



SFMTA
Municipal
Transportation
Agency

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September 1, 2015

**The Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102**

Subject: Request for Approval – Amended and Restated Clipper® Memorandum of Understanding (MOU) with the Metropolitan Transportation Commission (MTC) and Bay Area Transit Operators

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors approve the execution of an Amended and Restated Clipper® MOU with MTC and Bay Area transit operators to clarify their respective roles and responsibilities, define roles and responsibilities for a newly defined Contracting Agency, establish a Clipper® Executive Board, establish a Clipper® Executive Director, and revise the cost allocation formula to ensure the successful operation and maintenance of Clipper®.

Changes to the Cost Allocation Formula will result in an estimated additional cost of \$730,000 over the approximately \$6.6 million in annual Clipper® operating costs that SFMTA will expend beginning in Fiscal Year 2017 and each year thereafter until the expiration of the Clipper® Contract in November 2019. These additional expenses will be included in the FY17 Operating Budget.

Recommendation

This MOU was developed at the behest of the region's transit agencies through an extensive, collaborative process with MTC. I therefore respectfully request and recommend that the Board of Supervisors support the execution of the Amended and Restated Clipper® MOU between the SFMTA, MTC and Bay Area transit operators.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Reiskin", is written over a white rectangular background.

**Edward D. Reiskin
Director of Transportation**