



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

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Agenda Item No. 3

***Memorandum***

TO: Operations Committee

DATE: October 1, 2010

FR: Executive Director

RE: Clipper<sup>SM</sup> Operating Rules: MTC Resolution No. 3983

Staff requests that the Committee refer the Clipper<sup>SM</sup> Operating Rules (MTC Resolution No. 3983), to the Commission for approval.

**Background and Operating Rules Overview**

As part of the joint process to develop the Clipper<sup>SM</sup> Memorandum of Understanding (MOU), MTC and transit operator staffs worked collaboratively to develop the Clipper<sup>SM</sup> Operating Rules. The Clipper<sup>SM</sup> Operating Rules in Res. 3983 replace the TransLink<sup>®</sup> Phase II Operating Rules adopted by the TransLink<sup>®</sup> Consortium. The purpose of the Clipper<sup>SM</sup> Operating Rules is to identify MTC responsibilities, transit operator responsibilities, and key system operating policies. The Clipper<sup>SM</sup> MOU requires MTC to engage in a consultation process regarding changes to the operator roles and responsibilities.

MTC responsibilities include:

- Serving as the Clipper<sup>SM</sup> Card Issuer;
- Maintaining the confidentiality of cardholder information; and
- Treasury/cash management responsibilities including tracking the amount of funds held in the program's Float Account (the account from which payments are made to transit operators for individual rides taken and paid for with a Clipper<sup>SM</sup> card).

Transit operator responsibilities include:

- Enforcing the program-wide process for issuance of cards that enable payment of discount fares by senior citizens, youths and persons with disabilities;
- Ensuring that Clipper<sup>SM</sup> card readers are available for connection to the system back-end; and
- Performing first-line maintenance of Clipper<sup>SM</sup> equipment.

System operating policies include:

- Cardholder fees;
- Documentation requirements for proving eligibility for discount fares; and
- Card replacement and refund policies.

The TransLink® Operating Rules adopted by the Consortium have required regular amendments to accommodate our increased knowledge of the needs of the system and the customer. Resolution 3983 provides for staff to present any substantive changes of the Operating Rules to the Commission for approval, and delegates to the Executive Director the authority to make non-substantive changes.

The key system policies section of the Operating Rules serves as the basis for the Clipper<sup>SM</sup> Cardholder License Agreement. The License Agreement sets out the conditions of use, including cardholder fees, requirements for utilizing the Autoload feature, card replacements, refunds, and card registration. MTC will notify cardholders about any changes in the License Agreement by providing written notice on the Clipper<sup>SM</sup> website, [www.clippercard.com](http://www.clippercard.com).

**Recommendation**

Staff recommends the Committee refer MTC Resolution No. 3983, Clipper<sup>SM</sup> Operating Rules, to the Commission for approval.

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Steve Heminger

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