

1 [Memorandum of Understanding – Clipper Program Operations and Maintenance]

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3 **Resolution approving the Memorandum of Understanding with the Metropolitan**  
4 **Transportation Commission and other Bay Area transit agencies for the future**  
5 **operation and maintenance of the Clipper Program.**

6

7 WHEREAS, SB 1474 (Statutes 1996, Chapter 256; adding Government Code §  
8 66516.5) authorizes the Metropolitan Transportation Commission (MTC) to identify those  
9 functions performed by individual public transit systems that could be consolidated to improve  
10 the efficiency of regional transit service, and recommend that those functions be consolidated  
11 and performed through inter-operator agreements or as services contracted to a single entity;  
12 and

13 WHEREAS, TransLink® is an automated fare collection system for intra- and inter-  
14 operator transit trips to be implemented and operated on Bay Area transit systems; and

15 WHEREAS, On December 12, 2003, MTC and various Bay Area transit operators  
16 entered into the TransLink® Interagency Participation Agreement (IPA) to establish the  
17 TransLink® Consortium, which created a forum for joint agency decision-making for the  
18 successful implementation of TransLink®; and

19 WHEREAS, The TransLink® Consortium has been governed by a TransLink®  
20 Management Group (TMG) comprised of the general managers of the transit operators and  
21 the Executive Director of MTC; and

22 WHEREAS, Under the IPA, MTC and the transit operators agreed to share the variable  
23 operating costs of the TransLink® fare collection system according to the cost allocation  
24 formula set forth in the IPA; and

25

1           WHEREAS, Full rollout of TransLink®, which has been renamed Clipper<sup>SM</sup>, will  
2 improve regional accessibility to transit by simplifying fare payment and customer transfers  
3 across multiple operators; and

4           WHEREAS, MTC is the contracting agency for the Clipper<sup>SM</sup> contract with Cubic  
5 Transportation Systems, Inc.; and

6           WHEREAS, On November 13, 2009, MTC gave formal notice of its intention to  
7 withdraw from the TransLink® Consortium and take over sole governance of the Program,  
8 effective July 1, 2010; and

9           WHEREAS, MTC has negotiated a proposed Memorandum of Understanding (MOU)  
10 with the SFMTA and other transit agencies that are parties to the IPA for the future operation  
11 and maintenance of the Clipper<sup>SM</sup> Program, a copy of which is on file with the Clerk of the  
12 Board of Supervisors in File No.           , which is hereby declared to be a part of this motion  
13 as if set forth fully herein; and

14           WHEREAS, On June 28, 2010, the TMG voted to terminate the IPA, effective upon  
15 final execution of the proposed MOU by all parties; and

16           WHEREAS, On July 6, 2010, the SFMTA Board of Directors adopted Resolution No.  
17 10-\_\_\_, which authorized the Executive Director/CEO of the SFMTA to execute the MOU; now,  
18 therefore, be it;

19           RESOLVED, That the Board of Supervisors approves the Memorandum of  
20 Understanding with MTC, the Alameda-Contra Costa Transit District, the Golden Gate Bridge  
21 Highway and Transportation District, the San Francisco Bay Area Rapid Transit District, the  
22 City and County of San Francisco, acting by and through its Municipal Transportation Agency,  
23 the San Mateo County Transit District, the Santa Clara Valley Transportation Authority, and  
24 the Peninsula Corridor Joint Powers Board for the future operation and maintenance of the  
25 Clipper<sup>SM</sup> Program.