



METROPOLITAN  
TRANSPORTATION  
COMMISSION

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## *Memorandum*

Agenda Item 2d

TO: Operations Committee

DATE: April 3, 2015

FR: Executive Director

W.I. 310-2700, 320-1221

RE: Contract Actions – Operations and Consultant Support for Clipper<sup>®</sup>

- i. Purchase Order – Network Services: AT&T (\$450,000)
- ii. Contract Change Order – Expansion to Union City Transit: Cubic Transportation Systems, Inc. (\$650,000)

The items in this memorandum reflect contract amendments to support ongoing operations of the Clipper<sup>®</sup> system. Attachment 1 includes information about current Clipper<sup>®</sup> 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. Purchase Order – Network Services: AT&T (\$450,000)**

AT&T provides network services for the Clipper<sup>®</sup> system that enable connections between card readers, other Clipper<sup>®</sup> devices, data servers, and the Clipper<sup>®</sup> Central System. Per the Clipper<sup>®</sup> memorandum of understanding, this cost is reimbursed by Clipper<sup>®</sup> transit agencies. This Purchase Order would cover both network operations and installation services during FY 2015-16. AT&T is neither a small business nor a disadvantaged business enterprise.

Staff recommends that the Operations Committee authorize the Executive Director or his designee to issue a purchase order to AT&T in an amount not to exceed \$450,000 for the services described above, subject to Commission approval of the FY 2015-16 agency budget.

**ii. Contract Change Order – Expansion to Union City Transit: Cubic Transportation Systems, Inc. (\$650,000)**

Under this Change Order, Cubic Transportation Systems, Inc. (Cubic) will install and configure the Clipper<sup>®</sup> onboard fare collection equipment on Union City Transit vehicles. Cubic will supply all required materials necessary for installation. MTC will fund the work related to this project. MTC will manage delivery and installation of equipment

through the Clipper<sup>®</sup> Contract. 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 \$650,000 to install Clipper<sup>®</sup> equipment on Union City Transit vehicles.



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Steve Heminger

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**Table 1: Summary of System Usage**

	Last Month February 2015	Prior Month January 2015	Prior Year February 2014
<b>Transaction Volume</b>			
Average Weekday Ridership <sup>1</sup>	782,380	715,939	736,740
Fee-Generating Transactions <sup>2</sup>	18,950,661	19,704,638	17,850,186
Unique Cards Used	783,947	784,841	695,927
Active Card Accounts	1,565,387	1,545,091	1,403,394
Settled Transit Operator Revenue	\$39,143,719	\$40,790,143	\$35,243,529
<b>Autoload Activity</b>			
Percent of Registered Cards with Autoload	35%	36%	37%
<b>Call Volume</b>			
Customer Service Representative (CSR) Calls	25,628	27,024	24,470
CSR Calls per Unique Card Used	0.03	0.03	0.04
<b>Website Traffic</b>			
Unique Visitors - Standard	123,397	141,076	125,221
Unique Visitors - Mobile	36,846	40,782	21,616
Website Visits - Standard	172,226	198,560	174,050
Website Visits - Mobile	61,803	68,378	37,781
Website Visits per Unique Card Used	0.24	0.27	0.30

**Notes on System Usage:**

Between January and February, average weekday ridership increased 9.0 percent. Fee-generating transactions dropped 4.0 percent. Percentage of unique cards used remained flat, and active card accounts increased 1.0 percent. Settled transit operator revenue dropped 4.0 percent from January.

Calls to Customer Service dropped 5.0 percent. Unique visitors and total visits to the desktop site both dropped 13.0 percent. Unique visitors and total visits to the mobile site both decreased 10.0 percent. Website visits per unique card used were down 11.0 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		
		January 2015	December 2014	January 2014
AC Transit	1,743,041	38.0%	33.0%	33.0%
BART <sup>4</sup>	5,863,835	59.4%	56.3%	56.5%
Caltrain <sup>5</sup>	267,945	58.1%	52.5%	49.5%
FAST	6,953	7.7%	6.8%	N/A
Golden Gate Ferry	173,360	95.5%	94.3%	94.4%
Golden Gate Transit/Marin Transit	212,382	41.4%	40.4%	39.8%
Napa VINE	1,824	2.8%	2.9%	N/A
SamTrans	373,722	34.0%	33.9%	34.9%
San Francisco Bay Ferry	76,538	54.3%	45.0%	31.1%
SFMTA	8,506,102	49.4%	46.9%	46.5%
SolTrans	9,417	8.1%	7.3%	N/A
Vacaville City Coach	113	0.3%	0.1%	N/A
VTA	1,316,234	37.7%	33.8%	33.5%

**Notes on Market Penetration Rates:**

Between December and January, the Clipper<sup>®</sup> Market Penetration rate increased on every operator, except Napa VINE, which experienced a slight decrease. The operators with largest increases include: San Francisco Bay Ferry (9.3%), Caltrain (6%), AC Transit (5%) and VTA (4%).

<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 15,072 calendar passes during the January 2015 pass vending window.

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Purchase Order

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

Contractor: AT&T  
Sacramento, CA

Project Title: Clipper® Network Services

Purpose of Purchase Order: Provide network communications and installation services for the Clipper® program during FY 2015-16.

Brief Scope of Work: Service fees and capital costs for network, frame relay, dial up, and Virtual Private Network/Multiprotocol Label Switching services connecting Clipper® card readers, other devices, data servers, and the Clipper® central system.

Estimated Project Cost: \$450,000

Funding Source: Transit Agencies

Fiscal Impact: Funding is subject to adoption of FY 2015-16 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to issue a Purchase Order to AT&T for the purposes described herein and in the Executive Director's April 3, 2015 memorandum, and the Chief Financial Officer is authorized to set aside \$450,000 for such Purchase Order, subject to adoption of the FY 2015-16 agency budget.

Operations Committee:

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Scott Haggerty, Chair

Approved:

Date: April 10, 2015

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract Change Order

Work Item No.: 310-2700

Contractor: Cubic Transportation Systems, Inc.  
Concord, CA

Project Title: Expansion to Union City Transit

Purpose of Change Order: Expand the Clipper® regional fare payment system to Union City Transit.

Brief Scope of Work: Install hardware, perform software integration and complete training and other tasks related to implementation of Clipper® on Union City Transit.

Project Cost Not to Exceed: \$650,000 (this Change Order)  
Total capital contract value including Change Orders before this Change Order = \$143,505,582  
Total authorized capital contract amount with this Change Order = \$144,155,582

Funding Source: STP, CMAQ

Fiscal Impact: Funds included in the FY 2015-16 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into one or more Change Order Amendments with Cubic Transportation Systems, Inc. for the purposes described herein and in the Executive Director's April 3, 2015 memorandum, and the Chief Financial Officer is authorized to set aside \$650,000 for such Contract Change Orders or Change Order Amendments.

Operations Committee:

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Scott Haggerty, Chair

Approved:

Date: April 10, 2015