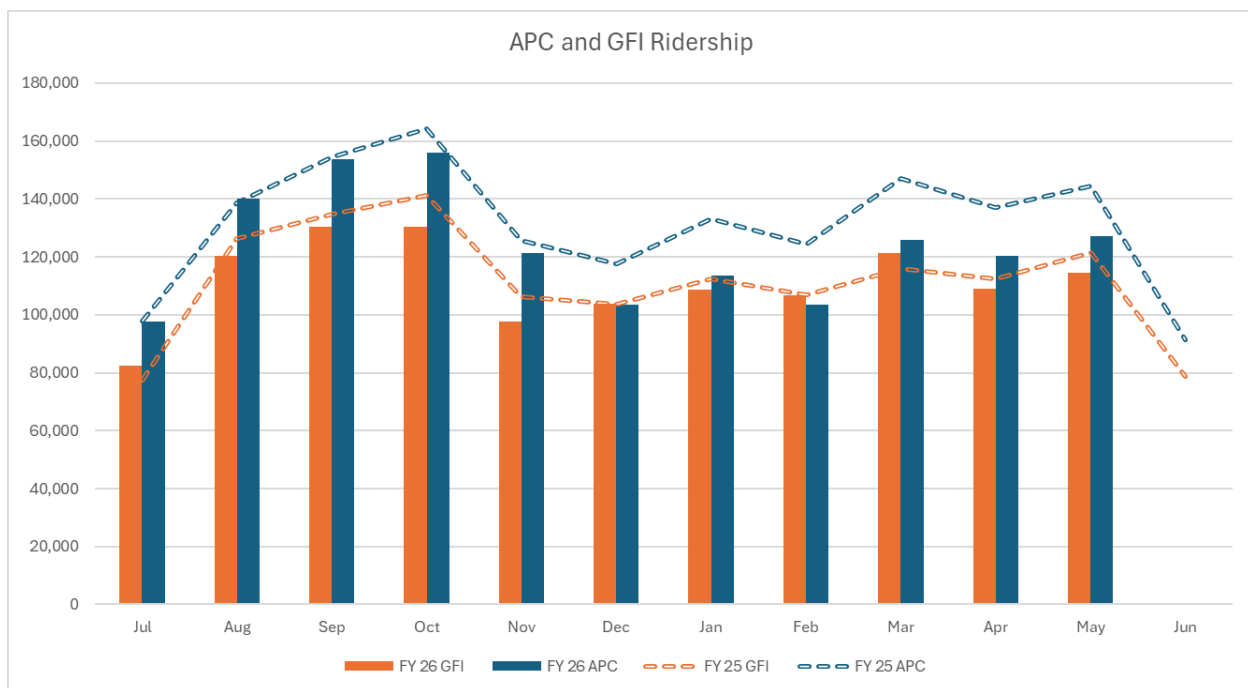


EXECUTIVE DIRECTOR'S REPORT**Service Development****May Ridership Highlights**

Using farebox (GFI) data, systemwide ridership in May amounted to 114,551 unlinked boardings, a decrease of 5.6% compared with the same month of last year. This continues a trajectory so far this year of alternating uptrends and downtrends by month, on a year-on-year (YoY) basis. (It should be noted, however, that there was one less weekday in the month compared to May of last year.)

Looking instead at automatic passenger counter (APC) data, the total May boarding count amounted to 127,108 - about 11% higher than the counts recorded at the farebox. The agency will soon begin reporting summary ridership data based on the APC counts.

At the individual route level, the main trunk line 10R held steady in terms of average daily ridership (922 this May vs. 906 in May of last year), while the 30R was down slightly, from 1,349 to 1,295, YoY.

**August Sign Up**

A new service change will take place on Saturday, August 8th. New schedules are being implemented to align with the new BART schedule, which takes effect on Monday, August 10th. Furthermore, a number of changes to school tripper routes will take effect, which are intended to improve on-time performance, better align service with current school attendance boundaries, balance passenger loads, and enhance the overall efficiency and reliability of school-focused service.

EXECUTIVE DIRECTOR'S REPORT

Senior Outreach Event June 18

On June 18, Wheels partnered with the City of Pleasanton to a Senior & ADA Transit Planning and Travel Training event with vendor ADA Rides. Attendees learned about fixed-route transit services and received information on accessible transportation options. Participants were also able to sign up for Dial-A-Ride and paratransit services.



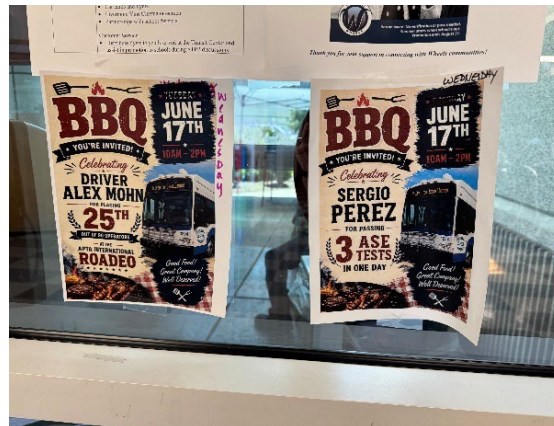
Route 74: Fourth of July Shuttle

LAVTA, in coordination with the City of Livermore, will operate Route 74 in support of the City's July 4 celebration at the Livermore airport. LAVTA staff will be onsite to assist with passenger loading and unloading at the Las Positas College and Airport stops.

Operational Effectiveness

MV Highlights

On June 27, 2026, MV Transportation hosted a barbecue recognizing the accomplishments of Bus Operator Alex Mohn and Maintenance Technician Sergio Perez. Mr. Mohn represented MV Transportation at the American Public Transportation Association (APTA) International Bus Rodeo in Salt Lake City on May 17th, placing 25th out of 80 operators. Mr. Perez was recognized for successfully passing three Automotive Service Excellence (ASE) certification examinations and earning his Blue Seal certification, a significant professional achievement within the maintenance field.



On-Time Performance

Operational performance also improved significantly during June. Systemwide on-time performance increased to 82%, up from 76% in May, while Route 30R on-time performance improved to 83.1%, compared to 74% in May.

EXECUTIVE DIRECTOR'S REPORT

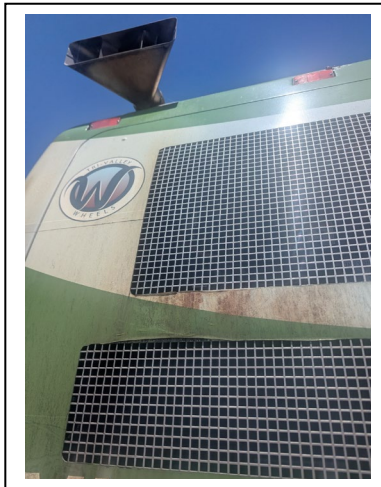
Due to the traffic associated with the Alameda County Fair, Route 10R's On-Time Performance has taken a hit. While the team has deployed standby resources to keep the bus on-time, due to limitations with the on-time performance reporting, the standby buses are not captured in the reports. Staff will explore creating a specific schedule for the 10R during Fair times for next year's summer signup.

Atlantis Project Working Group

The Agency will be convening a working group for the next phase of Atlantis Design. The Working Group will be comprised of staff and design consultants; staff suggest that a Board member also participate. This was discussed at Projects and Services; the Committee recommended Director Eicher.

Engine Bay Vinyl Restoration

Vinyl restoration was completed on Wheels 1600 Rapid series buses, replacing engine cover scorching with a higher grade, heat resistant vinyl. This significantly improved the aesthetic of the vehicles and was done at minimal cost with a partial offset from vinyl advertising partner Lamar.



EXECUTIVE DIRECTOR'S REPORT

Marketing and Communications

Rodeo Parade

Wheels participated in the Livermore Rodeo parade on June 13, entering Wheels' classic Rideo Bus which won 3rd place in the antique vehicles category.



Alameda County Fair

Wheels provides service to the 2026 Alameda County Fair via Route 10R, which was modified in May to serve Pleasanton Ave with access to the Fairgrounds Yellow Gate. Due to excessive traffic, additional buses were deployed to keep the route on time. Wayfinding signage was posted at BART and the Fairgrounds stops.

Wheels 40th Birthday Photo Contest

Congratulations to May #WheelsFreeAt40 Photo Contest winner Evelyn Lawson of Livermore! We appreciate her helping us celebrate 40 years of Wheels with a fantastic photo of the Anniversary bus.

EXECUTIVE DIRECTOR'S REPORT



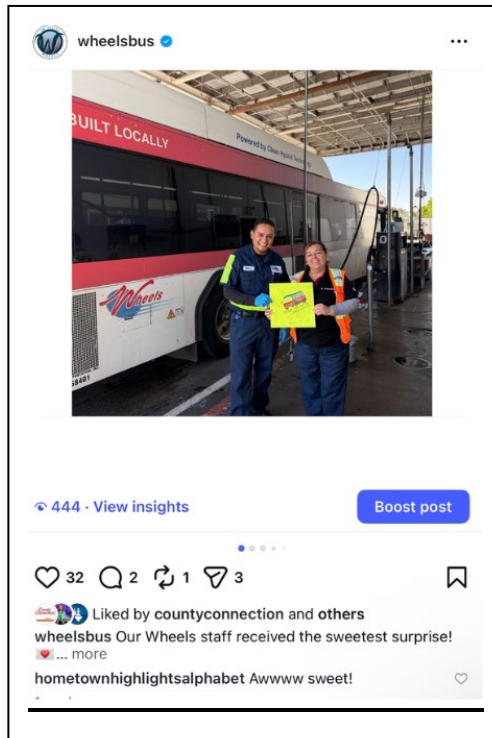
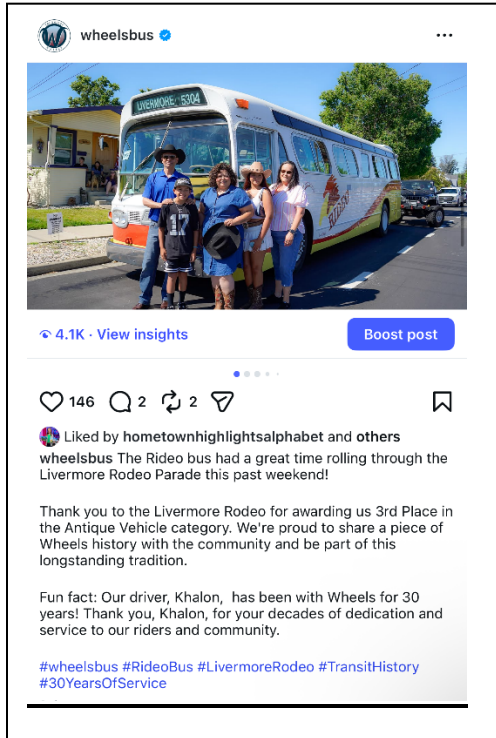
Wheels 40th Birthday Party

Wheels will host a 40th Birthday Party – rider and community appreciation event on **July 27th from 3 p.m. to 7 p.m. at the Livermore Transit Center**. This event includes information about the August service change, free ice cream tacos, music, information and promotional gifts, and a children's activity table. Potential partnerships include ACE Rail and the Livermore Historic Guild. Details on the Wheels website starting July 5. Spread the word!



EXECUTIVE DIRECTOR'S REPORT

Social Media Highlights:



Regional Partnerships and Advocacy

Visit to Washington DC

Staff traveled to Washington DC June 2-4 for meetings with LAVTA's delegation, the FTA and staff with the Senate Banking Committee. Key discussion topics included the Surface Transportation Reauthorization that cleared the House Transportation and Infrastructure Committee as well as the OMB Notice of Proposed Rulemaking.

Clipper Bay Pass Amendment #2

An MTC contract amendment was executed to extend the Clipper BayPass pilot program through December 2030. This pilot program was approved by the LAVTA Board in 2023 with a 2-year pilot to offer universities an institutional pass product and was extended shortly after through June 30, 2027, expanding with offerings for employers. The amendment makes no changes to LAVTA business rules or revenue structure. In addition to the period extension, it authorizes MTC administrative fees and allows institutions to negotiate discounts if their primary audience would qualify for a subsidy, most often senior or youth programs.

EXECUTIVE DIRECTOR'S REPORT

Clipper 2 Update

On Monday, June 22 the Clipper Executive Board sent a letter to the MTC Commission related to the ongoing issues with the Clipper 2 rollout. The letter is included as Attachment 1. The MTC Commission held a closed session on June 24 to discuss contractual options with the Clipper vendor.

Organizational and Financial Management

Cancel July Committee and August Board Meetings:

Staff is proposing to cancel the July Committee meetings and the August Board meeting unless otherwise directed.

Staffing Update:

Recruitment continues for the Operations Analyst Position that was vacated June 26.

Attachments:

1. Clipper Executive Board Letter
2. Board Statistics May 2026



June 22, 2026

Chair Noack and Members of the Commission
Metropolitan Transportation Commission
375 Beale Street, Suite 800
San Francisco, CA 94105

RE: June 24th Closed Session

The Bay Area transit operators (Operators) respectfully request the Metropolitan Transportation Commission (MTC) to pursue all contractual remedies against Cubic Transportation Systems, Inc. (Cubic) to recover lost fare revenues and additional costs incurred by the Operators arising from Cubic's long-delayed and problematic implementation of *Next Generation Clipper Regional Transit Fare Payment System (C2)*.

We also encourage MTC to recover their additional costs arising from Cubic's C2 performance, since any extra funds spent by MTC on Cubic's failures is money that could be spent on other Bay Area transportation priorities.

Additionally, we ask for MTC to take all appropriate steps to ensure Cubic fixes all outstanding C2 issues as soon as possible so C2 collects the Operators' transit fares seamlessly, accurately and efficiently. We ask this, because C2 is not adequately performing today, negatively impacting our customers, staff and finances. This may necessitate MTC changing its strategies as you administer your contract with Cubic.

MTC has the contract with Cubic for the implementation of C2, and MTC is responsible for administering the contract, including managing Cubic's performance, and as appropriate paying or withholding funds from Cubic. It is a good contract. As such, MTC is positioned to recover our lost fare revenue and extra incurred costs, while working with Cubic to resolve all outstanding C2 issues.

If you have not done so already, the Operators request MTC put Cubic on notice that MTC will seek remedies pursuant to the terms in the contract to recover lost revenues and extra costs arising from Cubic's failures.

The implementation of C2 is two years behind schedule. Project delays cost money. In addition to the hard costs, there is the lost opportunity to roll out customer enhancements (e.g. regionwide discounted transfers, fare accumulators, etc.). The sooner C2 is fully implemented and all customers transitioned to a stable functioning C2, the sooner we can enhance the customer experience with these new fare products. The delay has led to an introduction of numerous apps and payment options as a temporary fix.

June 22, 2026

Page 2

It has been six months since the launch of C2 on December 10, 2025. During this period, system performance has been plagued by outages and defects. There has been a litany of issues for a variety of reasons these past six months:

- Ticket vending machines stopped working, so customers could not purchase or add value to their Clipper card/account to ride transit;
- The Clipper system stopped communicating with fare gates;
- Some customers' fare passes "disappeared" from the customers' Clipper card/account, so those customers could not ride transit without paying an additional fare in real time. Based on these problems, some organizations may choose to stop bulk purchasing of passes for their employees;
- "Autoload" of funds from some customers' credit/debit cards to Clipper accounts stopped without notice (surprising customers with a zero available balance for riding transit);
- Handheld fare collection/validation devices stopped working and at other times perform too slowly to collect and/or validate fares from all the passengers onboard;
- Clipper terminals used by Operator staff for customer service, adding fare value or purchasing Clipper Cards stopped working, so Operator staff could not assist customers;
- Accurate ridership data has not been validated or available;
- The ability to allocate collected fare revenues to the appropriate Operator in a financially trackable/auditable way (a.k.a. "reconciliation") is still not stable.

These issues, among others, need to be addressed as soon as possible. It is important for the Commission to know that for some of these issues (e.g. handheld fare collection/validation devices), no acceptable plan of resolution has been offered.

These problems have hurt and inconvenienced our customers. Please note that most customers do not know who MTC or Cubic is or what role they play in the customers' frustrating experience. The customer knows the Operator they are riding, and Cubic's failures negatively affect our customers' perceptions of us.

We appreciate and depend upon MTC's commitment to developing and implementing the next generation of the region's transit fare payment/collection system, and we look forward to working with MTC to resolve all outstanding issues. We need to get C2 across the finish line so all customers can be transitioned to this new payment platform. This can happen in parallel with MTC pursuing contractual remedies for our damages.

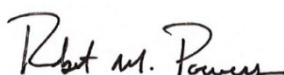
Once all customers are on C2 and all issues resolved, it may be time to start the multi-year process for a new regional transit fare payment system.

Please let us know how we can be of assistance in the furtherance of these goals.

Sincerely,



Sal Llamas
General Manager/CEO,
Alameda-Contra Costa
Transit District (AC Transit)



Robert Powers
General Manager,
San Francisco Bay Area Rapid
Transit District (BART)



Michelle Bouchard
Executive Director,
Caltrain

June 22, 2026

Page 3



Denis Mulligan
General Manager,
Golden Gate Bridge, Highway
& Transportation District



Christy Wegener
Executive Director,
Livermore Amador Valley
Transit Authority (LAVTA)



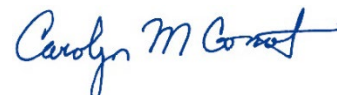
Danielle Schmitz
Executive Director,
Napa Valley
Transportation Authority
(NVTa)



April Chan
General Manager/CEO,
San Mateo County Transit
District (SamTrans)



Julie Kirschbaum
Director of Transportation,
San Francisco Municipal
Transportation Agency
(SFMTA)



Carolyn M. Gonot
General Manager/CEO,
Santa Clara Valley
Transportation Authority
(VTA)

cc: Andrew Fremier, Executive Director, Metropolitan Transportation Commission
Alix Bockelman, Chief Deputy Executive Director, Metropolitan Transportation Commission
Derek Hansel, Chief Financial Officer, Metropolitan Transportation Commission
Kathleen Kane, General Counsel, Metropolitan Transportation Commission

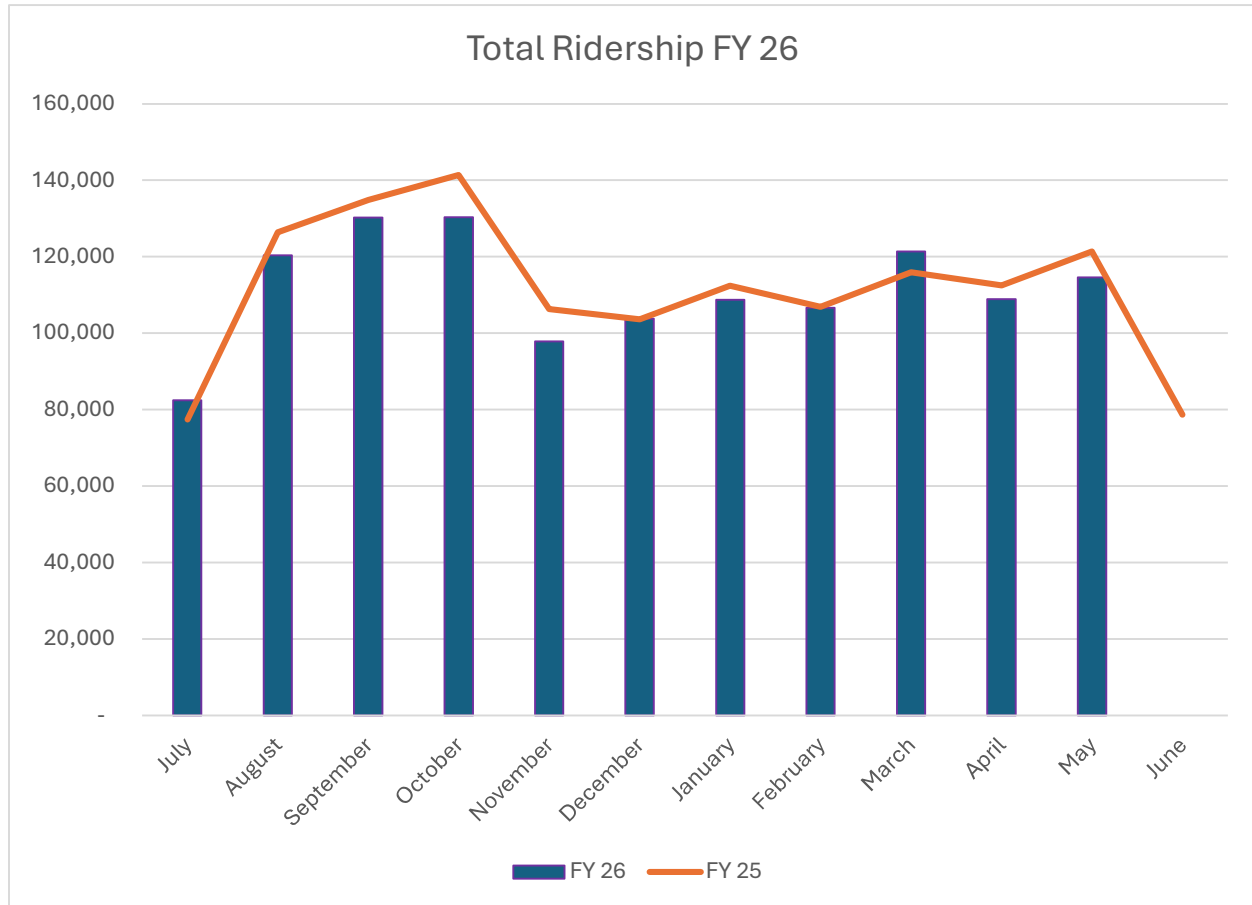


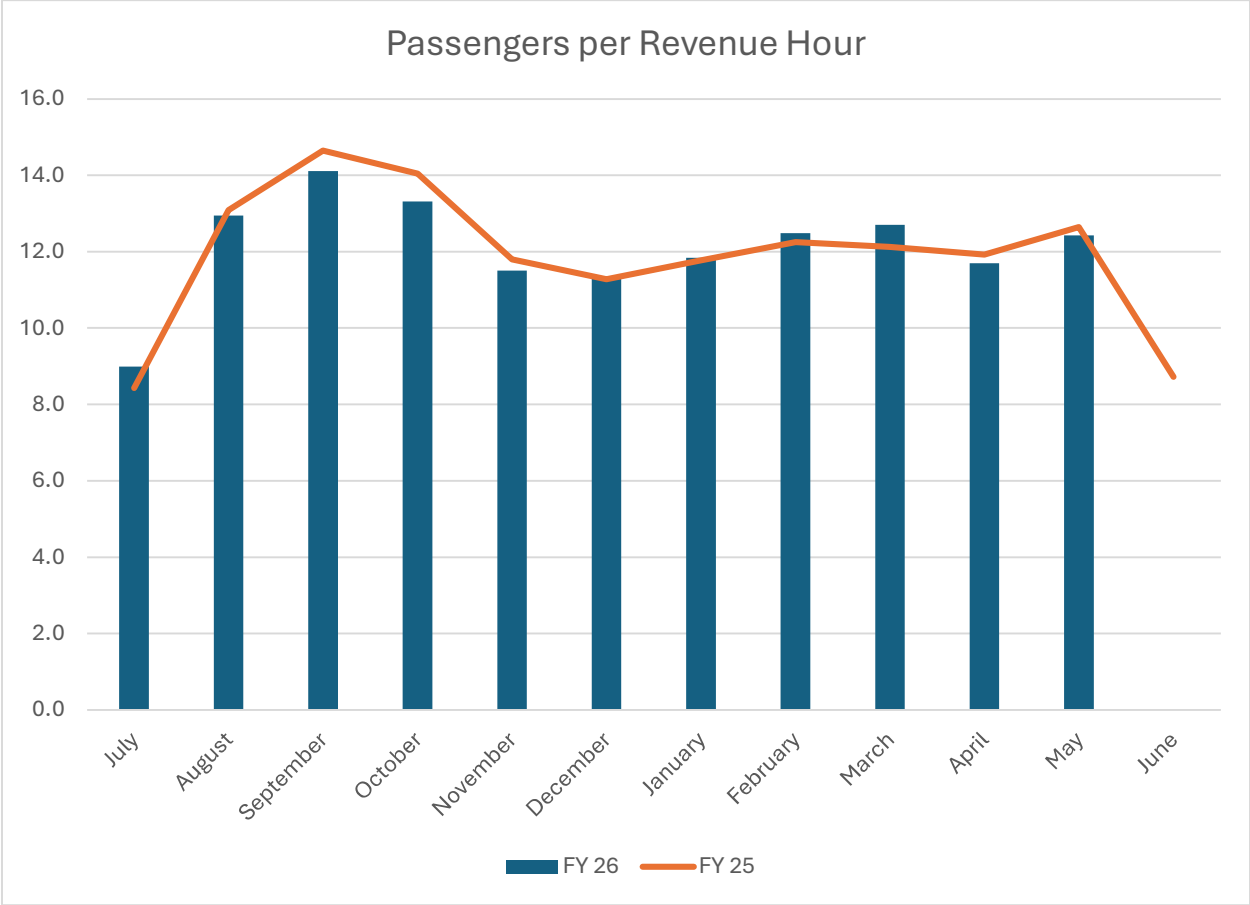
Fixed Route

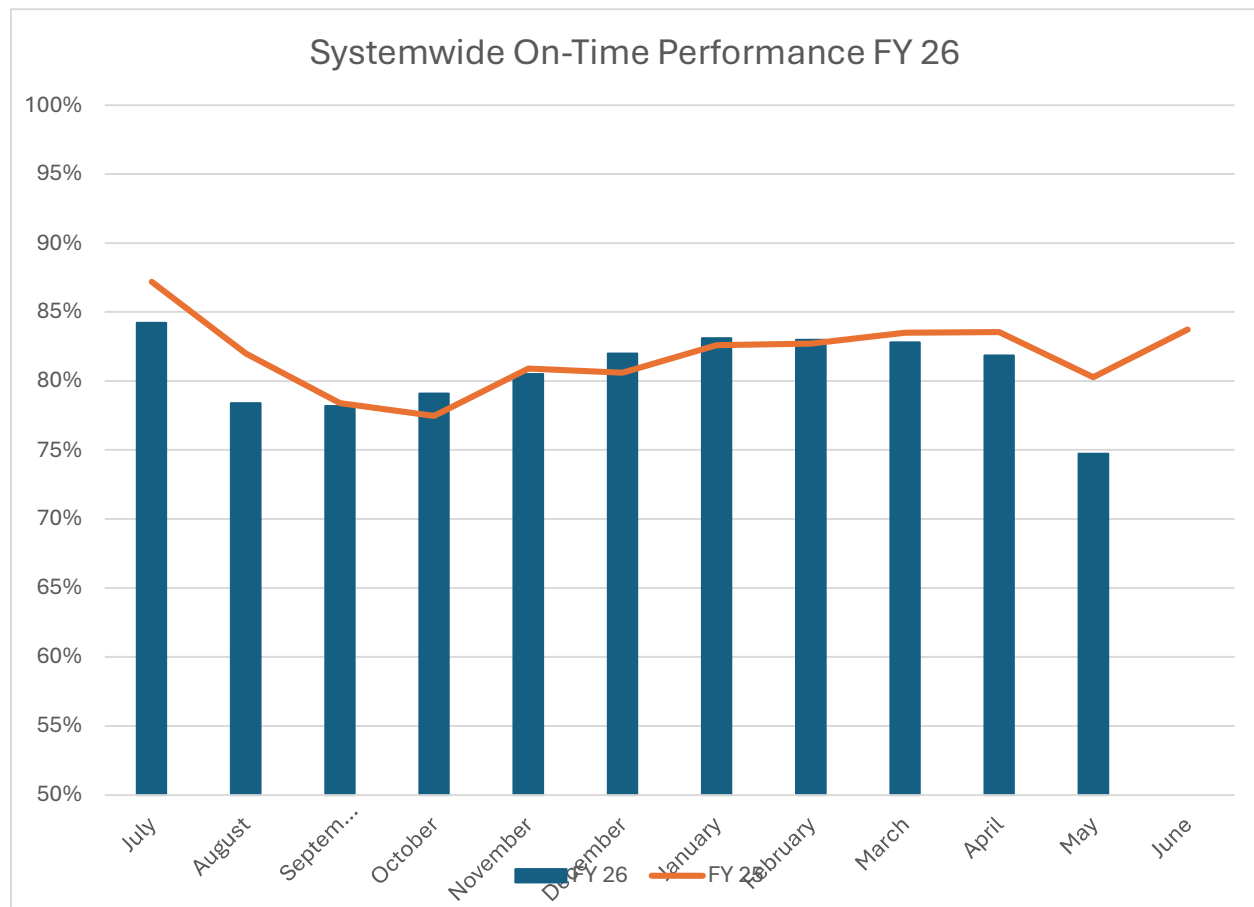
Performance Indicator	May-25	May-26	Month Over Month % Change		Year Over Year % Change	
Total Ridership	121,358	114,551	5%	↑	-5.6%	↓
Total Ridership FY To Date	1,258,852	1,225,118	N/A	—	-2.7%	↓
Fully Allocated Cost Per Passenger	\$13.34	\$16.69	-6%	↓	25%	↑
Average Weekday Ridership	4,942	4,692	5%	↑	-5.1%	↓
Average Saturday Ridership	1,579	1,637	4%	↑	3.7%	↑
Average Sunday Ridership	1,185	1,190	14.1%	↑	0.4%	↑
Passengers Per Revenue Hour	12.64	12.43	6%	↑	-1.7%	↓
System-wide On-Time Performance	80.3%	74.7%	-8.7%	↓	-6.9%	↓
Preventable Accidents Per 100k Miles	0.64	1.35	N/A	—	112%	↑
Customer Complaints Per 100k Boardings	6.59	8.73	6%	↑	32%	↑
Miles Between Mechanical Failures	9,794	24,678	33%	↑	152%	↑



Fixed Route

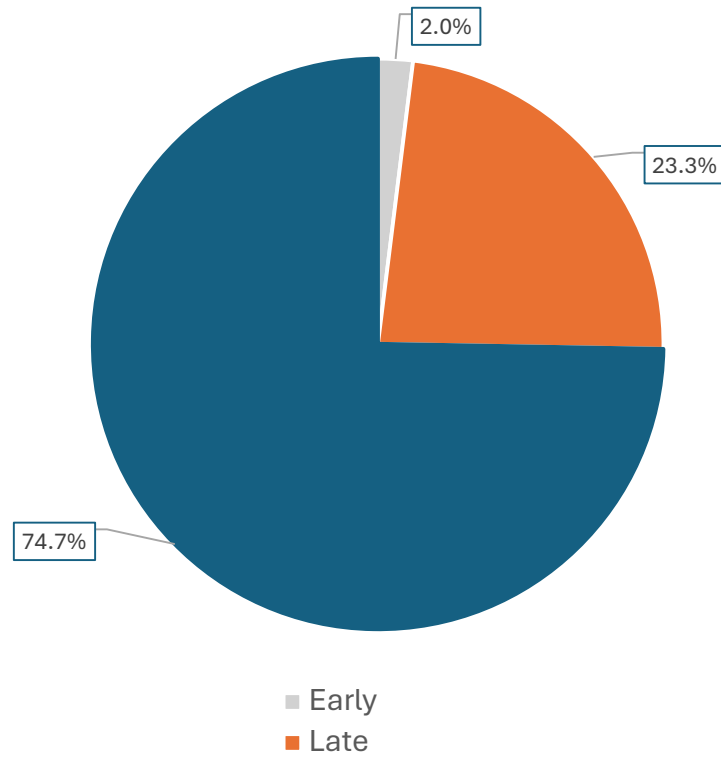


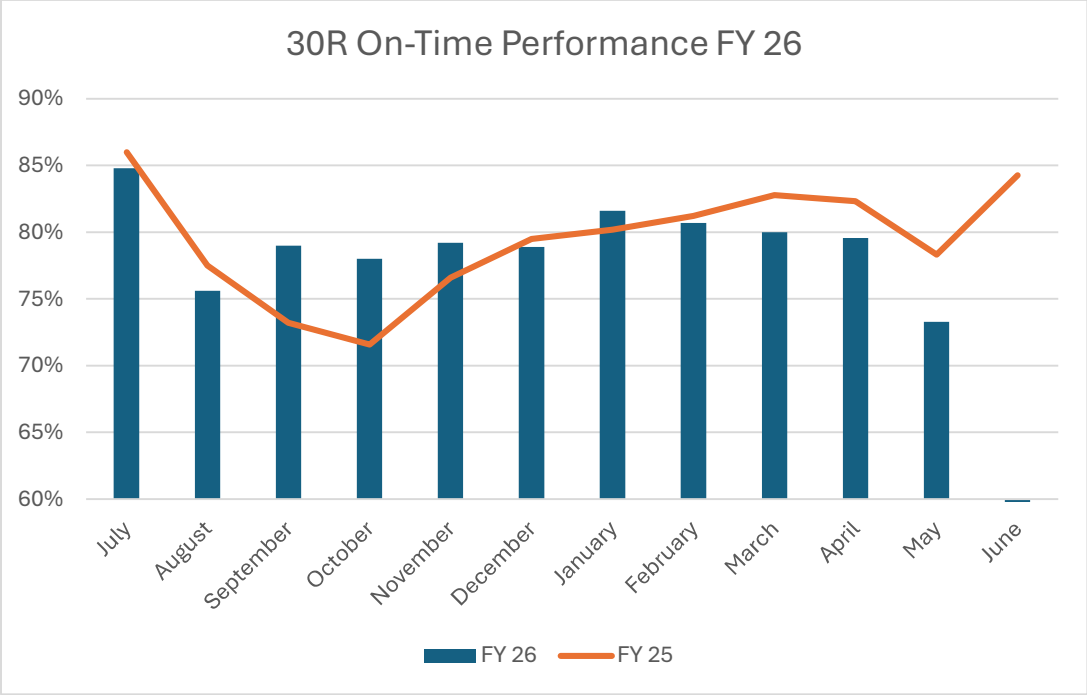
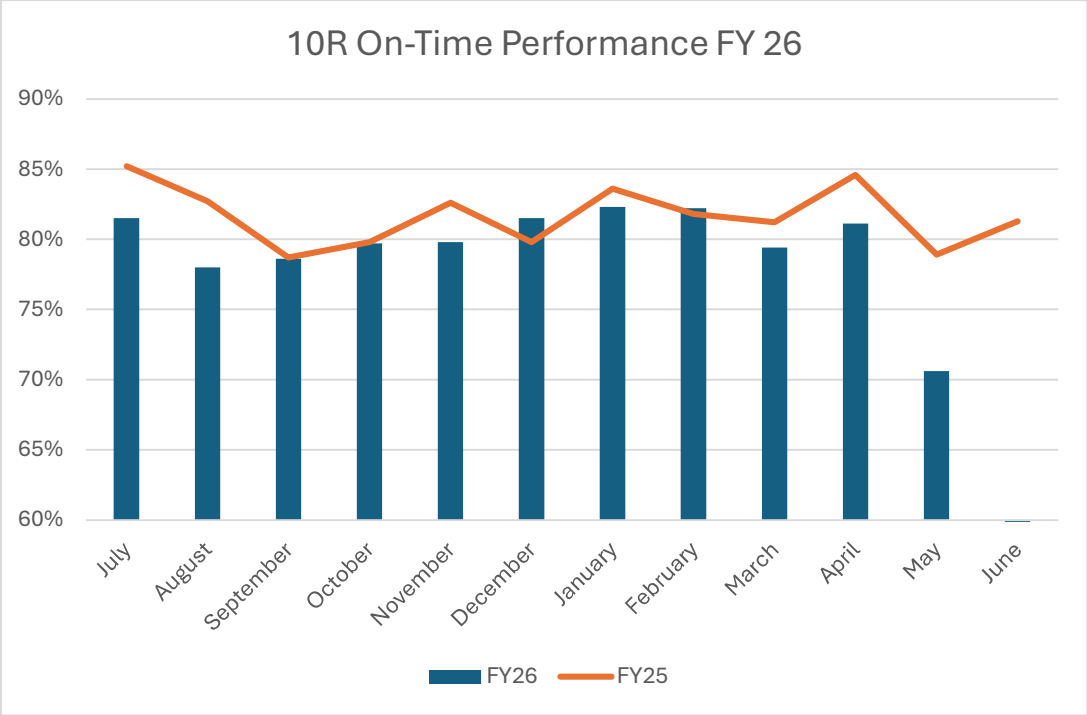


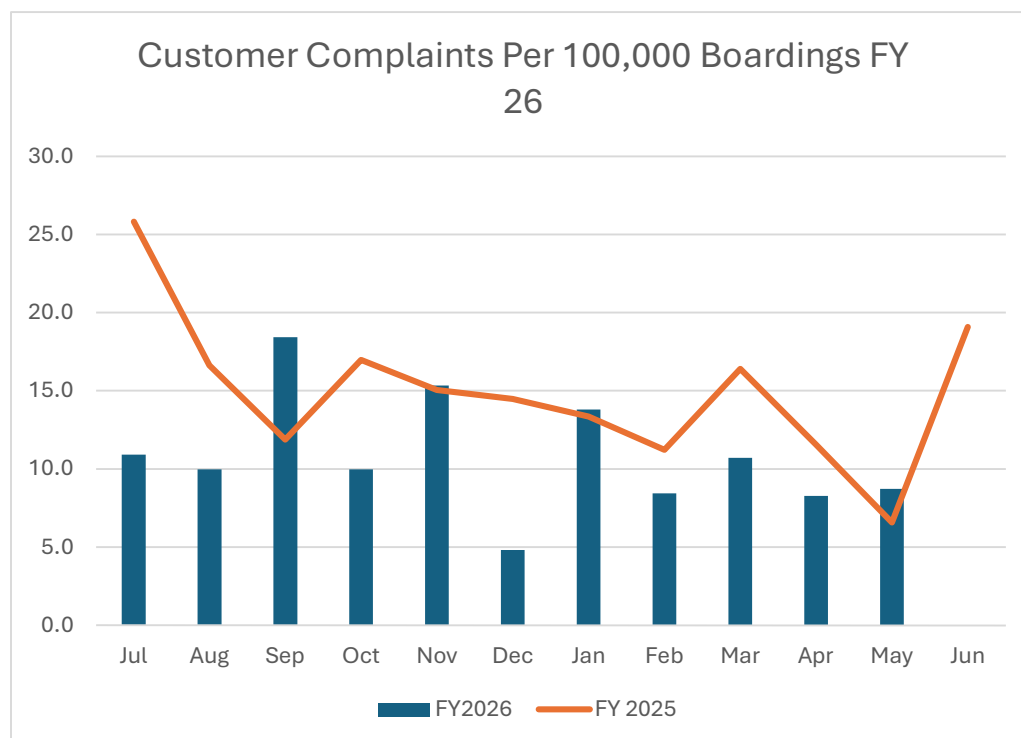
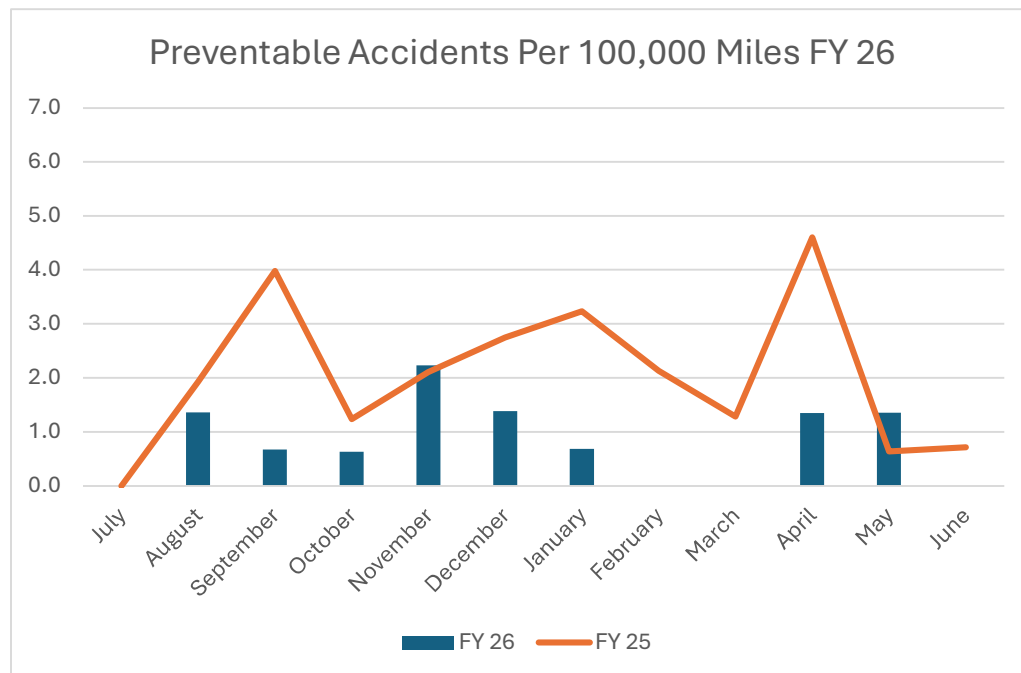


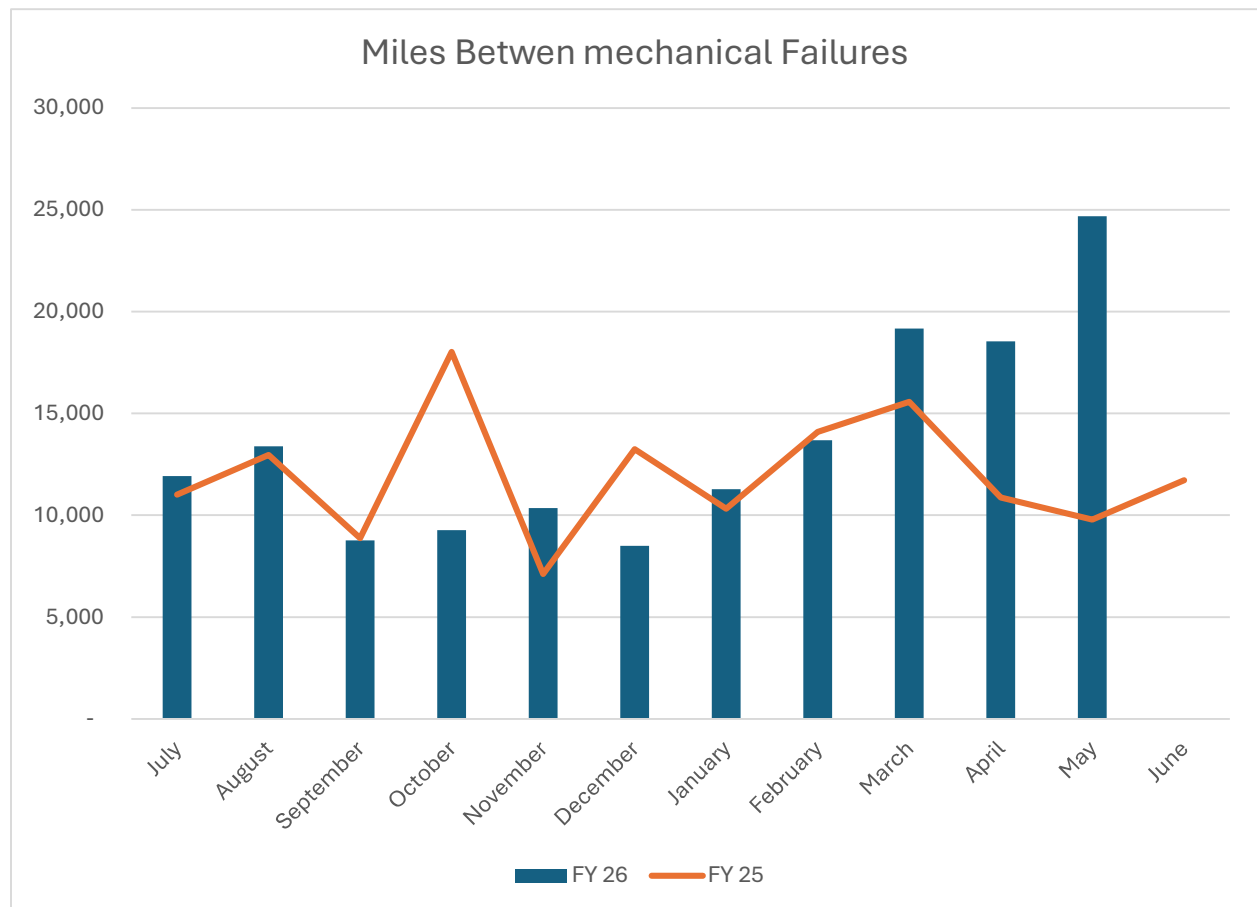


Systemwide Ontime Performance Detail FY 26





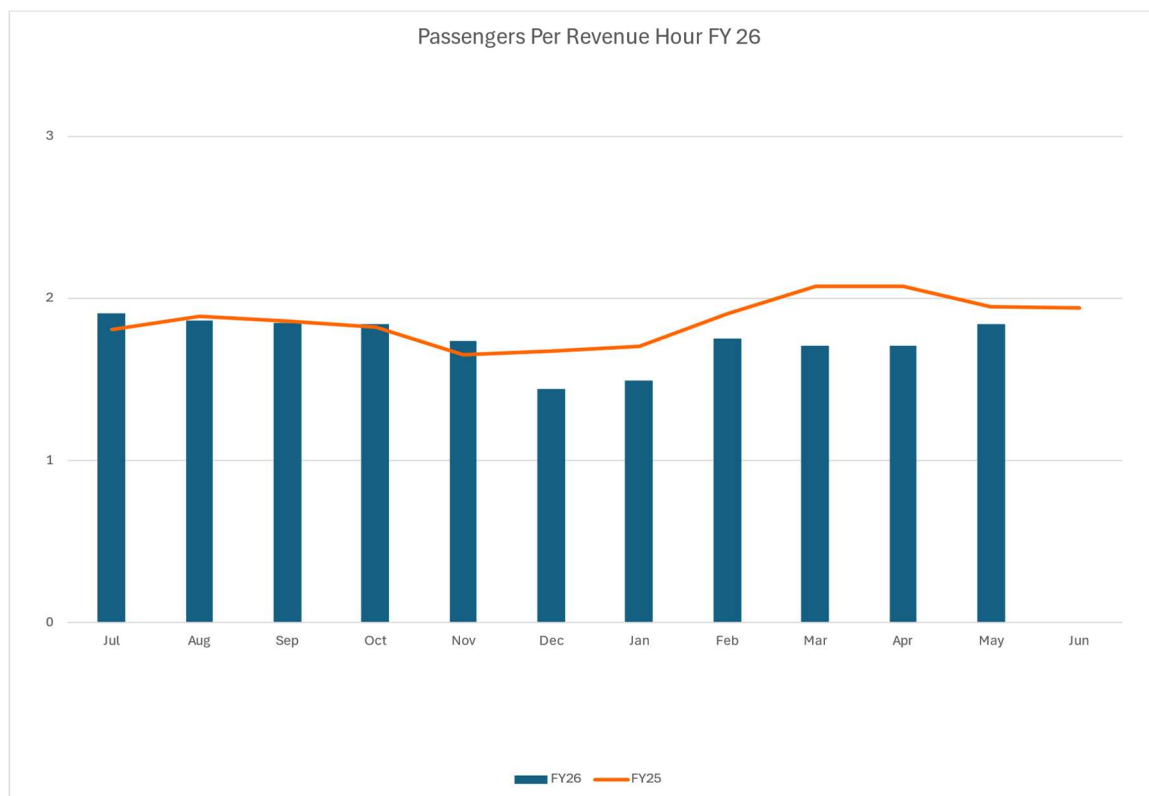
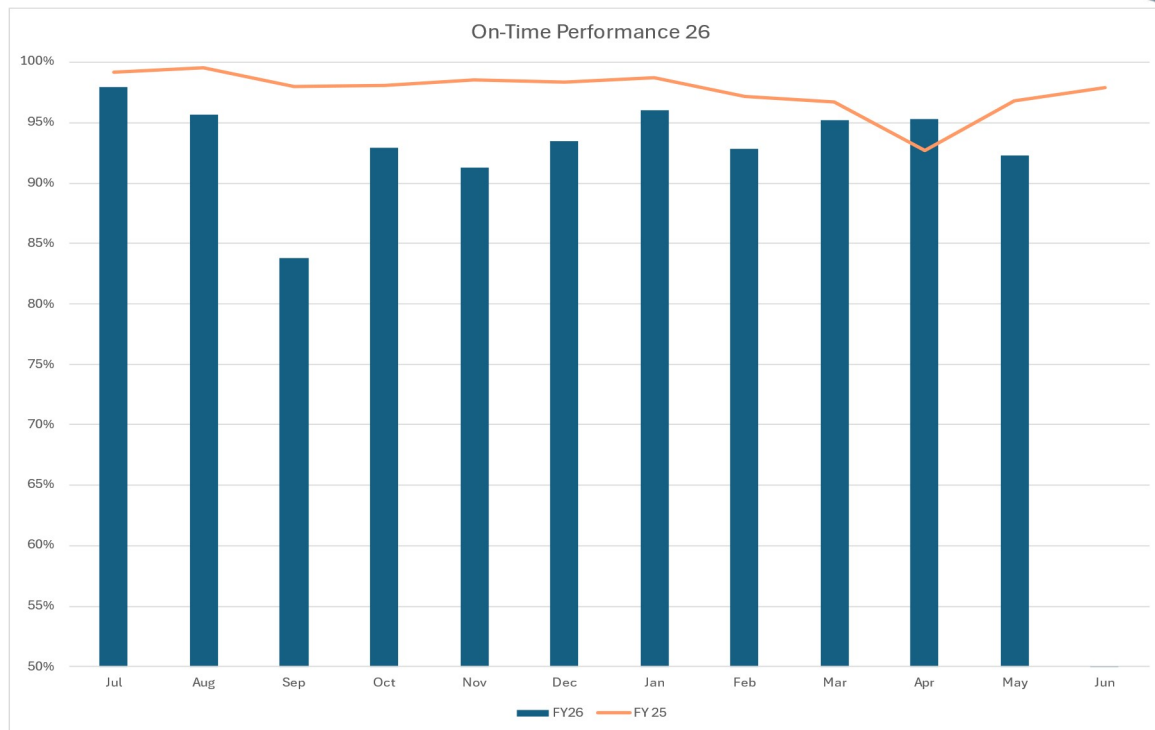


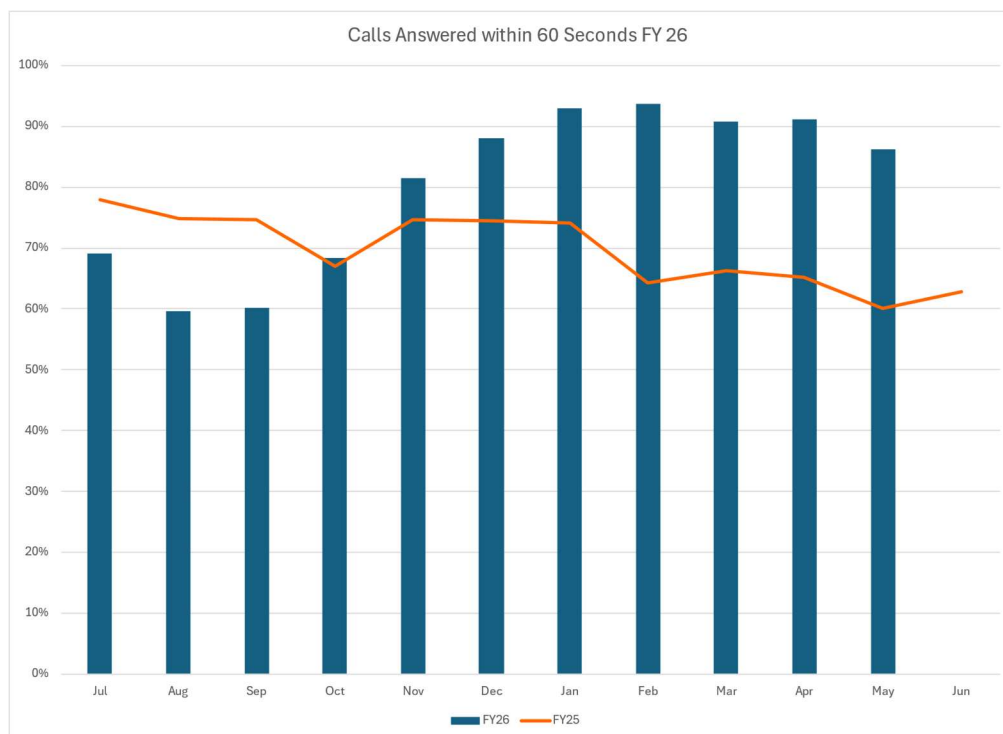
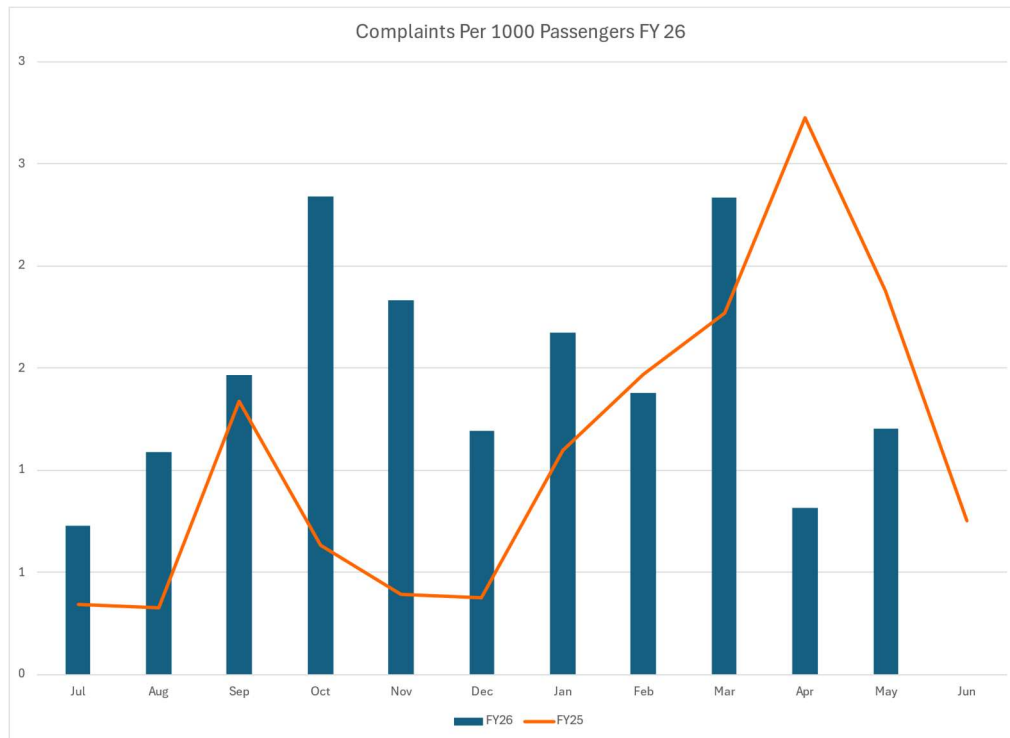


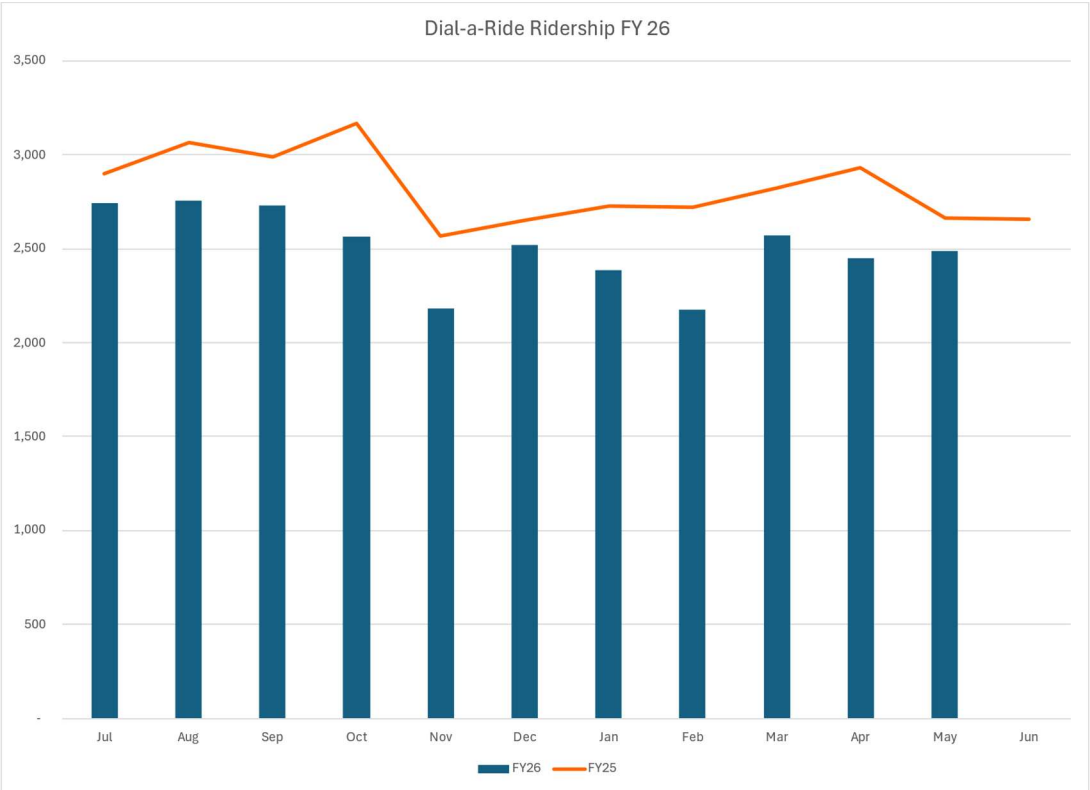
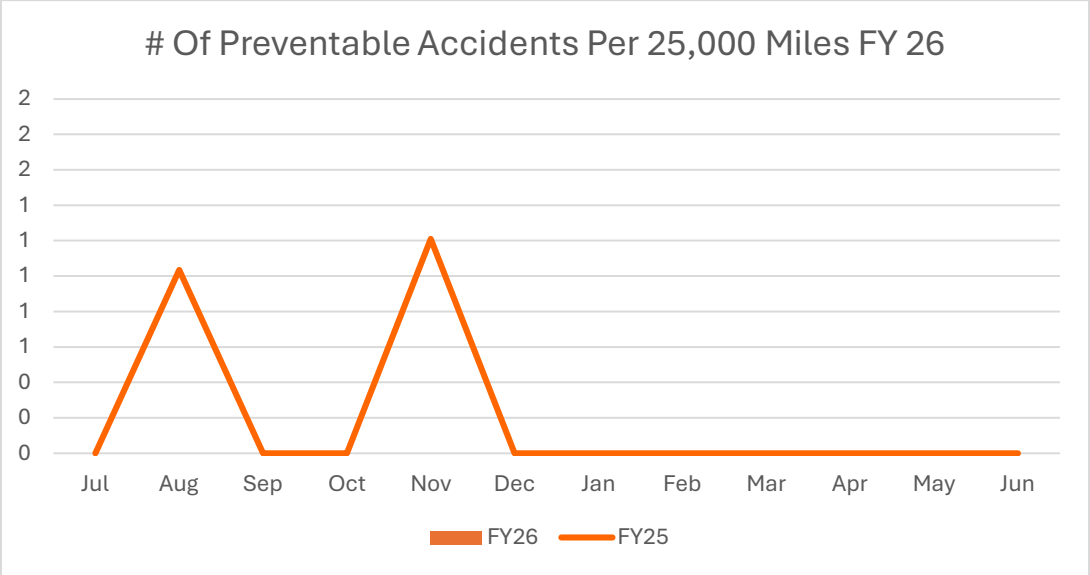


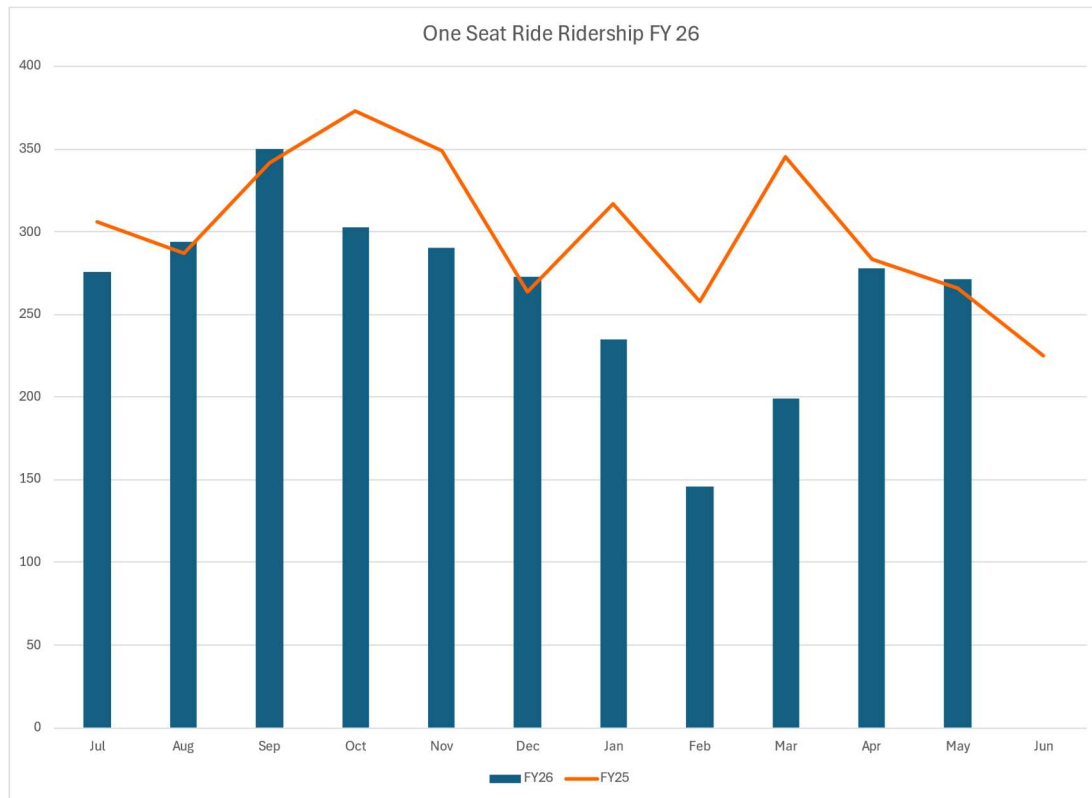
Paratransit

Performance Indicator	May-25	May-26	MoM % Change		YoY % Change	
On-Time Performance	96.8%	92.3%	-3.1%	↓	-4.6%	↓
Passengers Per Revenue Hour	1.95	1.84	7.6%	—	-5.6%	↓
Valid Complaints Per 1,000 Passengers	1.88	1.21	47.9%	↑	-36%	↓
Phone Holds (% answered within 60 seconds)	60.1%	86.2%	-5.5%	↓	43.3%	↑
Average Phone Hold Time	0:01:43	0:00:46	24.3%	↑	-55.3%	↓
Preventable Accidents Per 25,000 Miles	0.0	0.0	0.0%	—	0%	—
Dial-A-Ride Cost Per Trip	\$56.17	\$60.04	-8.7%	↓	6.9%	↑
Dial-A-Ride Ridership	2,661	2,488	1.4%	↑	-6.5%	↓
One Seat Ride Ridership	266	271	-2.5%	↓	2%	↑











Go Tri-Valley

Performance Indicator	May-25	May-26	Year Over Year % Change
Total Ridership	4,995	978	-80%
Average Subsidy	\$4.42	\$3.90	-12%

