

**To:** Board of Directors

**Date:** 09/11/2024

**From:** Pranjal Dixit, Manager of Planning

**Reviewed by:** AMS

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**SUBJECT: Clipper BayPass Amendment**

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**Background:**

In November 2021, the Metropolitan Transportation Commission's (MTC) Fare Integration Task Force adopted the Fare Policy Vision Statement directing staff to pilot a regional institutional pass product. In August 2022, the first phase of the Clipper BayPass pilot was launched as a funded pilot to assess the impacts of an unlimited-use product at four higher education institutions – the University of California, Berkeley (UC Berkeley), San Francisco State University (SFSU), San Jose State University (SJSU), and Santa Rosa Junior College (SRJC) – and at 12 MidPen Housing affordable housing properties.

**Institutional Pass Pilot:**

A randomized control trial was conducted at UC Berkeley, SFSU, and SJSU. 25 percent of students received unlimited Clipper BayPass access (treatment group), while the remaining 75 percent retained their existing transit benefits, typically a single-agency pass (control group). Preliminary results showed treatment group students took 40 percent more trips and made 74 percent more transfers, doubling MTC's original estimate. This increased usage requires an additional \$1.5 million in reimbursement to transit operators from MTC, beyond the previously projected \$4.5 million.

**Amendment:**

Encouraged by the positive initial results, several institutions have expressed interest in purchasing Clipper BayPass for their entire student body. To allow institutions sufficient time to secure self-funding, the Participation Agreement Amendment (Attachment 1) includes a one-year extension of the existing Phase 1. This extension will provide a transition period for institutions to obtain necessary approvals and funding, often through a student referendum. Furthermore, the following amendments to the Participation Agreement introduce additional flexibility for the current Phase 2 pilot:

- Granting the Fare Integration Task Force the ability to expand the Phase 2 capacity limits (currently 10 institutions and a total of 20,000 individuals), if supported by available funding
- Allowing San Francisco International Airport (SFO) to participate in Phase 2. While SFO is an existing BART institutional customer, their location in San Mateo County limits their eligibility based on the current Participation Agreement terms
- Allowing the sale of limited-duration Clipper BayPass cards to organizers of up to 10 special events (conventions, sports events, festivals etc.)

**Financial Implications:**

There will be no fiscal impact to County Connection. Funds collected from participating employers will be distributed to transit operators based on ridership and lost fare revenue. If the pass is overutilized and foregone revenue exceeds what is paid by participants, MTC has set aside \$3.5M in State Transit Assistance Regional Program funds to fund the extension and to address the existing budget gap.

**Recommendation:**

Given the program's potential to enhance rider experience, increase ridership, and receive MTC financial support, the Administration and Finance Committee and staff recommend adopting the Amendment.

**Action Requested:**

The Administration and Finance Committee and staff requests Board of Director adopt Resolution No. 2025-07 authorizing the General Manager to execute the Clipper BayPass Program Amendment with MTC.

**Attachments:**

Attachment 1: Amendment No 1 to Clipper BayPass Participation Agreement

Attachment 2: Resolution 2025-07

**AMENDMENT NO. 01 TO CLIPPER® BAY PASS PILOT PROGRAM  
PARTICIPATION AGREEMENT**

THIS AMENDMENT, effective as of August 15, 2024 is Amendment No. 01 to the Clipper® BayPass Pilot Program Participation Agreement, dated November 1, 2023, as amended on August 15, 2024 (collectively, “Agreement.”).

WHEREAS, The Clipper BayPass Pilot Program (“Pilot”) was first launched in 2022 by the Metropolitan Transportation Commission (“MTC”) and the participating transit operators (“Operators”) as defined in Clipper® BayPass Pilot Program Participation Agreement. MTC and the Operators are referred to herein collectively as the “Parties” or individually as a “Party;” and

WHEREAS, Phase 1 of the Pilot commenced in August 2022 and Phase 2 of the Pilot commenced in January 2024; and

WHEREAS, After the launch of Phase 2 the Parties determined that several changes to the Agreement were necessary in order to allow the Pilot program to fully capitalize on opportunities to sell the Clipper BayPass Pilot product to institutional customers in the San Francisco Bay Area; and

NOW, THEREFORE, the Parties agree to modify the subject Agreement as indicated below. Where modifications have been made, added text is indicated in italics, deleted text is indicated in strikethrough format.

1. The eighth recital is updated to allow the Fare Integration Task Force (or a designated successor body) to adjust the size of the Clipper BayPass Pilot

WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will offer the Clipper BayPass product for sale to up to 10 employers and/or institutions in the Bay Area with a combined total of up to 20,000 individuals, *unless these cap amounts are adjusted by a vote of the Fare Integration Task Force or its designated successor body*. Each employer/institutional customer of Phase 2, with the exception of Preexisting Institutional Pass Product customers, will enter into a one-year contract with MTC which will set forth the financial terms of the purchase of the Clipper BayPass product. Contracts will be subject to renewal on an annual basis, with financial terms subject to change. Preexisting Institutional Pass Product customers will maintain their existing contractual relationship with the Operator offering their Preexisting Institutional Pass Product with a separate additional contract with MTC for Phase 2 of the Clipper BayPass Pilot unless the Operator, MTC, and customer mutually agree to another contracting arrangement; and

2. A new recital is added after the eighth recital to clarify that Clipper BayPass Phase 1 institutions may purchase Clipper BayPass without counting against the number of passes that can be sold as a part of the Phase 2 Pilot.

*WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will offer the Clipper BayPass product for sale to Clipper BayPass Phase 1 Participants. The inclusion of these participants will not count against the Phase 2 capacity limits of 10 employers and/or institutions or 20,000 individuals.*

3. The ninth recital is updated to extend the duration of the Clipper BayPass Phase 2 Pilot to ensure all Phase 2 participants are offered the opportunity to purchase a second (renewal) one-year contract:

WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will begin on December 1, 2023 and continue to no later than June 30, ~~2026~~ 2027.

4. A new recital is added after the ninth recital to allow for the Clipper BayPass project to be sold to organizers of special events.

*WHEREAS, During Phase 2 of the Clipper BayPass Pilot Program, the Clipper BayPass can be sold as a limited-duration regional transit pass to organizers of special events (e.g. conventions, sports events, festivals, etc.). Revenues collected from the sale of special event passes will be used to reimburse operators consistent with the terms set forth in Article III.*

5. The twelfth recital is updated to clarify that San Francisco International Airport (SFO) is excluded from San Mateo County for the purposes of a requirement to be a Preexisting Institutional Pass Product customer.

WHEREAS, During Phase 2 of the Clipper BayPass Pilot Program in San Mateo County (excluding the property of the San Francisco International Airport (SFO)) and Santa Clara County, Clipper BayPass will only be offered to Preexisting Institutional Pass Product customers of Caltrain's GoPass Program within three miles of a Caltrain rail station or VTA's SmartPass Program outside of three miles of a Caltrain rail station; and

6. A new recital is added after the fourteenth recital to permit Clipper BayPass Phase 1 Participants to purchase Clipper BayPass for their students/residents as soon as the Participant is ready:

*WHEREAS, Phase 1 of the Clipper BayPass Pilot Program commenced in August 2022 and was originally intended to last until July 31, 2024, it was agreed upon by the Parties to extend the Phase 1 Pilot by an additional year, until July 31, 2025 to allow Clipper BayPass Phase 1 Participants additional time to purchase Clipper BayPass for their students or residents under the terms of the Phase 2 Clipper BayPass Pilot Program as soon as the Clipper BayPass Phase 1 Participant institution is ready.*

7. Article I (A), Operator Responsibilities, is updated to reflect the extension of the Clipper BayPass Phase 1 Pilot:

A. Participate in the Clipper BayPass Pilot program for the remaining period of the Phase 1 Pilot, lasting until July 31, ~~2024~~ 2025.

8. Article I (B), Operator Responsibilities, is updated clarify the term of the Clipper BayPass Phase 2 Pilot:

B. Participate in the Clipper BayPass pilot program for the entirety of the Phase 2 Pilot lasting from the Effective Date until no later than June 30, ~~2026~~ 2027.

9. Article II (A), MTC Responsibilities, is updated reflect the extension of the Clipper BayPass Phase 1 Pilot:

A. Participate in the Clipper BayPass Pilot program for the remaining period of the Phase 1 Pilot, lasting until July 31, ~~2024~~ 2025.

10. . Article II (B), MTC Responsibilities, is updated clarify the term of the Clipper BayPass Phase 2 Pilot:

B. Participate in the Clipper BayPass pilot program for the entirety of the Phase 2 Pilot lasting from the Effective Date until no later than June 30, ~~2026~~ 2027.

11. Article VI, Term, is updated to clarify the term of the Clipper BayPass Phase 2 Pilot:

The term of the Agreement shall begin upon the Effective Date and continue until June 30, ~~2026~~ 2027, unless terminated by written agreement of the Parties.

SIGNATURES ON SUBSEQUENT PAGES

IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto as of the Effective Date written above.

**Metropolitan Transportation Commission**

Approved as to form:  
Kathleen Kane, General Counsel

\_\_\_\_\_  
Name: Andrew B. Fremier  
Title: Executive Director

\_\_\_\_\_  
Matthew Lavrinets, Senior Counsel

Date: \_\_\_\_\_

**Alameda-Contra Costa Transit District**

Approved as to form:

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Name: Michael A. Hursh

Title: General Manager

Date: \_\_\_\_\_

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Jill A. Sprague, General Counsel

**Golden Gate Bridge, Highway and  
Transportation District**

Approved as to form:

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Name: Denis J. Mulligan  
Title: General Manager

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Kimon Manolius, General Counsel

Date: \_\_\_\_\_



**San Francisco Bay Area Rapid Transit District** Approved as to form:

\_\_\_\_\_  
Name: Robert M. Powers  
Title: General Manager

\_\_\_\_\_  
Jeana Zelan, Interim General Counsel

Date: \_\_\_\_\_

**City and County of San Francisco  
Municipal Transportation Agency**

Approved as to form:  
David Chiu, City Attorney

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Name: Jeffrey Tumlin  
Title: Director of Transportation

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Lilian Levy, Deputy City Attorney

Date: \_\_\_\_\_

**San Mateo County Transit District**

Approved as to form:

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Name: April Chan

Title: General Manager/CEO

Date: \_\_\_\_\_

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Joan L. Cassman, General Counsel

**Santa Clara Valley Transportation Authority**

Approved as to form:

\_\_\_\_\_  
Name: Carolyn Gonot  
Title: General Manager/Chief Executive Officer

\_\_\_\_\_  
Victor Pappalardo, Deputy General Counsel

Date: \_\_\_\_\_

**Peninsula Corridor Joint Powers Board**

Approved as to form:

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Name: Michelle Bouchard

Title: Executive Director

Date: \_\_\_\_\_

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James Harrison, General Counsel

**Central Contra Costa Transit Authority**

Approved as to form:

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Name: William Churchill

Title: General Manager

Date: \_\_\_\_\_

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Julie Sherman, General Counsel

**City of Fairfield**  
**FAST**

Approved as to form:

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Name: David Gassaway  
Title: City Manager

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David Lim, City Attorney

Date: \_\_\_\_\_

**City of Petaluma**

Approved as to form:

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Name: Peggy Flynn

Title: City Manager

Date: \_\_\_\_\_

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Eric W. Danly, City Attorney



**Eastern Contra Costa Transit Authority**

Approved as to form:

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Name: Rashidi Barnes  
Title: Chief Executive Officer

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Eli Flushman, General Counsel

Date: \_\_\_\_\_

**Livermore/Amador Valley Transit Authority**

Approved as to form:

\_\_\_\_\_  
Name: Christy Wegener  
Title: Executive Director

\_\_\_\_\_  
Michael N. Conneran, General Counsel

Date: \_\_\_\_\_

**Marin County Transit District**

Approved as to form:

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Name: Nancy E. Whelan

Title: General Manager

Date: \_\_\_\_\_

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Kerry Gerchow, County Counsel

**Napa Valley Transportation Authority**

Approved as to form:

\_\_\_\_\_  
Name: Kate Miller

Title: Executive Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Osman Mufti, General Counsel

**Solano County Transit**

Approved as to form:

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Name: Beth Kranda  
Title: Executive Director

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Bernadette Shilts Curry, County Counsel

Date: \_\_\_\_\_

**City of Santa Rosa**

Approved as to form:

\_\_\_\_\_  
Name: Maraskeshia Smith  
Title: City Manager

\_\_\_\_\_  
Samantha W. Zutler, Interim City Attorney

Date: \_\_\_\_\_

**Sonoma-Marín Area Rail Transit District**

Approved as to form:

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Name: Eddy Cumins  
Title: General Manager

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Thomas Lyons, General Counsel

Date: \_\_\_\_\_

**City of Vacaville**  
**Vacaville City Coach**

Approved as to form:

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Name: Brian McLean  
Title: Director of Public Works

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Melinda C. H. Stewart, City Attorney

Date: \_\_\_\_\_



**Western Contra Costa Transit Authority**

Approved as to form:

\_\_\_\_\_  
Name: Robert Thompson

Title: General Manager

Date: \_\_\_\_\_

\_\_\_\_\_  
Michael N. Conneran, General Counsel

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

Approved as to form:

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Name: Seamus Murphy

Title: Executive Director

Date: \_\_\_\_\_

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Steve Miller, General Counsel

**Sonoma County Transit**

Approved as to form:

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Name: Bryan Albee  
Title: Transit Systems Manager

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Jeremy Fonseca, General Counsel

Date: \_\_\_\_\_

**City of Union City**

Approved as to form:

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Name: Joan Malloy

Title: City Manager

Date: \_\_\_\_\_

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Kristopher J. Kokotaylo, City Attorney

**RESOLUTION NO. 2025-07**

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

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**AUTHORIZING THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 1 TO  
CLIPPER BAYPASS PILOT PROGRAM PARTICIPATION AGREEMENT**

**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 (Member Jurisdictions) have formed the Central Contra Costa Transit Authority (CCCTA), 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 and certain unincorporated portions of Contra Costa County;

**WHEREAS**, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.;

**WHEREAS**, in August 2022, MTC launched Phase 1 of the Clipper® BayPass Pilot Program (Program) to evaluate the degree to which an institutional/employer transit pass covering all operators in the nine-county region may increase transit ridership and better meet the needs of users and institutions, as compared to single-agency passes;

**WHEREAS**, in January 2024, MTC launched Phase 2 of the Program, which expanded the Program to include employers in transit-concentrated locations, such as downtown San Francisco, Oakland, and San Jose;

**WHEREAS**, given the success of the Program, several educational institutions expressed interest in purchasing Clipper BayPass for their entire student body;

**WHEREAS**, MTC desires to amend the Clipper BayPass Pilot Program Participation Agreement to extend Phase 1 of the Program for an additional year to allow educational institutions sufficient time to secure self-funding;

**WHEREAS**, the proposed amendment includes changes to Phase 2 of the Program, including granting the Fare Integration Task Force the ability to expand the Phase 2 capacity limits, if funding is available; allowing San Francisco International Airport to participate in Phase 2; and allowing the sale of limited-duration Clipper BayPass cards to organizers of up to ten special events;

**WHEREAS**, executing the amendment will not result in a fiscal impact to CCCTA because funds collected from participating institutions and employers will be distributed to transit operators based on ridership and lost fare revenue, and MTC has set aside \$3.5 million in funds to address any budget gaps;

**WHEREAS**, staff recommends and the Administration and Finance Committee concurs that the Board of Directors authorize the General Manager or designee to execute Amendment No. 1 to the Clipper BayPass Pilot Program Participation Agreement.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Central Contra Costa Transit Authority authorizes the General Manager or designee to execute Amendment No. 1 to the Clipper BayPass Pilot Program Participation Agreement, in a form approved by legal counsel; and

**BE IT FURTHER RESOLVED** that the General Manager or designee is authorized to take any other actions necessary to give effect to this resolution.

Regularly passed and adopted this 19th day of September, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Don Tatzin, Chair, Board of Directors

ATTEST:

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Lathina Hill, Clerk to the Board