



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

Agenda Item 3b

TO: Operations Committee

DATE: May 2, 2014

FR: Executive Director

W.I. 310-2700, 320-1221

RE: Contract Actions – Clipper® Customer Service and Communications

- i. Funding Agreement Amendment – Customer Service Center at AC Transit Headquarters: AC Transit (\$250,000)
- ii. Contract Amendment – Customer Service Center/Transportation Kiosk at Embarcadero BART Station Operations: Nematode Holdings, LLC (\$525,000)
- iii. Contract Amendment – Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$215,000)
- iv. Contract Amendment – Public Awareness and Customer Education Services: MIG, Inc. (\$875,000)
- v. Contract– Distribution and Communications Planning and Support Services: Synapse Strategies (\$200,000)

Items in this memorandum reflect contracts to continue support for (1) existing in-person Clipper® customer service and (2) communication initiatives that directly affect Clipper® customers. The three in-person customer service centers offer program information to the public in addition to issuing an average of 4,000 new and replacement cards monthly.

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. Funding Agreement Amendment – Customer Service Center at AC Transit
Headquarters: AC Transit (\$250,000)**

In April 2012, MTC entered into a funding agreement with AC Transit for the operation of a Clipper® customer service center at AC Transit's headquarters in Oakland. AC Transit's multilingual customer service staff issues new and replacement cards, distributes Clipper® information, and answers questions about the use of Clipper® on all participating transit services.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to extend the period of performance through June 30, 2015, at a cost not to exceed \$250,000, subject to Commission approval of the FY 2014-15 agency budget.

**ii. Contract Amendment – Customer Service Center/Transportation Kiosk at
Embarcadero BART Station Operations: Nematode Holdings, LLC (\$525,000)**

In October 2009, BATA entered into a competitively procured agreement with Nematode Holdings, LLC ("Nematode") for operation of a transportation support kiosk in the Embarcadero BART station with an initial period of performance of three years and option to extend for up to

three one-year terms through June 2015. BATA transferred management of the contract to MTC after subsequent amendments expanded the Clipper® tasks under the scope of work.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to extend the period of performance through June 30, 2015, at a cost not to exceed \$525,000, subject to Commission approval of the FY 2014-15 agency budget.

iii. Contract Amendment – Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations: Nematode Holdings, LLC (\$215,000)

In January 2011, the Bay Crossings store operated by Nematode began offering expanded Clipper® customer services under a sole source contract with MTC, based on the unique position of this store as the only vendor in the San Francisco Ferry Building selling transit tickets. Under this agreement, Nematode is also responsible for the operation and maintenance of the ferry departure flap sign in the central lobby of the Ferry Building.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to extend the period of performance through June 30, 2015, at a cost not to exceed \$215,000, subject to Commission approval of the FY 2014-15 agency budget.

iv. Contract Amendment – Public Awareness and Customer Education Services: MIG, Inc. (\$875,000)

In January 2012, the Operations Committee approved a contract with MIG, Inc. (MIG) to provide customer education services for Clipper®. Per the terms of the 2011 procurement, the initial period of performance was three years, ending no later than June 30, 2014, with the option to renew for up to two additional one-year periods.

The scope of work for this amendment includes the development and implementation of customer education initiatives to communicate the benefits of Clipper® and the launch of Clipper® on new transit services.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to extend the period of performance through June 30, 2015, at a cost not to exceed \$800,000, subject to Commission approval of the FY 2014-15 agency budget.

v. Contract– Distribution and Communications Planning and Support Services: Synapse Strategies (\$200,000)

This Committee approved Synapse Strategies (Synapse) as part of the Clipper® Electronic Payment Implementation and Operations bench in May 2013, and MTC executed a contract with Synapse that expires in June 2014. Staff recommends executing a new contract with a revised scope of work and compensation structure. Tasks under this contract would include management and administration of customer education initiatives and assistance with operational reporting, as well as planning and coordinating efforts to communicate information to Title VI protected customers.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into a one-year contract with Synapse in an amount not to exceed \$200,000 for services described herein, subject to Commission approval of the FY 2014-15 agency budget.



Steve Heminger

SH: LV:bg

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Funding Agreement Amendment

Work Item No.: 320-1221

Contractor: AC Transit
Oakland, CA

Project Title: In-Person Clipper® Customer Service Center at AC Transit Headquarters

Purpose of Amendment: Provide Clipper® in-person customer service center in the East Bay

Brief Scope of Work: Operate Clipper® in-person customer service center at AC Transit's District Headquarters building located at 1600 Franklin Street in Oakland during FY 2014-15.

Project Cost Not to Exceed: \$250,000 (this Amendment)
Total Funding Agreement value including Amendments before this Amendment = \$576,200
Total authorized Funding Agreement amount with this Amendment = \$826,200.

Funding Source: Regional Measure 2 Operating and STA

Fiscal Impact: Funds dependent on the approval of Regional Measure 2 Operating and STA funds in the FY 2014-15 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a Funding Agreement Amendment with AC Transit, for the purposes described herein and in the Executive Director's May 2, 2014 memorandum, and the Chief Financial Officer is authorized to set aside \$250,000 for such Funding Agreement Amendment, subject to adoption of the FY 2014-15 agency budget.

Operations Committee:

Jake Mackenzie, Chair

Approved: Date: May 9, 2014

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.: 320-1221

Contractor: Nematode Holdings, LLC
San Francisco, CA

Project Title: Customer Service Center/Transportation Information Kiosk
at Embarcadero BART Station Operations

Purpose of Amendment: Provide Clipper[®] in-person customer service, such as card
replacement and issuance of Senior and Youth cards, and
sell FasTrak[®] transponders, paper transit fare media, and
operate 511 Departure Times displays.

Brief Scope of Work: Contractor shall provide trained staff to support a range of
Clipper[®] customer services through FY 2014-15.

Project Cost Not to Exceed: \$525,000 (this Amendment)
Total Contract value including Amendments before this
Amendment = \$2,035,100
Total authorized Contract amount with this Amendment =
\$2,560,100.

Funding Source: Regional Measure 2 Operating and STA

Fiscal Impact: Funds dependent on the approval of Regional Measure 2
Operating and STA funds in the FY 2014-15 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to
negotiate and enter into a Contract Amendment with Nematode
Holdings, LLC, for the purposes described herein and in the
Executive Director's May 2, 2014 memorandum, and the Chief
Financial Officer is authorized to set aside \$525,000 for such
Contract Amendment, subject to adoption of the FY 2014-15
agency budget.

Operations Committee:

Jake Mackenzie, Chair

Approved:

Date: May 9, 2014

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.: 320-1221

Contractor: Nematode Holdings, LLC
San Francisco, CA

Project Title: Customer Service Center/Bay Crossings at San Francisco Ferry Building Operations

Purpose of Amendment: Provide Clipper[®] in-person customer service, such as card replacement and issuance of Senior and Youth cards, and sell FasTrak[®] transponders, distribute MTC project materials and maintain ferry schedule flap sign display.

Brief Scope of Work: Contractor shall provide trained staff to support a range of Clipper[®] customer services using Clipper[®] equipment and backend systems through FY 2014-15.

Project Cost Not to Exceed: \$215,000 (this Amendment)
Total Contract value including Amendments before this Amendment = \$774,030
Total authorized Contract amount with this Amendment = \$989,030

Funding Source: Regional Measure 2 Operating and STA

Fiscal Impact: Funds dependent on the approval of Regional Measure 2 Operating and STA funds in the FY 2014-15 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a Contract Amendment with Nematode Holdings, LLC, for the purposes described herein and in the Executive Director's May 2, 2014 memorandum, and the Chief Financial Officer is authorized to set aside \$215,000 for such Contract Amendment, subject to adoption of the FY 2014-15 agency budget.

Operations Committee:

Jake Mackenzie, Chair

Approved:

Date: May 9, 2014

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.: 320-1221, 310-2700

Contractor: MIG, Inc.
Berkeley, CA

Project Title: Public Awareness and Customer Services

Purpose of Amendment: 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 websites, and, where appropriate, paid media, i.e., advertisements.

Project Cost Not to Exceed: \$875,000 (this Amendment)
Total Contract value including Amendments before this Amendment = \$2,905,000
Total contract amount with this Amendment = \$3,780,000

Funding Source: Regional Measure 2 Marketing and Commuter Benefits

Fiscal Impact: Funds dependent on the approval of Regional Measure 2 Marketing and Commuter Benefits funds in the FY 2014-15 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a Contract Amendment with MIG, Inc., for the purposes described herein and in the Executive Director's May 2, 2014 memorandum, and the Chief Financial Officer is authorized to set aside \$875,000 for such Contract Amendment, subject to adoption of the FY 2014-15 agency budget.

Operations Committee:

Jake Mackenzie, Chair

Approved:

Date: May 9, 2014

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract

Work Item No.: 320-1221

Contractor: Synapse Strategies
Oakland, CA

Project Title: Distribution and Communications Planning and Support Services

Purpose of Contract: Provide oversight and support for customer education, distribution, and customer service functions.

Brief Scope of Work: Oversee in-person customer education/outreach services; planning and support services related to Clipper[®] marketing and communication and customer service initiatives through FY 2014-15.

Project Cost Not to Exceed: \$200,000

Funding Source: Regional Measure 2 Marketing and Commuter Benefits

Fiscal Impact: Funds dependent on the approval of Regional Measure 2 Marketing and Commuter Benefits funds in the FY 2014-15 agency budget.

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a one-year Contract with Synapse Strategies, for the purposes described herein and in the Executive Director's May 2, 2014 memorandum, and the Chief Financial Officer is authorized to set aside \$200,000 for such Contract, subject to adoption of the FY 2014-15 agency budget.

Operations Committee:

Jake Mackenzie, Chair

Approved:

Date: May 9, 2014