

To: Board of Directors

Date: October 9, 2014

From: Anne Muzzini, Director of Planning

Reviewed by:

SUBJECT: MOU with MTC for Clipper

Background

MTC has executed a Memorandum of Understanding (MOU) with the current operators that have Clipper. The MOU outlines responsibilities of MTC and the operators, addresses how new operator participants are added, and details the cost and revenue allocation methodology. In addition there are all the usual clauses about indemnification, dispute resolution, term and withdrawal.

The original agreement between MTC and six of the large operators was signed in 2003 and was used to implement "TransLink". In 2010 that agreement was replaced with the current MOU regarding operations and maintenance of Clipper. The Clipper MOU has been amended several times to adjust the cost and revenue allocation formula.

In order to implement Clipper at County Connection it is necessary to execute the Supplemental Agreement to the Clipper MOU. Hanson Bridgett has reviewed the agreement and concurs with the terms and conditions.

Financial Implications

In 2012 MTC did some calculations to determine the cost to each operator based on East Bay and North Bay operators joining. If 50% of County Connection riders switch to Clipper use, then our cost for fees and services will be approximately \$120,000 a year.

Recommendation

The A&F Committee recommends that the Board support entering into an agreement with MTC for the implementation of Clipper and they recommend adoption of a resolution authorizing the General Manager to sign the Supplemental MOU.

RESOLUTION NO. 2015-013

**BOARD OF DIRECTORS, CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA**

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**AUTHORIZING THE GENERAL MANAGER TO EXECUTE
A SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING
WITH THE METROPOLITAN TRANSPORTATION COMMISSION
FOR THE IMPLEMENTATION OF CLIPPER® PROGRAM**

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("County Connection"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions;

WHEREAS, Clipper® 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 various public transit systems;

WHEREAS, the Alameda-Contra Costa Transit District (AC Transit), the San Francisco Bay Area Rapid Transit District (BART), the Peninsula Corridor Joint Powers Board (CalTrain), the City and County of San Francisco acting by and through its Municipal Transportation Agency (SFMTA), the San Mateo County Transit District (SamTrans), the Valley Transportation Authority (VTA), the Golden Gate Bridge, Highway & Transportation District (Bridge District), and the San Francisco Bay Area Water Emergency Transportation Authority (WETA) are parties to the Clipper® Memorandum of Understanding (MOU) with the Metropolitan Transportation Commission (MTC), along with any other public transit operators that enter into a Supplemental Agreement to the MOU;

WHEREAS, MTC has entered into a contract with Cubic Transportation Systems, Inc. (Clipper® Contractor) to operate and maintain Clipper® through November 2, 2019;

WHEREAS, the MOU defines the basic roles and responsibilities of the MTC and the public transit operators with respect to the planning, implementation and operation of the Clipper® fare collection system, including the funding of capital costs, allocation of cost and revenues, and coordination with the Clipper® Contractor ;

WHEREAS, each transit agency that subsequently wishes to join the Clipper® system (New Clipper® Operator) is required to execute a Supplemental Agreement to the MOU, accepting the terms and conditions of participation that are set forth in the MOU, whereupon MTC will issue a change order to the Clipper® Contractor to incorporate the New Clipper® Operator into the system; and

WHEREAS, County Connection wishes to participate in the Clipper® program to simplify and improve fare payment processes for its customers, promote regional fare collection standardization, and enhance fare collection efficiency and coordination, among other benefits.

NOW, THEREFORE, BE IT RESOLVED that the Central Contra Costa Transit Authority Board of Directors hereby authorizes the General Manager or his designee to execute the Supplemental Agreement to the Clipper® Memorandum of Understanding with the Metropolitan Transportation Commission in the form approved by Legal Counsel.

Regularly passed and adopted this 23rd day of October, 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board