



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

Agenda Item No. 2b

TO: Operations Committee

DATE: July 6, 2012

FR: Executive Director

W.I.: 320-1221, 310-2700

RE: Clipper[®] Program Contract Actions:

- i. Contract Change Order Amendment – Implementation and Design Improvements, Enhancements and Materials: Cubic Transportation Systems, Inc. (\$500,000)
- ii. Contract Change Order – Regional Transit Connection Discount Card Program Integration: Cubic Transportation Systems, Inc. (\$150,000 for Implementation and \$225,000/Year for Operations)
- iii. Contract Change Order – Pre-encoded Limited Use Tickets for San Francisco Municipal Transportation Agency and Golden Gate Bridge, Highway, and Transportation District: Cubic Transportation Systems, Inc. (\$375,000)

Clipper[®] Program Status Report

Attachment 1 includes information about Clipper[®] system operations in May 2012. The system is now routinely averaging over 600,000 transactions per weekday, and total monthly transaction volume exceeded 17 million transactions for the first time in May. In early June, Clipper[®] began operations on the San Francisco Bay Ferry route between Oakland/Alameda and South San Francisco; San Francisco Bay Ferry, which is operated by the Water Emergency Transportation Authority), is the eighth transit operator to accept Clipper[®].

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 Change Order Amendment – Implementation and Design Improvements, Enhancements, and Materials: Cubic Transportation Systems, Inc. (\$500,000)**

Change Order 120 supports design and implementation of low dollar or time-sensitive changes to the Clipper[®] system through a task order process. The Operations Committee has previously authorized \$1,475,000 for this Change Order, which included approvals in 2009 (\$225,000), 2010 (\$500,000), and 2011 (\$750,000). To date, Cubic has implemented 33 projects under this Change Order at an average cost of \$34,400 per project. Attachment 2 lists the projects implemented under this Change Order. Examples include:

- Deployment of additional Clipper[®] customer service representatives to support the transition of paper tickets and passes to Clipper[®]-only availability;

- Deployment of Clipper® Add Value Machines to the San Jose, Palo Alto and San Francisco Caltrain stations to enable Caltrain customers to add value at the busiest stations;
- Updates to system business rules in response to requests from transit agencies; and
- Improvements to the Handheld Card Readers used by VTA light rail proof of payment inspectors.

The proposed amendment to Change Order 120 will fund future task orders to enable Cubic continued timely completion of improvements to the Clipper® system design in order to address customer-related and/or operations issues. Staff anticipates that the recommended funding will support projects through the remainder of FY 2102/13.

ii. Contract Change Order – Regional Transit Connection Discount Card Program Integration: Cubic Transportation Systems, Inc. (\$150,000 for Implementation and \$225,000/Year for Operations)

The Regional Transit Connection (RTC) Discount Card Program is the Bay Area’s regional transit identification card for persons with disabilities and senior citizens. Customers who qualify for the program are eligible for discount fares on the participating transit systems. The program is a component of MTC’s Transit Coordination Implementation Plan (MTC Resolution No. 3866, Revised); the transit agencies have operated and funded the program since the 1990s.

Beginning in 2007, all qualifying RTC Discount Card customers began to receive Clipper®-compatible cards, providing customers with the following options: paying fares with cash, discount passes/stickers, or Clipper® value. For the past several years, MTC has contributed funds to the operation of the RTC Discount Card Program to offset incremental costs specific to Clipper®, such as special printers and supplies for printing customers’ photos on contactless smart cards.

Beginning in 2013, MTC and the transit agencies plan to further integrate the Clipper® and RTC Discount Card Programs by having the Clipper® Contractor, Cubic Transportation Systems, Inc. (Cubic) provide card fulfillment, card replacement, and customer service for all RTC Discount Card Program customers. The objectives of the further program integration are improved operational efficiency and improved customer service for RTC Discount Card Program customers. The scope of the proposed Change Order includes both one-time implementation and ongoing operating expenses; MTC will fund the implementation expense, while the transit agencies will continue funding the operating expenses.

iii. Contract Change Order – Pre-Encoded Limited Use Tickets for San Francisco Municipal Transportation Agency (SFMTA) and Golden Gate Bridge, Highway, and Transportation District (GGBHTD): Cubic Transportation Systems, Inc. (\$375,000)

This proposed Change Order will allow SFMTA and GGBHTD to fully eliminate all non-Clipper® prepaid fare media. While significant steps to phase-out non-Clipper® prepaid fare media have already been taken, both agencies continue to offer paper tickets/passes to specific customer groups for which the standard/extended use Clipper® card is not applicable, [e.g., customers receiving subsidized transit passes (in SFMTA’s case) and tour groups (in GGBHTD’s case).]. Under the proposed Change Order, Cubic will perform work to allow both agencies to issue and manage transit passes on pre-encoded limited-use Clipper® tickets; these tickets work with the Clipper card readers. The tickets are made of paper, have a smaller memory capacity than standard Clipper® cards, and are significantly less expensive than standard Clipper® cards. SFMTA and GGBHTD will provide the funds for this Change Order under existing Grant and Cooperative Agreements.

Steve Heminger

SH/LV:ja

Attachment 1

Table 1: Summary of System Utilization

	Last Month May 2012	Prior Month April 2012	Prior Year May 2011
Transaction Volume			
Average Number of Weekday Transactions	624,939	619,722	448,785
Fee-Generating Fare Payment Transactions (monthly total)	15,901,261	14,926,099	11,066,948
Fee-Generating Add Value & Refund Transactions (monthly total)	1,208,183	1,147,714	809,951
Total Fee-Generating Transactions	17,109,444	16,073,813	11,876,899
Unique Cards Used	574,564	556,311	402,291
Number of Fee-Generating Transactions per Unique Card	29.78	28.89	29.52
Active Card Accounts	1,165,994	1,155,650	778,197
Percent of Registered Active Cards	45%	45%	44%
Settled Transit Operator Revenue	\$30,464,421	\$29,592,728	\$19,967,146
Autoload Activity			
Percent of Registered Cards with Autoload	39%	39%	41%
Autoload Transactions	271,565	267,091	178,174
Call Volume			
Customer Service Representative (CSR) Calls	29,445	26,326	31,191
CSR Calls per Unique Card Used	0.05	0.05	0.08
Help Desk Calls	1,071	981	1,217
Website Traffic			
Unique Visitors	149,805	130,987	123,939
Website Visits	217,465	188,362	180,012
Website Visits per Unique Card Used	0.38	0.34	0.45

Table 2: Weekday Market Penetration Rates

	Average Weekday Clipper® Boardings May 2012	Market Penetration Rate Current Month May 2012	Market Penetration Rate Prior Month April 2012	Market Penetration Rate Prior Year May 2011
AC Transit	52,019	26.4%	25.5%	20.2%
BART	185,249	48.3%	48.1%	32.2%
Caltrain	8,515	76.6%	73.0%	65.7%
SFMTA	333,542	48.3%	48.7%	37.7%
SamTrans	14,117	30.4%	28.9%	5.7%
VTA	16,165	11.7%	9.0%	3.2%
Golden Gate Ferry	6,952	93.6%	94.1%	73.2%
Golden Gate Transit	8,380	36.8%	38.3%	36.5%

Attachment 2 – Projects Implemented Under Change Order 120

Task Order No.	Description	Amount
1	In Person Customer Service Center Build Out	\$19,505
2	Not Used	
3	SFMTA A-Pass Card Order	\$20,090
4	SamTrans Coastside Vehicle Install	\$68,058
5	SFMTA Ticket Office Terminals	\$9,119
6	SFMTA CID 1A Maintenance Support	\$60,000
7	Change Chinese Language on Interactive Voice Response System	\$1,553
8	Ticket Vending Machine at 11 South Van Ness	\$5,616
9	SFMTA Spares Rigs	\$23,351
10	Additional Antennas for SFMTA Yards - Phase 1	\$13,611
11	VTA Spares Rigs	\$10,305
12	VTA Bus Installations	\$21,527
13	Additional CSRs for Caltrain Fare Media Transitions	\$200,000
14	Caltrain Add Value Machines	\$98,770
15	VTA Wireless Data Transmission Systems	\$51,446
16	Muni Historic PCC 1058	\$5,000
17	Additional CSRs for Fare Media Transitions	\$50,000
18	Additional HCR 4s for SFMTA	\$35,213
19	Additional reports and queries	\$38,502
20	SFMTA-BART transfer	\$30,000
21	Muni Historic Vehicle 916	\$11,801
22	Autoload data queries	TBD
23	BART TVM extended-use card issuance proof of concept	\$20,000
24	SFMTA/GGF TVM Product Display	\$12,477
25	BART HVD Implementation on Direct Load (Institutional Programs)	\$24,189
26	AC Transit Dumbarton Transfer Rules	\$63,173
27	Ad Hoc Queries (estimated amount)	\$20,027
27-1	Amendment No. 1 to Task Order 27	\$38,813
28	Dumbarton Equipment for AC Transit	\$21,668
29	VTA Handheld Card Reader 3 Functionality	\$129,642
30	Installation of HCR3 at SFMTA, 1 S. Van Ness Avenue, San Francisco	\$8,000
31	BART Ticket Vending Machine Library	\$12,246
32	SFMTA PCC 1040	\$4,157
33	DDOS Software Evaluation	\$8,657
34	SFMTA Antennas – MME	TBD
35	BART Faregate Library	TBD
36	Bay to Breakers Refunds	\$1,528

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Change Order Amendment

Work Item No.: 310-2700

Contractor: Cubic Transportation Systems, Inc.
San Diego, CA

Project Title: Clipper Fare Payment System

Purpose of Change Order: Design and implementation of time-sensitive changes to the Clipper[®] system.

Brief Scope of Work: TBD, as needed.

Project Cost Not to Exceed: \$500,000 (this Change Order)
Total capital contract value including Change Orders before this Change Order Amendment = \$125,417,045

Total authorized capital contract amount with this Change Order = \$125,917,045 (this total does not include other July 13 contract approval actions).

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

Fiscal Impact: Funds included in the FY 2012-13 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract change order amendment with Cubic Transportation Systems, Inc. for the purpose described herein and in the Executive Director's memorandum dated July 6, 2012 and the Chief Financial Officer is authorized to set aside funds up to \$500,000 for such contract change order amendment.

Operations Committee:

Jake Mackenzie, Chair

Approved:

Date: July 13, 2012