



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item No. 3
Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Memorandum

TO: Operations Committee

DATE: March 4, 2011

FR: Executive Director

W.I. 105-1221, 310-2700

RE: ClipperSM Program Report and Contract Actions

- i) Change Order –Customer Service Center Support for Patron Demand Spikes: Cubic Transportation Systems, Inc. (\$450,000)
- ii) Change Order #120; Amendment – ClipperSM Implementation and Design Improvements, Enhancements, and Materials: Cubic Transportation Systems, Inc. (\$750,000)

Program Status Report

ClipperSM average weekday transaction volume continues to increase. For the week ending February 11, average weekday transaction volume was 374,000. Recent and upcoming major initiatives include:

- Santa Clara Valley Transportation Authority (VTA) launched operations of ClipperSM on its buses and light rail system on February 16.
- The ClipperSM in-person customer service centers at the Embarcadero BART/Muni station and San Francisco Ferry Building were officially launched with a press event on February 23.
- Caltrain ended sales of its paper 8-ride tickets on February 1 and will end sales of paper monthly passes in March. Caltrain's dual-tag system and fare policy has resulted in a significant increase in the number and length of patron calls to the ClipperSM Customer Service Center. MTC is working with the ClipperSM Contractor to mitigate customer service issues due to the complexity of Caltrain's fare structure and its impact on ClipperSM business rules for Caltrain customers. A summary of our mitigation activities is shown in Attachment A. Staff is requesting authorization today to enter into a change order to better support similar future needs.
- BART is now deploying ClipperSM functionality at its ticket vending machines. The integrated vending machines allow customers to add ClipperSM e-cash, which is valid on all participating transit systems. Deployment is on a station-by-station basis, and by end of March, BART staff will have activated the ClipperSM functionality on vending machines at all stations.
- Golden Gate Ferry began installation of smart card-only ClipperSM Ticket Machines in February. Installations are to be completed by end of March. The Inlandboatmen's Union (IBU) has initiated a formal complaint under Section 13(c) of the Federal Transit

Administration's enabling statute to protect IBU members from adverse impacts resulting from the planned elimination of Ticket Agent jobs. Golden Gate has agreed to indemnify MTC in this matter and will handle the negotiations with IBU.

- San Francisco Municipal Transportation Agency (SFMTA) will end sales of its paper M-Pass (unlimited rides on Muni for a given month) in April. Lastly, Attachment B includes staff's recommendation on the RTC/ClipperSM Discount Card attendant policy. This issue was brought to the attention of the Operations Committee at its November 2010 meeting.

Contract Actions

Beyond these activities that we have already initiated, MTC staff is requesting authorization to enter into changes to the ClipperSM Contract to support future customer service and operational improvements for the benefit of all ClipperSM customers, as described below. Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into the following contract actions:

i) Change Order –Customer Service Center Support for Patron Demand Spikes: Cubic Transportation Systems, Inc. (\$450,000)

The ClipperSM Contract states that “in order to mitigate the impacts of spikes in customer demand, MTC may authorize payment [to the ClipperSM Contractor] for additional resources to provide timely response to surge in demand and mitigate potential degradation of service level standards.” The current fare media transitions for Caltrain have resulted in a higher than expected demand for ClipperSM customer service center support. As a result, Contractor has not met some of the service level standards set forth in the ClipperSM Contract for the past two months. In the interest of time, MTC issued a task order to augment customer service staff under Change Order 120 (see below). However, staff recommends establishing this new change order to specifically support any future needs related to spikes in customer service demands and would utilize it to assist the Contractor with additional resources, such as temporary staff, to better respond to potential future demand spikes. The amount of the proposed Change Order is \$450,000.

ii) Amendment to Change Order #120– ClipperSM Implementation and Design Improvements, Enhancements, and Materials: Cubic Transportation Systems, Inc. (\$750,000)

Existing Change Order 120 supports design and implementation of time-sensitive changes to the ClipperSM system using task orders. This Committee originally authorized \$225,000 in November 2009 for the Change Order, and \$500,000 was added to the authorization in October 2010. This amendment to Change Order 120 will fund future task orders, enabling continued timely completion of improvements to the system design to address customer-related and/or operations issues.

Steve Heminger

SH:MC:dw

Attachment A Caltrain Transitions to Clipper

Caltrain ended sales of its paper 8-ride tickets on February 1 and beginning in March monthly passes are only available on ClipperSM. Caltrain's fare policy rules for ClipperSM are extremely complex. As an example, 8-ride ticket users who get off the train at an earlier zone have a cash fare deducted instead of one of their 8-ride tickets; if this cash deduction leaves the Clipper cardholder with a negative cash balance, they will not be able to use their remaining 8-ride tickets. These rules have contributed to a significant increase in the number and complexity of patron calls to the ClipperSM Customer Service Center. Even though Caltrain does not have the largest number of passholders to transition (there are about 25,000 total 8-ride ticket users and monthly passholders compared to SFMTA's 35,000 'A' Pass holders and Caltrain accounts for only about 2% of ClipperSM transaction volume,) Cubic estimates that more than half the calls it received in late January and early February were from Caltrain customers.

The table below lists initiatives MTC has already undertaken with Cubic, MTC consultants, and Caltrain staff to support the Caltrain customers who use ClipperSM:

Issue	Mitigation Strategies
Cumbersome refund process	MTC temporarily modified the process to allow Cubic staff to authorize a refund while talking to a customer. The previous process could take three weeks to complete a refund. For the new process, MTC is funding refunds through April 1 st .
Customer service cannot keep up with patron calls	To catch up with the customer complaints backlog, MTC has authorized Cubic to hire at least ten more CSRs for three months.
Customer confusion on how to use Clipper	<ul style="list-style-type: none"> • MTC is deploying additional outreach events at Caltrain stations and on trains. • MTC is installing additional signs, banners, stickers, brochures, etc. at various places throughout the Caltrain system. • Cubic is sending out emails to Caltrain customers with tips on how to avoid common pitfalls. They have also changed the phone menu to share tips with Caltrain customers on using ClipperSM.
Customer complaints about front line staff	MTC's customer support consultants have been riding trains and observing activities in stations to find out first hand what the customer is experiencing.

In addition, MTC is investigating the feasibility of replacing some Caltrain Ticket Vending Machines with ClipperSM Add Value Machines, which would make it easier for Caltrain customers to add value to their ClipperSM card.

Attachment B
RTC ClipperSM Card - Attendant Policy Update
February 25, 2011

On November 12, 2010, a member of the public addressed MTC's Operations Committee with concerns about the RTC/ClipperSM Discount Card attendant policy. His specific concern was that attendants for RTC customers are unable to pay discounted fares using a Clipper Card when the attendant is traveling with the qualifying RTC Cardholder. Based on current ClipperSM payment practices, an attendant traveling with a RTC/ClipperSM Discount Cardholder can pay discounted cash fare on a bus, but the same option is not available when riding BART. This issue is time sensitive due to the planned phase-out of certain non-ClipperSM payment options, particularly the BART red tickets.

Prior to ClipperSM, customers who qualified for RTC Discount Cards and received approval to travel with an attendant displayed their RTC Discount Cards to vehicle operators, and the attendant was able to pay either discounted cash fare or use a discounted BART ticket. Based on recent data provided by the RTC Discount Card Program, about 3,500 of the 90,000 total RTC Discount Cardholders are approved to travel with an attendant.

MTC identified four options and sought feedback from the ClipperSM transit agencies as well as disability rights representatives (Bill Hershon of Disability Rights California and MTC Policy Advisory Council Member Naomi Armenta). The four options were:

1.	- Attendant pays with cash on buses and surface-level light rail - Attendant pays with discounted limited use Clipper SM ticket when riding Muni Metro - BART continues sales of red tickets and attendant pays with red ticket when riding BART
2.	Attendant receives his/her own RTC Discount Card
3.	Attendant rides free when traveling with qualifying RTC/Clipper SM Discount Cardholder
4.	Qualifying RTC/Clipper SM Discount Cardholders receive two cards and provide one to the attendant

While some transit operators and the disability rights representatives identified options 3 or 4 as their preferred choices, all transit operators agreed that Option 1 was the most consistent with current practice and therefore recommended that the region implement this option. MTC staff supports this recommendation, but additionally recommends that the policy be implemented on a pilot basis for one year, after which time MTC and the participating transit operators will revisit the issue.

BART and MTC staff will work together to identify a method for distributing red tickets to attendants (or directly to the qualified customers with disabilities). MTC also will coordinate with the RTC Discount Card Program (operated by BART on behalf of the region) on any necessary communications to customers.

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Change Order

Work Item No.: 105-1221 and 310-2700

Contractor: Cubic Transportation Systems
San Diego, CA

Project Title: Customer Service Center Support for Patron Demand Spikes

Purpose of Project: Execute time-sensitive task orders to mitigate impact from increases in demand at the ClipperSM Customer Service Center and potential degradation of service level standards.

Brief Scope of Work: Provide resources, including but limited to temporary workers, to respond to current or potential spikes in demand beyond the capacity of the ClipperSM Customer Service Center.

Project Cost Not to Exceed: \$450,000 (this amendment) Approved contract plus change orders: \$116,913,894

Funding Source: CMAQ, STA, STP Exchange, Regional Measure 2 Capital and Regional Measure 2 Operating

Fiscal Impact: Funds included in FY 2010-11 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract change order to implement a task order-based Change Order to support ClipperSM Customer Service Center operations and improvements and the Chief Financial Officer is authorized to set aside funds up to \$450,000 for such contract change order.

Operations Committee:

Jake Mackenzie, Chair

Approved:

Date: March 11, 2011

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Change Order Amendment

Work Item No.: 105-1221 and 310-2700

Contractor: Cubic Transportation Systems
San Diego, CA

Project Title: ClipperSM Implementation and Design Improvements,
Enhancements, and Materials

Purpose of Project: Execute time-sensitive changes to the ClipperSM system
design to address customer-related issues and/or
operations issues

Brief Scope of Work: Support Customer Service Center improvements, modify
the content and/or design of the ClipperSM website, and
software or device functionality, as needed, to improve
system performance, address customer-related issues, etc.

Project Cost Not to Exceed: \$750,000/Approved contract plus change orders:
\$116,913,894

Funding Source: CMAQ, STA, STP Exchange, Regional Measure 2 Capital and
Regional Measure 2 Operating

Fiscal Impact: Funds included in FY 2010-11 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to
negotiate and enter into a contract change order amendment for
ClipperSM implementation and design enhancements and the
Chief Financial Officer is authorized to set aside funds up to
\$750,000 for such a contract change order amendment.

Operations Committee:

Jake Mackenzie, Chair

Approved:

Date: March 11, 2011