Agenda Item No. 2b

METROPOLITAN TRANSPORTATION COMMISSION

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: January 6, 2012

FR: Deputy Executive Director W.I. 320-1221, 310-2700

RE: Clipper® Program Contract Actions:

i. Contract – Customer Communication, Education, and Public Awareness Services: MIG, Inc. ($300,000)
ii. Funding Agreement – Fare Media Transition Customer Education: Santa Clara Valley Transportation Authority ($250,000)_

Clipper® Program Status Report

Clipper® volume averaged more about 580,000 transactions per weekday during November 2011. As of November 2011, the percent of weekday customers paying fares with Clipper® on the participating transit systems is as follows: Golden Gate Ferry: 96%; Caltrain: 69%; SFMTA: 46%; BART: 43%; Golden Gate Transit bus: 36%; AC Transit: 25%; SamTrans: 14%; and VTA: 5%. Attachment 1 provides additional information about use of the Clipper® system.

As of January 1, 2012, most SamTrans monthly passes are only available to customers with Clipper® cards and BART has significantly reduced the availability of paper high value, green (senior) and red (youth/disabled) tickets while encouraging customers to pay their fares with Clipper®. MTC worked collaboratively with both agencies through the fall to educate customers about the transition from paper tickets to Clipper®, and the efforts have made a significant impact. For example, from August – mid-December, the percent of BART's youth customers paying with Clipper® cards increased from 6% to 35% and the percent of BART's high value customers paying with Clipper® increased from 46% to 60%. While the agencies have shifted most frequent riders to Clipper®, SamTrans is continuing to sell the paper version of its Needy Family monthly pass, which is not available on Clipper®, and BART is continuing limited sales of its high value, red and green tickets. In accordance with MTC Resolution No. 3866, BART will end sales of the paper high value tickets later in 2012, but BART will continue limited sales of the red and green tickets to indefinitely ensure access to discount fares for customers without a Clipper® card.

On December 22, 2011, MTC ended the public comment period concerning MTC's *Clipper® Title VI Draft Summary Report for Fare Media Transitions*. MTC staff is reviewing the comments received, both in writing and through focus groups and presentations, and MTC will present the final report to the Committee in February or March.

Contract Actions

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into the following contract actions:

i. Contract – Customer Communication, Education, and Public Awareness Services: MIG, Inc. ($300,000)

Staff recommends a contract not to exceed $300,000 with MIG, Inc. for the provision of customer communication, education and public awareness services for the Clipper® Program through the remainder of FY 2011-12. MIG, Inc. is one of the firms qualified last month by the Committee as part of a panel of firms available to provide services through FY 2013-14. MIG, Inc. will assume the responsibilities provided by Swirl since 2006. Swirl's contract will expire on January 31, 2012. The combined services provided by Swirl and MIG, Inc. for FY 2011-12 are within the Clipper® Program budget and Clipper® customer education work plan established by staff at the beginning of the fiscal year and incorporated in the agency's annual budget.

MIG, Inc. will provide services in support of VTA's fare media transition, the launch of Clipper® on WETA's services, and launch of the Oakland in-person customer service center. MIG, Inc. will also manage the content of clippercard.com and other ongoing efforts to support both new and existing Clipper® customers in understanding and using the card.

Staff may recommend up to two additional years in one-year increments, subject to approval and availability of funding. In the event staff does recommend an extension through FY 2012-13, staff will present the recommendation to the Committee in May or June 2012.

ii. Funding Agreement – Fare Media Transition Customer Education: Santa Clara Valley Transportation Authority ($250,000)

In accordance with MTC Resolution No. 3866, VTA will end sales of its paper monthly passes effective July 1, 2012. In preparation for the transition of the passes to Clipper®-only availability, MTC and VTA staffs have reached an agreement whereby VTA will have responsibility for providing information to customers in vehicles, bus shelters, light rail stations, and through paid media, i.e. advertisements. As with similar initiatives conducted by MTC and other transit agencies, the effort will target those customers impacted by the shift of passes to Clipper®-only availability, and the information will emphasize basic information about Clipper®, e.g. how to get a card, how to load value, and how to pay a fare with Clipper®. Staff recommends a funding agreement with VTA in an amount not to exceed $250,000. This amount is within the Clipper® Program budget and customer education work plan established by staff at the beginning of the fiscal year and incorporated in the agency's annual budget.

To complement VTA's responsibilities, MTC (through its contract with Caribou Public Relations approved in December 2011) will conduct Clipper® outreach events at transit hubs, on-board key routes, and at other locations throughout VTA's service area. MTC (through the recommended contract with MIG, Inc.) will also develop brochures, provide information through clippercard.com, and ensure coordination between VTA's efforts and other Clipper® customer education initiatives.

Andrew B. Fremier

AF/JA

J:\COMMITTE\Operations\2012 Operations Comm Packet\01_Ops_Jan2012\2b_Clipper Program Contract Actions.doc

Attachment 1:
Table 1: Summary of System Utilization

	Last Month November 2011	Prior Month October 2011	Prior Year November 2010
Transaction Volume			
Average Number of Weekday Transactions	579,826	571,532	307,301
Fee-Generating Fare Payment Transactions (monthly total)	13,505,441	14,238,125	7,138,086
Fee-Generating Add Value & Refund Transactions (monthly total)	997,932	1,058,312	573,731
Total Fee-Generating Transactions	14,503,373	15,296,437	7,711,817
Unique Cards Used	499,953	496,635	284,626
Active Card Accounts	1,054,538	1,029,263	413,616
Percent of Registered Active Cards	43%	43%	53%
Settled Transit Operator Revenue	$25,519,443	$26,882,629	$13,437,382
Autoload Activity			
Percent of Registered Cards with Autoload	39%	39%	45%
Autoload Transactions	227,107	219,568	122,466
Call Volume*			
Customer Service Representative (CSR) Calls	29,433	37,820	33,071
CSR Calls per Unique Card Used	0.06	0.08	0.12
Help Desk Calls	827	1,097	1,393
Website Traffic			
Unique Visitors	127,415	138,767	116,444
Website Visits	185,780	209,089	176,404
Website Visits per Unique Card Used	0.37	0.42	0.62

* In July 2011, the Customer Service Bureau (CSB) began reporting Total Call Volume to the Customer Service Center in addition to Total Calls Answered. This reflects calls answered by Customer Service Representatives (CSRs), as well as abandoned calls and calls resolved through the IVR system. The 2011 data reflects Total Call Volume, while the November 2010 data only reflects calls actually answered by CSRs.

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract

Work Item No.:	320-1221 and 310-2700
Contractor:	MIG, Inc. Berkeley, CA
Project Title:	Customer Communication, Education, and Public Awareness Services
Purpose of Project:	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 web sites, and, where appropriate, paid media, i.e. advertisements
Project Cost Not to Exceed:	$300,000
Funding Source:	Regional Measure 2 Operating
Fiscal Impact:	Funds included in FY 2011-12 agency budget
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract with MIG, Inc. for the purposes described herein and in the Executive Director's memorandum dated January 6, 2012, and the Chief Financial Officer is authorized to set aside funds up to $300,000 for such contract.

Operations Committee:

_____

Jake Mackenzie, Chair

Approved: Date: January 13, 2012

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Funding Agreement

Work Item No.:	320-1221 and 310-2700
Contractor:	Santa Clara Valley Transportation Authority San Jose, CA
Project Title:	Fare Media Transition Customer Education
Purpose of Project:	Inform VTA riders who currently use paper monthly passes about Clipper®, how to get a card, how to load and how to pay fares with a Clipper® card
Brief Scope of Work:	VTA will provide on-board, bus shelter, and in-station signs/advertisements and other paid media, i.e. print advertisements
Project Cost Not to Exceed:	$250,000
Funding Source:	Regional Measure 2 Operating
Fiscal Impact:	Funds included in FY 2011-12 agency budget
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a funding agreement with VTA for the purposes described herein and in the Executive Director's memorandum dated January 6, 2012, and the Chief Financial Officer is authorized to set aside funds up to $250,000 for such funding amendment.
Operations Committee:	_____ Jake Mackenzie, Chair
Approved:	Date: January 13, 2012