

1 [Amended and Restated Memorandum of Understanding - Clipper[®] Program Governance and
2 Operations]

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4 **Resolution approving the Amended and Restated Memorandum of Understanding with**
5 **the Metropolitan Transportation Commission and other Bay Area transit agencies for**
6 **the future governance and operation of the Clipper[®] program through June 30, 2025.**

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8 WHEREAS, Clipper[®] is an automated fare collection system for intra- and inter-
9 operator trips currently operating on 20 Bay Area transit systems; and

10 WHEREAS, The Metropolitan Transportation Commission (MTC) has entered into a
11 contract with Cubic Transportation Systems, Inc. to implement, operate and maintain the
12 Clipper[®] fare payment system through November 2, 2019; and

13 WHEREAS, In November 2011, a Memorandum of Understanding Regarding
14 Operations and Maintenance of Clipper[®] Fare Collection System was adopted by participating
15 Bay Area transit operators and MTC to delineate the responsibilities of MTC and the transit
16 operators; and

17 WHEREAS, The Parties have examined the successes and challenges of the program
18 to date and have identified certain areas in which existing arrangements should be modified or
19 clarified; and

20 WHEREAS, The proposed Amended and Restated Memorandum of Understanding
21 (MOU) establishes a Clipper[®] Executive Board made up of one representative from the
22 SFMTA, BART, Caltrain/SamTrans, AC Transit, Santa Clara Valley Transportation Agency,
23 the Golden Gate Bridge District, and MTC, and two representatives selected to represent all
24 other participating agencies; and

25 WHEREAS, The proposed MOU also establishes a position of Clipper[®] Executive
Director and goals for the next generation Clipper[®] system; and

1 WHEREAS, The proposed MOU also revises the cost allocation formula between
2 operators to more equitably distribute costs among the various operators based on actual
3 usage, revenues and trip transactions, in addition to allowing for the reimbursement and
4 distribution of of agency credit card fees; and

5 WHEREAS, The proposed MOU is on file with the Clerk of the Board of Supervisors in
6 File No. 150867, which is declared to be part of this motion as if set forth fully herein; and

7 WHEREAS, On August 18, 2015, the SFMTA Board of Directors adopted Resolution
8 No. 15-113, which authorized the Director of Transportation to execute the MOU and
9 commended the MOU to the Board of Supervisors for approval; now, therefore, be it

10 RESOLVED, That the Board of Supervisors approves the Amended and Restated
11 Memorandum of Understanding with the Metropolitan Transportation Commission and Bay
12 Area transit operators to clarify their respective roles and responsibilities, define roles and
13 responsibilities for a newly defined Contracting Agency, establish a Clipper® Executive Board,
14 establish a Clipper® Executive Director, and revise the cost allocation formula to ensure the
15 successful operation and maintenance of Clipper®.