approval

Presenter: Kelley Jackson

Attachments: [2b_Customer Education_memo](#)

- 2c.** [15-1554](#) Contract Actions - Clipper® In-Person Customer Services
- i. Funding Agreement Amendment - Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)
 - ii. Contract - Customer Service Center/Transportation Kiosk at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Nematode Holdings, LLC (\$625,000)
 - iii. Contract Amendment - Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000)

Action: Board Approval

Presenter: David Weir

Attachments: [2c_IPCSC_memo](#)

- 2d.** [15-1477](#) Electronic Payment Section (EPS) Consultant Bench Procurement - 2016-2019

Action: Board Approval

Presenter: Stephen Abbanat

Attachments: [2d_EPS_Consultant_Bench_memo](#)

3. Information

- 3a.** [15-1480](#) Next-Generation Clipper® (C2) Funding Strategies

Report on potential strategies to fund C2.

Action: Information

Presenter: Kenneth Folan

Attachments: [3a_C2_Funding_memo](#)

- 3b.** [15-1556](#) Transit Payment Industry Updates and Impact on Next-Generation Clipper®

Updates on recent transit fare payment developments and impacts on Clipper®.

Action: Information

Presenter: Carol Kuester

Attachments: [3b_Transit_Payment_Industry_Updates_and_Impact_on_Next-Gen_Clipper](#)

3c. [15-1481](#) Clipper® Device Strategy

Update on proposed strategy for replacement of Clipper® devices.

Action: Information

Presenter: Lynn Valdivia

Attachments: [3c_Clipper Device Strategy](#)

3d. [15-1557](#) Clipper® Contract Change Orders and Agency Communications

Update on current Change Orders and communications between MTC and partner agencies.

Action: Information

Presenter: Edward Meng

Attachments: [3d_Current Clipper Operations_memo](#)

3e. [15-1482](#) Mobile Ticketing Update

Update on regional mobile ticketing initiatives.

Action: Information

Presenter: Stephen Abbanat

Attachments: [3e_Mobile Ticketing Update](#)

4. Executive Director's Report - Kuester**5. Public Comment / Other Business****6. Adjournment / Next Meeting**

The next meeting of the Clipper® Executive Board will be May 23, 2016, 4:00 p.m. in the BART Board Room, 3rd Floor, 344 20th Street, Oakland, CA.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 510.817.5757 or 510.810.5769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章：MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 510.817.5757 或 510.817.5769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 510.817.5757 o al 510.817.5769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



Metropolitan Transportation Commission

101 Eighth Street,
Joseph P. Bort MetroCenter
Oakland, CA

Legislation Details (With Text)

File #: 15-1459 **Version:** 1 **Name:**

Type: Minutes **Status:** Consent

File created: 3/22/2016 **In control:** Clipper® Executive Board

On agenda: 4/25/2016 **Final action:**

Title: Minutes of March 28, 2016 meeting.

Sponsors:

Indexes:

Code sections:

Attachments: [2a_CEB Minutes_Mar 2016](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of March 28, 2016 meeting.

Recommended Action:
Board Approval

Attachments



Meeting Minutes - Draft

Clipper® Executive Board

Metropolitan
Transportation
Commission
101 Eighth Street,
Joseph P. Bort
MetroCenter
Oakland, CA

Committee Members:

Denis Mulligan, Chair Edward D. Reiskin, Vice Chair

*Grace Crunican, Nuria Fernandez, Jim Hartnett,
Steve Heminger, Michael Hursh, Rick Ramacier,
Nina Rannells*

Monday, March 28, 2016

4:00 PM

Meeting Location:
San Francisco Bay Area Rapid Transit District
300 Lakeside Drive, 23rd Floor
Oakland, CA
General Manager's Conference Room

1. Roll Call / Confirm Quorum

Present: 6 - Rannells, Hursh, Chair Mulligan, Vice Chair Reiskin, Crunican, and Heminger

Absent: 3 - Ramacier, Fernandez, and Hartnett

Ali Hudda acted as a delegate and voting member of the Board in place of Nuria Fernandez. Actions noted below as "Fernandez" were taken by Hudda.

Nancy Whelan acted as a delegate and voting member of the Board in place of Rick Ramacier. Actions noted below as "Ramacier" were taken by Whelan.

2. Consent Calendar

Upon the motion by Vice Chair Reiskin and second by Hursh, the Consent Calendar was unanimously approved by the following vote:

Aye: 7 - Rannells, Hursh, Ramacier, Chair Mulligan, Vice Chair Reiskin, Fernandez and Heminger

Absent: 1 - Hartnett

Abstain: 1 - Crunican

2a. [15-1353](#) Minutes of February 22, 2016 meeting

Action: Board Approval

- 2b.** [15-1354](#) Clipper® Program Contract Actions
- i. Contract Change Order - Replacement of Clipper® Handheld Card Readers: Cubic Transportation Systems, Inc. (\$1,000,000)
 - ii. Contract Change Order - Implement New BART Product for San Francisco State University Institutional Program: Cubic Transportation Systems, Inc. (\$200,000)
 - iii. Contract - Clipper® Customer Communications Program: Swirl, Inc. d/b/a Sidecar (\$325,000)
 - iv. Contract Change Order - Statement on Standards for Attestation Engagement No. 16 (SSAE 16) Report: Cubic Transportation Systems, Inc. (\$200,000)

Action: Board Approval

- 2c.** [15-1361](#) Institutional Program Card Fees

Action: Board Approval

- 2d.** [15-1362](#) Clipper® Parking Recommendations

Action: Board Approval

3. Approval

- 3a.** [15-1363](#) Clipper® Budget and Work Plan

Highlights of the current Clipper® contract with Cubic Transportation Systems.

Action: Board Approval

Presenter: Carol Kuester

Upon the motion by Crunican and second by Rannells, the Clipper® Budget and Work plan was unanimously approved by the following vote:

Aye: 8 - Rannells, Hursh, Ramacier, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican and Heminger

Absent: 1 - Hartnett

3b. [15-1364](#) Next Generation Clipper® System (C2) Request for Expressions of Interest

Request for Expressions of Interest (RFEI) for the Next Generation Clipper® (C2) Regional Transit Fare System from the vendor community.

Action: Board Approval

Presenter: Denise Rodrigues

Upon the motion by Rannells and second by Vice Chair Reiskin, the Next Generation Clipper® System (C2) Request for Expressions of Interest was unanimously approved by the following vote:

Aye: 8 - Rannells, Hursh, Ramacier, Chair Mulligan, Vice Chair Reiskin, Fernandez, Crunican and Heminger

Absent: 1 - Hartnett

4. Information**4a. [15-1365](#) Summary of Current Clipper® Contract**

Highlights of the current Clipper® contract with Cubic Transportation Systems.

Action: Information

Presenter: Jason Weinstein

4b. [15-1366](#) Summary of Memorandum of Understanding (MOU)

Highlights of the Amended and Restated Clipper® Memorandum of Understanding executed on February 19, 2016.

Action: Information

Presenter: Jason Weinstein

5. Executive Director's Report - Kuester**6. Public Comment / Other Business****7. Adjournment / Next Meeting**

The next meeting of the Clipper® Executive Board will be April 25, 2016, 4:00 p.m. in the General Manager's Conference Room, 23rd Floor, 300 Lakeside Drive, Oakland, CA.



Metropolitan Transportation Commission

101 Eighth Street,
Joseph P. Bort MetroCenter
Oakland, CA

Legislation Details (With Text)

File #:	15-1476	Version:	1	Name:	
Type:	Contract	Status:		Consent	
File created:	3/24/2016	In control:		Clipper® Executive Board	
On agenda:	4/25/2016	Final action:			
Title:	Contract Actions - Clipper® Customer Communications <ul style="list-style-type: none">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)				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	2b Customer Education memo				

Date	Ver.	Action By	Action	Result
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Subject:

Contract Actions - Clipper® Customer Communications

- 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)

Presenter:

Kelley Jackson

Recommended Action:

Board Approval

Attachments



Agenda Item 2b

Joseph P. Bort MetroCenter
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Oakland, CA 94607-4700
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TDD/TTY 510.817.5769
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WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

RE: Contract Actions – Clipper® Customer Communications

- 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)

Background and Overall Strategy

MTC engages a variety of contractors to assist with the strategic planning, oversight and implementation of customer education and outreach initiatives, as well as in-person Clipper® customer services, intended to benefit current and potential Clipper® customers.

The goal of the FY 2016-17 customer education and outreach program is to increase Clipper®'s overall market penetration rate (49% among current Clipper® agencies) through customer acquisition and customer retention activities.

The Clipper® customer education and outreach program is built around four core tasks:

1. Building awareness of **system changes** that impact our customers, including publishing information about fare and program policy changes and providing ongoing support for the Next Generation Clipper® System (C2) public input initiative. These projects are initiated in response to Clipper® Contract change orders and task orders; Configuration Data (CD) changes that the operators submit to Cubic; operator requests for assistance that are communicated to MTC staff liaisons or during bi-monthly Clipper® Customer Education, Customer Service and Distribution call discussions; and customer-impacting process changes that Cubic initiates and implements. Support activities include composing customer communications, maintaining clippercard.com content, managing social media, updating cardholder materials, and producing signage. We also engage outreach teams to assist with the communication of complicated messages and distribute materials, including free Clipper® cards. The bulk of the customer education program is focused on this task of providing accurate and timely information to Clipper® customers. All these activities are done in partnership with the transit operators whose contributions include developing strategies, identifying key messages, reviewing content, and recommending locations and hours for outreach events.

2. Supporting **system expansion** to new operators. During FY 2016-17, we will help launch Clipper® on Sonoma-Marín Area Rail Transit (SMART) and Union City Transit. This effort will involve the development of new website content, brochures and advertising campaigns, as well as conducting outreach, updating all existing materials, and providing customer service training and materials to operator and Cubic staff. During the past two years, staff has assisted with the launch of Clipper® on 12 new operators, as well as the expansion to SF Bay Ferry's Vallejo-San Francisco service.
3. Targeting cash-paying transit riders in order to **increase adoption**. This fiscal year will mark the fulfillment of our mission to connect transit riders from Napa Valley to Silicon Valley. In addition, MTC is preparing to provide support in the event that SFMTA receives approval of its proposal to offer a single-ride fare discount for customers who use Clipper® instead of cash. MTC plans to implement campaigns that educate transit riders about the benefits of Clipper®, including the potential cost savings and the many options for obtaining cards and adding value. The initiatives, which will include an outreach component, will address barriers identified by cash-paying transit riders, including Title VI-protected individuals. As in past years, MTC will identify specific campaign messaging and audiences based on opportunities for growth in Clipper® market share on specific operators, planned system changes and input from operators.
4. **Improving customers' experience** by conducting customer research and making improvements to our communication channels, including our desktop and mobile websites. Having completed our biennial customer survey during FY 2015-16 (results will be shared during a future meeting of the Executive Board), we intend to survey cash-paying transit riders to help identify opportunities to improve the current Clipper® system, communicate program information more effectively, and inform the C2 design process. Our recent research efforts have been conducted with input from a subcommittee of operator representatives currently composed of BART, SamTrans/Caltrain and VTA staff, who have reviewed draft survey instruments and shared best practices from their own research efforts on an as-needed basis.

During the course of FY 2016-17, MTC will provide ongoing information about specific campaigns and activities in the Clipper® Program Update Report, which is distributed monthly to staff representatives from all Clipper® memorandum of understanding (MOU) agencies.

Attachment A provides a summary of Clipper® customer education campaigns from FY 2013-14 through the current fiscal year.

Contract Actions

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

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

In January 2012, MTC's Operations Committee approved a contract with MIG to provide public awareness and customer education services for Clipper®. Per the terms of the 2011 procurement, this contract cannot be renewed after June 30, 2016. However, in July 2014, MTC's Operations 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 (SBE) nor a disadvantaged business enterprise (DBE). The contract before this Board today would be a new contract pursuant to the procurement.

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 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 contract will be for a one-year term through June 30, 2017.

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

The MTC Operations 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. The amendment before you today will fund these ongoing activities through FY 2016-17. Synapse is a DBE.

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

The MTC Operations 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 with Caribou 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 through FY 2016-17. Caribou is a DBE.

Recommendation

Staff is recommending approval of three contracts or contract amendments with Synapse Strategies, Caribou Public Relations, and MIG, Inc. to assist with the implementation of the Clipper® customer education and outreach program during FY 2016-17. MTC anticipates entering into additional contracts during FY 2016-17 to support its customer education, outreach and customer service program as outlined in the above memo. MTC will return to the Executive Board for authorization of any contracts exceeding the MTC Executive Director's signature authority.



Carol Kuester

Attachment A
Recent Clipper® Customer Education Program History

Fiscal Year	Campaign	Primary Audience	Secondary Audience	Tactics
2015-16	East Bay Bus Services Launch	<ul style="list-style-type: none"> • County Connection • Tri Delta Transit • WestCAT • Wheels 	<ul style="list-style-type: none"> • BART • AC Transit 	<ul style="list-style-type: none"> • New brochure • Operator microsites (3) • Social media announcements • Website announcements • Press release • Content and programming updates to clippercard.com • Revisions to existing brochures • Advertising: on-vehicle, connecting BART stations, transit shelters, digital and print (including Chinese and Spanish-language media), local radio • Ticket office decals • Vehicle decals • Outreach events (33) • Customer service trainings (8)
	Sonoma/101 Corridor Launch	<ul style="list-style-type: none"> • Petaluma Transit • Santa Rosa CityBus • Sonoma County Transit 	<ul style="list-style-type: none"> • Golden Gate Transit 	<ul style="list-style-type: none"> • New brochure • Operator microsites (3) • Social media announcements • Website announcements • Press release • Content and programming updates to clippercard.com • Updates to existing brochures • Advertising: on-vehicle, digital and print (including Spanish-language media), local radio • Ticket office decals • Vehicle decals • Outreach events (20) • Customer service trainings (4)
	VTA Paper Day Pass Elimination	<ul style="list-style-type: none"> • VTA 		<ul style="list-style-type: none"> • Content updates to clippercard.com • Updates to existing brochures • Take-one with retailer information in four languages • Outreach events (25)
	WestCAT Lynx 31-Day Pass	<ul style="list-style-type: none"> • WestCAT 		<ul style="list-style-type: none"> • Social media • Outreach events (6)

Fiscal Year	Campaign	Primary Audience	Secondary Audience	Tactics
2015-16 (continued)	Cash Customer Campaign	<ul style="list-style-type: none"> • AC Transit • SamTrans 	<ul style="list-style-type: none"> • BART • Caltrain • SFMTA • VTA 	<ul style="list-style-type: none"> • Advertising: on-vehicle, transit shelter, digital, mobile and Comcast banner ads during broadcasts of A's and Giants games (3 languages) • Social media announcements • Website announcements • Outreach events (TBD)
	Miscellaneous regional events	<ul style="list-style-type: none"> • BART • SFMTA 	<ul style="list-style-type: none"> • AC Transit • Caltrain • Golden Gate Transit/Ferry • SamTrans • SF Bay Ferry 	<ul style="list-style-type: none"> • BART National Night Out outreach events (6) • SFSU Welcome Days outreach event (1) • BART Blue Sky Festival outreach event (1) • Super Bowl commemorative card promotion via website updates, social media announcements and retail signage
	Miscellaneous fare policy changes	<ul style="list-style-type: none"> • BART • Caltrain • Golden Gate Transit/Ferry • SamTrans • SF Bay Ferry • VINE • VTA 		<ul style="list-style-type: none"> • Content and programming updates to clippercard.com • Social media announcements • Website announcements • Retailer signage (multilingual) • Revisions to existing brochures • Emails to targeted registered customers • Clipper Service Bureau coordination
2014-15	Napa/Solano Launch	<ul style="list-style-type: none"> • FAST • SolTrans • Vacaville City Coach • VINE 	<ul style="list-style-type: none"> • BART 	<ul style="list-style-type: none"> • New brochure • Operator microsites (4) • Social media announcements • Website announcements • Content and programming updates to clippercard.com • Updates to existing brochures • Advertising: on-vehicle, digital and print (including Spanish-language media) • Ticket office decals • Vehicle decals • Outreach events (17)
	Napa/Solano/Marin LEP	<ul style="list-style-type: none"> • FAST • SolTrans, • Vacaville City Coach • VINE • Golden Gate Transit 	<ul style="list-style-type: none"> • BART 	<ul style="list-style-type: none"> • Marin quick-start handout (2 languages) • Napa-Solano take-one with retailer information (in 2 languages) • Interior car cards • Advertising: Bilingual print, digital, mobile and radio • Outreach events (34)

Fiscal Year	Campaign	Primary Audience	Secondary Audience	Tactics
2014-15 (continued)	SF Bay Ferry Vallejo-to-SF Launch	<ul style="list-style-type: none"> • SF Bay Ferry 		<ul style="list-style-type: none"> • Signage (banners, ticket office signage, stanchions) • Social media announcements • Flyers (2 languages)
	Summer Casual Rider	<ul style="list-style-type: none"> • BART • SFMTA 	<ul style="list-style-type: none"> • AC Transit • Caltrain • Golden Gate Transit • SamTrans • SF Bay Ferry 	<ul style="list-style-type: none"> • Social media announcements • Outreach events (23)
	Holiday Casual Rider	<ul style="list-style-type: none"> • BART • SFMTA 	<ul style="list-style-type: none"> • AC Transit • Caltrain • Golden Gate Transit • SamTrans • SF Bay Ferry 	<ul style="list-style-type: none"> • Social media announcements • Website announcements • Advertising: Montgomery BART station, digital and print • Sponsorship of Embarcadero Center Ice Rink • Outreach events (28)
	Commuter Benefits	<ul style="list-style-type: none"> • All agencies 		<ul style="list-style-type: none"> • Revamped microsite • Social media announcements • Website announcements • Advertising: on-vehicle and digital
	BART to OAK Launch	<ul style="list-style-type: none"> • BART 		<ul style="list-style-type: none"> • Website updates • Customer email • BART to OAK opening outreach event (1)
	Miscellaneous fare policy changes	<ul style="list-style-type: none"> • Caltrain • Golden Gate Transit/Ferry • SF Bay Ferry • SFMTA 		<ul style="list-style-type: none"> • Content and programming updates to clippercard.com • Social media announcements • Website announcements • Retailer signage (multilingual) • Revisions to existing brochures • Emails to targeted registered customers • Clipper Service Bureau (CSB) coordination
	Miscellaneous regional events	<ul style="list-style-type: none"> • BART • SFMTA 	<ul style="list-style-type: none"> • AC Transit • Caltrain • Golden Gate Transit • SamTrans • SF Bay Ferry 	<ul style="list-style-type: none"> • BART National Night Out outreach events (6) • BART Blue Sky Festival outreach event (1) • Embarcadero Light Display outreach event (1) • OysterFest outreach event (1) • Replacement of stickers on SFMTA ticket machines (41 tickets machines)

Fiscal Year	Campaign	Primary Audience	Secondary Audience	Tactics
2013-14	Autoload Campaign	<ul style="list-style-type: none"> • All agencies 		<ul style="list-style-type: none"> • Revamped microsite • Social media announcements • Website announcements • Advertising: on-vehicle and digital • Outreach events (44)
	Retail-Focused Limited Income/ Limited-English Proficiency Campaign	<ul style="list-style-type: none"> • AC Transit • SamTrans 		<ul style="list-style-type: none"> • Social media announcements • Website announcements • Retailer signage (banners, sandwich board signs, door decals, cash register decals and floor decals) • Retailer coordination to support giveaway of promotional shopping bags and ear buds with purchase • Direct mailer to targeted neighborhoods • Advertising: print and billboard • Outreach events (33)
	Summer Casual Rider	<ul style="list-style-type: none"> • BART • SFMTA 	<ul style="list-style-type: none"> • AC Transit • Caltrain • Golden Gate Transit • SamTrans • SF Bay Ferry 	<ul style="list-style-type: none"> • Social media and website announcements • Advertising: digital • Outreach events (38)
	Youth and Senior Card Mail-In Applications	<ul style="list-style-type: none"> • All Agencies 		<ul style="list-style-type: none"> • Content updates to clippercard.com • Social media announcements • Website announcements • Revisions to existing brochures and applications • Advertising: digital and print (multilingual) • Clipper Service Bureau coordination
	AC Transit Day Pass and Fare Discount Introduction	<ul style="list-style-type: none"> • AC Transit 		<ul style="list-style-type: none"> • Updates to clippercard.com • Updates to existing brochures • Take-one with retailer information (3 languages) • Outreach events (12)
	Miscellaneous fare policy changes (including BART Add Fare Machine integration)	<ul style="list-style-type: none"> • BART • Caltrain • Golden Gate Transit/Ferry • SamTrans • SFMTA 		<ul style="list-style-type: none"> • Content and programming updates to clippercard.com • Social media announcements • Website announcements • Retailer signage (multilingual) • BART Add Fare machine signage • Revisions to existing brochures • Emails to targeted registered customers • Clipper Service Bureau coordination
	Miscellaneous regional events	<ul style="list-style-type: none"> • All agencies 		<ul style="list-style-type: none"> • BART National Night Out outreach events (6) • BART Blue Sky Festival outreach event (1) • San Francisco-Oakland Bay Bridge Closure radio and digital advertising • BART strike support, including website and IVR announcements, email to registered customers and outreach

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract

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 MTC agency budget.
Motion by Board:	That the Contract with MIG, Inc., for the purposes described herein and in the Executive Director's April 18, 2016 memorandum, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2016-17 MTC agency budget.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: April 25, 2016

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract Amendment

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 and Commuter Benefits
Fiscal Impact:	Funds dependent on the approval of the FY 2016-17 MTC agency budget.
Motion by Board:	That the Contract Amendment with Synapse Strategies, for the purposes described herein and in the Executive Director's April 18, 2016 memorandum, is hereby approved by the Clipper [®] Executive Board, subject to adoption of the FY 2016-17 MTC agency budget.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: April 25, 2016

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract Amendment

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 MTC agency budget.
Motion by Board:	That the Contract Amendment with Caribou Public Relations for the purposes described herein and in the Executive Director's April 18, 2016 memorandum, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2016-17 MTC agency budget.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: April 25, 2016



Metropolitan Transportation Commission

101 Eighth Street,
Joseph P. Bort MetroCenter
Oakland, CA

Legislation Details (With Text)

File #:	15-1554	Version:	1	Name:	
Type:	Report	Status:		Consent	
File created:	4/12/2016	In control:		Clipper® Executive Board	
On agenda:	4/25/2016	Final action:			
Title:	Contract Actions - Clipper® In-Person Customer Services <ul style="list-style-type: none">i. Funding Agreement Amendment - Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)ii. Contract - Customer Service Center/Transportation Kiosk at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Nematode Holdings, LLC (\$625,000)iii. Contract Amendment - Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000)				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	2c_IPCSC_memo				

Date	Ver.	Action By	Action	Result
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Subject:

Contract Actions - Clipper® In-Person Customer Services

- i. Funding Agreement Amendment - Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)
- ii. Contract - Customer Service Center/Transportation Kiosk at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Nematode Holdings, LLC (\$625,000)
- iii. Contract Amendment - Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000)

Presenter:

David Weir

Recommended Action:

Board Approval

Attachments



Agenda Item 2c

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TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

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

- i. Funding Agreement Amendment – Customer Service Center at Alameda-Contra Costa Transit District (AC Transit) Headquarters: AC Transit (\$250,000)
- ii. Contract – Customer Service Center/Transportation Kiosk at Embarcadero San Francisco Bay Area Rapid Transit (BART) Station Operations: Nematode Holdings, LLC (\$625,000)
- iii. Contract Amendment – Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$300,000)

Background and Overall Strategy

The Clipper® program currently offers in-person Clipper® customer services at two downtown San Francisco locations and Alameda-Contra Costa Transit District's (AC Transit) Oakland headquarters. These in-person customer service center (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. The San Francisco locations alone issued more than 30,000 new cards and replaced almost 13,000 cards during 2015.

The goal of the FY 2016-17 in-person customer service program is to maintain the current locations for an additional year while staff executes on a plan for Clipper® customer service through the remaining term of the current Clipper® contract. The strategic plan anticipates a competitive procurement for a firm to provide in-person Clipper® customer services in San Francisco beginning July 1, 2017.

Overview of Current Contracts with Nematode Holdings, Inc.

Nematode Holdings, Inc. (Nematode) has operated the Clipper® IPCSC in the Embarcadero station since 2011. The Embarcadero location is the most heavily patronized IPCSC because of its visibility in a shared BART/Muni Metro station. Besides issuing over 21,000 new cards in 2015, this location performed more than 93,000 Clipper® add value transactions. Clipper® sales at the Embarcadero IPCSC average almost \$500,000 per month and account for 40% of all Ticket Office Terminal (TOT) sales in the region.

Nematode has a permit from BART to occupy the kiosk space within the Embarcadero station and operate a customer service business there until June 30, 2017. If prior to this date, MTC engages a firm other than Nematode to operate the IPCSC in the Embarcadero station, MTC would be at risk of not being able to obtain a new lease for the kiosk space since BART currently

has a Master Vendor Agreement with a company called TransMart d/b/a blinq, which has first refusal rights if any existing permit to occupy space is terminated or sought to be assigned.

Loss of the kiosk lease would require MTC to procure directly, or through a vendor, alternative space in Embarcadero station or elsewhere for the Clipper® IPCSC. The effort to procure and implement a IPCSC in an alternative space would be time intensive and result in an interruption in the current level of Clipper® in-person support that is available to the public.

Nematode also 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. The store provides information about public transportation in both print and electronic formats and sells transit tickets and passes, as well as FasTrak® toll tags. Nematode entered into a contract with the Clipper® Contractor (Cubic Transportation Systems, Inc.) to sell Clipper® cards and value and to distribute Clipper® brochures prior to MTC engaging Nematode to provide more extensive Clipper® customer services in January 2011.

MTC simultaneously implemented in-person customer services at the Embarcadero kiosk and Bay Crossings store in anticipation of significant demand for Clipper® services in downtown San Francisco due to the Muni, Caltrain and Golden Gate Ferry fare media transitions which began in 2010. With operating hours in the early morning, evenings, weekends and most holidays, the Bay Crossings store offers the most extensive hours during which transit riders can pick up a replacement Clipper® card or apply for and immediately obtain a free senior or youth Clipper® card in order to take advantage of passes, ride books and single-ride discounts on participating transit agencies.

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 2016-17.

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. 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, 2017.

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

Nematode provided operation of a transportation support kiosk in the Embarcadero BART station from October 2009 to June 30, 2015 under a competitively-procured contract. MTC subsequently executed a sole source contract for Nematode to continue providing Clipper® in-person customer service at this location based on Nematode 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, on a sole-source basis. Nematode is neither a SBE nor a DBE.

iii. 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. The amendment before you today will fund these ongoing activities through June 30, 2017 on a sole-source basis. Nematode is neither a SBE nor a DBE.

Recommendation

Staff is recommending approval of two contract amendments with Nematode Holdings and a funding agreement amendment with AC Transit to continue to provide in-person Clipper® customer services. MTC will return to the Executive Board for authorization of any contracts or amendments exceeding the MTC Executive Director's signature authority.



Carol Kuester

REQUEST FOR BOARD APPROVAL

Summary of Proposed Funding Agreement Amendment

Contractor:	Alameda-Contra Costa Transit District Oakland, CA
Project Title:	In-Person Clipper® Customer Service Center at Alameda-Contra Costa Transit District 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 Alameda-Contra Costa Transit District's 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 MTC agency budget.
Motion by Board:	That the Funding Agreement Amendment with Alameda- Contra Costa Transit District, for the purposes described herein and in the Executive Director's April 18, 2016 memorandum, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2016-17 MTC agency budget.

Executive Board:

Denis Mulligan, Chair

Approved:

Date: April 25, 2016

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract Amendment

Contractor:	Nematode Holdings, LLC San Francisco, CA
Project Title:	Customer Service Center/Transportation Information Kiosk at Embarcadero San Francisco Bay Area Rapid Transit 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 MTC agency budget.
Motion by Board:	That the Contract Amendment with Nematode Holdings, LLC, for the purposes described herein and in the Executive Director's April 18, 2016 memorandum, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2016-17 MTC agency budget.

Executive Board:

Denis Mulligan, Chair

Approved:

Date: April 25, 2016

REQUEST FOR BOARD APPROVAL

Summary of Proposed Contract Amendment

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 MTC agency budget.
Motion by Board:	That the Contract Amendment with Nematode Holdings, LLC, for the purposes described herein and in the Executive Director's April 18, 2016 memorandum, is hereby approved by the Clipper® Executive Board, subject to adoption of the FY 2016-17 MTC agency budget.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: April 25, 2016



Metropolitan Transportation Commission

101 Eighth Street,
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Oakland, CA

Legislation Details (With Text)

File #: 15-1477 **Version:** 1 **Name:**

Type: Contract **Status:** Consent

File created: 3/24/2016 **In control:** Clipper® Executive Board

On agenda: 4/25/2016 **Final action:**

Title: Electronic Payment Section (EPS) Consultant Bench Procurement - 2016-2019

Sponsors:

Indexes:

Code sections:

Attachments: [2d EPS Consultant Bench memo](#)

Date	Ver.	Action By	Action	Result
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Subject:
Electronic Payment Section (EPS) Consultant Bench Procurement - 2016-2019

Presenter:
Stephen Abbanat

Recommended Action:
Board Approval

Attachments



Agenda Item 2d

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TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

RE: Electronic Payment Section (EPS) Consultant Bench Procurement – 2016-2019

This memorandum requests approval to establish a pre-qualified panel of consultants to provide consulting assistance services to support projects in the MTC's Electronic Payment Section (EPS), including but not limited to the Clipper® program for a three-year period ending June 30, 2019. The procurement process followed can be found in Attachment A.

On-call consultant benches have been used by MTC and BATA over the past 10 years and have proven to be a very successful method for securing technical and project delivery expertise. The rationale for the establishment of a bench is that it allows staff to more quickly secure consultant resources to best deliver services for a wide range of work without having to formally procure these services separately every time. For the EPS bench, staff was seeking access to consultants in the areas of program management; planning; operational monitoring and reporting; technology evaluation and support; communications and customer information services; and compliance and risk management. Under technology evaluation and support, we have reached out to firms with specific transit payments expertise.

Selection to be on the consultant bench is not guarantee that a particular firm will be awarded a contract to perform work. Additionally, the Clipper® MOU requires this Board to approve all contract awards in excess of \$200,000 in value for work on the Clipper® program, so we will return with any new proposed contracts.

Recommendation

Staff recommends that this Board approve the process identified in Attachment A to the attached Request for Board Approval, to provide on-call EPS Consultant Assistance services to MTC on an as-needed basis, for a period extending through June 30, 2019, with an option on the part of MTC to extend contracts with incomplete work in increments of MTC's choosing through June 30, 2021. The amount included for this program in the proposed FY 2016-19 budget is \$1,500,000. Additional funds may become available for future fiscal years subject to the annual budget approval process. Staff will return to the Executive Board for authorization of any contracts exceeding the MTC Executive Director's signature authority.



Carol Kuester

Attachment A

Procurement Process

On March 17, 2016, MTC issued a Request for Qualification (RFQ) for Consulting Assistance Services. Invitations to submit Statements of Qualifications (SOQ) were sent to selected firms nominated by staff members as well as all eligible registrants in the MTC Contract Opportunities database. The RFQ contained six Service Categories, or areas of expertise in which firms were invited to submit qualifications:

- A. Program Management;
- B. Planning;
- C. Operational Monitoring and Reporting;
- D. Technology Evaluation and Support;
- E. Communications and Customer Information Services; and
- F. Compliance and Risk Management.

Proposers were invited to submit to any and/or all Service Categories, including partial Service Categories.

Proposals are due on April 20. Each proposal will be reviewed against the Minimum Qualifications Criteria (MQC). Proposals that meet the MQC will be evaluated by a panel (the “Committee”) comprised of EPS staff, MTC staff, and staff from partner agencies representing Clipper® operators.

The Committee will review each proposal against the following criteria, listed in descending order of importance.

- | | |
|--|-------------|
| 1. Experience and Qualifications of Firms and Proposed Staff | (30%) |
| 2. Cost Effectiveness | (30%) |
| 3. Depth of Staff Resources | (20%) |
| 4. Written and Oral Communication | (15%) |
| 5. References | <u>(5%)</u> |
| | (100%) |

Each criterion will be scored as noted, with a total possible score of 100.

A review panel consisting of MTC and transit operator staff will evaluate the SOQs based on the firm’s expertise and experience, qualifications of the Project Manager and key staff, and familiarity working with Bay Area agencies. Based on the results of the evaluation, staff will recommend firms be approved as pre-qualified consultants for the listed Service Categories. Selected firms will have demonstrated strong project management skills, vast experience and expertise in transportation engineering and planning services, and a depth of available resources within their project team in relation to the Service Categories for which they were selected.

REQUEST FOR BOARD APPROVAL
Summary of Proposed Consultant Panel

Contractor:	TBD
Project Title:	Electronic Payments Section Consultant Assistance
Purpose of Amendment:	Provide technical assistance for Electronic Payment Section Programs.
Brief Scope of Work:	Qualify advisory firms who agree offer consulting services programs administered by Electronic Payments Section including, but are not limited to the Clipper® regional transit fare payment system, the FasTrak® electronic toll collection system (administered by the Bay Area Toll Authority) and the regional Express Lanes program (administered by the Bay Area Infrastructure Authority).
Project Cost Not to Exceed:	Individual contracts TBD.
Funding Source:	Varies
Fiscal Impact:	No immediate fiscal impact until contracts are awarded. Funds for future fiscal years are subject to agency budgetary approval process.
Motion by Board:	That the attached list of consultants be pre-qualified to enter into contracts with MTC to provide on-call advisory services on an as-needed basis through June 30, 2019, as described above and in the Executive Director's April 18, 2016 memorandum, subject to applicable contract approval procedures and necessary budget approvals, with an option on the part of MTC to extend contracts with incomplete work through June 30, 2021.
Executive Board:	<hr/> Denis Mulligan, Chair
Approved:	Date: April 25, 2016



Metropolitan Transportation Commission

101 Eighth Street,
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Legislation Details (With Text)

File #: 15-1480 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 3/24/2016 **In control:** Clipper® Executive Board
On agenda: 4/25/2016 **Final action:**
Title: Next-Generation Clipper® (C2) Funding Strategies
Report on potential strategies to fund C2.

Sponsors:

Indexes:

Code sections:

Attachments: [3a C2 Funding memo](#)

Date	Ver.	Action By	Action	Result
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Subject:

Next-Generation Clipper® (C2) Funding Strategies

Report on potential strategies to fund C2.

Presenter:

Kenneth Folan

Recommended Action:

Information

Attachments



Agenda Item 3a

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TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

RE: Next-Generation Clipper® (C2) Funding Strategies

MTC is in the process of updating the regional framework for the state's Cap and Trade funding program. Revised revenue projections and regional framework are scheduled to be adopted by the Commission on April 27, 2016.

The current MTC staff Cap and Trade framework proposal would direct \$100 million (over a 25-year period) from the Cap and Trade Transit Operating program to fund C2. These funds come to MTC based on the region's population and do not include the revenue-based funds that go directly to the transit operators.

As noted in recent Cap and Trade framework discussions with the transit operators, the potential funding pool for C2 now includes:

- \$100 million Cap and Trade Operating Program
- \$40 million Transit Capital Priorities – future programming (One Bay Area Grant 2 and Federal Transit Administration funds)

In coordination with the Clipper® Executive Board, MTC staff will continue to work on the funding plan and cash flow needs of the program as the cost and schedule become further defined.

Carol Kuester



Metropolitan Transportation Commission

101 Eighth Street,
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Legislation Details (With Text)

File #: 15-1556 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 4/12/2016 **In control:** Clipper® Executive Board
On agenda: 4/25/2016 **Final action:**
Title: Transit Payment Industry Updates and Impact on Next-Generation Clipper®
Updates on recent transit fare payment developments and impacts on Clipper®.

Sponsors:

Indexes:

Code sections:

Attachments: [3b Transit Payment Industry Updates and Impact on Next-Gen Clipper](#)

Date	Ver.	Action By	Action	Result
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Subject:

Transit Payment Industry Updates and Impact on Next-Generation Clipper®

Updates on recent transit fare payment developments and impacts on Clipper®.

Presenter:

Carol Kuester

Recommended Action:

Information

Attachments



Agenda Item 3b

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TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

RE: Transit Payment Industry Updates and Impact on Next-Generation Clipper®

Background

There have been several recent developments in the transit fare payment industry that have the potential to impact our program, especially our strategy concerning Next-Generation Clipper®. We want to inform you about these developments and discuss potential options for proceeding.

Washington, D.C.

The Washington Metropolitan Area Transit Authority (WMATA) has been evaluating the use of new fare-payment technology through a pilot program. With the pilot program concluded, WMATA's General Manager advised his Board of Directors to not proceed with a large-scale fare technology change. The pilot program was reported to have cost \$25 million, and an additional \$150 million was estimated for full deployment. Attachment A is a WMATA news release on the New Electronic Payments Program (NEPP), and Attachments B and C are news articles covering the topic.

New York

The Metropolitan Transportation Authority and New York City Transit have been preparing for a number of years to release a Request for Proposals (RFP) for a modern smart-card based fare collection system. They released the RFP to industry on April 13, 2016 with proposals currently due on June 23, 2016. The New York MTA is allocating at least \$10 million for the fare collection system, but the MTA Board of Directors stated in 2014 that the project was expected to cost \$450 million. Since New York has the largest fare system in North America, and since it is the first time they will proceed with an updated fare collection system in several decades, the RFP will have a major effect on the very small electronic fare collection industry. These developments will impact vendors' ability to respond to our Request for Expressions of Interest and our forthcoming procurements.

Carol Kuester

NEWS RELEASE

For Immediate Release

April 14, 2016

Contact:

Media Relations
202-962-1051

METRO GM/CEO STATEMENT REGARDING NEW ELECTRONICS PAYMENTS PROGRAM

Metro General Manager and CEO Paul J. Wiedefeld today released the following statement regarding the New Electronics Payment Program:

"For several months, Metro has been evaluating the use of new fare-payment technologies for rail and bus systems, as well as regional transportation providers. The arrangement was structured to have a pilot phase, after which we would step back, look at lessons learned, and determine the best course for riders, the Authority and the region as a whole. Today, with the pilot concluded, I advised the Board of Directors that I have determined this is not the right time to proceed with a large-scale fare technology change.

"Our customers need the gates and ticket machines to work reliably, and that's our focus now. I don't want them to have to swap out one card for another, have limited access to just use certain gates during the transition in already crowded stations, or make the jurisdictions convert to all new technology for their buses."

###

Transportation

Metro scraps plan for high-tech fare-paying system

By **Paul Duggan** April 14 at 5:12 PM

After spending \$25 million to design and test a new, high-tech fare-paying system for train and bus passengers, Metro said Thursday that it has abandoned the program because the public's response to it has been tepid.

"The market isn't there," General Manager Paul J. Wiedefeld said in announcing that Metro has scrapped a plan to install hundreds of subway fare gates and bus fare boxes with "near field communication," or NFC, technology. Riders would have been able to pay fares simply by waving NFC-ready smartphones or credit cards.

"In the pilot program, we couldn't even get the right number of people to do the surveys," Wiedefeld said. "There just aren't enough people with [NFC] capabilities."

Going forward with the project to build and install the gates and fare boxes would have cost an additional \$150 million, according to Wiedefeld, who said he has terminated a contract for the work, awarded in 2014 to Accenture, a technology company.

The contract is the largest one to be killed by Wiedefeld since he took charge of Metro in late November, with a mission to straighten out the agency's finances and refocus its spending on immediate, safety-related problems, of which there are many.

When Metro several years ago began planning for an NFC-ready fare-paying system, the technology was widely viewed as the next big thing, with consumers soon to be waving their NFC-chip-equipped digital devices and bank cards to pay for all kinds of products. Metro even planned to produce NFC-ready SmarTrip cards.

"We thought at the time that the market was moving in a certain way, that people would be doing things differently than what they're doing today," Wiedefeld said. "And the market hasn't materialized. It's just not the reality of what's played out."

He said Metro still intends to spend the \$150 million on modernizing its fare-collection system, including replacing subway fare gates with newer models. But he said the gates will not be designed for riders who want to use NFC technology.

Last year, from Feb. 23 to May 23, about 400 riders who volunteered to take part in a pilot program used prototype NFC fare-collection machinery in certain Metro stations and on some Metrobus routes. These were people who already owned devices and cards equipped with NFC chips. Metro had hoped that many more than 400 riders would participate.

About 3,000 people initially volunteered to take part in the pilot, but only about 13 percent of them did so. Nevertheless, after finishing a 90-day program, the transit agency said in a report that it was planning for eventual “full deployment.”

By holding a card or phone within a few inches of a gate or fare box, a rider’s fare is added to a credit-card balance or deducted from a bank account.

“Metro’s existing fare collection system is aging rapidly in the context of equipment and systems, and has become too costly to maintain and is severely limited in its flexibility,” according to the report.

“A significant number of customer-participants said [Metro] is moving in the right direction with this program,” the report said. “Generally, the technology tested was found to meet expectations while future changes for smoother implementation were identified.”

The report said: “The accuracy of transactions and reliability of the devices and systems was measured against the expected performance. . . . Generally, performance was determined [to be] acceptable,” although there were “some areas of concern.”

NFC fare-paying systems are in use in the Chicago transit system and several transit systems in Asia, according to Metro.

However, Wiedefeld said, the concept isn’t popular enough with the public to justify a long-term investment in it by Metro.

“The technology has just not gotten to that stage yet,” he said.

Paul Duggan covers the Metro system and transportation issues for The Washington Post.

Metro Dumps Next-Generation Fare Payment System After Faulty Trial

By: [Martin Di Caro](#)
April 15, 2016

Source: https://wamu.org/news/16/04/15/metro_dumps_next_gen_fare_payment_system_after_faulty_trial



Martin Di Caro/WAMU

The newer, modern fare gates were already a scarce sight, but now they'll disappear altogether.

Hold onto your SmarTrip card. You are going to need it for a while, possibly for years to come.

Metro is terminating a \$184 million contract with the global tech firm Accenture for a next-generation fare payment system after a pilot program failed to convince the transit authority to make the switch.

The NEPP (new electronic payments program) would have let riders pay fares with smart chip-enabled credit cards or smart phones by waving them past a chip reader at a modern fare gate equipped with near field communication technology. But the pilot program produced uninspiring results.

The decision to dump the project was based on the realization that smart chip technology is not as pervasive as its boosters expected it to be by now, said WMATA general manager Paul Wiedefeld.

“The market isn’t there where basically you come up and just walk through things with a chip on your card. And years ago I think that was the thinking,” said Wiedefeld, who has an array of pressing priorities with which to deal.

“Given everything else that’s on the plate right now, I think it is more important that we just get the [current fare gates] working well, and invest the money in that,” said Wiedefeld.

Metro burned through about \$25 million on the pilot program.

Metro asked for broad participation from riders. Three thousand people signed up [but only 400 participated](#). The new fare gates were placed at just 10 rail stations and payment targets aboard only 50 buses. Riders who participated said they were unable to use their preferred devices, like smart phones, at the gates. Instead, they received a generic chip-enabled payment card in the mail from Metro.

By sticking with SmarTrip’s 1990s technology, Metro will be limited in any efforts to create a more nimble, responsive fare system at a time when commuters can pick from a number of competitively priced, personal transport services via apps on their smart phones.

Variable Metro fares, possibly like variable tolls on the Northern Virginia Express Lanes that change based on traffic volume, would require the cloud-based payment system that Accenture was hired to install. Last October, then-WMATA board chairman Mort Downey suggested Metro should consider adopting a flexible fare policy, provided Metro obtained the right technology.

The full NEPP installment called for 1,000 new rail fare gates, 450 fare vending machines, and 1,500 bus payment targets. The gates were supposed to start being phased in next year.



Metropolitan Transportation Commission

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Legislation Details (With Text)

File #: 15-1481 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 3/24/2016 **In control:** Clipper® Executive Board
On agenda: 4/25/2016 **Final action:**
Title: Clipper® Device Strategy

Update on proposed strategy for replacement of Clipper® devices.

Sponsors:

Indexes:

Code sections:

Attachments: [3c Clipper Device Strategy](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Device Strategy

Update on proposed strategy for replacement of Clipper® devices.

Presenter:

Lynn Valdivia

Recommended Action:

Information

Attachments



Agenda Item 3c
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TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

RE: Clipper® Device Strategy

This memo presents the proposed strategy for replacing Clipper® program devices that have reached end of service life and no longer meet the reliability and availability requirements of the Clipper® contract. Clipper® devices include bus card readers and driver consoles, platform card readers, handheld card readers, and ticket office terminals.

Note that the minimum service life as specified in the Clipper® contract determines who is responsible for paying for replacement – if the devices fail prior to the minimum service life, the Clipper® Contractor (Cubic) is responsible for replacement costs; if the devices fail after the minimum service life, the Clipper® program is responsible for replacement costs. Although most Clipper® devices have been in operation for many years and are beyond the minimum service life, the devices are meeting the reliability and availability requirements. The proposed plan is to leave devices in service until they no longer meet these requirements.

For each device type, Cubic is required to maintain an inventory of spares to support maintenance of the devices. MTC staff and Cubic are closely monitoring the spares inventory and performance of all device types to identify trends in maintenance and failure rates to help determine when and if device replacements are needed. As an example, Attachment A shows the failure rate of bus devices over the past 5 years. Main drivers of the decrease in failure rates include improvements to configuration data downloads to minimize the size and order of the data transfers, adding a progress bar to show status of configuration data downloads to help ensure bus devices receive a full data download before leaving the yard, and additional operator training.

MTC staff has worked closely with the Clipper® Contractor to ensure that replacement options are available when and if needed. Replacement options are described below.

1. **Bus Devices:** The legacy bus devices (driver consoles and card readers) are obsolete and additional quantities cannot be procured. These legacy bus devices are installed on all bus fleets except the East Bay and Sonoma County operators. To provide devices for the East Bay and Sonoma County bus fleets and to ensure that a sufficient quantity of devices are available for other operators, Cubic integrated new bus devices that recently went into service in the East Bay and Sonoma County. These new devices will also be installed on San Francisco Municipal Transportation Agency's (SFMTA) new light rail vehicles. To meet the future needs of operators using legacy devices, we have recently executed a

contract change order for Cubic to replace legacy devices on Santa Clara Valley Transportation Authority's (VTA) entire fleet. The legacy devices removed from VTA's fleet will be returned to the regional spares pool to support other operator needs. Based on the future needs provided by the Clipper® operators, we anticipate that the expanded spares pool quantities will be sufficient to reach the end of the current contract.

2. **Platform Readers.** Currently, Caltrain, the San Francisco Bay Area Water Emergency Transportation Authority, and Golden Gate Ferry have platform readers; these devices will also be installed soon for the Sonoma-Marín Area Rail Transit (SMART) and the Alameda-Contra Costa Transit District (AC Transit) East Bay Bus Rapid Transit projects. Similar to the bus devices, the platform readers are approaching obsolescence. With both SMART and AC Transit device procurements, MTC purchased 25 additional devices. We expect that the extra devices will support operator needs through the end of the current contract.
3. **Handheld Card Readers.** Agencies have been reporting to MTC and Cubic that the legacy handheld card reader (HCR3) devices have been experiencing higher rates of failure in the field, in particular when it comes to battery life. MTC is currently replacing the legacy devices with a newer handheld card reader model (HCR4) that can also process fare payments. The new handheld card readers are currently being installed at Caltrain, and a change order is underway to replace the legacy devices at the San Francisco Bay Area Rapid Transit District and SFMTA. Other operator devices will be replaced as necessary.
4. **Ticket Office Terminals.** The ticket office terminal devices are still available if additional devices are required. Although the card reader is obsolete, Cubic has sufficient spare quantities available.

Summary

While many devices have reached end of service life, it is important to note that they are still meeting the contract availability and reliability requirements. MTC and Cubic are proactively monitoring devices, as well as regional bus procurements and replacements over the next several years and throughout the life of the current Clipper® contract, to identify when and if device replacements are required prior to the end of the current contract. We look forward to continuing to work with agencies to support and manage Clipper® devices and other regional assets.



Carol Kuester



Clipper® Device Strategy

Clipper® Executive Board Meeting

April 25, 2016

Clipper Asset Management

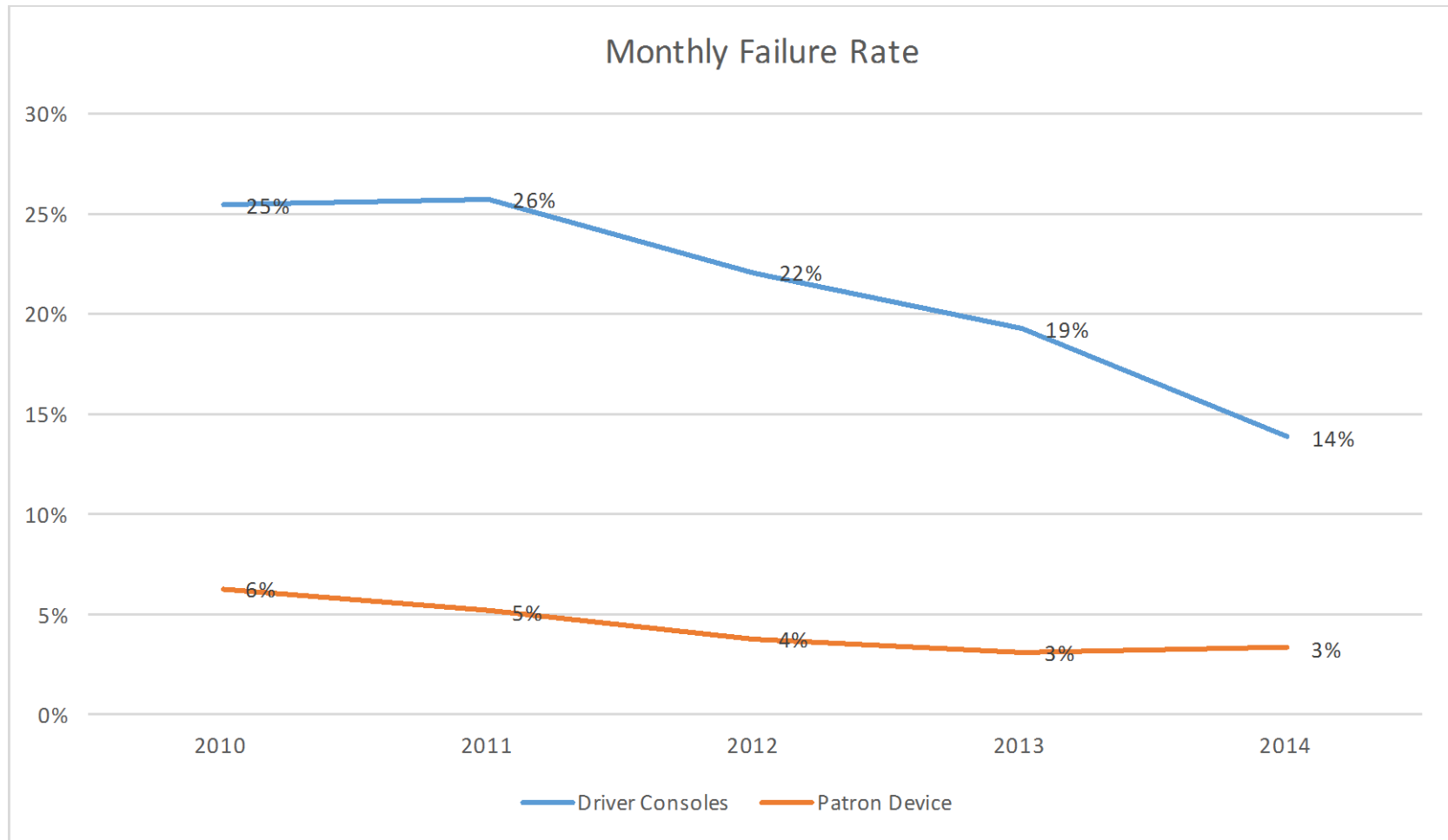
- Most devices are past contract service life but still meet availability and reliability requirements
- **Plan:** Devices will remain in service until replacement is needed
 - Monitor and maintain existing devices as long as possible
 - Don't want to buy devices that can't be used in C2
 - Replacement is expensive
- How do we do this?
 - Monitor device performance
 - Maintain sufficient spares
 - Have replacement options available for obsolete devices
 - Plan for future operator needs

Replacement Plans

Current Device	Replacement Option	Replacement Strategy
Handheld card reader – HCR3	Upgrade to HCR4	Replace Caltrain/BART/Muni HCR3s with HCR4s, add HCR3s back to replenish regional spare inventory, replace additional operators as necessary
Ticket office terminal – TOT	Current TOT	TBD – no requests have been made for additional TOTs
Bus devices – driver console and card reader (DC/CID1)	Upgrade to CID5/DC3	VTA Device Replacement – VTA legacy devices to replenish regional spares inventory, replace additional operators as necessary
Platform reader – CID2	-	Ordered 25 extra platform readers with last platform reader procurement for AC Transit BRT



Bus Device Failure Rate



*Failure = device returned to Cubic maintenance depot



Metropolitan Transportation Commission

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Legislation Details (With Text)

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Type: Report **Status:** Informational
File created: 4/12/2016 **In control:** Clipper® Executive Board
On agenda: 4/25/2016 **Final action:**
Title: Clipper® Contract Change Orders and Agency Communications

Update on current Change Orders and communications between MTC and partner agencies.

Sponsors:

Indexes:

Code sections:

Attachments: [3d Current Clipper Operations memo](#)

Date	Ver.	Action By	Action	Result
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Subject:

Clipper® Contract Change Orders and Agency Communications

Update on current Change Orders and communications between MTC and partner agencies.

Presenter:

Edward Meng

Recommended Action:

Information

Attachments



Agenda Item 3d

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TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

RE: Clipper® Contract Change Orders and Agency Communications

This memorandum serves to inform the Clipper® Executive Board of several aspects of the current Clipper® contract requested at prior Executive Board meetings, including the Contract Change Order process, and communications between MTC and partner agencies.

Contract Change Orders

Under the current Clipper® Design Build Operate Maintain Conformed Contract, when MTC initiates a Change Order, Cubic Transportation Systems (Cubic) is not obligated to submit a project schedule for the scope of work. Attachment A, shared at the last Executive Board meeting, describes the process of how Contract Change Orders are executed.

MTC and Cubic have agreed to approach Change Order negotiations with the proposed schedule as one of the items for negotiation. Change Orders often include language that the scope of work is required to be completed a certain number of days or months after execution of the Change Order and/or Notice to Proceed. This approach ensures that the varying length of time required by MTC and operators to secure funding and obtain approvals for the work is not a factor in the work schedule.

This process has resulted in approvals that often include a “Not to Exceed” amount, and a clear scope of work and/or deliverables or milestones, but no set schedule other than a project duration that does not commence until the execution of the Change Order and/or NTP. Since it can sometimes take weeks or months to finalize a Change Order after approval of work is granted by this Board and the MTC Operations Committee, project schedules are often still being negotiated or are estimated based on prior similar work for the purpose of Board approval.

As discussed in prior Executive Board meetings, MTC and agency staff are working on a process for regional work prioritization that we are planning are sharing with staff and the Executive Board in May.

Communications between MTC and Partner Agencies

MTC, as the contracting agency, meets regularly with partner agencies to inform, update, and seek guidance from partner agencies on program direction, management, and operations. Attachment B shows a list of working groups as well as regularly scheduled distributions and

meetings with MTC and partner agency staff that supports the work that goes into managing and operating the system. MTC also meets regular with staff members on various initiatives or projects, and each agency has an assigned MTC staff liaison that agencies can reach out to that can guide questions or requests on the Clipper® program. We continue to have strong working relationships with partner agencies as well as with Cubic and look forward to seeking further opportunities for regional collaboration in the future.



Carol Kuester

Attachment A

Clipper® Change Order Process

Project Idea from Operator ►

MTC and Operators
confirm project priority ◆

Scope of Work Developed ■

MTC issues change notice to Cubic ■ 20 Business Days

Cubic sends change notice proposal to MTC ◆

MTC/Operators negotiate with Cubic ■

MTC secures funding / establishes funding
agreement with operators, if needed ■

MTC seeks Executive Board Approval ■ ◆

MTC seeks Operations Committee Approval ■ ◆

MTC executes Change Order ◆

Cubic delivers schedule ■

MTC/Operators track progress ■



Attachment B Summary of Regular Clipper® Staff Meetings and Distribution

Name	Description	Type	Participating Agencies / Distribution	Frequency
Executive Board	Executives and GMs representing all MOU agencies	Meeting	MTC, AC Transit, BART, Caltrain/SamTrans, GGBHTD, SFMTA, VTA, CCCTA, WETA, Public	Monthly
Executive Board Packet	Agenda and materials for the Executive Board Meeting	Distribution	Public	Monthly
Clipper® Staff Liaison Meeting	Staff from all agencies meet to discuss general Clipper® operations and management topics, upcoming issues, and overall program direction	Meeting	All agencies	Monthly
Clipper® Program Update	MTC Program Management Report, Clipper® Operations Report, Transit Agency Reports	Meeting	All agencies	Monthly
Monthly Clipper® Program Management Report	Monthly updates on project progress, system performance and implementation, distribution of value, customer education, financial information, and contractor performance	Distribution	All agencies	Monthly
Clipper® Customer Education, Service, and Card Distribution	Customer Service, Education, and Card Distribution Updates	Meeting	All agencies	Bi-monthly
Deployment Calendar	Updates and status on contractor software deployments	Distribution	All agencies	Bi-weekly
Weekly Operations Report	Weekly updates on Clipper® boardings and unique cards by operator, Cardholder support service, and revenue and product sales	Distribution	All agencies	Weekly
East Bay Operators	New Clipper® deployment and operational updates	Meeting	MTC, CCCTA, ECCTA, WCCTA, LAVTA	Monthly
101 / Sonoma	New Clipper® deployment and operational updates	Meeting	MTC, Petaluma Transit, Santa Rosa CityBus, Sonoma County Transit	Monthly
SMART Implementation	Coordination of project scope, schedule, budget, and resources for Clipper® implementation on SMART	Meeting	MTC, SMART	As needed (weekly beg. Summer 2016)
Union City Transit Implementation	Coordination of project scope, schedule, budget, and resources for Clipper® implementation on Union City Transit	Meeting	MTC, Union City Transit	Monthly
VTA Device Replacement Implementation	Coordination of project scope, schedule, budget, and resources for Clipper® device replacement on VTA	Meeting	MTC, VTA	Monthly



Metropolitan Transportation Commission

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Legislation Details (With Text)

File #: 15-1482 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 3/24/2016 **In control:** Clipper® Executive Board
On agenda: 4/25/2016 **Final action:**
Title: Mobile Ticketing Update

Update on regional mobile ticketing initiatives.

Sponsors:

Indexes:

Code sections:

Attachments: [3e Mobile Ticketing Update](#)

Date	Ver.	Action By	Action	Result
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Subject:

Mobile Ticketing Update

Update on regional mobile ticketing initiatives.

Presenter:

Stephen Abbanat

Recommended Action:

Information

Attachments



Agenda Item 3e

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TO: Clipper® Executive Board

DATE: April 18, 2016

FR: Carol Kuester

RE: Mobile Ticketing Update

Background

Given the emerging popularity of mobile phones as a payment method for transit revenue, staff is providing this update on the possible integration of regional mobile ticketing options with the Clipper® fare system.

Over the last couple of years Operators have expressed interest in including mobile ticketing as a part of Clipper®. There are a number of reasons that mobile ticketing has not been focused on in the current generation of Clipper®. The first is that the technology is not quite open enough for seamless travel to take place with the use of mobile devices. Today, only specific Android devices can use the NFC (Near Field Communication) portion of the phone to communicate directly with fare collection devices. Additionally, costly integration would be required to incorporate NFC with the current Clipper® backend systems.

Instead, MTC has approved mobile ticketing pilots under the Transit Coordination Implementation Plan (MTC Resolution No. 3866) for Operators who have asked to conduct mobile ticketing pilots. To date, Santa Clara Valley Transportation Authority (VTA) and San Francisco Municipal Transportation Agency (SFMTA) have worked to create mobile applications that employ visual ticketing. See table below for details on these pilot programs.

Organization	Vendor / Product Name	Market	Products
VTA	Masabi (EventTIK)	Events	Stadium round trips 8-hr/day pass
SFMTA	Globe Sherpa (MuniMobile)	Visitors	1-day, 5-day pass

Additional information about mobile ticketing, its economic benefits, providers and other helpful information about the opportunities with mobile ticketing have been provided to other operators with interest in the pilot programs. MTC Clipper® staff is also encouraging operators to work together, collaborate and share knowledge to gain operational efficiencies for the focused ticketing pilot projects.

Next Steps

MTC and operators plan to execute the following steps:

- Continue regional operator collaboration and coordination;
- Periodically gather data and report pilot results to region;
- Gather and integrate mobile pilot learning and requirements with the Next Generation Clipper® System (C2) planning efforts.

MTC staff have shared highlights from our technical research to support operator procurements, including information about vendors, peer review summaries, and summarized challenges to overcome for a regional solution. These materials will be updated through the coordinating working group for periodic status updates to the Board.

Future use of Mobile in C2

With electronic payments technology rapidly evolving, and the convergence of payments with mobile and wearable appliances, the technical framework for C2 will be based upon an approach of open systems and open architecture to enable modularity, flexibility, and adaptability. The underlying foundation of the open systems and open architecture approach is to build a C2 infrastructure that will adapt to the continuing evolution of technology. The use of open public, non-proprietary interfaces and standards will provide the mechanism from which to achieve this approach, when and where available. More specifically, next generation of Clipper® envisions the use of mobile in following ways:

- Mobile apps to easily reload C2 media from a phone.
- Load “virtual” C2 card or app on NFC-equipped phone/wearable.
- Mobile app or website for customer account services.
- A “bring your own device” model for retail sales (retailer has a secure app on a tablet like Square does), eliminating the need for C2 to provide costly hardware and infrastructure.
- C2-branded mobile tickets for casual users.
- A mobile application for fare inspection capable of running on commercial devices such as a phone or tablet.
- Possible acceptance of mobile payment media (Apple Pay, Samsung Pay, etc.) through mobile devices (subject to policy and further discussions).



Carol Kuester