



METROPOLITAN  
TRANSPORTATION  
COMMISSION

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## Memorandum

Agenda Item 2c

TO: Operations Committee

DATE: March 6, 2015

FR: Executive Director

W.I. 310-2700, 320-1221

RE: Clipper® Program Contract Actions

Attachment 1 includes information about current Clipper® system operations.

### 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 – San Francisco Municipal Transportation Agency  
Central Subway: Cubic Transportation Systems, Inc. (\$3,560,000)**

Under this Change Order, Cubic Transportation Systems, Inc. (Cubic) would build, deliver and install 27 fare gates and 17 vending machines at SFMTA Central Subway stations. The Central Subway project is currently under construction with fare equipment scheduled for installation in 2017, and service is scheduled to begin in 2019. The fare gates and vending machines supplied for these new stations will be the same as those currently installed throughout the Muni Metro system. SFMTA will provide funding for this project. Cubic is neither a small business nor a disadvantaged business enterprise.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into one or more contract change orders or change order amendments with Cubic in an amount not to exceed \$3,560,000 for installation of fare gates and vending machines at SFMTA Central Subway stations.



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Steve Heminger

SH: JW:bg

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**Table 1: Summary of System Usage**

|   | Last Month<br>January 2015 | Prior Month<br>December 2014 | Prior Year<br>January 2014 |
|---|----------------------------|------------------------------|----------------------------|
| <b>Transaction Volume</b>                   |                            |                              |                            |
| Average Weekday Ridership <sup>1</sup>      | 715,939                    | 680,525                      | 675,136                    |
| Fee-Generating Transactions <sup>2</sup>    | 19,704,638                 | 18,532,626                   | 18,809,311                 |
| Unique Cards Used                           | 784,841                    | 793,093                      | 724,521                    |
| Active Card Accounts                        | 1,545,091                  | 1,539,746                    | 1,383,273                  |
| Settled Transit Operator Revenue            | \$40,790,143               | \$38,410,969                 | \$37,016,492               |
| <b>Autoload Activity</b>                    |                            |                              |                            |
| Percent of Registered Cards with Autoload   | 36%                        | 36%                          | 37%                        |
| <b>Call Volume</b>                          |                            |                              |                            |
| Customer Service Representative (CSR) Calls | 27,024                     | 23,234                       | 28,478                     |
| CSR Calls per Unique Card Used              | 0.03                       | 0.03                         | 0.04                       |
| <b>Website Traffic</b>                      |                            |                              |                            |
| Unique Visitors - Standard                  | 141,076                    | 121,469                      | 142,602                    |
| Unique Visitors - Mobile                    | 40,782                     | 34,876                       | 24,276                     |
| Website Visits - Standard                   | 198,560                    | 166,833                      | 202,617                    |
| Website Visits - Mobile                     | 68,378                     | 57,123                       | 43,371                     |
| Website Visits per Unique Card Used         | 0.27                       | 0.23                         | 0.34                       |

**Notes on System Usage:**

Between December and January, we saw the typical bounce-back from winter breaks, with average weekday ridership increasing 5.2 percent. Fee-generating transactions were up 6.3 percent, just 300,000 shy of the 20-million monthly goal. Unique cards used dropped 1 percent, and active card accounts increased a slight 0.3 percent. Settled transit operator revenue was up 6.2 percent from December. Calls to Customer Service increased 16.3 percent. Unique visitors and total visits to the desktop site were up 16.1 percent and 19.0 percent, respectively. Unique visitors and total visits to the mobile site jumped 16.9 percent and 19.7 percent, respectively. Website visits per unique card used were up 17.4 percent.

<sup>1</sup> Includes average daily number of boardings, including transfers but excluding some Caltrain monthly pass trips (Caltrain only requires monthly pass customers to tag their cards once at the beginning of each month).

<sup>2</sup> Includes single-tag fare payments, BART and Caltrain exits, Golden Gate Transit entries, add-value transactions, opt-out purse refunds and pass use, including institutional passes. Does not include transfers or transactions where fee value is \$0 (e.g., issuance of free cards, zero-value tags in dual-tag systems, etc.).

**Table 2: Monthly Market Penetration Rates<sup>3</sup>**

|                                   | Monthly Clipper Boardings | Clipper Market Penetration Rate |               |               |
|-----------------------------------|---------------------------|---------------------------------|---------------|---------------|
|                                   | December 2014             | December 2014                   | November 2014 | December 2013 |
| AC Transit                        | 1,527,159                 | 33.0%                           | 36.8%         | 29.8%         |
| BART <sup>4</sup>                 | 5,607,990                 | 56.3%                           | 57.5%         | 52.3%         |
| Caltrain <sup>5</sup>             | 236,523                   | 52.5%                           | 55.0%         | 52.6%         |
| FAST                              | 5,529                     | 6.8%                            | 4.2%          | N/A           |
| Golden Gate Ferry                 | 154,355                   | 94.3%                           | 94.5%         | 92.5%         |
| Golden Gate Transit/Marin Transit | 180,749                   | 40.4%                           | 38.8%         | 36.9%         |
| Napa VINE                         | 1,588                     | 2.9%                            | 1.4%          | N/A           |
| SamTrans                          | 356,665                   | 33.9%                           | 35.1%         | 34.0%         |
| San Francisco Bay Ferry           | 57,794                    | 45.0%                           | 42.2%         | 25.8%         |
| SFMTA                             | 8,055,631                 | 46.9%                           | 50.4%         | 44.9%         |
| SolTrans                          | 8,067                     | 7.3%                            | 4.6%          | N/A           |
| Vacaville City Coach              | 55                        | 0.1%                            | 0.1%          | N/A           |
| VTA                               | 1,132,709                 | 33.8%                           | 38.4%         | 25.0%         |

<sup>3</sup> MTC uses the National Transit Database (NTD) to calculate most market penetration rates. NTD typically has a two-month delay before ridership data are available.

<sup>4</sup> Calculation of BART monthly market penetration is now calculated using monthly BART total exits by ticket type, which is equivalent to number of linked trips per month.

<sup>5</sup> Calculation of Caltrain market penetration assumes that monthly pass holders board Caltrain 1.75 times a day per weekday. Caltrain sold 14,070 calendar passes during the December 2014 pass vending window.

## Summary of Proposed Contract Change Order or Change Order Amendment

Work Item No.: 310-2700

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

Project Title: SFMTA Central Subway

Purpose of Change Order: Supply fare gates and vending machines to SFMTA for Central Subway extension and integrate them into the Clipper® system.

Brief Scope of Work: Build, deliver, install and integrate fare gates and vending machines at SFMTA's Central Subway stations.

Project Cost Not to Exceed: This Change Order: \$3,560,000  
Total actual capital contract value including Change Orders prior to this Change Order: \$141,540,905  
Total actual capital contract value with this Change Order: \$141,100,905 (this total does not include other March 13 contract approval actions).

Funding Source: SFMTA

Fiscal Impact: None

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into one or more contract change orders or change order amendments with Cubic for the purposes described herein and in the Executive Director's March 6, 2015 memorandum, and the Chief Financial Officer is authorized to set aside \$3,560,000 for one or more such contract change orders or change order amendments.

Operations Committee: \_\_\_\_\_  
Jake Mackenzie, Chair

Approved: Date: March 13, 2015