

To: Board of Directors

Date: June 9, 2015

From: Anne Muzzini, Director of Planning and Marketing

Reviewed by:

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**Subject: Clipper Implementation**

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The Schedule:

MTC, and its “Clipper” 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 County Connection, Tri Delta, WestCAT, and Wheels. Network infrastructure has been installed at the facility 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 1<sup>st</sup> 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 1<sup>st</sup> with the hard launch (larger expenditure of marketing funds) after the holidays.

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)
- Transfers: Transfers will be good for one bus ride within 120 minutes of the transfer issue time. Currently transfers are good for multiple rides within 120 minutes of transfer issue on weekdays and 180 minutes on weekends. We will be keeping paper transfers for riders who wish to continue their use and the rules for paper transfers will not change. 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. The East Bay Value pass is currently offered as a paper product for \$60.00 (regular) and \$70 (express routes) but it is only good for the calendar month in which it was purchased, not a 31 day rolling period. We plan on continuing to sell the paper product 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 pass and would do a Title VI analysis at that time.

County Connection is the only East Bay operator that does not have a monthly pass priced differently from the East Bay Value Pass. Under the MTC/Cubic agreement each operator is allowed to have one monthly pass in addition to the group's East Bay Value Pass. At this time our monthly pass will be developed at the software level as a place holder.

- 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 similar to the AC Transit implementation. 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.

County Connection doesn't have a day pass now and our fareboxes don't have the ability to print them. For this reason the day pass accumulator is a new fare media that will only be available on our system 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 the Clever devices system when they start their run so that headsign changes, passenger counting, and fare payment information linked to the route and bus stop. The Clipper system will add another computer system on the bus that will not be connected to the Clever Devices system. 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 API and Clever Devices to write software that exports the route information. MTC has directed Cubic to begin the work, but the implementation of single point log could be a 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. This system of grouping operators and having one point agency handle the finances has been implemented in Phase II – the Napa Solano group. Fare revenues will be distributed by Wheels based on Cubic reports of ridership by route. If \$2.00 cash fare is paid by a rider on a regular County Connection route, then Wheels will distribute that \$2.00 back to County Connection. 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). It is projected that we will incur \$120,000 annual fee from MTC to pay for Cubic's ongoing support.

### Board Actions

The Board will need to adopt the new Day Pass Accumulator Fare. Staff will be preparing the necessary Title VI analysis and setting up the required Public Hearing. We anticipate being ready for Board action in July.

### Recommendation for the Committee

Support implementation of the Day Pass Accumulator with a maximum charge of \$3.75 and direct staff to work on the necessary steps for Board action.