



Program Management Report

December 8, 2009



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I. Executive Summary



Highlights & Key Issues

- In the first 20 days of November 2009, the TransLink® system averaged more than 44,000 transactions per weekday.
- The Contractor automated the processing of web Remote Add Value transactions to ensure orders are processed within 24 hours and completed the first step of automation of transaction history reports.
- Customers added \$2.49 million to TransLink® cards in November.
- The number of customer service calls in November dropped—to 6,844 from 8,752 the previous month—a 22 percent drop.
- The abandoned call rate, the rate of answering calls within three minutes and the length of time to process Remote Add Value requests improved significantly between October and November 2009.
- The draft MTC Resolution No. 3866 regarding TransLink fare media transition and other regional initiatives was presented to the Partnership Transit Coordination Committee in November.
- SamTrans bus installations are nearly complete.



TransLink CID2 at Caltrain's
4th and King Station



2. System Operations



System Utilization

Table I: Summary of System Utilization

Measure	Last Month November 2009	Prior Month October 2009	Prior Year November 2008
Transaction Volume			
Average Number of Weekday Transactions	44,275 ¹	40,550	19,395
Fee-Generating Fare Payment Transactions	913,700	975,049	387,094
Fee-Generating Add Value and Refund Transactions	56,990	61,248	24,144
Total Fee Generating Transactions	970,690	1,036,297	411,238
Unique Cards Used	49,264	48,616	20,812
Average Number of Transaction per Unique Card Used	19.70	21.32	19.76
Settled Transit Operator Revenue	\$2,280,971	\$2,405,138	\$895,560
Autoload Activity			
Percentage of Registered Cards with Autoload	51%	53%	N/A ²
Autoload Transactions	22,793	23,891	9,548
Call Volume			
Customer Service Representative (CSR) Calls	6,844	8,752	2,699
CSR Calls per Unique Card Used	0.14	0.18	0.13
Help Desk Calls	174	178	125
Website Traffic			
Unique Visitors	25,671	30,513	9,319
Visits	34,090	41,873	11,600
Website Visits per Unique Card Used	0.69	0.86	0.56

1. Based on ridership data between November 1 and November 20.

2. MTC did not begin archiving comprehensive registered card data until January 2009.



TransLink[®] Market Penetration

Table 2: Market Penetration Rates Based on Average Weekday TransLink[®] Boardings as a Percentage of Total Average Weekday Boardings

	Average Weekday TransLink Boardings (November 1 – November 20)	Total Average Weekday Boardings	TransLink Market Penetration Rate Current Month (November 1 – November 20)	TransLink Market Penetration Rate Prior Month (October 2009)	TransLink Market Penetration Rate Prior Year (November 2008)
AC Transit	18,750	236,000 ¹	7.94%	7.49%	4.69% ¹
BART	4,975	359,400 ²	1.38%	1.08%	0%
Caltrain	500 ³	39,600 ²	1.26%	0.95%	0%
GG Ferry	4,075	6,100 ²	66.80%	63.52%	41.96% ⁴
GG Transit	6,700	21,700 ²	30.88%	29.26%	17.70% ⁴
SFMTA	9,450	675,500 ²	1.40%	1.27%	0.23% ⁴

1. Based on FY 2007-08 data posted on AC Transit website at <http://www2.actransit.org/aboutac/ridershipbusfleet.wu>.
2. Based on APTA Transit Ridership Report, Second Quarter 2009.
3. Since Caltrain pass holders are only required to tag on and off the system once per month in order to load a pass, MTC's calculation of average weekday TransLink boardings reflects the assumption that monthly pass holders board Caltrain twice a day on weekdays. MTC estimates that the 86 calendar pass sales during Caltrain's vending window for November passes translated to 172 Caltrain boardings each weekday.
4. Based on APTA Transit Ridership Report, Fourth Quarter 2008.



Transaction Volume

Figure 1: Average Weekday TransLink® Ridership during the Previous 52-Week Period

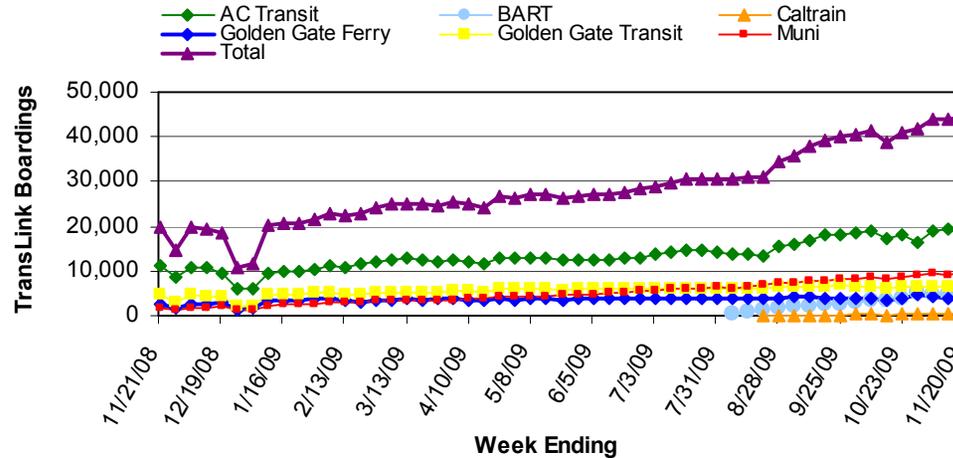
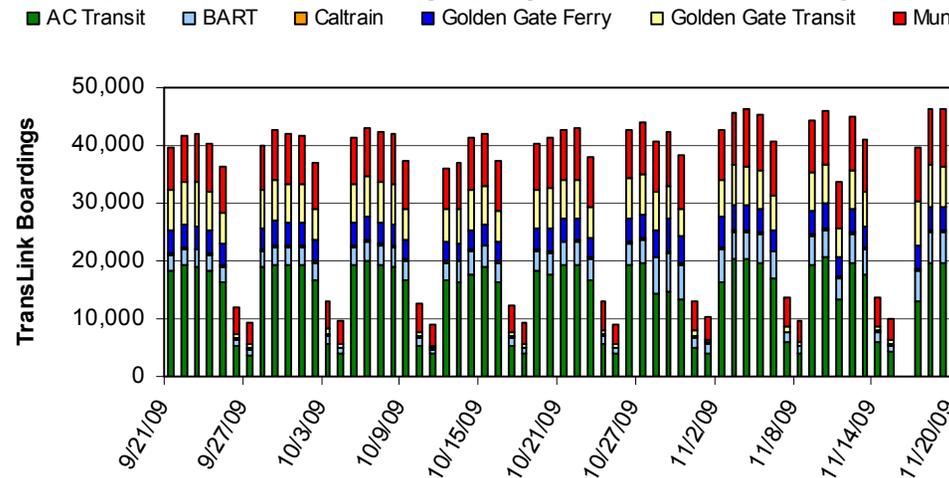


Figure 2: Daily TransLink® Ridership by Operator over a Rolling 60-Day Period

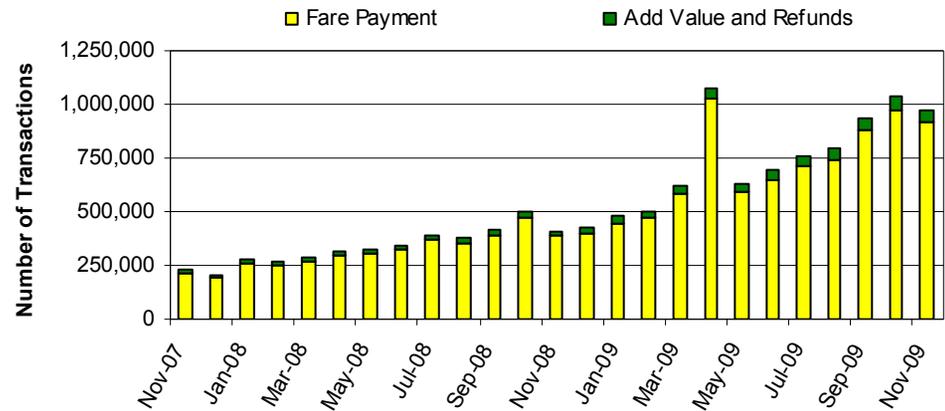


Note: Due to an end of day processing issue that affected ridership reports, MTC did not have access to accurate ridership data for November 16 as of December 8, 2009.



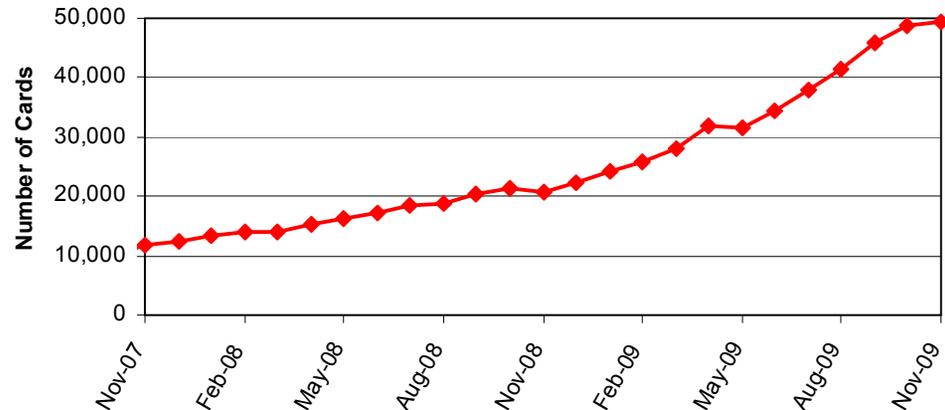
Transaction Volume

Figure 3: TransLink® Fee-Generating Transactions on a Monthly Basis



- Spikes in activity volume during April 2009 are due to BART's conducting a revenue cycle test that involved 420,903 fare payment transactions and 13,172 add value transactions using approximately 2,200 test cards.

Figure 4: Number of Unique TransLink® Cards Used on a Monthly Basis



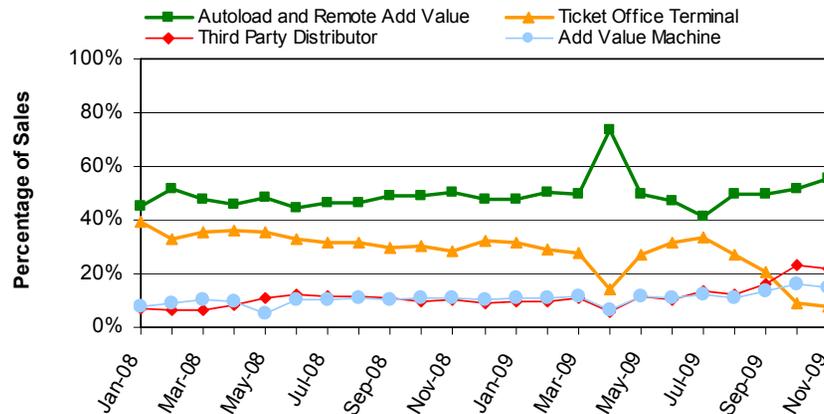


TransLink[®] Value Distribution

Table 3: TransLink[®] Sales Value by Distribution Channel

Distribution Channel	Dollar Value Current Month (November 2009)	% of Total Value Added Current Month by Channel	Dollar Value Prior Month (October 2009)	Dollar Value Prior Year (November 2008)
Autoload and Remote Add Value	\$1,380,350	55.4%	\$1,291,451	\$480,288
Add Value Machine	\$375,251	15.0%	\$410,328	\$103,779
Third Party Distributor	\$543,296	21.8%	\$582,812	\$98,068
Ticket Office Terminal	\$193,742	7.8%	\$223,525	\$272,863
Total	\$2,492,640		\$2,508,116	\$954,998

Figure 5: Share of Monthly Sales of TransLink[®] Value by Distribution Channel



- The spike in sales volume during April 2009 is due to BART's conducting a revenue cycle test that required more than \$1,156,700 in e-cash and BART High Value Discount (HVD) Ticket value to be loaded to test cards via Autoload.



TransLink[®] Device Performance

The TransLink[®] Service Bureau Help Desk opens maintenance tickets in response to incident reports originating from system monitoring tools or communications from TransLink[®] Contractor, MTC or transit operator staff. Maintenance tickets are chargeable if a device fails to perform its designated function, or meet its performance criteria, when being used and operated according to the environmental and operational conditions specified for the device.

Table 4: Number of Chargeable Maintenance Tickets per Operator by Device Type – November 2009

Device Type	Total Device Quantities	AC Transit	BART	Caltrain	Golden Gate Transit/ Ferry	SFMTA	Total Included Calls
CID1	3,608	16	N/A	N/A	15	40	71
CID2	186	N/A	N/A	0	0	0	0
CID3	27	N/A	N/A	N/A	N/A	0	0
AVM	52	2	N/A	N/A	0	1	3
TOT	27	0	0	0	2	0	2
HCR3	436	0	8	0	0	2	10

Figure 6: Number of Chargeable Device Tickets During Prior Three-Month Period (Not Including CID1 Tickets)

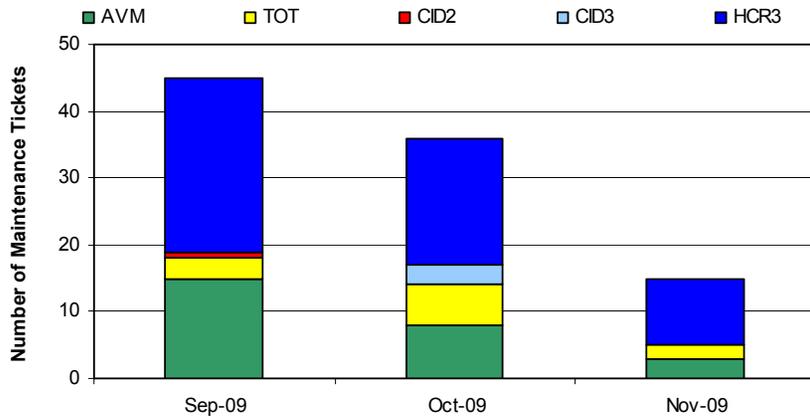
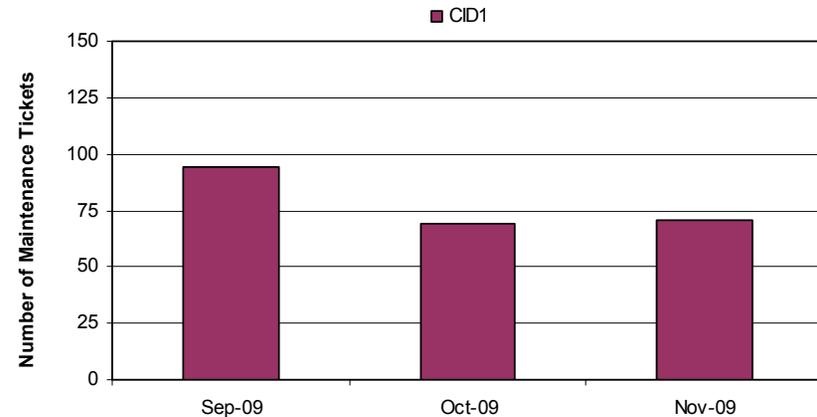


Figure 7: Number of Chargeable CID1 Tickets During Prior Three-Month Period





System Operations Key Performance Indicators

Table 5: Cardholder Support Service Performance Level Standards

KPI	KPI Description	KPI Value Nov. 09	KPI Value Oct. 09	Below Base	Base	Above Base
I.	Percent of telephone calls answered by live agent within 20 seconds	73.43%	51.83%	< 80%	80-90%	> 90%
II.	Percent of telephone calls voluntarily abandoned by caller	5.46%	13.33%	> 6%	4-6%	< 4%
III.	Percent of telephone calls answered within 3 minutes	90.95%	73.76%	< 90%	90-98%	> 98%
IV.	Average number of days to fill request for new card	3.43%	3.57	> 5	2-5	< 2
V.	Percent of requests for replacement card filled within 3 business days	91.11%	71.54%	< 95%	95-98%	> 98%
VI.	Average number of hours to process Remote Add Value requests	20.06	98.29	> 24	12-24	< 12
VII.	Percent of transaction history requests processed within 3 business days	91.52%	24.10%	< 95%	95-98%	> 98%
VIII.	Percent of card value refunds processed within 21 business days	93.18%	92.31%	< 98%	98-99.5%	> 99.5%
IX.	Percent that the website homepage is available	99.92%	99.80%	< 99%	99-99.73%	> 99.73%
X.	Percent of email contacts acted upon within 24 hours	TBD	TBD	< 90%	90-98%	> 98%
XI.	Percent of calls resolved on the first call	81.94%	77.06%	< 65%	65-80%	> 80%
XII.	Customer satisfaction	TBD	TBD	< 65%	65-80%	> 80%

Above baseline requirement

Meets baseline requirement

Below baseline requirement

The Contractor failed to meet baseline requirements for four out of 10 cardholder support service level standards, but note the significant improvements in the abandoned call rate, rate of answering calls within three minutes and length of time to process Remote Add Value requests between October and November 2009. In addition, although they still do not meet the service level standards, replacement card and transaction history request processing time also show marked improvements.



System Operations Key Performance Indicators

Table 6: Customer Service Response Time Performance

Measure	Requirement	November 2009	Prior Month October 2009	Prior Year November 2008
Number of Customer Service Calls		6,844	8,752	2,699
Percentage of Calls Answered within 20 seconds	Greater than 80%	73.43%	51.02%	92.55%
Percentage of Calls Abandoned	Less than 6% ¹	5.46%	13.44%	2.56%

Figure 8: Customer Service Representative (CSR) Response Time in Relation to Call Volume

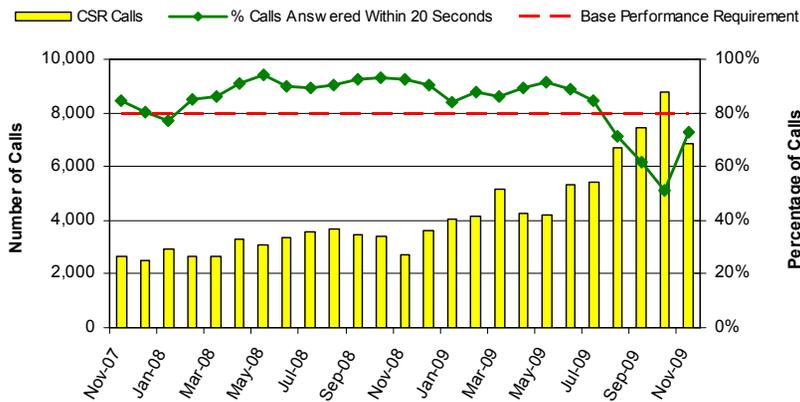
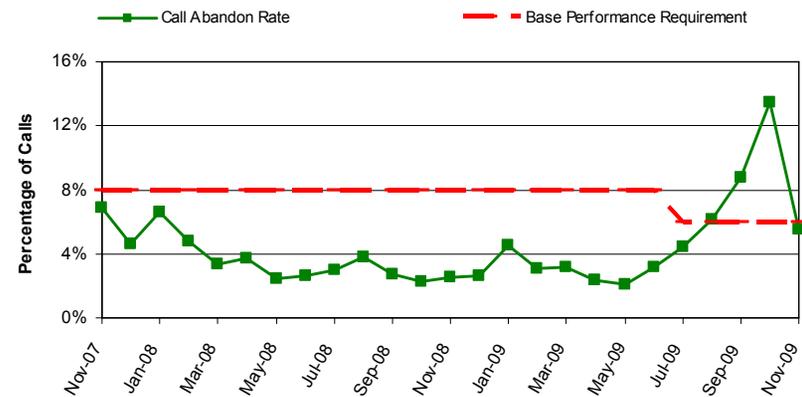


Figure 9: Percentage of Calls Abandoned in Customer Service Representative Phone Queue



1. The base performance level for the percentage of calls abandoned was reduced from 8% to 4-6% with the execution of the Conformed Contract between MTC and Cubic Transportation Systems on July 2, 2009.



System Operations Key Performance Indicators

Table 7: System Availability Performance

Device	Goal	Status
AVM	99.73%	99.89%
TOT	99.73%	99.93%
TDS	99.73%	100%
TCS	99.73%	100%
Data Store	99.73%	100%

Table 8: Accuracy Performance – November 2009

Device	Goal	Status
AVM	99.73%	99.98%
TOT	99.73%	100%
CIDI	99.73%	96.13% ¹
CID2	99.73%	100%
CID3	99.73%	99.96%

- I. The TransLink[®] Contractor released a fix for the remaining audit register bugs on November 13, 2009. MTC anticipates improved CIDI accuracy performance in December as a result of this software deployment.



TransLink[®] Card Inventory

Table 9: TransLink[®] Service Bureau (TSB) Phase II Card Distribution Activity⁽¹⁾

Card Distribution Period	Adult/Youth Cards ⁽²⁾	Senior Cards	RTC Discount Cards	Total
Cards Distributed Prior to January 2007	15,640	504	3	16,147
January to December 2007	16,725	68	22,512	39,305
January to December 2008	46,387	1,356	34,959	82,702
January 2009	6,057	2	2,941	9,000
February 2009	1,853	4	0	1,857
March 2009	4,352	2	4,464 ⁽³⁾	8,818
April 2009	9,717	505	4,451	14,673
May 2009	6,140	22	6,388	12,550
June 2009	3,371	9	0	3,380
July 2009	5,841	253	2,954	9,048
August 2009	10,153	3	5,919	16,075
September 2009	10,690	3	520	11,213
October 2009	4,943	302	2,935	8,180
November 2009	3,825	7	2,989	6,821
Cumulative TSB Card Distribution	145,694	3,040	91,035	239,769
Current TSB Card Inventory	117,733	56,250	19,820	193,803

⁽¹⁾Includes: cards to transit agencies, third party vendors and patrons as well as test cards.

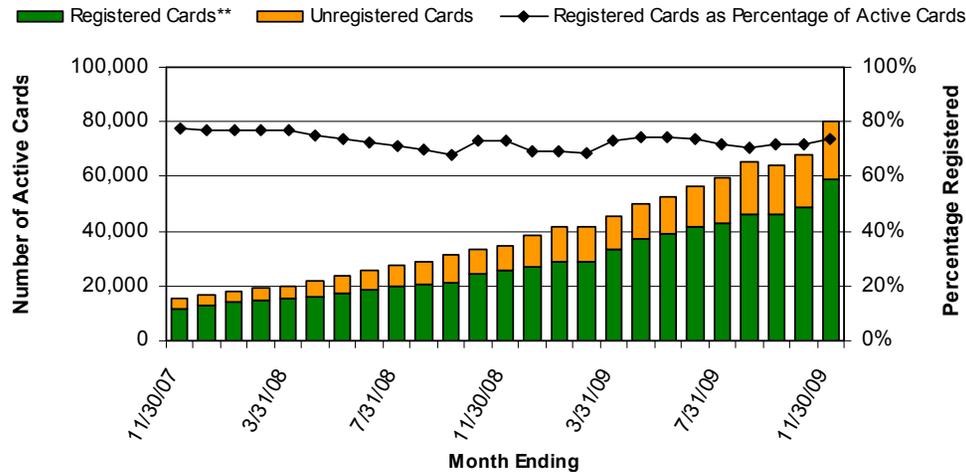
⁽²⁾Adult & Youth cards: both fare categories use the same cardstock.

⁽³⁾Includes 1,523 cards for BART cycle test.



TransLink® Card Management

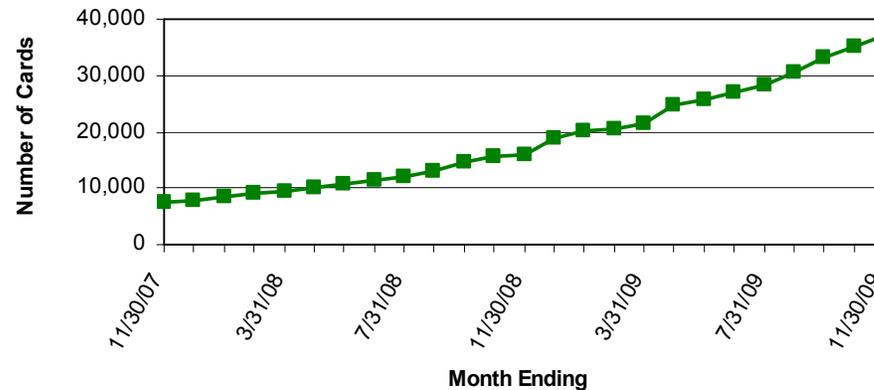
Figure 10: Number of Active* TransLink® Cards in Circulation



*Active cards are those that customers have used to complete a transaction during the previous 365-day period.

** A registered card has patron identification information associated with it in the TransLink Service Bureau database. Only registered cardholders can take advantage of features such as Autoload and TransLink Balance Restoration.

Figure 11: Cumulative Number of TransLink® Cards Registered for Autoload





3. System Implementation



Equipment Installation

- SamTrans on-board equipment installation began October 5. A total of 142 vehicles were installed, tested and approved by November 27.



TransLink® devices installed on SamTrans bus



Status of TransLink® Contract Change Orders

Table 10: Contract Change Orders in Process

CN/RFCO #	CO #	Description	Status
CN-57	CO-123	CID memory upgrade – upgrade memory of CIDs and driver console	Proposal under review.
CN-58	CO-124	Contactless device conversions – convert devices that currently make use of the contact interface to accept a contactless-only card format	Proposal under review.
CN-59	CO-133	DesFire card development – migrate TransLink® application to contactless-only card	Negotiations completed; MTC preparing change order.
CN-60		Regional day pass accumulator – provide universal period pass accumulator product	Contractor to submit proposal.
CN-61		SFMTA Senior/RTC Fastpass good on BART – provide SFMTA Fast Pass for senior/RTC fare categories that can be used on BART in San Francisco	Contractor to submit proposal.
CN-62		SFMTA late night transfer	Declined by Contractor.
CN-63	CO-122	Employer programs – enhancements to employer program, including website improvements, online balance and transaction history, use of multiple funding sources, automated email notification and availability of BART HVD	Proposal under review.
CN-64	CO-131	SFMTA TVM/Faregate network – network upgrade required to support new ticket vending machines and fare gates	Contractor to submit proposal.



Status of TransLink® Contract Change Orders

Table 10: Contract Change Orders in Process (continued)

CN/RFCO #	CO #	Description	Status
CN-65	CO-129	Additional HCR3s for SFMTA – Provide 50 additional handheld card reader 3s for cable cars	Contractor to submit proposal.
CN-66	CO-130	Additional SFMTA card readers – Add card readers to exit ends of new fare gates to require tagging on exit	Proposal under review.
CN-67		Caltrain parking permit distribution – Provide monthly parking permits to Caltrain riders through the TransLink® system	Proposal in preparation.
TBD		Extended warranty for SFMTA TVMs and fare gates – provide extended warranty for SFMTA ticket vending machines and fare gates	Change notice not started; waiting for completion of Request for Change Order 149 negotiations (operations and maintenance costs for SFMTA).
TBD		SFMTA TVM site preparation – prepare for installation of SFMTA ticket vending machines	Change notice not started.
TBD		Lifeline pass – implement Lifeline pass for low-income customers for SFMTA	Change notice not started.
RFCO-149		Operations and maintenance costs for SFMTA TVMs/faregates – increases to TransLink® O&M fees to support new SFMTA devices	Proposal under review.
RFCO-150	CO-132	SamTrans network – Phase 2.4 network for SamTrans	MTC preparing change order.



Status of TransLink[®] Contract Change Orders

Table 10: Contract Change Orders in Process (continued)

CN/RFCO #	CO #	Description	Status
	CO-93-5	Modify card order #3 – modify order to include both dual interface and contactless-only cards	MTC preparing change order.
	CO-101-3	TransLink Website Content Changes – increase funding for ongoing changes	MTC preparing change order.
	CO-119	SFMTA vehicle re-work – revisit installations of approximately 100 SFMTA vehicles	In discussion.
	CO-120	Phase II Design Enhancements – TBD based on approved task orders	In discussion.
	CO-126-1	Modify quantities of equipment types – change quantities of faregate types; no additional cost.	Change order prepared and submitted to Contractor.
	CO-127	Limited use cards for SFMTA – place order for 2M limited use cards.	Contractor preparing additional pricing detail.
	CO-125	SFMTA parking – pilot program at SFMTA parking garages.	Contractor preparing revised proposal.
	CO-126	Station Equipment for SFMTA – provide TVMs and faregates for SFMTA metro stations; funded by SFMTA.	Executed 10/27/09.
	CO-128	VTA Network – Phase 2.4 network for VTA	Executed 11/6/09.



TransLink® Integration Programs

Table 1 I: Integration Programs

Operator	Description	Status
BART	Integration of TransLink® functionality into existing ticket vending machines	Software has been exchanged and testing is in progress. Completion expected late 2010.
Golden Gate Ferry	Introduction of new faregates/vending machines with TransLink® functionality	Golden Gate has requested RM-2 funding from MTC for a procurement of ticket vending machines similar to the equipment planned for SFMTA.
SFMTA	Replacement of existing faregates and ticket vending machines with new TransLink-compatible equipment	MTC issued NTP to Cubic on October 28 th for this order of equipment. Additional changes related to this change are lined up for negotiation and execution. Design review activities are already underway for the initial change order.
VTA/Caltrain	Integration of TransLink® functionality into existing ticket vending machines.	Manufacturing and equipment deliveries are underway and installation of new controllers has started. Task orders for door modifications have been placed, VTA has requested the balance of the funding from MTC for this project.
SFMTA Parking	Introduction of TransLink® as payment option at up to five SFMTA-operated parking garages	USDOT has given permission to extend start of the pilot until December 31, 2010. Cubic and SFMTA's parking garage contractor have exchanged technical details regarding the program. A change proposal from Cubic is due.



4. System Operations Improvements



Clearing and Settlement Transition

- KPMG launched a *controls review* and will focus on end-to-end transaction processing, a review of account reconciliation practices and accounting for bad debt. The objective is to work with Cubic to improve all financial management practices. The analysis is expected to be complete in March 2010.
- Cubic is exploring automation of clearing and settlement processes along with integration of data streams from external providers. The objective is to reduce manual transactions and improve reliability.
- Cubic is transitioning certain operational accounts to Bank of America. Moving accounts to Bank of America will improve the timing of funds sent via ACH from the card processor.



Wireless Data Transfer System (WDTS)

- Project launched in July 2009 to identify issues and actions with the wireless network supporting buses and light-rail vehicles (LRVs).
- The primary project objective is to increase the number of vehicles successfully transmitting usage data and receiving configuration data in a 24-hour period to 80+%. Currently, the transmission percentage is less than 50% in 24 hours.
- Status of major areas of focus targeted for resolution:
 1. Firmware upgrade is currently being installed to address occasional power outages among CIDIBs. MTC will conduct post-installation statistical sampling at all yards to determine firmware effectiveness.
 2. Active cradle reprogramming is in process as part of the firmware installation. Reprogramming of the CIDIB cradle will aid in determining location of vehicles and vehicle identification—essential to finding buses and LRVs that have not connected.
 3. A memory upgrade is proceeding in conjunction with firmware and active cradle changes. The memory upgrade will support increased hotlist retention and enable the receipt of multiple action lists per device per day.
 4. New reports, with more detail and expected greater accuracy, are being tested for release to Crystal Reports. Better reporting will support agency maintenance and operations efforts and improve TSB problem identification and resolution.
 5. New device application software changes are currently being reviewed by Perth. The goal is to modify the CIDIB application, so that new CD, actions and application changes can be initialized without rebooting.



5. Program Financial Summary



Summary of Phase II TransLink® Contract Capital Costs*

**Table 12:
Phase II TransLink® Contract Capital Costs by Fiscal Year**

Fiscal Year	Design	Implementation	TransLink® Cards	Equipment	Other	Total
FY 2002-03	\$581,500	\$1,584,958	\$0	\$0	\$3,200	\$2,169,658
FY 2003-04	\$621,273	\$1,011,519	\$0	\$3,085,125	\$0	\$4,717,916
FY 2004-05	\$2,047,522	\$1,136,406	\$1,502,838	\$46,565	\$0	\$4,733,331
FY 2005-06	\$1,371,865	\$194,058	\$0	\$133,750	\$0	\$1,699,672
FY 2006-07	\$2,644,946	\$908,733	\$17,391	\$3,696,265	\$10,700	\$7,278,036
FY 2007-08	\$1,183,540	\$526,273	\$44,625	\$205,631	\$0	\$1,960,069
FY 2008-09	\$1,568,899	\$5,615,302	\$548,668	\$8,175,387	\$0	\$15,908,257
FY 2009-10	\$2,000,000	\$3,263	\$0	\$0	\$0	\$2,003,263
Total	\$12,019,545	\$10,980,512	\$2,113,522	\$15,342,723	\$13,900	\$38,466,939

Note:

1. This table previously included maintenance costs, but as of FY 2007/08 MTC moved this expense from the capital costs to the operating costs.

*The table above shows all Phase II TransLink Contract capital costs by fiscal year. This table does not include capital costs not paid under the TransLink Contract, e.g., consultant costs and transit agency funding agreements.



Drawdown of TransLink[®] Incentive Fund by Operator

Table 13: Incentive Funds Drawdown

	AC Transit	BART	Caltrain	GGBHTD	SFMTA	VTA	Total
TransLink Incentive	\$862,227.00	\$2,128,017.00	\$484,745.00	\$634,239.00	\$2,327,504.00	\$683,271.00	\$7,120,003.00
Total Share of Phase II Operating Fees as of October 2009¹	\$354,025.22	\$47,163.43	\$2,128.30	\$477,299.96	\$84,640.89	\$0.00	\$965,257.81
Remaining TransLink Incentive Credit	\$508,201.78	\$2,080,853.57	\$482,616.70	\$156,939.04	\$2,242,863.11	\$683,271.00	\$6,154,745.19

(1) These amounts are subject to change pending the resolution of TransLink Contractor claims and retroactive price adjustments.

When the TransLink[®] program reached Revenue Ready for Phase II, the monthly program operating costs became the shared responsibility of the members of the TransLink[®] Consortium, in accordance with Appendix A of the TransLink[®] Interagency Participation Agreement (IPA). MTC has also agreed to assist the operators with Phase II operating costs up to a set dollar amount, which is typically referred to as the “TransLink[®] Incentive.”

The table above identifies the TransLink[®] Incentive amounts for six participating transit operators and the amount that each agency has drawn down since Phase 2.2 Revenue Ready.



TransLink® Financial Activity

Figure 12: E-Cash Value Added by TransLink® Cardholders on a Monthly Basis

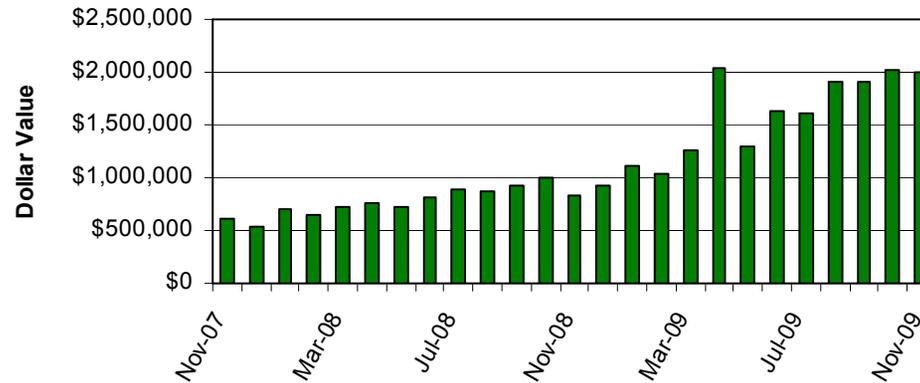
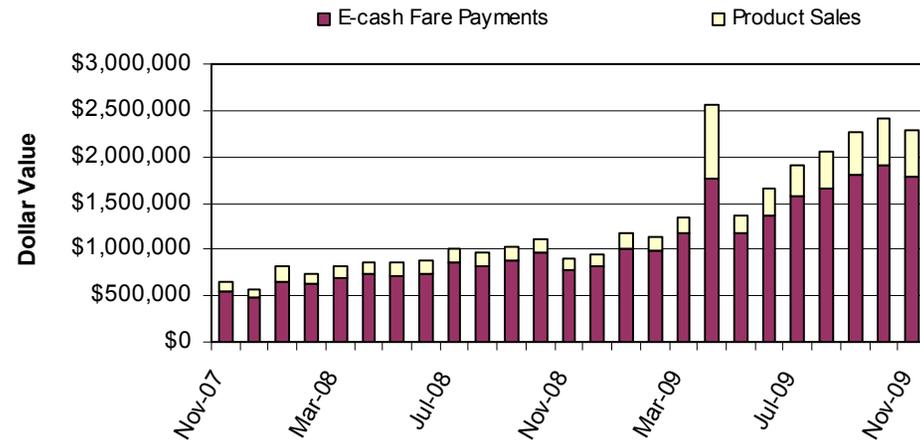


Figure 13: TransLink® Operator Revenue on a Monthly Basis



- Spikes in activity volume during April 2009 are due to BART's conducting a revenue cycle test that involved 420,903 fare payment transactions and 13,172 add value transactions using approximately 2,200 test cards.



TransLink[®] Bank Account Balances

Table 14: TransLink[®] Bank Account Balances During the Previous 6-Month Period

Month End	TransLink [®] Float	TransLink [®] Cardholder Fees	TransLink [®] Participation Claim Fund (PCF) ¹	Walgreens Settlement
June 2009	\$1,987,075	\$181,915	\$83,061	\$59,070
July 2009	\$1,926,612	\$191,300	\$88,600	\$106,928
August 2009	\$2,048,311	\$196,050	\$93,229	\$43,531
September 2009	\$2,172,302	\$212,140	\$102,521	\$11,788
October 2009	\$2,254,553	\$224,817	\$51,747	\$717
November 2009	N/A ²	N/A ²	N/A ²	N/A ²

1. If a fare payment transaction gap is not closed within a 21-day period, the e-cash value associated with the gap is moved from the Float Account to the PCF. Operators may file claims on the PCF at any time.
2. The TransLink bank account balances were not available to MTC as of December 8, 2009.



Contract Change Orders Executed in FY 2009-10

Table 16: Contract Change Orders

Number	Description	Status
126	Replacement of existing fare gates and ticket vending machines with new TransLink®-compatible equipment	Work in progress
128	VTA Network – Phase 2.4 network for VTA	Work in progress