

LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
1362 Rutan Court, Suite 100
Livermore, CA 94551

PROJECTS and SERVICES COMMITTEE MEETING / COMMITTEE OF THE
WHOLE

COMMITTEE MEMBERS

SCOTT HAGGERTY– CHAIR	KARLA BROWN
DAVID HAUBERT - VICE CHAIR	STEVEN SPEDOWFSKI

DATE: Monday, August 24, 2015

PLACE: Diana Lauterbach Room LAVTA Offices
1362 Rutan Court, Suite 100, Livermore

TIME: 4:00p.m.

AGENDA

1. Call to Order

2. Meeting Open to Public

- Members of the audience may address the Committee on any matter within the general subject matter jurisdiction of the LAVTA Board of Directors.
- Members of the audience may address the Committee on items on the Agenda at the time the Chair calls for the particular Agenda item.
- Public comments should not exceed three (3) minutes.
- Agendas are published 72 hours prior to the meeting.
- No action may be taken on matters raised that are not on the Agenda.

3. Minutes of the June 22, 2015 Meeting of the P&S Committee.

Recommendation: Approval

4. FY 2015 4th Quarter Report – Operations

Recommendation: None – information only.

5. Fourth Quarter 2015 Marketing and Outreach Activities

Recommendation: None – information only.

6. Amendment to the Wheels Accessible Advisory (WAAC) Committee Bylaws

Recommendation: Amend the WAAC Bylaws to add ACTC's Paratransit Advisory Committee (PAPCO) representative position to the committee membership.

7. Clipper Memorandum of Understanding

Recommendation: Staff recommends approving and forwarding the Clipper® MOU to the Board for approval.

8. LAVTA Fares and Clipper Day Pass Accumulator

Recommendation: Forward a recommendation to the Board of Directors to approve LAVTA's Fares and Transfer Agreements, adding the Clipper Card including the Day Pass Accumulator, Resolution 27-2015.

9. Comprehensive Operational Analysis/Short and Long Range Plans

Recommendation: None – information only.

10. Preview of Upcoming P&S Committee Agenda Items

11. Matters Initiated by Committee Members

12. Next Meeting Date is Scheduled for: September 28, 2015

13. Adjourn

Please refrain from wearing scented products (perfume, cologne, after-shave, etc.) to these meetings, as there may be people in attendance susceptible to environmental illnesses.

In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

I hereby certify that this agenda was posted 72 hours in advance of the noted meeting.

<u>/s/ Diane Stout</u>	<u>8/19/15</u>
<u>LAVTA Administrative Services Department</u>	<u>Date</u>

On request, the Livermore Amador Valley Transit Authority will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. A written request, including name of the person, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service should be sent at least seven (7) days before the meeting. Requests should be sent to:
Executive Director

*Livermore Amador Valley Transit Authority
1362 Rutan Court, Suite 100
Livermore, CA 94551
Fax: 925.443.1375
Email : frontdesk@lavta.org*

AGENDA

ITEM 3



LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
1362 Rutan Court, Suite 100
Livermore, CA 94551

PROJECTS and SERVICES COMMITTEE MEETING / COMMITTEE OF THE
WHOLE

COMMITTEE MEMBERS

KARLA BROWN – CHAIR

SCOTT HAGGERTY

DAVID HAUBERT - VICE CHAIR

STEVEN SPEDOWFSKI

DATE: Monday, June 22, 2015

PLACE: Diana Lauterbach Room LAVTA Offices
1362 Rutan Court, Suite 100, Livermore

TIME: 4:00p.m.

MINUTES

1. Call to Order

Committee Chair Karla Brown called the meeting to order at 4:03pm.

Members Present

Karla Brown, Vice Mayor, City of Pleasanton

Don Biddle, Councilmember, City of Dublin

Scott Haggerty, Supervisor, Alameda County

Steven Spedowski, Councilmember, City of Livermore

Members Absent

David Haubert, Mayor, City of Dublin

2. Meeting Open to Public

No comments.

3. Minutes of the May 26, 2015 Meeting of the P&S Committee.

Approved: Haggerty/Biddle

Aye: Biddle, Brown, Haggerty, Spedowski

No: None

Abstain: None

4. LAVTA Procedures/Policies for USDOT Reasonable Modifications Rule

Staff provided information on the LAVTA Procedures/Policies for USDOT

Reasonable Modifications Rule. Discussed was the USDOT ruling. On March 13, 2015, the U.S. Department of Transportation issued a ruling that goes into effect on July, 13, 2015. The ruling is intended to clarify that public transit providers, such as LAVTA must make reasonable modifications in their policies, practices and procedures when necessary, to avoid discrimination on the basis of disability. Unless the transit agency can demonstrate that making the recommended alteration would fundamentally alter the nature of our service, program or activity, or result in an administrative burden. This ruling will apply to both the fixed route service and Dial-a-Ride. A procedure has been developed for how we deal with such requests. Review the staff report for further information.

A motion was made to endorse and forward to the Board of Directors for approval.

Approved: Biddle, Spedowski
Aye: Biddle, Brown, Haggerty, Spedowski
No: None
Abstain: None

5. ADA Paratransit Ridership Increase Analysis

Staff provided an update on the ADA Paratransit ridership increase. According to recent ridership reports, it was noted that paratransit had gone up 24% as compared to the previous year for the same time period. It was determined that the ridership increase is mainly due to the Livermore Go Group program, as well as the Futures Explored, Inc., also in Livermore. This has shown a 140% increase in rides within a five month period over the previous year. Clients of Futures Explored, Inc. are developmentally disabled and qualify for the ADA Paratransit service. The possibility of creating a fixed paratransit route was discussed. This ridership increase calculates out to about \$80K per year in public subsidies, which is an increase that was not anticipated, and is not in the FY2016 budget. It was noted that a facility in Pleasanton for developmentally handicapped adults was approved. This facility indicated that they have their own means of transportation.

This item was informational only.

6. Interim Schedule Adjustments to Improve OTP

Staff provided an update on the plan to improve OTP. An Ad-Hoc Task Force has been created and has met with operations to discuss the routes with the biggest OTP problems. The second initiative of the Task Force is to determine the causes for poor OTP. It is expected that issues such as variability of traffic is a large factor, however there may also be operational problems, such as additional training for operators. The Task Force will investigate and determine the best solution to improve OTP. In some cases, the solution will be schedule adjustments. For instance, changes on a trip by trip basis or by time of day, which has been done for the larger routes in the past.

The team has looked at routes 3, 12, 15 & 54. The team has already made route adjustments on Route 3, improving OTP.

With Route 70 a circulation change will be made in the early Fall at the Contra Costa end, and then review will be done to determine next steps.

Mr. Haggerty voiced his concern about running LAVTA busses all the way up Interstate 680 to Pleasant Hill. This concern will be discussed by the Board in the upcoming workshop associated with the Comprehensive Operational Analysis.

This item was informational only.

7. Update on Comprehensive Operational Analysis and Short/Long Range Planning Efforts

Staff highlighted recent activity with the agency's Comprehensive Operational Analysis. LAVTA was on the front page of the Independent newspaper regarding the Operational Study. The Wheels Forward website is now live, and is available directly, or through the Wheels website. Two new committees will begin meeting next month. The Stakeholder Committee, comprised of opinion leaders, business leaders, and others in the community, including school districts. The Technical Advisory Committee, comprised of representatives from the local municipalities, the county, County Connection, BART and ACE. .

It was suggested the Livermore Outlet's be added to the Outreach List.

This item was informational only.

8. Preview of Upcoming P&S Committee Agenda Items

9. Matters Initiated by Committee Members

Scott Haggerty requested an update on Google potentially utilizing the LAVTA Atlantis facility for parking.

Karla Brown – Ron McNichol, a reporter at the Independent newspaper has re-awakened the idea of a Park 'n Ride with BART and Wheels. The parking lot at the BART station is so full, parking is overflowing into the Stoneridge Shopping Center, at the West Las Positas shopping area. Fewer people are riding BART due to parking issues. Is there a Park 'n Ride that Wheels can pick up and shuttle riders to the BART station?

10. Next Meeting Scheduled for July 27, 2015 - CANCELLED

11. Adjourn

Meeting adjourned 4:50pm.

AGENDA

ITEM 4



LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY

STAFF REPORT

SUBJECT: FY 2015 4th Quarter Report – Operations

FROM: Christy Wegener, Director of Planning & Communications

DATE: August 24, 2015

Action Requested

This is an informational item.

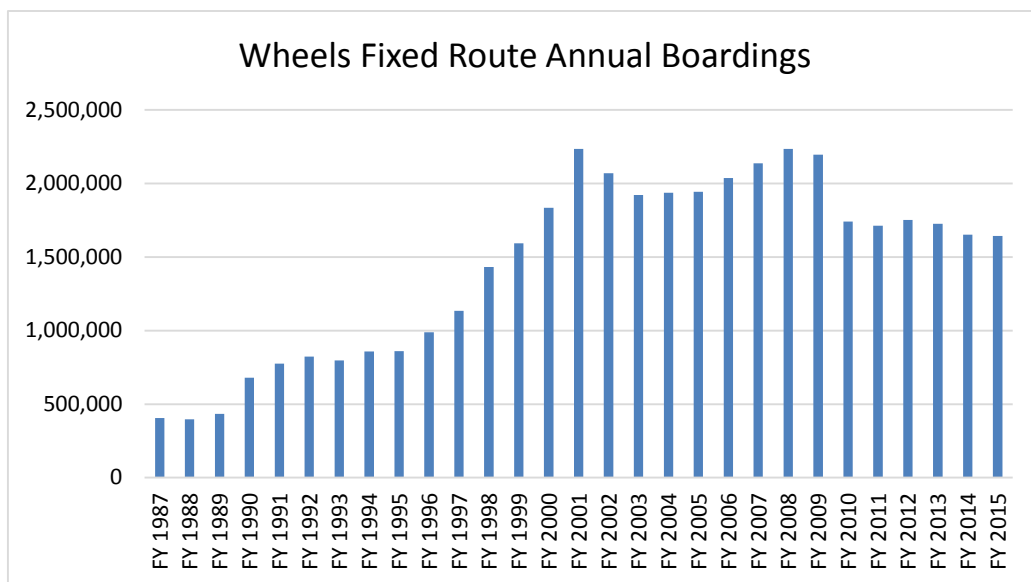
Background

This report is intended to provide the Committee with a summary and analysis of operations for the fourth quarter of FY2015 (April – June 2015), including fixed route and operational performance metrics.

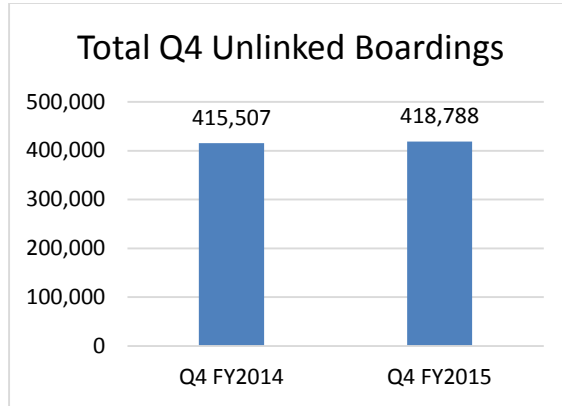
Discussion

Fixed Route

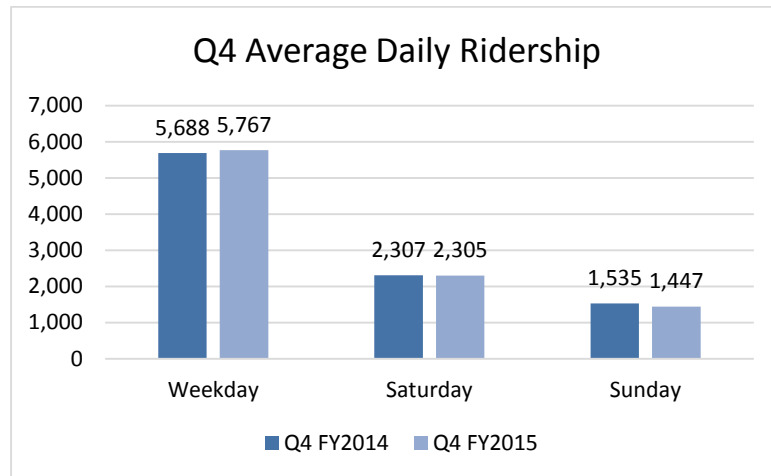
During the fiscal year that just ended on June 30 (FY2015), LAVTA saw 1,644,043 unlinked boardings. This represents a fractional decrease of -0.8% compared with the previous fiscal year. In viewing the longer-term trend shown in the graph below, this appears to continue the trend of slightly declining-to-flat ridership that the agency has seen since FY2010, the first full year following the major service reductions implemented during calendar year 2009.



Turning specifically to the fourth quarter of FY2015, ridership was up compared to the same quarter of the previous year. The increase was slight (0.8%), and is a continuation of the trend from the prior quarter, where approximately a one-percent year-on-year increase was observed.



The next chart shows the ridership breakdown by average boardings per day during the quarter. It shows that the slight ridership gain was attributable to the weekday service, as both Saturday and Sunday ridership was down slightly compared to Q4 of FY14.

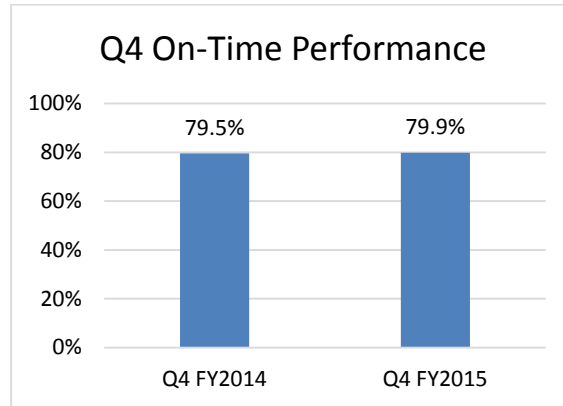


It is difficult to draw short-term conclusions from these trend variations in ridership, but it is worth noting the last two quarters both were ridership-positive.

As in previous quarters, trends at the individual route level were mixed: local routes 3, 8, 11, and 14 all saw sustained productivity increases, while the two ACE connecting routes 53 and 54 both trended down. The important trunk lines 10 and 30 (*Rapid*) both trended slightly down in the quarter compared to the same time frame of the previous year. On weekends, the Sunday service of routes 12 and 15 showed a significant upward trend, as did the Saturday

route 3 service (albeit from a low level). These gains, however, were not sufficient to offset a net loss in Sunday ridership on route 10.

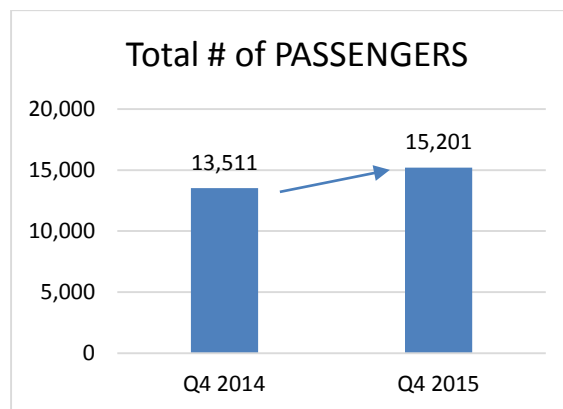
On-time performance (OTP) increased slightly compared with same quarter of the previous year, though still remaining under 80%. Within the quarter, the highest OTP percentage was observed in May, with a reading of 81.6%.

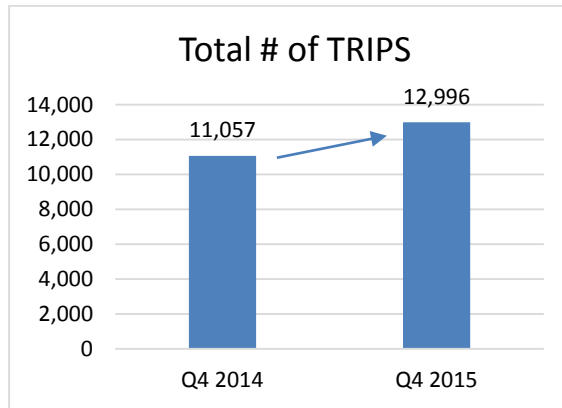


As with previous quarters, the route experiencing the biggest challenge adhering to the published schedules during the quarter was the 70X service between Pleasant Hill and Dublin, which is subjected to significant variability in traffic along its I-680 segment. During the quarter, its on-time performance ranged from 42 percent to 64 percent. An adjustment to the routing of Route 70X is being made with the fall 2015 service changes and is expected to have a positive impact on OTP. Routes 1 (East Dublin) and 53 (Ace / Stoneridge) consistently performed above 90 percent, whereas the large trunk lines 10 and 30 (*Rapid*) performed in the 80-82% range, slightly above the system average.

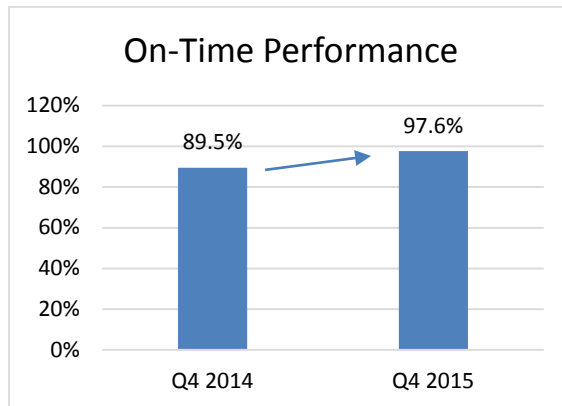
Paratransit

The FY2015 Q4 total number of passengers served on paratransit, which includes personal care attendants (PCAs) and companions, has increased by 12.5% when compared to the same three months the year prior, and the number of trips during the same time period has increased by 17.5 %, as the following two charts illustrate.



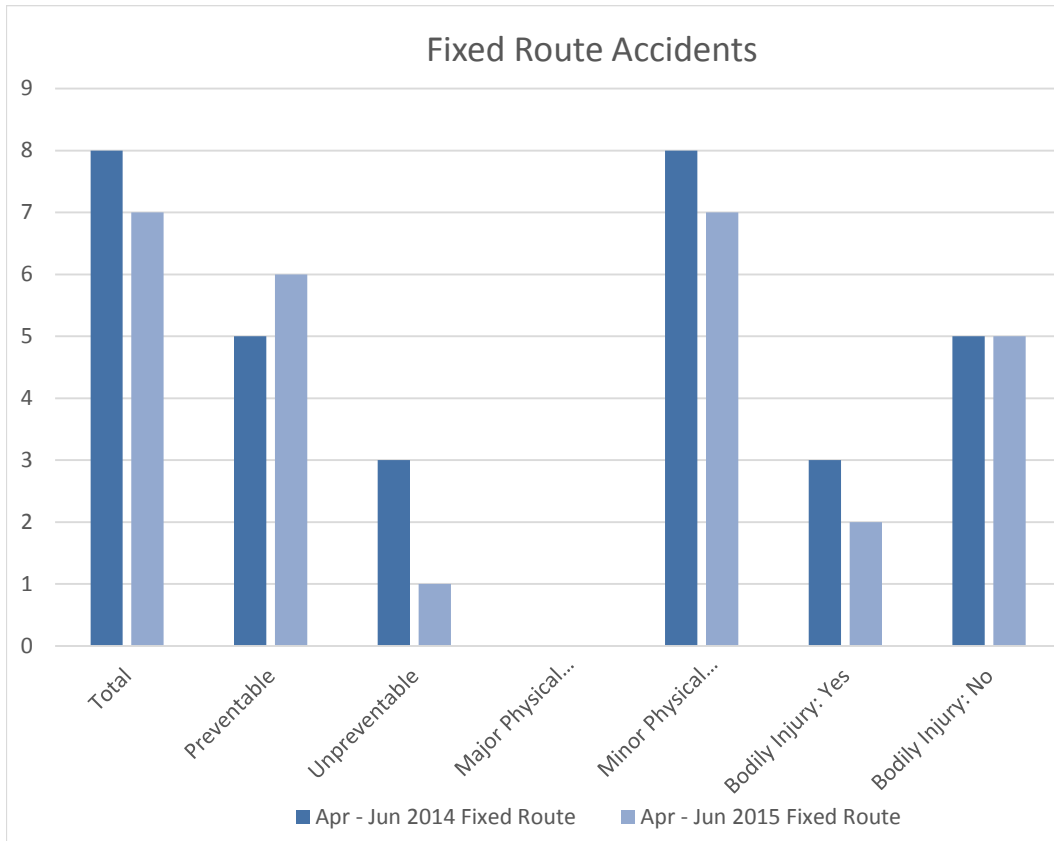


The on-time performance (OTP) for the FY 2015 Q4 is 97.6% compared to 89.5% for the same quarter during the previous fiscal year (8.5% increase) as shown in the chart below.

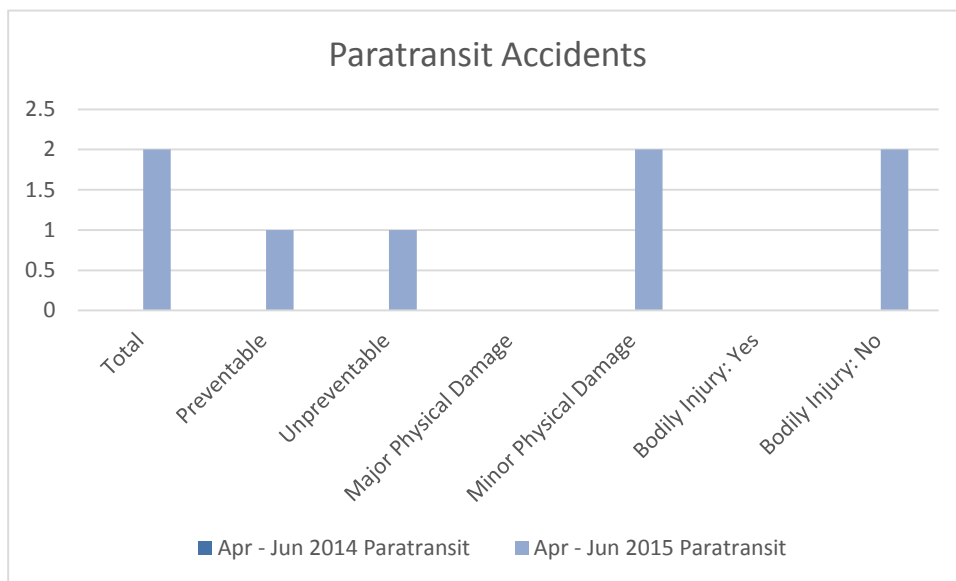


Accidents

In the fourth quarter, there have been seven (7) accidents for fixed route, six (6) of which were determined to be preventable, and one (1) deemed non-preventable. None of the accidents resulted in major damage, and seven (7) resulted in minor or no damage to the vehicles (only fixed route are LAVTA owned vehicles). Three (3) of the fixed route accidents resulted in bodily injury. The total number of accidents for the quarter has decreased from this time last year; however the number of preventable accidents continue to rise. Staff is working with the operations contractor to identify trends in preventable accidents and recently completed a review with CalTIP Safety resources to identify an action plan to improve the Safety program.



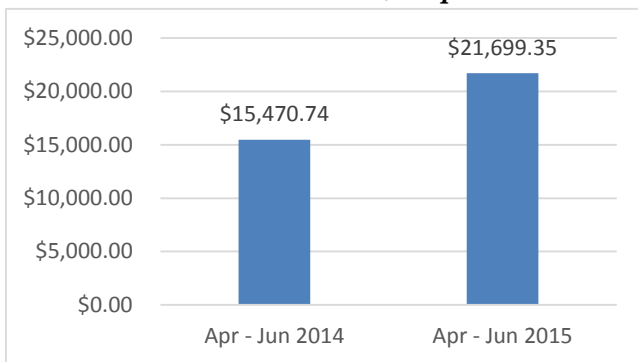
In the fourth quarter there were two (2) paratransit accidents compared to zero last year. One (1) was preventable, and the damage to the non-LAVTA vehicle was minor and there were no injuries.



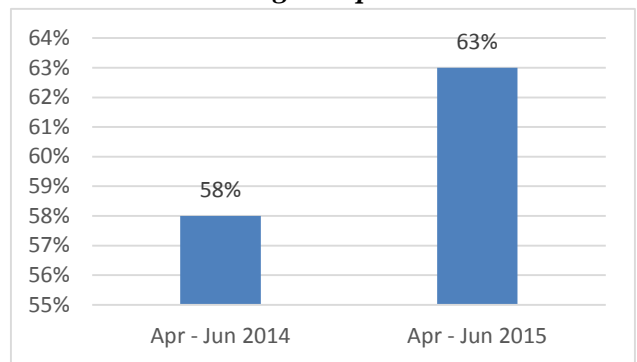
Claims Activity

With respect to the monthly accident claim activity, the below charts highlight claims **for fixed route only**. The dollar amount expended during Q4 was higher this year than last, and the percent of budget expended over the course of the year was higher, albeit below the allowable 100%. It should be noted that some of the FY15 expenditures are for the prior fiscal year, as adjudication of claims can take some time after the actual accident/incident. Even so, there is an increased focus on Safety with LAVTA's fixed route contractor in light of the preventable accidents and higher dollars being expended on claims.

Accident Claims: \$ Expended

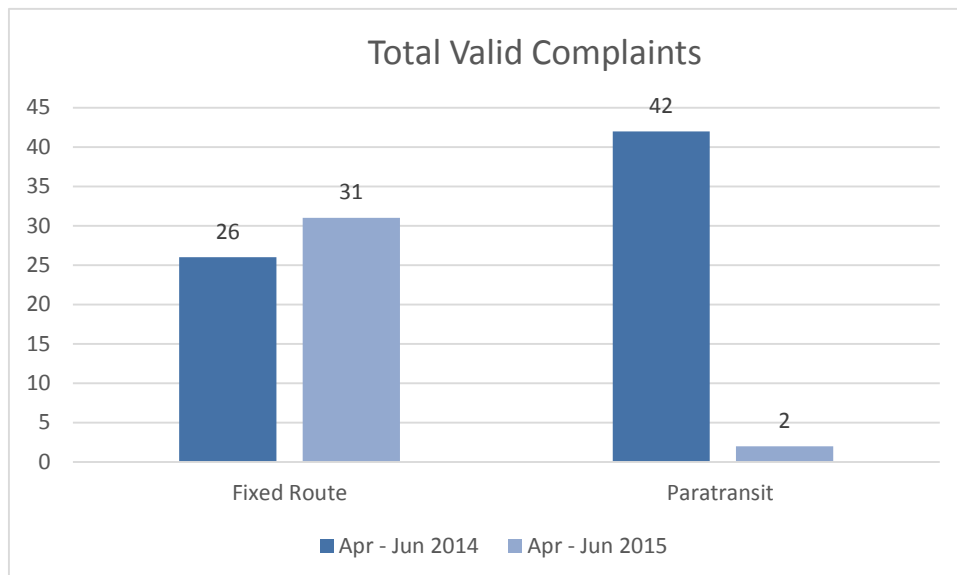


% Budget Expended

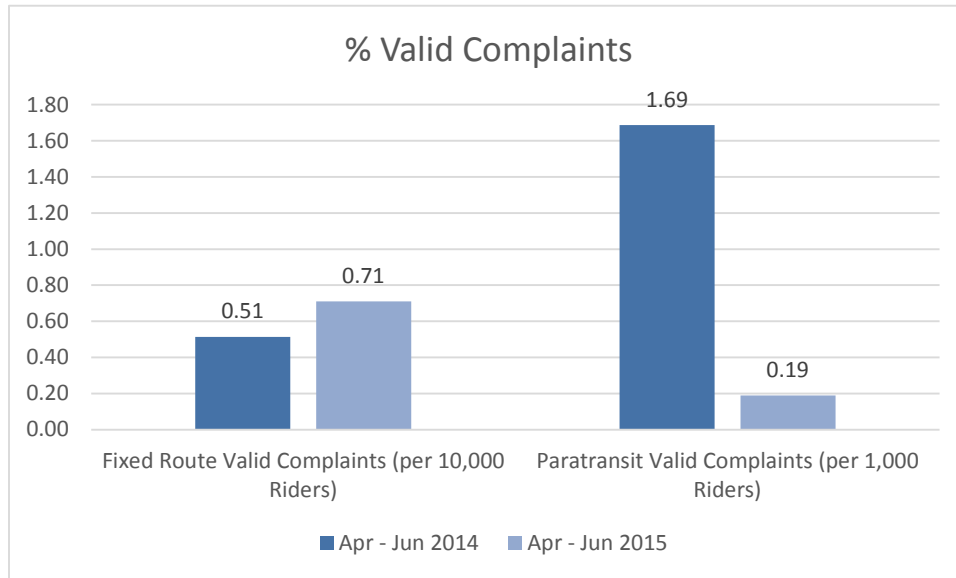


Customer Service

Customer Service staff processed a total of 226 customer requests for Q4 FY14 and a total of 162 for Q4 FY15. LAVTA's Service Quality Standards Index, a measurement of performance for contractors, tracks the number of **valid** complaints for both fixed route and paratransit service, as noted for the quarter in the chart below.



The following chart looks at the percentage of valid complaints, per 10,000 riders for fixed route and 1,000 riders for paratransit.



Comparing the total valid complaints from FY14 and FY15, the number for fixed route has increased and staff continues to work with the fixed route contractor in the Fixed Route Task Force meetings held every other week, which allow for timely recognition of trends, and increased attention to the Customer Oversight Program which provides for assigning points to operators for valid complaints. The top valid complaints for fixed route for this quarter are in the areas of “late” (13 complaints), “bypass” (5 complaints), and “driver courtesy” (5 complaints).

The paratransit contractor was different in April FY14, and for the first two months of 2014 when the new contractor was onboard, valid complaints soared. Staff and the contractor have worked hard to ensure that the complaints have been reduced drastically, with only two (2) valid complaints (both in the area of “dispatcher training”) for all three months of Q4 for FY15. Staff and the contractor deserve recognition for decreasing and maintaining a very respectable standard in this area.

Next Steps

None

Recommendation

None – information only.

AGENDA

ITEM 5



STAFF REPORT

SUBJECT: Fourth Quarter 2015 Marketing and Outreach Activities
FROM: Dennis Mochon, Senior Marketing and Communications Specialist
DATE: August 24, 2015

Action Requested

Informational item only. No action required.

Background

This report is intended to provide the Board with a summary of the marketing and outreach activities for the fourth quarter of FY2015.

Discussion

Activities completed in the fourth quarter:

Stand Up 4 Transportation Event – April 9th

Wheels participated with other Bay Area transit agencies to promote the American Public Transportation Association's (APTA) Stand Up 4 Transportation Event on April 9th. LAVTA's Executive Director Michael Tree spoke at the event, which was located at the Temporary Transbay Terminal in San Francisco, stressing the importance of the passage of long term federal transportation funding to communities in the Tri-Valley. The event was well-attended and received national and local press.

Livermore Wine Festival May 2 and 3rd

Wheels had an information booth for both Saturday and Sunday, May 2nd and May 3rd at the Wine Festival, and had a full realm of information to distribute to the public.

Alameda County Fair

For the 2015 fair, Wheels will be offered a buy one get on free ticket similar to last year's campaign. On Senior Days, Wheels staff shared a table with ACTC and the Pleasanton Senior Center to inform the public about all of the senior and disabled services for the Tri-Valley. Wheels did a joint promotion with the Fair and BART to promote taking BART and Wheels to the Fair. Media included: KKIQ radio, interior cards, posters, fair signage, BART signage, social media and a press release.

Website Redesign

Working with the firm Planeteria, Wheels is undertaking a redesign of the www.wheelsbus.com website. Wheels selected a basic framework design and had a major two-day photo shoot in June to provide photos for the new website. The website has been developed and is in the final stages of testing. The new website is scheduled to go live in September.

Facebook Bike Giveaway Promotion

Wheels boosted Facebook likes through a contest offering a free Trek bike. Hundreds went to Wheels Facebook page or website and entered an email address to register for the contest. They were asked to 'like' Wheels on Facebook. The contest ran from late May through the Alameda County Fair and generated over 400 new 'likes'. The winner was Livermore resident Justin Griffin. LAVTA staff will be making a presentation about the contest at the 2015 California Transit Association Annual Conference.

Wheels in the News

Wheels produced eight press releases during the 4th quarter. These included: Wheels winning the GFOA award; LAVTA receives PTMISEA grant; Air Quality Award announced; Wheels to dedicate art mural; Wheels dedicates art mural; Wheels Forward study announcement; Alameda County Fair service and 4th of July service announcements. Wheels received major local and national industry articles in the Pleasanton Weekly, The Independent, The Patch and Mass Transit.

Wheels was also featured in the July 27, 2015 issue of APTA's Passenger Transport for the art mural dedication:

LAVTA Dedicates 'Art Shelter Mural'



The Livermore Amador Valley Transit Authority, Livermore, CA, recently dedicated the 15th in its series of Art Shelter Murals, with high school students who created the artwork in attendance. The mural, titled "Art is Science on Wheels," is located in a bus shelter at the west gate of the Sandia/Lawrence Livermore Labs. Livermore Mayor John Marchand and LAVTA board member Steven Spedowski officiated at the event.

Social Media

'Likes' on the Wheels Facebook page have dramatically risen over the quarter to a current total of 560. Several Facebook Posts were made for the events highlighted in the News section above. An average of two tweets per weekday were posted on Twitter.

Outreach

Wheels participated in 11 outreach activities targeting schools, seniors, employers and other community organizations as highlighted in Attachment 1.

The following activities have occurred or are planned for First Quarter of FY 2016:

Try Transit to Schools

LAVTA will target middle and high school students through a two week initiative in September to promote Wheels services. The Try Transit to Schools promotion will offer students of middle and high schools free rides on all regular fixed routes from September 7-18th. The agency will promote the event through KKIQ radio, bus cards, Wheels website and social media, as well as through the Tri-Valley schools.

August Service Change

On August 22nd, the agency implemented a minor service change. To inform customers of the change, the Agency produced a new bus book, car cards, website information, bus stop schedules, on-hold phone messages, social media posts and a news release.

Budget

No budgetary impact.

Recommendation

None – information only.

Attachment:

1. Summary of Outreach Activities

Fourth Quarter FY 2015 Outreach

Event	Date	Audience	Purpose
Stand Up 4 Transportation Event	4/9/15	Public	Federal Transit Funding Initiative
Livermore Needs Committee Meeting	4/14/15	Public	Service Info
Livermore Senior Center Presentation	4/28/15	Seniors	Service Info
Livermore Tradeshow and Mixer	5/13/15	Public	Service Info
Bike to Work Day Station at Shadow Cliffs	5/14/15	Public	Service Info
Hispanic Business Council Meeting	5/14/15	Public	Service Info
Livermore Needs Meeting	6/9/15	Public	Service Info
Hispanic Business Council Meeting	6/11/15	Public	Service Info
Livermore Rodeo Parade	6/13/15	Public	Rideo/Rapid Showcased
First Day of Senior Days at the Alameda County Fair	6/18/15	Public	Service Info
Second Day of Senior Days at the Alameda County Fair	6/25/15	Public	Service Info

AGENDA

ITEM 6



STAFF REPORT

SUBJECT: Amendment to the Wheels Accessible Advisory (WAAC) Committee Bylaws
FROM: Kadri Kulm, Paratransit Planner
DATE: August 24, 2015

Action Requested

Amend the WAAC Bylaws to add ACTC's Paratransit Advisory Committee (PAPCO) representative position to the committee membership.

Background

At their meeting in May, the WAAC recommended to have the committee Bylaws amended to add an additional position to the committee. They recommended adding LAVTA's representative to ACTC's Paratransit Advisory Committee (PAPCO).

Discussion

With this addition, the WAAC would have eleven regular member positions and continue to have five alternate positions.

The amended language will be in the Committee Composition section of the Bylaws:

"SECTION 3.2. COMMITTEE

- (a) Composition. The Committee shall be composed of eleven (11) members. Each city in the LAVTA jurisdiction shall have two members, and the County of Alameda one member, who is a resident in the LAVTA service area. Three members shall be representatives of social service agencies, which are located in and represent people who use or could use transit services in Livermore, Pleasanton and Dublin, and ex-officio members from the connecting transit service providers. One member shall be LAVTA's representative to the Paratransit Advisory and Planning Committee (PAPCO) of the Alameda County Transportation Commission (ACTC)."*

LAVTA's current representative for PAPCO is Esther Waltz who has submitted an application to continue serving on the WAAC. The PAPCO membership is for two years.

Recommendations

Amend the WAAC Bylaws to add ACTC's Paratransit Advisory Committee (PAPCO) representative position to the committee membership.

Attachment:

1. Updated WAAC Bylaws

Approved: _____

**BYLAWS
OF THE
WHEELS ACCESSIBLE ADVISORY COMMITTEE**

ARTICLE 1

NAME

The name of this committee shall be the “WHEELS ACCESSIBLE ADVISORY COMMITTEE.”

ARTICLE 2

DEFINITIONS

The terms defined in this Article shall have the following meaning:

SECTION 2.1. “LAVTA” refers to the Livermore/Amador Valley Transit Authority, created pursuant to Government Code 6500 et. seq., which provides public transportation services within the cities of Dublin, Livermore and Pleasanton, and portions of unincorporated areas in Eastern Alameda County.

SECTION 2.2. “BOARD OF DIRECTORS” or Board, means the governing Board of LAVTA.

SECTION 2.3. “PARATRANSIT” refers to any form of transportation for persons unable to use fixed route public transit.

SECTION 2.4. “PERSON WITH DISABILITIES” refers to any person whose disability prevents him/her from accessing public transportation pursuant to 49 CFR 37.

SECTION 2.5. “ELDERLY” is defined as any person who is sixty-five (65) years of age or older.

SECTION 2.6. “COMPLEMENTARY PARATRANSIT SERVICE” refers to comparable paratransit service to fixed route transit service as mandated by the Americans with Disabilities Act (49 CFR 37.125).

SECTION 2.7. “LOCAL PARATRANSIT SERVICE” refers to paratransit services that are not mandated by the Americans with Disabilities Act, and that are defined by individual transit operators.

SECTION 2.8. “TRANSPORTATION DEVELOPMENT ACT-ARTICLE 4.5” refers to State funding for paratransit service generated from the ¼ cent sales tax.

SECTION 2.9. “ALAMEDA COUNTY MEASURE B” refers to local funding for paratransit service generated by the one-half percent (0.5%) transportation sales tax in Alameda County.

SECTION 2.10. “AMERICANS WITH DISABILITIES ACT” (ADA) refers to the Federal law which provides equal access to buildings, services and public transportation to persons with disabilities (Public Law 101-336). Among its provision, the ADA mandates that public transit operators provide complementary paratransit service to persons whose impairment(s) prevent(s) them from using regular fixed route transit service.

SECTION 2.11. “COMMITTEE” refers to “WHEELS Accessible Advisory Committee.”

SECTION 2.12. “MEMBER” is defined as a Member of the Committee, who resides in the LAVTA member jurisdictions and represents the interests, concerns and suggestions of the elderly and disabled persons. This person may or may not have disabilities, or who may or may not be sixty-five years of age or more.

SECTION 2.13. “FISCAL YEAR” means the period from July 1 to and including the following June 30.

SECTION 2.14. “FIXED ROUTE SERVICE” refers to service that operates along prescribed routes according to fixed schedules.

ARTICLE 3

GENERAL PROVISIONS

SECTION 3.1. RESPONSIBILITIES

The Committee shall have the following responsibilities:

- (a) Provide a forum to discuss matters relating to LAVTA's fixed route and paratransit system accessibility as they pertain to the elderly and persons with disabilities; and
- (b) Advise the Board of Directors on matters relating to LAVTA's fixed route and paratransit system accessibility as they pertain to the elderly and persons with disabilities.
- (c) To represent the interests of elderly and persons with disabilities who depend upon accessible public transit service(s).

SECTION 3.2. COMMITTEE

- (a) Composition. The Committee shall be composed of eleven (11) members. Each city in the LAVTA jurisdiction shall have two members, and the County of Alameda one member, who is a resident in the LAVTA service area. Three members shall be representatives of social service agencies, which are located in and represent people who use or could use transit services in Livermore, Pleasanton and Dublin, and ex-officio members from the connecting transit service providers. One member shall be LAVTA's representative to the Paratransit Advisory and Planning Committee (PAPCO) of the Alameda County Transportation Commission (ACTC).
- (b) Alternate. Each City, the County, and social service agency, may have one (1) alternate member.
- (c) Qualifications of Members and Alternates. The members and alternates must be able to demonstrate:
 - (i) That they reside in the City they represent and in the case of the County, they reside in the LAVTA service area. Social services agencies must be located in and serve the residents of LAVTA service area.
 - (ii) Meet regularly during business hours.

- (iii) Analyze complex issues, reports, etc., and make objective conclusions relating to the issues and reports.
- (d) Appointment Process
 - (i) LAVTA shall advertise for any vacancy or vacancies on the Committee on LAVTA's website, post notices to the existing riders, and contact relevant social service agencies regarding serving on the committee. LAVTA's Board of Directors selects and approves committee members.
 - (ii) Every interested person shall complete a LAVTA application form.
 - (iii) The process of making appointments of alternate members shall be the same as for regular members.
- (e) Vacancies on the Committee. When there is a vacancy on the Committee, the alternate member shall fill in as an interim member, and, if desired, shall become a full voting permanent member.

SECTION 3.3 TERM OF APPOINTMENT OF COMMITTEE MEMBERS

The term of appointment of each committee member and alternate shall generally be for a period of two (2) fiscal years, unless a one (1) year term is necessary to ensure continuity of membership and avoid all appointments expiring at the same time. The term of appointment of the LAVTA's PAPCO representative shall match the PAPCO's membership term. Each member shall serve for a maximum of four (4) consecutive terms (i.e. eight (8) consecutive fiscal years). A member may continue to serve for additional consecutive terms beyond the maximum of four (4) consecutive terms (i.e. eight (8) consecutive fiscal years) if no other qualified applicants apply for the open position and the member is willing to serve. The member will be appointed as an Alternate unless there is an opening for a full voting member in their jurisdiction on the committee. The term shall be for one year. When a vacancy occurs, the vacancy will be filled using the procedure described above.

SECTION 3.4. REMOVAL AND RESIGNATION OF MEMBERS

- (a) Appointed members and alternates may be removed automatically from the Committee by the Board of Directors if:
 - (i) The member or alternate is absent for three (3) consecutive regular and/or special meetings;
 - (ii) A member may resign from the Committee by a letter of resignation to the Board of Directors.

SECTION 3.5. COMMITTEE OFFICERS AND THEIR DUTIES

- (a) The Committee shall elect a Chair and Vice Chair from among its members. The Committee Chair and Vice Chair shall not represent the same city.
- (b) The Chair and Vice Chair shall be elected at the last meeting of each fiscal year and assume office at the first meeting of the new fiscal year.
- (c) The Chair shall preside at all meetings of the Committee, call special meetings, and act as spokesperson of the Committee with the authorization of the Committee pursuant to Section 4.1 of these Bylaws.
- (d) The Vice Chair shall assume all duties of the Chair in the absence of, or upon request of, the Chair.
- (e) The Chair or his/her designee shall make an oral report at the meeting of the Board of Directors following the Committee's meeting. The designee shall be the Vice Chair of the Committee or a Committee member.
- (f) In the absence of the Chair and Vice Chair, the Committee shall appoint a Chair Pro-Tem to fill the duties of the Chair.

SECTION 3.6. COMMITTEE SECRETARY

A LAVTA staff person shall serve as Secretary and shall have no vote on matters before the Committee. The Secretary shall keep minutes of all regular and special meetings, and submit them to the Committee for approval, maintain a record of attendance, record all roll call votes, and assist with clerical and administrative tasks pertaining to the Committee.

SECTION 3.7. COMMITTEE MEETINGS

- (a) Regular Meeting Site, Schedule and Time. The Committee shall meet quarterly as needed. The Committee shall establish the meeting schedule, meeting time, meeting sites for the regular meetings at the first regular meeting of the fiscal year.
- (b) Regular Meetings. All regular meetings shall have a published agenda. Only items on the agenda shall be addressed at the meeting. Items for a regular meeting agenda may be submitted by any member of the Committee at least two (2) weeks prior to the meeting. The Committee Secretary may submit items for the agenda. Any supportive material for an agenda item shall be submitted at the same time. The Chair and the Committee Secretary shall agree on the final agenda.
- (c) Agendas. The agenda shall contain at least the following: call to order; approval of minutes; old business; new business; public comment and adjournment. Copies of the agenda, with supporting material and past meeting minutes, shall be mailed or delivered to the Committee members.
- (d) Notice. Notice of regular and special meetings shall comply with the Ralph M. Brown Act, Government Code Section 54950, et seq. Notices shall be mailed or delivered to the appropriate locations in the LAVTA jurisdiction. Notices may be mailed to the public upon request. All requests for additional information for regular and special meetings shall comply with LAVTA's Access to Public Records Information Policy. All notices of regular and special meetings shall be posted 72 hours prior to the meeting.

- (e) Special Meetings. Special Meetings may be called by the Committee Chair. Special meetings may include regular business in nature and/or time-urgent items. Special meetings shall comply with the same requirements of regular meetings.
- (f) Accessibility. All meetings shall be conducted in the LAVTA jurisdiction and shall be in a location accessible by public transportation and accessible to persons with disabilities.
- (g) Quorum. A quorum must be present to conduct a meeting and shall consist of six members. In the absence of a regular or alternate representative, the other representative from the City may exercise two votes for that jurisdiction and this would constitute a quorum.
- (h) Affirmative Vote. An affirmative vote by the majority of the filled positions of the Committee is required for an action to be approved, and a quorum must be present in the room in order for a vote to be taken. If a quorum is not present, the Chair would adjourn the meeting.
- (i) Compensation. Committee members shall not receive compensation for attending regular and special meetings. Please refer to section 4.2.
- (j) Parliamentary Procedure. Meetings shall be conducted in accordance with Robert's Rules of Order, Revised, The Classic Edition, General Henry M. Robert, III.
- (k) Minutes of WAAC Meetings. Minutes of the WAAC meetings shall be included in the Board of Directors Agenda Package.
- (l) A member unable to attend a Committee meeting shall notify the member's alternate to attend the meeting.

ARTICLE 4

MISCELLANEOUS

SECTION 4.1. PUBLIC STATEMENTS.

The Chair of the Committee shall be the spokesperson. In the absence of the Chair, the Vice Chair shall act as the spokesperson. In the absence of the

Committee's Chair and Vice Chair, a spokesperson shall be appointed by the Committee Chair. Furthermore, no member of the Committee shall speak as a spokesperson for LAVTA without authorization by majority vote of the Board of Directors of LAVTA.

SECTION 4.2. EXPENSES. The Committee is strictly on a volunteer basis; therefore, members shall not be reimbursed for any expenses relative to the Committee's activities and functions. However, LAVTA will provide paratransit service to/from regular and special meetings for Committee members upon request. LAVTA will also provide transit passes at no charge for rides on fixed route services. Members of the public must provide their own transportation.

SECTION 4.3. AMENDMENTS. Proposed amendments to these Bylaws shall be submitted to the LAVTA Board of Directors by the General Manager with an explanation of the proposed changes. Amendments shall be incorporated into these Bylaws upon a majority vote of the LAVTA Board of Directors

AGENDA

ITEM 7



STAFF REPORT

SUBJECT: Clipper Memorandum of Understanding

FROM: Michael Tree, Executive Director

DATE: August 24, 2015

Action Requested

Review and approve the Clipper® Memorandum of Understanding.

Background

The Metropolitan Transportation Commission (MTC) and seven transit agencies entered into a memorandum of understanding (MOU) effective November 10, 2011 under which MTC operates the Clipper® electronic fare payment system. As a future Clipper® partner, MTC has requested that LAVTA sign the MOU by the end of October 2015.

The existing MOU identifies MTC's Clipper®-related responsibilities, the transit agencies' Clipper®-related responsibilities, the process for amending the Clipper® Operating Rules, the process for resolving disputes among the program participants, and the method by which MTC and transit operators allocate Clipper® costs and revenues.

In September 2014, MTC received a correspondence which outlined the transit agencies' desire to have more input and control with respect to the current Clipper® system and planning for the next generation Clipper® system. Over several months, the transit agency general managers and the MTC executive director met regularly to discuss how best to implement this greater degree of input and control for transit agencies. Ultimately, it was mutually agreed to amend and restate the existing Clipper® MOU to reflect the following changes:

- **Clipper® Executive Board:** A Clipper® Executive Board comprised of nine members (one each from SFMTA, BART, Caltrain/SamTrans, AC Transit, VTA, GGBHTD and MTC, and two representatives who are selected by the remaining MOU parties to represent all other MOU parties) would have responsibility to meet regularly, establish goals and a budget and work plan for the Clipper® program, and approve significant business matters.
- **Clipper® Program Goals and Objectives:** An initial set of goals and objectives for the Clipper® program could be amended by unanimous vote of the Executive Board.

- **Contracting Agency:** A role for a Contracting Agency would be defined, with MTC serving as the initial Clipper® Contracting Agency. The Contracting Agency would serve as the agency counterparty to any contracts related to the Clipper® system, provide staffing for the Clipper® program and fulfill related duties. The Executive Board would have authority to review the designation of the Contracting Agency from time to time (but not more often than once every 3 years) and could designate a new Contracting Agency, subject to approval by the then-current Contracting Agency and its proposed successor.
- **Clipper® Executive Director:** A Clipper® Executive Director engaged by the Contracting Agency would coordinate the Clipper® program among the agencies and contractors, carry out the program goals and work plan in accordance with the budget, develop goals and objectives for the position jointly with the Executive Board, and be subject to annual performance evaluations by the Clipper® Executive Board. Carol Kuester, MTC Director of Electronic Payments, will serve as the initial Clipper® Executive Director. The Contracting Agency is to consult with the Clipper® Executive Board before selecting and appointing the Clipper® Executive Director.

Recommendation

Staff recommends approving and forwarding the Clipper® MOU to the Board for approval.

Attachments:

1. Clipper® MOU
2. Clipper® MOU Appendixes

AMENDED AND RESTATED CLIPPER® MEMORANDUM OF UNDERSTANDING

This Amended and Restated Clipper® Memorandum of Understanding (this "MOU") is entered into as of the ____ day of _____, 2015 (the "Effective Date"), by and among the Metropolitan Transportation Commission ("MTC") and the following transit operators participating in the Clipper® program (referred to herein individually as an "Operator" or collectively as the "Operators"):

Alameda-Contra Costa Transit District ("AC Transit"); Golden Gate Bridge Highway and Transportation District ("GGBHTD"); the San Francisco Bay Area Rapid Transit District ("BART"); the City and County of San Francisco, acting by and through its Municipal Transportation Agency ("SFMTA"); the San Mateo County Transit District ("SamTrans"); the Santa Clara Valley Transportation Authority ("VTA"); the Peninsula Corridor Joint Powers Board ("Caltrain"); Central Contra Costa Transit Authority; City of Fairfield, as the operator of Fairfield and Suisun Transit; City of Petaluma; Eastern Contra Costa Transit Authority; Livermore/Amador Valley Transit Authority; Marin County Transit District; Napa County Transportation and Planning Agency; Solano County Transit; Sonoma County Transit; Sonoma-Marín Area Rail Transit; Vacaville City Coach; Western Contra Costa Transit Authority; San Francisco Bay Area Water Emergency Transportation Authority; [and City of Santa Rosa]; and any other transit operators that implement Clipper® and execute a Supplemental Agreement to the MOU.

MTC and the Operators are referred to herein collectively as the "Parties" or individually as a "Party".

Recitals

1. Clipper® (formerly TransLink®) is an automated fare payment system for intra- and inter-Operator transit trips in the San Francisco Bay Area that has been implemented and is currently being operated on Operators' transit systems.
2. MTC entered into a contract (the "Clipper® Contract") with Cubic Transportation Systems, Inc. (the "Clipper® Contractor"), to implement, operate and maintain the Clipper® fare payment system through November 2, 2019.
3. On December 12, 2003, MTC and six of the Operators entered into an interagency participation agreement (the "IPA") to create a forum for joint agency decision-making (the "TransLink® Consortium") to work towards the successful implementation of the TransLink® automated fare payment system. The IPA was superseded and replaced by a Memorandum of Understanding Regarding Operations and Maintenance of Clipper® Fare Collection System dated November 10, 2011, by and among MTC and, initially, seven of the Operators (the "2011 MOU"). The 2011 MOU delineated, among other things, MTC's responsibilities, including as contracting agency, the Operators' responsibilities, a consultation process for amending the Clipper® Operating Rules, allocation of operating expenses among the Operators and MTC, and a dispute resolution process.
4. The Parties have examined the successes and challenges of the program to date and have identified certain areas in which existing arrangements should be modified or clarified to maximize the benefits to the Parties and Bay Area transit riders of the continued expansion, modification, operation and maintenance of the Clipper® program.

5. The Parties now wish to amend and restate the 2011 MOU in its entirety to clarify their respective roles and responsibilities, define roles and responsibilities for a newly-defined "Contracting Agency," establish a "Clipper® Executive Board," and establish a Clipper® Executive Director to ensure the successful operation and maintenance of Clipper®.

ARTICLE I
Operator Responsibilities

Each Operator agrees to:

- A. Implement and operate the Clipper® fare payment system in accordance with the Clipper® Operating Rules, as adopted and amended from time to time, consistent with the consultation and approval process set forth in Appendix A, Process for Amending Clipper® Operating Rules, attached hereto and incorporated herein by this reference. The Clipper® Operating Rules establish operating parameters and procedures for the consistent and efficient operation of Clipper® throughout the region. The current version of the Clipper Operating Rules® is available on MTC's website at <http://www.mtc.ca.gov/planning/tcip/>.
- B. Pay its share of Clipper® costs, including costs of the salary of additional Clipper® staff necessary to support the Executive Board, according to Appendix B, Clipper® Cost and Revenue Allocation, attached hereto and incorporated herein by this reference. Changes to Appendix B require an amendment to the MOU in accordance with Article XI.A.
- C. Make its facilities and staff available for implementation and operation of Clipper®. Any Operator and the Contracting Agency may agree to an Operator-specific implementation plan, setting forth specific requirements regarding implementation and operation of Clipper® for such Operator.
- D. Make determinations regarding the placement of Clipper® equipment on the Operator's facilities and equipment; perform necessary site preparation; attend Clipper® Contractor training on the use of the Clipper® equipment; and provide training to employees using the equipment.
- E. Beginning two years after the effective date of this Agreement, and every two years thereafter, participate in a review of the cost and revenue allocation formula in Appendix B, to support fairness among Operators and to accommodate changes in shared operation costs.

ARTICLE II
MTC Responsibilities

MTC agrees to:

- A. Fund a portion of the Clipper® operating and maintenance costs, including costs of the salary of additional Clipper® staff necessary to support the Executive Board, as set forth in Appendix B. Subject to availability of necessary funds, inclusion of projects in the Regional Transportation Plan and TIP where necessary, and receipt of all necessary Commission approvals, budget appropriations and allocations, MTC will continue to fund

capital and Contracting Agency operating costs in the manner that it has funded capital and Contracting Agency operating costs to date, through a dedicated allocation of federal, state and local funds, both discretionary and project designated. Recommended annual capital allocations will be identified in the work plan approved by the Executive Board. (See Article IV.C.4.)

- B. Retain all books, papers, records, documents, and other materials pertaining to its responsibilities under Appendix B (the “Materials”) in accordance with federal grant and audit requirements and generally accepted accounting principles and make the Materials available to Parties upon request through reasonable means and at reasonable times. Parties may request that Materials be made available for the most recently closed fiscal year during the term of this MOU and for up to one year thereafter; provided, however, that nothing in this Article II.B is intended to limit a Party's rights to obtain records under the California Public Records Act (Government Code Section 6250 *et seq.*).
- C. Continue to serve as the Contracting Agency (described in Article III), and continue to provide adequate staffing to support the Clipper® program under the direction of the Clipper® Executive Director (described in Article V), until such time as the Executive Board designates, and MTC's Commission approves, the assignment of MTC's duties as Contracting Agency to another Party pursuant to Article IV.D.
- D. Employ the initial Clipper® Executive Director (described in Article V). MTC reserves the right to make decisions regarding hiring, promotion, termination, compensation, and removal of the initial Clipper® Executive Director. Selection of a successor Executive Director shall be in accordance with Article III.J.
- E. Continue to create and maintain all copyrights and other intellectual property necessary or convenient for the operation of the Clipper® fare payment system and provide any necessary licenses to use such intellectual property to the Contracting Agency, if other than MTC.
- F. Enter into supplemental agreements with new operator participants in accordance with Article VI.

ARTICLE III
Contracting Agency Responsibilities

The Contracting Agency agrees to:

- A. On behalf of the Parties, procure, award, manage and carry out the duties and responsibilities of the Clipper® program counterparty under all contracts necessary for the expansion, modification, modernization, operation, maintenance, marketing and customer service of the Clipper® fare payment system, including the Clipper® Contract and any successor contract and any contracts for associated professional services for the Clipper® program as a whole.
- B. Establish, manage and implement Clipper® Operating Rules in accordance with Appendix A.
- C. Provide regular updates (at least quarterly) on the Clipper® program to the Parties.

- D. Support the Parties with respect to Articles I.E and II.A by providing system data affecting the cost allocation formula.
- E. Own specified Clipper® program capital equipment, as may be required by grant or funding agency rules and regulations, and transfer ownership, to the greatest extent permitted under such rules and regulations, to any successor Contracting Agency.
- F. Hold and manage the Clipper® bank accounts and act as an agency in trust for the benefit of the cardholders for funds deposited by the cardholders for the ultimate use on the services provided by the Operators, and for the benefit of the Operators for funds due to Operators until dispersed to such Operators.
- G. Conduct an annual contract compliance audit covering Clipper® program revenue collection and allocation and cost allocation responsibilities under the MOU and provide a copy of the complete audit report to all Parties upon conclusion of each such annual audit.
- H. Retain all books, papers, records, documents, and other materials pertaining to its responsibilities under Appendix B (the “Materials”) in accordance with federal grant and audit requirements and generally accepted accounting principles and make the Materials available to Parties upon request through reasonable means and at reasonable times. Parties may request that Materials be made available for the most recently closed fiscal year during the term of this MOU and for up to one year thereafter; provided, however, that nothing in this Article III.G is intended to limit a Party's rights to obtain records under the California Public Records Act (Government Code Section 6250 *et seq.*).
- I. Serve as the Application Issuer and Card Issuer, as those terms are defined in the Clipper® Operating Rules.
- J. Engage the Clipper® Executive Director in accordance with Article V. The Contracting Agency reserves the right to make decisions regarding hiring, promotion, termination, compensation, and removal of the Clipper® Executive Director provided that it shall not engage the successor to the initial and successor Executive Directors without the concurrence of the Executive Board. The Contracting Agency shall collaborate with the Executive Board in considering potential candidates for Executive Director.
- K. Provide adequate staffing (including program and legal staff) to support the Clipper® program. The Contracting Agency reserves the right to make decisions regarding hiring, promotion, termination, compensation and removal of program staff.
- L. Provide necessary logistical and technological support to the Executive Board and any committees thereof, except as provided in Article IV.H.

ARTICLE IV
Clipper® Executive Board

- A. Role; Composition. The Parties agree that responsibility for the management of the current Clipper® program, as well as the strategic planning effort to procure and implement a future system on or before the termination of the current Clipper® Contract, shall reside with a Clipper® Executive Board (“Executive Board”). The Executive Board's responsibilities shall be executed in a manner consistent with the Operator, MTC

and Contracting Agency responsibilities set forth in Articles I, II and III, respectively. The Executive Board shall be comprised of nine members: one representative each from SFMTA, BART, Caltrain/SamTrans, AC Transit, VTA, GGBHTD and MTC, and two representatives who are selected to represent all other Operators (the "Small Operators") in the sole discretion of the Small Operators. Each representative shall be at the General Manager or Senior Management level.

B. Principles. The Executive Board shall adhere to the following principles:

1. The Clipper® program shall continue as the primary electronic fare collection system for the Operators.
2. Each member of the Executive Board commits to actively advance the continued successful operation, maintenance and growth of the Clipper® program on a cost effective, operationally efficient, and coordinated basis.
3. Promote efforts to reduce the overall cost of the Clipper® system, including operating costs, capital costs and consultant expense.
4. Promote regional efforts to simplify fare structures while protecting revenue levels.

C. Duties. The Executive Board shall undertake the following duties:

1. Meet in accordance with a regular meeting schedule established by the Executive Board, not less than quarterly.
2. Establish goals for the Clipper® program, including targets to increase market penetration and cost containment initiatives. The Program Goals and Performance Measures are attached as Appendix C, and may be amended by unanimous vote of the Executive Board from time to time.
3. Propose for review by MTC, Operators and other funding sources (collectively, the "Funding Agencies") a biennial capital and operating budget for the Clipper® program. Revise and adopt the proposed budget in accordance with the Clipper® budgets adopted and/or allocations made by each of the Funding Agencies. The biennial budget will outline staffing requirements and resources needed to accomplish the work plan. The budget will define required funding, identify funding sources, and specify the amount of individual agency contributions.
4. Adopt a detailed biennial work plan to implement the established goals and budget.
5. Designate the Contracting Agency, as further described in and subject to Article IV.D, and provide policy oversight, advice, and direction to the Contracting Agency.
6. Evaluate the performance of the Clipper® Executive Director on at least an annual basis. The Board will develop goals and objectives jointly with the Clipper® Executive Director, which will form the basis for the annual evaluation.
7. Review and authorize Significant Business Matters as described in Article IV.E.

8. Establish such procedures as shall be necessary or desirable to facilitate compliance by the Executive Board with the Ralph M. Brown Act (Government Code Section 54950 *et seq.*) (the “Brown Act”) and other applicable laws.

D. Designation of a Contracting Agency. The Executive Board shall designate one of the Parties to serve as the "Contracting Agency" with the responsibilities defined in Article III. MTC shall serve as the initial Contracting Agency. The Executive Board shall review the designation of the Contracting Agency not more often than once every three (3) years and may designate any of the Parties as a new Contracting Agency no later than one year prior to the proposed assignment date, which designation may be subject to the approval of the governing board of the proposed new Contracting Agency. In the event of a new designation, the then-current Contracting Agency shall seek approval from its governing board to assign all outstanding contracts, funding agreements, licenses, and accounts to the newly designated Contracting Agency and, if it receives approval from its governing board for such assignment, take such other actions as may be necessary or convenient to effect the transition of the Contracting Agency role. In the event of a change from the role of MTC as the Contracting Agency, the Executive Board will work with MTC and the successor Contracting Agency to protect or minimize loss or degradation of jobs for Clipper® support staff at MTC.

E. Significant Business Matters. The Executive Board shall decide all Significant Business Matters by a majority vote. "Significant Business Matter" shall mean any matter that can reasonably be expected to have a substantial financial impact (defined as an impact of \$250,000 or more) or a substantial operating impact (defined as causing operations to fall below then-current annual operational goals) on Clipper® or any of the Parties. Significant Business Matters, include, but are not limited to the following:

1. Approval of Clipper® Contract Change Orders that exceed the maximum authority levels established by the Contracting Agency's procurement rules for its chief executive officer, or \$250,000, whichever is less, or that are not funded in the biennial budget. Contracting Agency governing board approval may also be required.
2. Amendments to the Clipper® operating rules, pursuant to Appendix A.
3. Acceptance of new Parties to the Clipper® program. The Executive Board delegates to MTC the authority to sign supplemental agreements with new Parties accepted into the program, as provided in Article VI.
4. Implementation of new business ventures or opportunities for the Clipper® program.
5. Contract awards for contract amounts that exceed the maximum authority levels established by the then-current Contracting Agency's procurement rules for its chief executive officer, or \$250,000, whichever is less. Contracting Agency governing board approval may also be required.
6. Assignment of the Clipper® Contract. Contracting Agency approval shall also be required.
7. Approval of expenses (administrative, operating and legal) incurred by the Contracting Agency if in excess of or not contemplated by the current approved budget.

8. Approval of the Clipper® 2.0 rollout strategy.
9. Decision whether any other matter, not expressly included or excluded as a Significant Business Matter in this list, is a Significant Business Matter in accordance with the definition above.

The foregoing definition of “Significant Business Matters” may be amended by unanimous vote of the Executive Board from time to time.

- F. Quorum. Five members of the Executive Board constitute a quorum. In the absence of a quorum, a smaller number of Executive Board members may secure the attendance of absent members by video conference, teleconference or other means compliant with the Brown Act to establish a quorum. Only eligible voting members shall be counted to establish a quorum.
- G. Voting. Each representative to the Executive Board shall have one vote. A vote of a majority of the Executive Board is required for approval. Executive Board members may not abstain from voting on any matter before the Executive Board, except in cases of conflicts of interest.
- H. Board Chair; Committees. The Executive Board shall annually elect a Chair and Vice Chair from its members. The Chair shall provide administrative staff support to the Executive Board, as needed as determined by the Chair and the Clipper® Executive Director. The Chair may appoint advisory committees or working groups for specified projects of limited duration. The Executive Board may establish standing committees from time to time.
- I. Delegates. Executive Board members may appoint, in writing, delegates to vote on their behalf in the event of a member's absence from any Executive Board meeting, for up to two (2) meetings per calendar year. No voting rights are accorded to alternates, nor do alternates count toward a quorum of the Executive Board, when alternates are representing an Executive Board member for meetings after two (2) missed meetings in a calendar year.

ARTICLE V

Clipper® Executive Director

The Clipper® Executive Director shall be responsible for regional coordination of the Clipper® program among the Agencies, oversight of consultants and contractors retained for the design, operation and maintenance of the Clipper® program, and effectuation of the goals and work plan adopted by the Executive Board in accordance with the budget. Clipper® program support staff engaged by the Contracting Agency shall report to the Clipper® Executive Director.

The Clipper® Executive Director shall be selected and appointed by the Contracting Agency following consultation with the Executive Board to factor in any Executive Board concerns. The Contracting Agency will directly engage the Clipper® Executive Director as its employee or independent contractor in accordance with any civil service or procurement rules applicable to the Contracting Agency. The initial Clipper® Executive Director shall be Carol Kuester and shall be an employee of MTC.

ARTICLE VI
New Operator Participants

Any Bay Area transit operator not a Party to this Agreement must be approved by the Executive Board and agree to the terms of the MOU then in effect as a condition of implementing Clipper®, by entering into a supplemental agreement to this MOU accepting the then-current terms of this MOU. Signature by the other Parties to the MOU is not required. MTC shall not enter into a supplemental agreement with a particular operator prior to the issuance of a Change Notice to the Clipper® Contract covering all or a portion of the work required to accept such operator into the system. MTC shall provide the other Parties to the MOU with written notice of each supplemental agreement.

ARTICLE VII
Indemnification

- A. Mutual Indemnification. No Party to this MOU (including any of its directors, commissioners, officers, agents or employees) shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by any other Party under or in connection with this Agreement. Pursuant to Government Code Section 895.4, each Party agrees to fully indemnify and hold other Parties harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by such indemnifying Party under or in connection with this Agreement and for which such indemnifying Party would otherwise be liable.
- B. Contracting Agency Indemnification of Other Parties. Notwithstanding the provisions of Subsection A above, the Contracting Agency shall indemnify, hold harmless, and defend the other Parties from any and all claims or liability resulting from any action or inaction on the part of Contracting Agency relating to the Clipper® Contract or from its failure to carry out its responsibilities under Article III of this MOU. With respect only to MTC as Contracting Agency, this indemnification covers action or inaction on the part of MTC relating to the Clipper® Contract prior to the Effective Date of this MOU. Except as stated in the previous sentence, this indemnification only covers action or inaction on the part of a Contracting Agency while it serves as Contracting Agency under this MOU.
- C. Other Parties' Indemnification of Contracting Agency. Notwithstanding the provisions of Subsection A above, each Party hereto that is not the Contracting Agency shall indemnify, hold harmless, and defend the Contracting Agency from any and all claims or liability resulting from any action or inaction on the part of such Party relating to its responsibilities under Article I or II, as applicable, of this MOU.
- D. Operator Indemnification of MTC. Notwithstanding the provisions of Subsection A above, each Operator shall indemnify, hold harmless, and defend MTC from any and all claims or liability resulting from any action or inaction on the part of such Operator relating to its responsibilities under Article I of this MOU.
- E. MTC Indemnification of Operators. Notwithstanding the provisions of Subsection A above, MTC shall indemnify, hold harmless, and defend each Operator from any and all claims or liability resulting from any action or inaction on the part of MTC relating to its responsibilities under Article II of this MOU.

ARTICLE VIII
Term

The term of the MOU shall begin upon the Effective Date and continue through June 30, 2025, unless terminated by written agreement of the Parties.

ARTICLE IX
Dispute Resolution

The Parties agree to abide by the dispute resolution procedures in Appendix D, Dispute Resolution, attached hereto and incorporated herein by this reference to resolve disputes between or among Parties to the MOU. To invoke the dispute resolution process, two Board representatives must request it.

ARTICLE X
Changed Circumstances

Any Party may initiate informal discussions among the Parties concerning the provisions of this MOU, based on its assessment that changes in technology or other factors external to the MOU or the Clipper® Contract indicate that it would be in the best interests of one or more Parties to consider revisions to the MOU. If a majority of Parties agree, the Parties will then jointly evaluate the changed circumstances to determine what, if any, revisions to the MOU are necessary or desirable. Any agreed-upon changes shall require an amendment to the MOU approved and executed by all Parties.

ARTICLE XI
General Provisions

- A. The entire Agreement between and among the Parties is contained herein, and no change in or modification, termination or discharge of this MOU shall be valid or enforceable unless it is approved by the Parties and made in writing and signed by the Parties.
- B. Headings in this MOU are for convenience only and not intended to define, interpret or limit the terms and conditions herein.
- C. This MOU may be executed in one or more counterparts, each of which shall be considered an original and all of which shall constitute a single instrument.
- D. This MOU is intended for the sole benefit of the Parties and is not intended to nor shall be construed to confer any benefit or create any right in any third party.
- E. Appendix E, Special Provisions for the City and County of San Francisco, attached hereto and incorporated herein by this reference, sets forth the terms and conditions required by the City and County of San Francisco in any expenditure contracts entered into by the City.
- F. If any provision of this MOU or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this MOU, or the application of such provision to persons, entities or circumstances, other

than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this MOU shall be valid and be enforceable to the fullest extent permitted by law.

- G. Notices provided under the MOU shall be provided to the individuals listed in Appendix F, Notices, attached hereto and incorporated herein by this reference. Each Party to the MOU is responsible for notifying other Parties of a change in the individual designated to receive notices in writing. Changes to Appendix F may be made by any Party without an amendment to this MOU. MTC will distribute to every other Party the notice information of new Parties to the MOU added pursuant to Article VI.
- H. This MOU supersedes and replaces the Memorandum of Understanding Regarding Operations and Maintenance of Clipper Fare Collection System dated November 10, 2011 in its entirety.
- I. By its execution of this MOU, each Party (i) acknowledges that, although the City of Rio Vista executed a Supplemental Agreement to the 2011 MOU, it subsequently declined to have Clipper® implemented on its bus system, (ii) waives the requirement for 240 days’ advance notice to it of the City of Rio Vista’s withdrawal from the 2011 MOU, and (iii) acknowledges that the City of Rio Vista is therefore not a Party to this MOU upon its initial execution and delivery.

IN WITNESS WHEREOF, this MOU has been duly authorized and executed by the Parties hereto on the dates specified below by their duly authorized representatives.

Metropolitan Transportation Commission

Approved as to form:

Steve Heminger, Executive Director

Adrienne Weil, General Counsel

Date: _____

Alameda-Contra Costa Transit District

Approved as to form:

Name: _____

Denise C. Standridge, General Counsel

Title: _____

Date: _____

Golden Gate Bridge, Highway and Transportation District

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

San Francisco Bay Area Rapid Transit District

Approved as to form:

Name: _____
Title: _____
Date: _____

Matthew Burrows, General Counsel

City and County of San Francisco Municipal Transportation Agency

Approved as to form:
Dennis J. Herrera, City Attorney

Name: Edward D. Reiskin
Title: Director of Transportation
Date: _____

Name: Robin M. Reitzes
Title: Deputy City Attorney

Municipal Transportation Agency Board of Directors
Resolution No. _____
Dated: _____

Secretary, SFMTAB

San Mateo County Transit District

Approved as to form:

Name: Jim Hartnett
Title: General Manager
Date: _____

Joan L. Cassman, General Counsel

Santa Clara Valley Transportation Authority

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Peninsula Corridor Joint Powers Board

Approved as to form:

Name: Jim Hartnett
Title: Executive Director
Date: _____

Joan L. Cassman, General Counsel

Central Contra Costa Transit Authority

Approved as to form:

Name: _____
Title: _____
Date: _____

Madeline Chun, General Counsel

**City of Fairfield
Fairfield and Suisun Transit**

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

City of Petaluma

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Eastern Contra Costa Transit Authority

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Livermore/Amador Valley Transit Authority

Approved as to form:

Name: _____
Title: _____
Date: _____

Michael N. Conneran, General Counsel

Marin County Transit District

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Napa County Transportation and Planning Agency

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Solano County Transit

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Sonoma County Transit

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Sonoma-Marin Area Rail Transit District

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Vacaville City Coach

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

Western Contra Costa Transit Authority

Approved as to form:

Name: _____
Title: _____
Date: _____

_____, General Counsel

**San Francisco Bay Area Water Emergency
Transportation Authority**

Approved as to form:

Name: _____
Title: _____
Date: _____

Stanley S. Taylor III, General Counsel

[City of Santa Rosa

Approved as to form:

Name: _____
Title: _____
Date: _____]

_____, General Counsel

LIST OF APPENDICES

- Appendix A Process for Amending Clipper® Operating Rules
- Appendix B Clipper® Cost and Revenue Allocation, comprised of:
 - Appendix B-1 Effective upon execution of Amended and Restated MOU through June 30, 2016
 - Appendix B-2 Effective July 1, 2016 through December 31, 2016
 - Appendix B-3 Effective January 1, 2017
- Appendix C Program Goals and Performance Measures
- Appendix D Dispute Resolution
- Appendix E Special Provisions for the City and County of San Francisco
- Appendix F Notices

Appendix A

Process for Amending Clipper® Operating Rules

1. The Contracting Agency shall provide written notice to the Operators at least ninety (90) days in advance of making any changes to the Operating Rules affecting Operator Roles and Responsibilities (Section 3 of the Clipper® Operating Rules). Notice shall be provided by email to the contact named in Appendix F, or as subsequently revised or updated by the Operators, as provided in Article XI.G.
2. The Contracting Agency shall provide additional notice to Operators on possible changes to the Operating Rules affecting Operator Roles and Responsibilities in the regular Clipper® program reports furnished under Article III.C.
3. The Contracting Agency's notices shall include enough information to enable Operators to determine the financial and other impacts of the proposed change.
4. If requested by any Operator within 30 days of issuance of such notice, the Contracting Agency will consult with all affected Operators concerning the proposed change prior to its adoption.
5. Any Operator that requires additional time in excess of the notice period specified by the Contracting Agency to implement a change may notify the Contracting Agency of the additional period of time required during the initial 30-day notice period. The Contracting Agency will then work with the Operator(s) during the consultation period to modify the effective date and/or content of the Operating Rules change, as necessary.
6. Following such consultation process, if any Operator(s) objects to the proposed change, as modified during the consultation process, such Operator(s) may initiate one or more of the dispute resolution processes described in Appendix D.
7. The Contracting Agency shall delay the implementation of the disputed change until the conclusion of the dispute resolution process.
8. All proposed changes to the Operating Rules shall be presented for approval to the Executive Board. The Contracting Agency agrees that it shall not implement changes to the Operating Rules that have not been approved by the Executive Board.
9. Upon MTC's approval of this MOU, MTC Commission approval of changes to the Operating Rules will no longer be required.

Appendix B-1

Clipper[®] Cost and Revenue Allocation Effective upon execution of Amended and Restated MOU through June 30, 2016

1. Cost Allocation Among Operators

The allocation of Clipper[®] operating costs to each Operator shall be based on a combination of revenue collected and the number of fee payment transactions processed. “Revenue collected” shall mean the fee collected on behalf of each Operator by the Clipper[®] clearinghouse (*e.g.*, the price charged to ride on the Operator’s transit system, the value of pass sales, the amount of parking fees paid). A “fee payment transaction” shall mean any activity in which a Clipper[®] card is used to receive service on or from an Operator’s system (*e.g.*, to ride on the Operator’s transit system, to park on the Operator’s property). A fee payment transaction shall be attributed to the Operator on whose system the service was provided, except that a transaction in which a patron uses a Muni Fast Pass to ride BART will be attributed to MTA. All fee payment transactions are included for purposes of allocating Clipper[®] operating costs, regardless of whether the transaction results in a reduction of the amount of stored value or stored rides on a Clipper[®] card (*e.g.*, use of a monthly pass on a transit system, intra-operator transfers, entry and exit transactions for a single ride where both transactions are required to compute the appropriate fare payment).

One-third (1/3) of Clipper[®] operating costs shall be allocated to Operators based on each Operator’s share of total revenue collected by the Clipper[®] clearinghouse, as defined above. Two-thirds (2/3) of Clipper[®] operating costs shall be allocated to Operators based on each Operator’s share of total fee payment transactions processed by the Clipper[®] clearinghouse, as defined above.

In addition to the Clipper[®] operating costs allocated in accordance with Section 2.B(i) herein, each Operator shall be responsible for payment of:

- a. Clipper[®] Data Server (CDS) Store operating costs specified below for any CDS Store implemented on such Operator’s site; and
- b. Credit/debit interchange fees charged through an Operator-specific credit/debit gateway associated with Clipper[®] sales through add value machines, ticket office terminal devices and ticket vending machines. This responsibility is subject to review pursuant to Article I.E of the MOU to ensure that no single Operator is unfairly burdened by such fees.
- c. Incremental Clipper[®] operating costs established by and/or resulting from Clipper[®] Contract change orders requested and funded by an Operator for such Operator’s use and benefit shall be the responsibility of such Operator. This

applies to costs or portions of costs that would otherwise be MTC’s responsibility as described in Section 2.A herein.

2. Clipper® Costs

A. MTC Operating and Maintenance Costs. MTC shall pay the following Clipper® operating costs:

- i. All fixed operating costs of the Clipper® clearinghouse and equipment maintenance services costs as specified in the Clipper® Contract’s Price Schedule (Attachment 2 to the Clipper® Contract) (the “Price Schedule”), including:
 - a. Item 3.20 Program Management – Operations and Maintenance
 - b. Item 3.30 Clipper® Testbed Operations & Maintenance
 - c. Item 5.31 Operator Help Desk
 - d. Item 5.32 Reporting
 - e. Item 5.33 Asset Management
 - f. Item 6.0 Equipment Maintenance Services
 - g. Item 10.21(a) Location Acquisition
 - h. Item 10.22 Location Servicing and Support
 - i. Item 10.23 (a) Acquisition Payment for Third Party Location
 - j. Item 12.0 Network Management
 - k. Item 13.22 Basic Monthly Operations and Admin
- ii. Variable Clipper® operating costs as specified in the Price Schedule (Attachment 2 to the Clipper® Contract), specifically:
 - a. Item 8.10(a-g) Card Distribution Services
 - b. Item 8.11 Card Distribution Services
 - c. Item 8.12 Card Distribution Services
 - d. Item 8.20 Cardholder Education
 - e. Item 8.31 Location Acquisition for Completion of Distribution Network
 - f. Item 8.32 Location Acquisition for Completion of Distribution Network
 - g. Item 8.41 Pass Through of Amounts Paid for Installation of Phone Lines
 - h. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)

All other lump sum and capital expense items specified in the Price Schedule not enumerated above or covered by Section 2.B.

B. Operator Operating Costs.

- i. Operators shall pay the following listed Clipper® operating costs in accordance with the cost sharing formula in Section 1, reduced by any amounts payable by MTC pursuant to Section 2.A. References to Item numbers refer to the corresponding prices payable to the Clipper® Contractor under the Clipper® Contract Price Schedule, which are subject to annual price adjustment as specified in Article 13.6 of the Clipper® Contract:
 - a. Item 9.24 Balance Protection Services Registration
 - b. Item 9.25 Lock/unlock Clipper® Application

- c. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)
 - d. Item 10.11 Clipper[®] E-purse Load
 - e. Item 10.12 Pass/Stored Ride Load
 - f. Item 10.24 Employer Program Commission
 - g. Item 11.0 Autoload Services
 - h. Item 13.22.45 Supplemental Monthly Operations and Admin
 - i. Item 13.31 Clipper[®] Transaction Fee
 - j. Item 13.60 Incremental Gateway Fees
 - k. Item 13.70 Incremental Debit Card Interchange Fees
 - l. Item 13.80 Incremental Credit Card Interchange Fees
 - m. Item 13.90 Pass Through Website Credit Card Processing Fees
 - n. Reimbursement of MTC bank fees and direct bank charges in connection with the Clipper[®] bank account(s) in excess of the amounts reimbursed under Section 3.A below
 - o. Direct payment or reimbursement of MTC costs for network communication.
 - p. Direct payment or reimbursement of MTC costs for materials necessary for additional printing, e.g. secondary printing or personalization, on Clipper[®] cards
 - q. A portion of salary and benefits of any additional staffing as approved by the Executive Board to support the Clipper[®] program.
- ii. Changes or Additions to Operator Operating Costs Items. Substantive changes or additions to the Operator-paid operating cost items set forth in Section 2.B(i) require an amendment to this Appendix B and approval of all Parties to the MOU as of the date of the change or addition.
- C. MTC shall invoice each Operator on a monthly basis for its share of the operating costs. The Operators shall pay MTC within fifteen (15) calendar days of receipt of such invoice.

3. Revenue Allocation

Revenues generated by Clipper[®] during any period of time, including interest earnings on funds held by the clearinghouse and excluding fare revenues or parking fees collected on behalf of and distributed to Operators, shall be utilized as follows:

- A. To offset Contracting Agency’s bank fees and direct bank charges related to the managing of the Clipper[®] accounts;
- B. After deduction of Contracting Agency’s bank fees and charges under Section 3.A, to reduce the Operators’ Clipper[®] operating costs listed in Section 2.B(i); and
- C. After payment of Operators’ Clipper[®] operating costs listed in Section 2.B(i), to be allocated to Operators using the formula specified in Section 1.

Notwithstanding the above, fees charged cardholders for card acquisition, card replacement, balance restoration, failed Autoload funding recovery, card refund processing, and other card-related activities shall be reserved to pay for future card procurements; provided, however, that

surcharges on limited use cards or other fare media imposed by an Operator to pay for the acquisition, implementation, administration and replacement of such fare media shall be distributed to and retained by such Operator. (For clarity, any surcharge imposed by an Operator as part of its fare structure shall be considered “fare revenue” and shall be distributed to and retained by such Operator.)

Appendix B-2

Clipper[®] Cost and Revenue Allocation Effective July 1, 2016 through December 31, 2016

1. Cost Allocation Among Operators

The allocation of Clipper[®] operating costs to each Operator shall be based on a combination of revenue collected and the number of fee payment transactions processed. “Revenue collected” shall mean the fee collected on behalf of each Operator by the Clipper[®] clearinghouse (*e.g.*, the price charged to ride on the Operator’s transit system, the value of pass sales, the amount of parking fees paid). A “fee payment transaction” shall mean any activity in which a Clipper[®] card is used to receive service on or from an Operator’s system (*e.g.*, to ride on the Operator’s transit system, to park on the Operator’s property). A fee payment transaction shall be attributed to the Operator on whose system the service was provided, except that a transaction in which a patron uses a Muni Fast Pass to ride BART will be attributed to MTA. All fee payment transactions are included for purposes of allocating Clipper[®] operating costs, regardless of whether the transaction results in a reduction of the amount of stored value or stored rides on a Clipper[®] card (*e.g.*, use of a monthly pass on a transit system, intra-operator transfers, entry and exit transactions for a single ride where both transactions are required to compute the appropriate fare payment).

One-third (1/3) of Clipper[®] operating costs shall be allocated to Operators based on each Operator’s share of total revenue collected by the Clipper[®] clearinghouse, as defined above. Two-thirds (2/3) of Clipper[®] operating costs shall be allocated to Operators based on each Operator’s share of total fee payment transactions processed by the Clipper[®] clearinghouse, as defined above.

In addition to the Clipper[®] operating costs allocated in accordance with Section 2.B(i) herein, each Operator shall be responsible for payment of:

- a. Clipper[®] Data Server (CDS) Store operating costs specified below for any CDS Store implemented on such Operator’s site; and
- b. Credit/debit interchange fees charged through an Operator-specific credit/debit gateway associated with Clipper[®] sales through ticket office terminal devices . This responsibility is subject to review pursuant to Article I.E of the MOU to ensure that no single Operator is unfairly burdened by such fees.
- c. Incremental Clipper[®] operating costs established by and/or resulting from Clipper[®] Contract change orders requested and funded by an Operator for such Operator’s use and benefit shall be the responsibility of such Operator. This applies to costs or portions of costs that would otherwise be MTC’s responsibility as described below.

2. **Clipper[®] Costs**

A. MTC Operating and Maintenance Costs. MTC shall pay the following Clipper[®] operating costs:

- ii. All fixed operating costs of the Clipper[®] clearinghouse and equipment maintenance services costs as specified in the Clipper[®] Contract's Price Schedule (Attachment 2 to the Clipper[®] Contract) (the "Price Schedule"), including:
 - a. Item 3.20 Program Management – Operations and Maintenance
 - b. Item 3.30 Clipper[®] Testbed Operations & Maintenance
 - c. Item 5.31 Operator Help Desk
 - d. Item 5.32 Reporting
 - e. Item 5.33 Asset Management
 - f. Item 6.0 Equipment Maintenance Services
 - g. Item 10.21(a) Location Acquisition
 - h. Item 10.22 Location Servicing and Support
 - i. Item 10.23 (a) Acquisition Payment for Third Party Location
 - j. Item 12.0 Network Management
 - k. Item 13.22 Basic Monthly Operations and Admin
- iii. Variable Clipper[®] operating costs as specified in the Price Schedule (Attachment 2 to the Clipper[®] Contract), specifically:
 - a. Item 8.10(a-g) Card Distribution Services
 - b. Item 8.11 Card Distribution Services
 - c. Item 8.12 Card Distribution Services
 - d. Item 8.20 Cardholder Education
 - e. Item 8.31 Location Acquisition for Completion of Distribution Network
 - f. Item 8.32 Location Acquisition for Completion of Distribution Network
 - g. Item 8.41 Pass Through of Amounts Paid for Installation of Phone Lines
 - h. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)

All other lump sum and capital expense items specified in the Price Schedule not enumerated above or covered by Section 2.B.

B. Operator Operating Costs.

- a. Operators shall pay the following listed Clipper[®] operating costs in accordance with the cost sharing formula in Section 1, reduced by any amounts payable by MTC pursuant to Section 2.A. References to Item numbers refer to the corresponding prices payable to the Clipper[®] Contractor under the Clipper[®] Contract Price Schedule, which are subject to annual price adjustment as specified in Article 13.6 of the Clipper[®] Contract:
 - i. Item 9.24 Balance Protection Services Registration
 - ii. Item 9.25 Lock/unlock Clipper[®] Application
 - iii. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)
 - iv. Item 10.11 Clipper[®] E-purse Load
 - v. Item 10.12 Pass/Stored Ride Load

- vi. Item 10.24 Employer Program Commission
- vii. Item 11.0 Autoload Services
- viii. Item 13.22.45 Supplemental Monthly Operations and Admin
- ix. Item 13.31 Clipper[®] Transaction Fee
- x. Item 13.60 Incremental Gateway Fees
- xi. Item 13.70 Incremental Debit Card Interchange Fees
- xii. Item 13.80 Incremental Credit Card Interchange Fees
- xiii. Item 13.90 Pass Through Website Credit Card Processing Fees
- xiv. Reimbursement of MTC bank fees and direct bank charges in connection with the Clipper[®] bank account(s) in excess of the amounts reimbursed under Section 3.A below
- xv. Direct payment or reimbursement of MTC costs for network communication.
- xvi. Direct payment or reimbursement of MTC costs for materials necessary for additional printing, e.g. secondary printing or personalization, on Clipper[®] cards
- xvii. A portion of salary and benefits of any additional staffing as approved by the Executive Board to support the Clipper[®] program.
- xviii. A minimum fifty-percent of the salary and benefits of the Clipper Executive Director.
- xix. Credit/debit interchange fees charged through an Operator-specific gateway associated with Clipper[®] sales through add value and ticket vending machines, as long as the total average fees do not exceed the average Clipper fees (reimbursement procedures subject to the adoption by the Clipper[®] Executive Board at least 90 days in advance)

b. Changes or Additions to Operator Operating Costs Items. Substantive changes or additions to the Operator-paid operating cost items set forth in B(i)(a-o) require an amendment to this Appendix B and approval of all Parties to the MOU as of the date of the change or addition.

C. MTC shall invoice each Operator on a monthly basis for its share of the operating costs. The Operators shall pay MTC within fifteen (15) calendar days of receipt of such invoice.

3. Revenue Allocation

Revenues generated by Clipper[®] during any period of time, including interest earnings on funds held by the clearinghouse and excluding fare revenues or parking fees collected on behalf of and distributed to Operators, shall be utilized as follows:

- A. To offset Contracting Agency’s bank fees and direct bank charges related to the managing of the Clipper[®] accounts;
- B. After deduction of Contracting Agency’s bank fees and charges under Section 3.A above, to reduce the Operators’ Clipper[®] operating costs listed in Section 2.B(i) above; and
- C. After payment of Operators’ Clipper[®] operating costs listed in Section 2.B(i) above, to be allocated to Operators using the formula specified in Section 1 herein.

Notwithstanding the above, fees charged cardholders for card acquisition, card replacement, balance restoration, failed Autoload funding recovery, card refund processing, and other card-related activities shall be reserved to pay for future card procurements; provided, however, that surcharges on limited use cards or other fare media imposed by an Operator to pay for the acquisition, implementation, administration and replacement of such fare media shall be distributed to and retained by such Operator. (For clarity, any surcharge imposed by an Operator as part of its fare structure shall be considered “fare revenue” and shall be distributed to and retained by such Operator.)

Appendix B-3

**Clipper® Cost and Revenue Allocation
Effective January 1, 2017**

1. Cost Allocation Among Operators

The allocation of Clipper® operating costs to each Operator shall be tied to the cost driver of each category of operating expense outlined in Section 2.B. The percent allocation in each category will be based on actuals by operator. “Percentage of Cards Used” by agency will be used to assess operating fees for account-based, fixed or other costs not directly attributable to either transit transactions or revenue. “Fee Generating Transit Transactions” shall mean any activity in which a Clipper® card is used to receive service on or from an Operator’s system that results in a charge pursuant to Attachment 2 to Part I of the contract between MTC and Cubic for the operation of Clipper®. “Revenue Processed shall mean the fee collected on behalf of each Operator by the Clipper® clearinghouse (e.g., the price charged to ride on the Operator’s transit system, the value of pass sales, the amount of parking fees paid).

The allocation of Clipper® operating costs to each Operator shall be based on the following formula:

MOU Section 2.B.i	Fee Category	Allocation Formula
a,b,c	9.00 Cardholder Support Services	Percentage of Cards Used
d,e,f	10.10 Third Party Load Service Fees	Percentage of Cards Used
g	11.00 Autoload Services	Percentage of Cards Used
h	13.20 Supplemental Operations	Percentage of Cards Used
i	13.30 Clipper Transaction Fee	Percentage of Fee Generating Transit Transactions
j,k,l,m,n	13.60-90 Incremental Debit Card Interchange Fees	Percentage of Revenue Processed
o	Network Communication Reimbursement	Direct Charge to Operator
p	Specialized Card Printing	Direct Charge to Operator
q	Operator Share of MTC Staffing	Percentage of Cards Used
r	Add Value/TVM Debit Card Interchange Fees for Non-Clipper Gateways	Percentage of Revenue Processed

In addition to the Clipper® operating costs allocated in accordance with Appendix B.2.B(i) herein, each Operator shall be responsible for payment of:

- a. Clipper® Data Server (CDS) Store operating costs specified below for any CDS Store implemented on such Operator’s site; and

- b. Credit/debit interchange fees charged through an Operator-specific credit/debit gateway associated with Clipper[®] sales through ticket office terminal devices. This responsibility is subject to review pursuant to Article I.F to ensure that no single Operator is unfairly burdened by such fees.
- c. Incremental Clipper[®] operating costs established by and/or resulting from Clipper[®] Contract change orders requested and funded by an Operator for such Operator’s use and benefit shall be the responsibility of such Operator. This applies to costs or portions of costs that would otherwise be MTC’s responsibility as described below.

2. **Clipper[®] Costs**

A. MTC Operating and Maintenance Costs. MTC shall pay the following Clipper[®] operating costs:

- iii. All fixed operating costs of the Clipper[®] clearinghouse and equipment maintenance services costs as specified in the Clipper[®] Contract’s Price Schedule (Attachment 2 to the Clipper[®] Contract) (the “Price Schedule”), including:
 - a. Item 3.20 Program Management – Operations and Maintenance
 - b. Item 3.30 Clipper[®] Testbed Operations & Maintenance
 - c. Item 5.31 Operator Help Desk
 - d. Item 5.32 Reporting
 - e. Item 5.33 Asset Management
 - f. Item 6.0 Equipment Maintenance Services
 - g. Item 10.21(a) Location Acquisition
 - h. Item 10.22 Location Servicing and Support
 - i. Item 10.23 (a) Acquisition Payment for Third Party Location
 - j. Item 12.0 Network Management
 - k. Item 13.22 Basic Monthly Operations and Admin
- iv. Variable Clipper[®] operating costs as specified in the Price Schedule (Attachment 2 to the Clipper[®] Contract), specifically:
 - a. Item 8.10(a-g) Card Distribution Services
 - b. Item 8.11 Card Distribution Services
 - c. Item 8.12 Card Distribution Services
 - d. Item 8.20 Cardholder Education
 - e. Item 8.31 Location Acquisition for Completion of Distribution Network
 - f. Item 8.32 Location Acquisition for Completion of Distribution Network
 - g. Item 8.41 Pass Through of Amounts Paid for Installation of Phone Lines
 - h. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)

All other lump sum and capital expense items specified in the Price Schedule not enumerated above or covered by Section 2.B.

B. Operator Operating Costs.

- a. Operators shall pay the following listed Clipper® operating costs in accordance with the cost sharing formula in Section 1, reduced by any amounts payable by MTC pursuant to Section 2.A. References to Item numbers refer to the corresponding prices payable to the Clipper® Contractor under the Clipper® Contract Price Schedule, which are subject to annual price adjustment as specified in Article 13.6 of the Clipper® Contract:
 - i. Item 9.24 Balance Protection Services Registration
 - ii. Item 9.25 Lock/unlock Clipper® Application
 - iii. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)
 - iv. Item 10.11 Clipper® E-purse Load
 - v. Item 10.12 Pass/Stored Ride Load
 - vi. Item 10.24 Employer Program Commission
 - vii. Item 11.0 Autoload Services
 - viii. Item 13.22.45 Supplemental Monthly Operations and Admin
 - ix. Item 13.31 Clipper® Transaction Fee
 - x. Item 13.60 Incremental Gateway Fees
 - xi. Item 13.70 Incremental Debit Card Interchange Fees
 - xii. Item 13.80 Incremental Credit Card Interchange Fees
 - xiii. Item 13.90 Pass Through Website Credit Card Processing Fees
 - xiv. Reimbursement of MTC bank fees and direct bank charges in connection with the Clipper® bank account(s) in excess of the amounts reimbursed under Section 3.A below
 - xv. Direct payment or reimbursement of MTC costs for network communication.
 - xvi. Direct payment or reimbursement of MTC costs for materials necessary for additional printing, e.g. secondary printing or personalization, on Clipper® cards
 - xvii. A portion of salary and benefits of any additional staffing as approved by the Executive Board to support the Clipper® program.
 - xviii. A minimum fifty-percent of the salary and benefits of the Clipper Executive Director.
 - xix. Credit/debit interchange fees charged through an Operator-specific gateway associated with Clipper® sales through add value and ticket vending machines, as long as the total average fees do not exceed the average Clipper fees (reimbursement procedures subject to the adoption by the Clipper® Executive Board at least 90 days in advance)

- b. Changes or Additions to Operator Operating Costs Items. Substantive changes or additions to the Operator-paid operating cost items set forth in B(i)(a-o) require an amendment to this Appendix B and approval of all Parties to the MOU as of the date of the change or addition.

C. MTC shall invoice each Operator on a monthly basis for its share of the operating costs. The Operators shall pay MTC within fifteen (15) calendar days of receipt of such invoice.

3. Revenue Allocation

Revenues generated by Clipper® during any period of time, including interest earnings on funds held by the clearinghouse and excluding fare revenues or parking fees collected on behalf of and distributed to Operators, shall be utilized as follows:

- A. To offset Contracting Agency's bank fees and direct bank charges related to the managing of the Clipper® accounts;
- B. After deduction of Contracting Agency's bank fees and charges under Section 3.A above, to reduce the Operators' Clipper® operating costs listed in Section 2.B(i) above; and
- C. After payment of Operators' Clipper® operating costs listed in Section 2.B(i) above, to be allocated to Operators using the formula specified in Section 1 herein.

Notwithstanding the above, fees charged cardholders for card acquisition, card replacement, balance restoration, failed Autoload funding recovery, card refund processing, and other card-related activities shall be reserved to pay for future card procurements; provided, however, that surcharges on limited use cards or other fare media imposed by an Operator to pay for the acquisition, implementation, administration and replacement of such fare media shall be distributed to and retained by such Operator. (For clarity, any surcharge imposed by an Operator as part of its fare structure shall be considered "fare revenue" and shall be distributed to and retained by such Operator.)

4. Review

The Parties acknowledge that this Appendix B is based upon and specific to the payment terms of the existing Clipper® Contract which has a term through November 2, 2019. Therefore, the Parties agree to commence good-faith negotiations at least six months prior to the effective date of any successor contract(s) to the existing Clipper® Contract, for an amendment to the MOU to implement revisions to this Appendix B that would take effect on such successor contract's effective date."

Appendix C

Program Goals and Performance Measures

The program goals and performance measures below are intended to guide the development and ongoing operations of Clipper®, however, specific actions and targets may be constrained by legal, fiscal and system limitations.

Goal: Provide an intuitive, efficient, and familiar experience

- Electronic fare payment is the primary payment method for all transportation fares and fees
 - ✓ Mobile fare payment is integrated into and branded as Clipper®
 - ✓ Parking at transit stations is paid with Clipper®
 - ✓ Bikeshare at transit stations can be paid with Clipper®
 - ✓ Paratransit trips can be paid with Clipper®
- Transit systems to move 100% to Clipper or incentivize use of Clipper® depending on mode
 - ✓ Heavy commuter rail and ferry systems accept only Clipper® (extended and limited use)
 - ✓ Bus/light rail operators to adopt fare differentials to incentivize use of Clipper® and transition remaining products to Clipper®

Goal: Provide excellent, proactive customer service

- Customers can easily obtain and use Clipper®
 - ✓ Media dispensing and reloading options are widely available
 - ✓ Ticket vending machines offering new cards and add-value are located at all heavy rail and ferry locations
 - ✓ Online transactions are immediately available for use
 - ✓ Third-party vendor locations are easily accessible in all service areas
 - ✓ Streamline process for refunds and replacements
 - ✓ Support payment for families, groups, institutional programs, and events

Goal: Create a transparent, consistent, inclusive and timely decision-making process

- Implement process for operator involvement in work plan development, field equipment procurement and change order process

Goal: Govern the program efficiently and cost-effectively

- Adopt standard fare categories and discount levels
 - ✓ Minimum \$0.50 discount for full-fare adult transfer customers to bus and light rail
 - ✓ Establish uniform youth discount for ages five to 18 and senior discount for ages 65 and older
- Evaluate staffing plan to enhance internal program resources and reduce reliance on consultants

Goal: Ensure that accurate and complete data is available to support decision making at every level

- System integrates with vehicle on-board equipment to incorporate route, location and revenue information where necessary
- Clipper® data is accessible to operators and the public to the full extent contemplated by the Clipper® privacy policy

Goal: Ensure program flexibility and responsiveness

- System design and contract includes a streamlined process for common changes such as fare adjustments and route changes and additions

Goal: Ensure operational efficiency and reliability

- Ensure continued competitive equipment availability, automated status reporting and remote diagnostics
- Utilize open architecture

Appendix D

Dispute Resolution

The Parties agree to resolve disputes concerning this MOU between or among one or more Parties based on the following dispute resolution principles.

1. Informal Dispute Resolution

The Parties agree to attempt to resolve informally all disputes. In the event of a dispute among any Parties to the MOU, those Parties shall notify every other Party in writing about the substance of the dispute. The Parties to the dispute shall meet and confer by exchanging written positions on the dispute, and by meeting in person thereafter to discuss and resolve the dispute. If those representatives are unable to resolve the dispute, the chief executives of those Parties shall be informed of the substance of the dispute and provided all writings that have been exchanged regarding the dispute. The chief executives shall meet and confer in person or by telephone concerning the dispute, and may choose to exchange letters in preparation for the meet and confer.

2. Mediation

If the dispute is not resolved, the Parties may avail themselves by mutual consent to mediation, arbitration (binding or non-binding), or any other dispute resolution resource (collectively "Alternate Dispute Resolution (ADR) processes"). All procedures and methodologies in ADR processes shall be by mutual consent of the Parties, including but not limited to the choice of the mediator or arbitrator, dates and times and timelines, whether documents are exchanged in preparation for the ADR session, etc. Fees and expenses of the mediator will be borne equally, unless otherwise agreed. The Parties to the dispute shall be represented by individuals of their choosing, except that the Parties must agree on the question of whether lawyers are present or not. The entire process shall be confidential and treated as a compromise negotiation for purposes of federal and state rules of evidence. If ADR processes are agreed on, the Parties shall agree on the identity of the mediator or arbitrator within 30 days of agreeing on the ADR process. The Parties shall not unreasonably withhold consent as to the choice of the mediator or arbitrator. Unless the schedule of the mediator or arbitrator does not permit, the Parties shall have their ADR process completed within 60 days after agreement on the choice of the mediator or arbitrator. Nothing in this MOU affects the rights or abilities of the Parties to avail themselves of all rights and remedies they have under the law of California or federal law, and to the state or federal courts to resolve their dispute.

3. Operator Obligations

An Operator who disputes amounts claimed by MTC to be due under the MOU agrees to pay the amount claimed pending dispute resolution.

Appendix E

Special Provisions for the City and County of San Francisco.

(References to “City” in Paragraphs 1 and 2 refer to the City and County of San Francisco)

1. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City’s Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City’s obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor’s assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

2. Guaranteed Maximum Costs. The City’s obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Commodities or Services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

3. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors’ bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization’s net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

Appendix F

Notices

Contact:	Mailing Address:
Metropolitan Transportation Commission Name: _____ Title: _____ Email: _____ Phone: _____ Fax: 510-817-5848	101 – 8th Street Oakland, CA 904607
Alameda-Contra Costa Transit District Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____	1600 Franklin Street Oakland, CA 94612
Central Contra Costa Transit Authority Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____	2477 Arnold Industrial Way Concord, CA 94520
City of Fairfield, as the operator of Fairfield and Suisun Transit Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____	
City of Petaluma Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____	
City and County of San Francisco, acting by and through its Municipal Transportation Agency Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____	1 South Van Ness Avenue, 7th Floor San Francisco, CA 94103

<p>Eastern Contra Costa Transit Authority Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>Golden Gate Bridge Highway and Transportation District Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	<p>P.O. Box 9000, Presidio Station San Francisco, CA 94129-0601</p>
<p>Livermore/Amador Valley Transit Authority Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>Marin County Transit District Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>Napa County Transportation and Planning Agency Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>Peninsula Corridor Joint Powers Board Name: Rita P. Haskin Title: Executive Officer, Customer Service and Marketing Email: haskinr@samtrans.com Phone: 650-508-6248 Fax: 650-508-7919</p>	<p>P.O. Box 3006 San Carlos, CA 94070-1306</p>
<p>San Francisco Bay Area Rapid Transit District Name: Patricia Nelson Title: Project Manager, Clipper Program Email: pnelson@bart.gov Phone: 510-874-7323 Fax: 510-287-4747</p>	<p>300 Lakeside Drive, 16th floor Oakland, CA 94612</p>

<p>San Francisco Bay Area Water Emergency Transportation Authority Name: _____ Title: _____ Phone: _____ Fax: _____</p>	
<p>San Mateo County Transit District Name: Rita P. Haskin Title: Executive Officer, Customer Service and Marketing Email: haskinr@samtrans.com Phone: 650-508-6248 Fax: 650-508-7919</p>	<p>P.O. Box 3006 San Carlos, CA 94070-1306</p>
<p>Santa Clara Valley Transportation Authority Name: Ali Hudda Title: Deputy Director, Accounting Email: ali-hudda@vta.org Phone: 408-546-7922 Fax: _____</p>	<p>3331 N. First Street, Building C San Jose, CA 95134-1906</p>
<p>Solano County Transit Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>Sonoma County Transit Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>Sonoma-Marin Area Rail Transit Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>Vacaville City Coach Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	

<p>Western Contra Costa Transit Authority Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____</p>	
<p>[City of Santa Rosa Name: _____ Title: _____ Email: _____ Phone: _____ Fax: _____]</p>	

AGENDA

ITEM 8



S T A F F R E P O R T

SUBJECT: LAVTA Fares and Clipper Day Pass Accumulator
FROM: Beverly Adamo, Director of Administrative Services
DATE: August 25, 2015

Action Requested

Update LAVTA's Consolidated Fares Policy with the fare media of the Clipper Card and Day Pass Accumulator.

Background

In February 2015, the Board consolidated the fare schedules and transfer agreements in Resolution No. 02-2015. Subsequently, in July 2015, the Board was informed of the fares that would be available on the Clipper Card, the regional transit fare payment system (see Attachment 1). Based on that review, it was determined the only change in fare media with respect to the Clipper Card in comparison with LAVTA's fares is the Day Pass Accumulator. The Board directed staff to conduct a public hearing to determine potential impact to Wheels passengers with the implementation of the proposed Day Pass Accumulator.

Discussion

A Public Hearing was held on August 17, 2015 and Attachment 2 provides a record of the public hearing, including the public outreach used to notify the public of potential changes with the Clipper Card Day Pass Accumulator. In addition, there were a number of channels for the public to provide comments. Attachment 3 provides the list of three (3) public comments received and additional information from Staff regarding the comments. Please note that all three people providing comments were contacted personally by Staff and their questions and/or concerns were addressed.

Based on the public comments received, impact would seem to be minimal and positive; therefore, Staff recommends that the Board add the Day Pass Accumulator to LAVTA's fare media as documented in Attachment 4, Resolution 27-2015.

Budget Considerations

Attachment 1 addresses the potential fiscal impact, which are not anticipated to be significant. Staff will keep the Board informed of the trends that develop.

Next Steps

The Comprehensive Operational Analysis (COA) that is currently underway, includes a fare analysis. These results and any recommendations regarding changes to the current fares and transfer agreements will be brought to the Board in the near future.

Recommendation

Forward a recommendation to the Board of Directors to approve LAVTA's Fares and Transfer Agreements, adding the Clipper Card including the Day Pass Accumulator, Resolution 27-2015.

Attachment:

1. July 6, 2015 Staff Report – Clipper Fare Update
2. Record of August 17, 2015 Clipper Day Pass Accumulator Public Hearing
3. Public Comments Received Regarding Clipper Day Pass Accumulator
4. Resolution 27-2015 LAVTA Fares and Transfer Agreements


 LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY

S T A F F R E P O R T

SUBJECT: Clipper® Fares

FROM: Beverly Adamo, Director of Administrative Services

DATE: July 6, 2015

Action Requested

Review and direct Staff to proceed with the Title VI Impact Analysis for adding a fare media of the Day Pass Accumulator with the implementation of the Clipper Card.

Background

MTC, and its “Clipper card program contractors and consultants, are actively engaged in final preparations for installing the hardware and software necessary to implement Clipper on the East Bay Group which includes Wheels, County Connection, Tri Delta, and WestCAT. Network infrastructure has been installed at the three LAVTA facilities (Rutan, Atlantis and Transit Center) and prototype vehicle installs are complete. The fleet installation is scheduled to begin in July and completed in August. Cubic, the Clipper contractor, is aiming to have the system “revenue ready” by the 1st of October. The East Bay Group can launch any time after Cubic is revenue ready. MTC will be providing marketing services but suggests that a soft launch be done prior to January 1st with the hard launch (larger expenditure of marketing funds) after the holidays.

Discussion
Fare Changes:

The East Bay Operator group has been meeting with MTC and CH2MHill (their consultant in charge of the project) to finalize business rules and fare instruments that will be programmed into the Clipper system. From the earliest stages of these discussions, it has been clear that some aspects of the transit agencies’ existing fare structures would have to be simplified and standardized to work within the constraints of the Clipper technology.

- Cash Fares: Each agency is able to set their own cash fare for basic and express routes for adult, student, and senior. **No change for LAVTA and therefore no negative impact to passengers.**
- Transfers: Transfers under Clipper will be good for one bus ride within 120 minutes of the transfer issue time. Currently paper transfers are good for

multiple rides within 120 minutes of transfer issue. **We will be keeping paper transfers for riders who wish to continue their use and the rules for paper transfers will not change at this time. For this reason no one should be negatively affected.**

- Monthly Passes: All operators agreed to offer a 31 day rolling pass (basic and express) that is good on all East Bay group buses at a cost of \$60.00. The East Bay Value pass is currently offered as a paper product for \$60.00, but it is only good for the calendar month for which it was purchased, not a 31 day rolling period. The current Wheels Senior/Disabled Pass will continue to be offered as a paper product for \$18.00 and will continue to be good for the calendar month for which it is purchased. The Clipper card Senior/Disabled Pass will be offered as a 31 day rolling pass at a cost of \$18.00. **We plan on continuing to sell the paper products but expect riders will transfer to the 31 day rolling product available on the Clipper card. In the future we may propose to eliminate the paper version of the passes and would do a Title VI analysis at that time.**
- Day Pass Accumulator: Two of the East Bay operators (WestCat and Tri Delta) issue day passes. Their “smart” GFI fareboxes print the day pass which enables passengers to ride all day. They price the day pass very reasonably; \$3.35 Tri Delta and \$3.50 WestCat. An advantage of the day pass is that it reduces paper transfers. There was a desire by these two operators to create a day pass equivalent on Clipper for the East Bay group. MTC and Cubic have agreed to give us the Day Pass Accumulator which uses cash value stored on the card to pay for local bus fares up to a maximum amount – determined to be \$3.75 in a day in our case. For example; if you board the bus to go to work Clipper will deduct the \$2.00 fare, when you board the bus to come home Clipper will only deduct \$1.75 instead of \$2.00 because you’ve reached the maximum amount of \$3.75.

LAVTA does not have a day pass now and our current fareboxes do not have the ability to print them. The day pass accumulator is a new fare media that will only be available on our system at this time through use of the Clipper card. We will have to do a Title VI analysis and get Board approval for this fare change.

Single Point Log In:

Drivers currently log in to devices when they start their run so that headsign changes, passenger counting, and fare payment information linked to the route and bus stop can be effected and collected. The Clipper system will add another computer system on the bus that will not be connected to the current system at this time. The Clipper on board equipment includes the card reader and a driver console that will require the driver to log in with their route. The East Bay Operators have asked for single point login but this will require Cubic to develop an applications interface and our other software providers to write software that exports the route information. MTC has directed Cubic to provide a quote for the work with implementation being one year away.

Financial Reconciliation:

The East Bay Operator group will be considered one operator by Cubic when it comes to distribution of fare revenues. The group has delegated Wheels (LAVTA to be the receiver and distribution manager of the funds. Fare revenues will be distributed by LAVTA based on Cubic reports of ridership by route. Details such as how often reconciliation will be done are still being worked out by the group.

Cost

There is an annual operating cost allocated to each operator in the Clipper system based upon the number of transactions (tags on the bus). Staff is working on projecting the annual fee from MTC to pay for Cubic’s ongoing support.

Budget Considerations

Based on ridership data from April 2014 – March 2015, and assuming all ridership and fare types remain the same over the course of 1 year, other than the change(s) noted, here are the “worst case” and the “best case” with respect to financial impact:

Best case scenario – if all of the Farebuster Ticket users switched to Clipper, AND two of the trips are on the same day, that would mean instead of the \$413,236 in Ticket revenue LAVTA would receive \$484,260; an increase of \$71,025.

Worst case scenario – if all of the regular/senior/disabled fare cash paying customers switched to Clipper AND two trips are on the same day, instead of \$859,602 LAVTA would receive \$804,785; a decrease of \$54,817.

Based on the experience of the other agencies, staff does not expect a significant negative impact to either farebox recovery or ridership, as most of the business rules are “business as usual” for LAVTA. However, Staff does expect an increase in ease of use and enhanced customer experienced with the implementation of the Clipper Card.

Recommendation

The Finance and Administration Committee recommends the Board direct Staff to proceed with the Title VI Impact Analysis for adding a fare media of the Day Pass Accumulator with the implementation of the Clipper Card.

Approved: _____

LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
PUBLIC HEARING RECORD
August 17, 2015
PROPOSED CLIPPER DAY PASS ACCUMULATOR

At 4:00 p.m. on August 17, 2015, the Livermore Amador Valley Transit Authority (LAVTA) conducted a public hearing for the purpose of considering a fare media change, specifically with respect to the Clipper Card and the Day Pass Accumulator. The following is the record of this hearing.

The Director of Administrative Services stated that LAVTA staff had taken significant steps to advertise the public hearing, and had received one comment to date. The purpose of the hearing was to receive testimony on the Clipper Day Pass Accumulator that, if adopted, would be effective this Fall 2015. LAVTA's Director of Planning and Communications, gave a brief overview of this potential new fare media.

The Clipper Card (Clipper) is the regional transit fare payment system. Clipper is expected to be ready for use on Wheels/Rapid buses by the end of 2015, including a proposed Day Pass Accumulator. The new fare instrument will place a maximum fare payment of \$3.75 per day for adults and youths, and \$1.75 for seniors and disabled passengers, when using the Clipper for payment of cash fares on Wheels/Rapid buses. In summary, passengers may make unlimited local bus trips for \$3.75 or \$1.75 a day depending on the fare category.

LAVTA used a variety of methods to advertise the subject matter and this public hearing to the community in order to solicit comments and concerns. Announcements to notify the public included published media, the Wheels website, community outreach at local libraries and senior centers, social media and notices onboard all Wheels buses.

Published Media

1. A notice announcing the public hearing was published in the Valley Times on July 21, 28; August 4, 11, 2015.
2. A Wheels Press Release was issued and distributed to:
 - The Tri Valley News Media (The Independent, Contra Costa Times, Valley Times, Pleasanton Weekly)
 - LAVTA board members
3. The Wheels Press Release was also posted in the Livermore, Dublin, and Pleasanton sites of The Patch, a community-specific news and information platform for the community to read and learn about what is happening in their neighborhood.

Website

1. Details of the public hearing time and location was posted to the Wheels website.
2. Description of the proposed change was posted on the Wheels website.

Community Outreach

1. Details of the public hearing was made available on social media via facebook, twitter and Nextdoor.
2. Hard copy Press Releases were available to the public at the following locations:
 - Dublin, Livermore and Pleasanton public libraries
 - Dublin, Livermore and Pleasanton senior centers
 - Wheels Administration Office
 - Wheels Transit Center

Public Notices and Displays on Wheels Buses

1. Public notices were displayed on the interior of all Wheels buses with public hearing date and location

LAVTA provided many channels through which the public could participate and let us know their opinions on the proposed service changes. The public provided feedback using the following channels of communication:

- By email (1 comment)
- By telephone (1 comment)
- By US postal mail
- Participation at today's public hearing for final input (1 comment)

These comments will be compiled in a staff report summarizing the comments and presented to the LAVTA Board of Directors at the September 14, 2015, when the Board is anticipated to vote on the proposed change to fare media.

During this public hearing, Staff presented the purpose of this hearing, a brief description of the possible fare media change, and identified how the public was notified of the potential changes. LAVTA has afforded the public an opportunity to comment on the proposed changes, and has satisfied all legal requirements.

The public was advised that no action on the fare media change will occur on the date of the hearing. Staff will make a recommendation regarding the change which will be discussed in Committee in late August and will be taken up for final action by LAVTA's Board at their meeting on September 14, 2015.

LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY

PUBLIC COMMENTS SUMMARY

PROPOSED CLIPPER DAY PASS ACCUMULATOR

Comment #1 (received by email on 8/6/15):

I live in the city and I commute a minimum of 3 days a week using BART, Muni and Wheels. Currently I have to get a BART to Bus transfer on my morning commute for the reduced fare on Wheels, and then I have the fare buster coupons for the \$1.60 return fare in the afternoon. That's \$2.60 daily. I would love to use my clipper card to be able to get these same fares. Is this possible with the proposal or is it simply just for a day pass? The day pass would end up costing me 50 cents more per day than I pay now, which diminishes my likelihood of using it.

LAVTA Staff: Clipper was unable to accommodate any one-ride discount fares. Clipper will be able to accommodate the BART to Bus transfer, so that passengers will no longer need to stop and get a paper transfer in the BART station. Clipper will recognize that passengers just paid for a trip on BART and the transfer to Wheels buses will be \$1.00. The farebuster tickets will still be accepted on Wheels, and in in this case, in order to keep the daily fare the same the passenger can use Clipper on BART to bus transfer and the farebuster ticket for the return fare.

Comment #2 (received by phone on 8/17/15):

The price is too high for the day pass accumulator. Currently I pay \$3.00 for a daily roundtrip, using a BART to Bus transfer one way and \$2.00 cash one way.

LAVTA Staff: As stated above, the passenger will no longer need to stop and get a paper transfer in the BART station. For the return trip, a regular cash fare of \$2.00 will be charged. If the passenger rides any other Wheels buses within the two hour transfer window, there is no additional charge. It would only be if the passenger travels on Wheels the same day other than the BART transfer and regular fare trip that any additional charges would appear on Clipper in the amount of \$0.75. Essentially, the passenger will have the convenience of Clipper at the same cost (\$3.00) for the daily trips the passenger described.

Comment #3 (received at Public Hearing on 8/17/15): I would like to be sure that the current East Bay Value Pass, the multi-system pass, that allows usage on the four neighboring East Bay transit systems (Tri Delta, County Connections and WestCat) be

continued and that it not be removed. It is a great deal, great value. With the Clipper I am concerned that when a rider has to make multiple transfers between the systems, such as one County Connection bus and two Wheels buses. If that one way trip for example takes 2 ½ hours total we would run out of time and be charged more than the East Bay Value Pass....I'm a daily rider. So that is my concern how are you going to address the multiple transfers situation if someone even has to take four buses for a one way trip.

LAVTA Staff: The East Bay Value Pass will continue to be offered as a paper pass (calendar month) AND will be offered on the Clipper Card (rolling 31-day pass) for passengers who are travelling on the Wheels/County Connection/Tri-Delta/WestCat buses. If a passenger is paying cash and riding the “four buses,” the Day Pass Accumulator should be less expensive.

RESOLUTION NO. 27-2015

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
UPDATING THE CONSOLIDATED FARE SCHEDULES
AND TRANSFER AGREEMENTS FOR PASSENGERS

WHEREAS, the Board of Directors of the Livermore Amador Valley Transit Authority adopted Resolution No. 2-2015 to consolidate existing fare schedules and transfer agreements for Fixed Route and Dial-A-Ride Paratransit Service passengers effective February 2, 2015; and

WHEREAS, the Board of Directors of the Livermore Amador Valley Transit Authority finds it desirable and necessary to add the Clipper Card Fares and the Clipper Card Day Pass Accumulator fare media to LAVTA's fare policy in anticipation of the Clipper Card Implementation.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority updates fare schedules and agreements with upcoming Clipper Card fares as shown below:

FARE SCHEDULEI. FIXED ROUTE SERVICE – Effective March 22, 2009(i) Regular one-way fare including unrestricted transfers between Wheels buses within two hours of fare payment of:

(a)	Adults	\$2.00
(b)	Youths between ages 6 and 18	\$2.00
(c)	Senior Citizens age 65 and over	\$1.00
(d)	Disabled Persons	\$1.00
(e)	Children under age 6 when accompanied by a fare paying passenger	FREE
(f)	Americans with Disabilities Act (ADA) Certified persons (with RTC Card)	\$1.00
(g)	Eligible employees and family members/dependents with applicable ID*	FREE

(ii) The following paper passes will be available for passengers:

(a)	Adults and Youths ages 6 through 18 Monthly 10 Ride Book/Script	\$16.00
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(b)	Regular Monthly (Calendar) Unlimited Rides Pass	\$60.00
(c)	Senior Citizens Monthly (Calendar) Unlimited Rides Pass	\$18.00
(d)	Disabled Persons Monthly (Calendar) Unlimited Rides Pass	\$18.00

II. CLIPPER CARD - FIXED ROUTE SERVICE – Effective Fall 2015 (when Clipper Card fully implemented)

(i) Regular one-way fare including unrestricted transfers between Wheels buses within two hours of fare payment of:

(a)	Adults	\$2.00
(b)	Youths between ages 6 and 18	\$2.00
(c)	Senior Citizens age 65 and over	\$1.00
(d)	Disabled Persons	\$1.00
(e)	Children under age 6 when accompanied by a fare paying passenger	FREE
(f)	Americans with Disabilities Act (ADA) Certified persons (with RTC Card)	\$1.00

(iii) The following electronic Clipper Card passes will be available for passengers:

(a)	Regular Monthly (Rolling 31 Day) Unlimited Rides Pass	\$60.00
(b)	Senior Citizens Monthly (Rolling 31 Day) Unlimited Rides Pass	\$18.00
(c)	Disabled Persons Monthly (Rolling 31 Day) Unlimited Rides Pass	\$18.00
(d)	Day Pass Accumulator Regular	\$ 3.75
(e)	Day Pass Accumulator Senior/Disabled	\$ 1.75

III. DIAL-A-RIDE PARATRANSIT SERVICE – Effective March 22, 2009

(a)	Fare per Ride	\$3.50
(b)	Eligible employees with applicable ID	Free**

REGIONAL TRANSFER POLICIES

All passes and transfers from transit systems with a reciprocal agreement (shown below) will be accepted by LAVTA at intersecting points, transit centers, and BART stations. Agencies that have reciprocal agreements with LAVTA:

Fixed Route:

- Free – To and from Wheels - City of Pleasanton, Downtown Pleasanton Route (DTR)
- Free – To and from Wheels - County Connection (CCCTA) within two hour period of boarding
- Free – From San Joaquin Regional Rail Commission (SJRRC) aka Altamont Corridor Express (ACE) to Wheels
- \$1.00 – From BART to Wheels

Dial-A-Ride:

- Free – interagency paratransit transfers from East Bay Paratransit
- Free – interagency paratransit transfers to and from County Connection Links

WHEELS CLASS PASS PROGRAM

A class pass is a free bus ride for up to 25 passengers (includes children, teachers and adult supervisors) from a school to any Tri-Valley destinations that WHEELS fixed routes currently serve. Teachers may request up to two (2) class passes per school year.

*LAVTA Employees and contracted employees, as well as “eligible family members/dependents” defined below shall be issued picture identification cards that will be good for a period not to exceed one year. LAVTA staff and dependents, and contractor staff may be issued a picture ID upon date of hire, but contractor dependents are not eligible for an ID until 90 days after the employee’s hire date. At the beginning of each fiscal year, July 1, a new annual sticker will be issued to each employee and eligible dependent in order to ride Fixed Route transit. Board Members and their dependents are eligible for an ID; however retirees of the agency are not.

“Eligible Family Member/Dependent” is defined as a person who is claimed by the employee on their tax returns; or in the event no tax return is filed, then a person who is covered on the employee’s health benefits. If no tax return is filed and the employee does not elect health benefits, then a notarized and signed statement documenting that the identified person would meet the requirements of “dependent” as defined by within the parameters of a tax return or health benefit election.

LAVTA’s maintenance and operations contractor will be responsible for collecting employee and family member ID cards upon the termination of employment for one of their employees and returning these ID cards to LAVTA.

** Free rides on Dial-A-Ride will be available only for Authority direct or contracted employees (no dependents), who are certified eligible for participation in the ADA paratransit program, and only for work related trips. Fraudulent use of the issued IDs, whether by a Wheels employee or their dependent, will result in rescinding the employee’s free ride privileges as well as the privileges of the employee’s dependents.

PASSED AND ADOPTED this 14th day of September 2015.

Don Biddle, Chair

ATTEST:

Michael Tree, Executive Director

APPROVED AS TO FORM:

Michael Conneran, Legal Counsel

AGENDA

ITEM 9



STAFF REPORT

SUBJECT: Comprehensive Operational Analysis/Short and Long Range Plans

FROM: Michael Tree, Executive Director

DATE: August 24, 2015

Action Requested

This is an informational item.

Update

During the previous 60-days there has been significant activity with the agency's Comprehensive Operational Analysis (COA) study.

Board Retreat: On July 15th, a Board retreat was held at the Hilton Doubletree Hotel in Pleasanton. During the four-hour workshop, the consultant team covered introduction to transit planning, the current Tri-Valley transit market, initial findings from the existing conditions report/state of the system, and had an interactive discussion about service tradeoffs. The following is a summary of the Board's input on service tradeoffs:

Coverage vs **Productivity**. Lean more heavily towards productivity (more service, fewer areas)

Frequency vs Span. Focus higher frequencies during core/commute hours, with greater headways in off-peak as appropriate.

Weekday vs **Weekend**. Prefer seven day service, given existing conditions data.

One-Seat vs **Transfers**. General understanding of desire to simplify trips, but strong feeling that an improvement in reliability and the wait experience (real-time info, security, etc) can help mitigate concerns with transfers.

Route Directness vs Access. Less specialization. Prefer wider route spacing with passengers walking to the main road rather than having buses meet them at the front door.

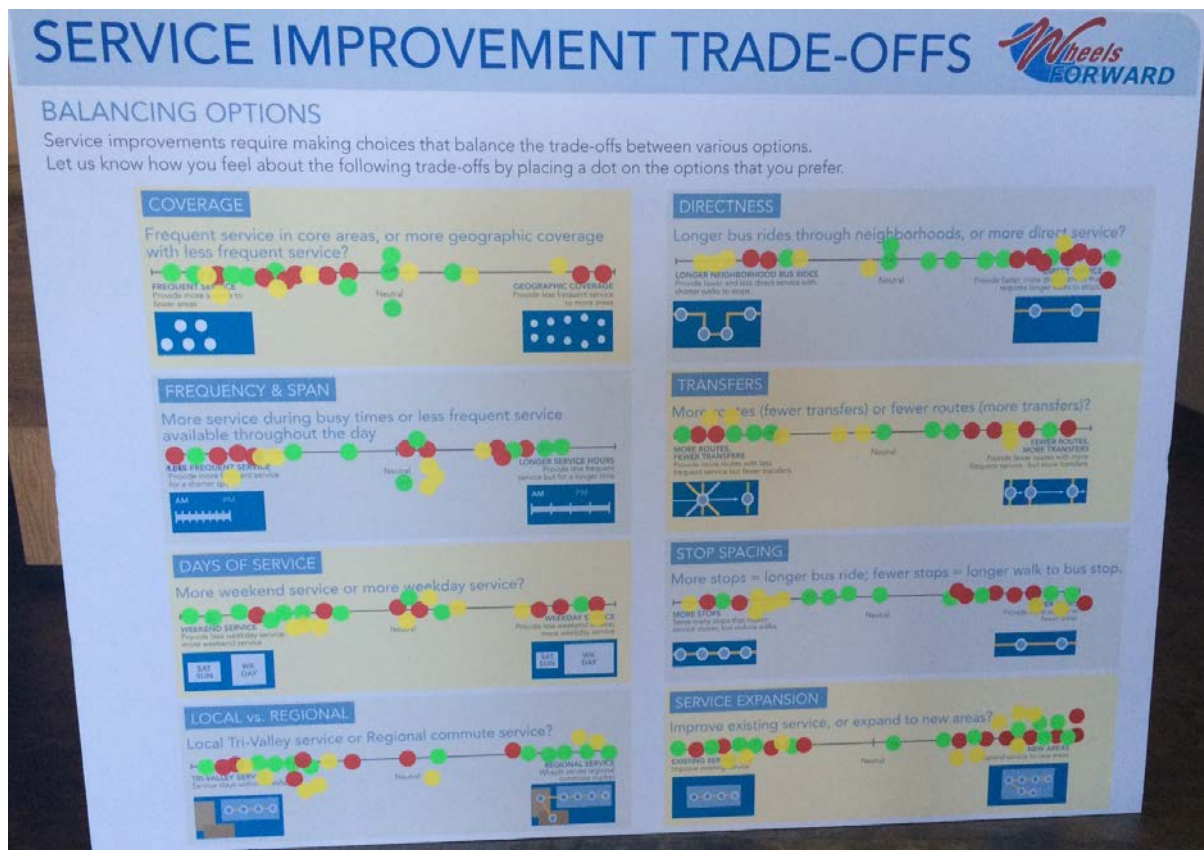
More Stops vs **Fewer Stops**. Feeling that the middle is best depending on the route, leaning toward fewer stops especially for the Rapid. General recognition that fewer stops would be better—especially paired with preference for more direct routes—but it should be situational based on land use and ridership.

Local Market vs Regional Service. Strong desire to focus on the local market, with several Board members noting that regional connections should be served, though

perhaps through funding or operating agreements with partner agencies as appropriate rather than assuming LAVTA must serve them directly.

Existing Service Area vs Expansion Projects. Focus on improving existing service area, with some acknowledgement that the service area may change slightly to take advantage of new opportunities, e.g. land use developments.

Public Meetings: Three public meetings were held the week of July 27th and were widely attended by both riders and non-riders. Meetings were publicized via various channels (Attachment 1) and each meeting was attended by at least 30 people. The meeting format was open-house style with several boards set up throughout the room. Members of the consultant team and LAVTA staff were on-hand to answer questions and discuss the study with those in attendance. Attendees were also asked to weigh in on the service tradeoffs. The board below was present at all three meetings and represents the tradeoffs that meeting attendees were willing to make:



Stakeholder Meeting: The COA’s Stakeholder Advisory Committee, which is comprised of representatives of major employers, school districts, Las Positas College and opinion leaders in the Tri-Valley, met on July 28th. The agenda included a Transit 101 course, a “state of the system” review of Wheels, and a discussion on what was important for the community leaders moving forward with the Wheels bus system.

Technical Advisory Committee Meeting: The COA’s Technical Advisory Committee, comprised of staff from the three Tri-Valley cities, as well as staff from CCCTA, BART,

ACTC, and MTC met on July 29th. The agenda for the TAC meeting was similar to that of the Stakeholder Advisory Committee.

Project Deliverables: The consultant team has submitted several deliverables in draft form (Communications and Outreach plan, Existing Conditions Report and Service Standards) and staff is in the process of reviewing the documents and providing feedback.

Looking ahead to the Next 30 Days: The consultant team will finalize the Communications and Outreach Plan, the Existing Conditions Report and the Service Standards Report. The consultant team will be in the LAVTA service area the first week in September to complete their field work and will meet with LAVTA staff to discuss preliminary service alternatives. The dates of the next round of public outreach, as well as the SAC and TAC meetings, should be finalized within the next 30 days.

Attachments:

1. Outreach for Public Meetings

Wheels Public Outreach for Wheels Forward Meetings – July 28-30

The following is an outline of the outreach efforts to promote the Wheels Forward meetings:

1. Advertising

- a. KKIQ Radio – 40 - 30 second spots & additional Helping the Hometown spots – ran July 20-30th
- b. Newspaper ½ page ads - Tri-Valley Times/Contra Costa Times, The Independent, Pleasanton Weekly – ran July 23-26th

2. Press

- a. Newspaper stories – Tri-Valley Times, The Independent, Pleasanton Weekly
- b. Online Media – Livermore Patch
- c. Newsletters – Dublin, Livermore and Pleasanton Chambers included mention/flyer
- d. TV – Community Channel 30 interview

3. Public Outreach

Flyers in English/Spanish/Chinese delivered to:

- a. 15 Senior Centers
- b. 3 Libraries
- c. 10 Stores including Safeway, Raleys, & Walgreens
- d. 3 School Districts – Livermore emailed flyer to parents; Pleasanton posted flyer on website; Dublin High School and Middle School parents reached through Peachjar email blast

4. Business Outreach

112 Tri-Valley companies and government entities were contacted, with 52 receiving an employer tool kit to inform employees and customers of the planning efforts. 42,047 employees were emailed the flyer and information on the workshops.

5. Government/Stakeholder Outreach

- a. Cities – Presentations were made to Livermore, Dublin and Pleasanton City Councils in July
- b. Chambers – Flyers were delivered to each and every chamber either emailed or distributed flyers to their businesses; Presentation was made at the Pleasanton Economic Forum July meeting
- c. Livermore and Pleasanton Downtown Association distributed flyers
- d. Rotary – Presentation was made to Livermore Rotary

6. Wheels Riders

- a. Bus Interior Card
- b. Flyers distributed in Wheels buses
- c. Posters at Transit Center, Admin Office and major bus stops

7. Wheels Website

- a. Flyer posted in English and Spanish with link on homepage
- b. News release posted
- c. Meetings posted on calendar
- d. Updates daily during workshop week

8. Social Media

- a. Facebook – various posts on Wheelsbus page
- b. Twitter – 6 tweets on workshops; numerous retweets from local agencies
- c. Nextdoor – 7 posts to residents in Livermore, Dublin and Pleasanton including event posting and reminder posts

AGENDA

ITEM 10



Projects & Services Committee

July	Action	Info
Minutes	X	
*Typically July committee meetings are cancelled		
August	Action	Info
Minutes	X	
Comprehensive Operational Analysis Update		X
Quarterly Operations Report		X
Quarterly Marketing Report		X
WAAC Bylaws Modification	X	
LAVTA Fares & Clipper Day Pass Accumulator	X	
September	Action	Info
Minutes	X	
Comprehensive Operational Analysis Update		X
October	Action	Info
Minutes	X	
Try Transit To School Results		X
Tentative Minor Service & Schedule Revisions for Winter 2016		X
Comprehensive Annual Financial Report (CAFR)	X	
November	Action	Info
Minutes	X	
Dial A Ride Passenger Survey Results		X
Quarterly Operations Report		X
Quarterly Marketing Report		X
January	Action	Info
Minutes (November)	X	
Draft COA Recommendations		X
February	Action	Info
Minutes	X	
Quarterly Operations Report		X
Quarterly Marketing Report		X
March	Action	Info
Minutes	X	
Alameda County Fair and Fourth of July Service	X	
Pleasanton Summer School Service	X	
April	Action	Info
Minutes	X	
Relocation of Livermore Historic Train Depot		X

Draft Employer Pass Program		X
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May

	Action	Info
Minutes	X	
WAAC Appointments	X	
FY2017 Marketing Work Plan	X	
Quarterly Operations Report		X
Quarterly Marketing Report		X

June

	Action	Info
Minutes	X	
DAR Policy Modification	X	
DAR Ridership Increase Analysis		X
Interim Schedule Adjustments to Improve OTP		X
COA Update		X