

1 [Memorandum of Understanding - Metropolitan Transportation Commission and Bay Area
2 Transit Operators - Next Generation Clipper® System]

3 **Resolution authorizing the San Francisco Municipal Transportation Agency Director of**
4 **Transportation to execute the Next Generation Clipper® System Memorandum of**
5 **Understanding with the Metropolitan Transportation Commission and Bay Area transit**
6 **operators, including the allocation of operating and maintenance costs for the**
7 **participating agencies, effective upon approval of this Resolution.**

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9 WHEREAS, The Clipper® regional fare payment system, originally named “TransLink,”
10 was implemented in 2002 by the Metropolitan Transportation Commission (MTC); currently 24
11 transit agencies participate in the Clipper® program; and

12 WHEREAS, On December 12, 2003, MTC and six Bay Area transit operators entered
13 into an interagency participation agreement (IPA) to create a forum for joint agency decision-
14 making to work towards the successful implementation of the TransLink® automated fare
15 payment system; and

16 WHEREAS, The IPA was superseded and replaced by a Memorandum of
17 Understanding Regarding Operations and Maintenance of Clipper® Fare Collection System
18 dated November 10, 2011, by and among MTC and, initially, seven of the operators (the 2011
19 MOU); the 2011 MOU delineated, among other things, MTC's responsibilities, including as
20 contracting agency, the transit operators' responsibilities, a consultation process for amending
21 the Clipper Operating Rules, allocation of operating expenses among the transit operators
22 and MTC, and a dispute resolution process; and

23 WHEREAS, In 2016, the parties amended and restated the 2011 MOU to clarify their
24 respective roles and responsibilities, define roles and responsibilities for a newly-defined
25

1 "Contracting Agency," establish a "Clipper Executive Board," and establish a Clipper
2 Executive Director (2016 MOU); this 2016 MOU was amended in 2017 and 2019; and

3 WHEREAS, In September 2018, MTC entered into a contract with Cubic
4 Transportation Systems, Inc. (Cubic) to design, implement, operate, and maintain the Next
5 Generation Clipper® System; and

6 WHEREAS, MTC and the transit agencies wish to replace the 2016 MOU with a 2022
7 MOU, which outlines the responsibilities of the transit agencies and MTC, the Clipper®
8 Executive Board, and the Clipper® Executive Director in support of the program, and
9 establishes the agreement between MTC and the transit agencies for the allocation of
10 Clipper® costs between MTC and the transit agencies; and

11 WHEREAS, The SFMTA's share of these costs is estimated at 35%, with an average
12 annual cost of approximately \$7.6 million over the 10 years of this MOU; and

13 WHEREAS, The amended and restated Memorandum of Understanding is on file with
14 the Clerk of the Board of Supervisors in File No. 221083, which is hereby declared to be a
15 part of this Resolution as if set forth fully herein; now, therefore, be it

16 WHEREAS, On September 6, 2022, the San Francisco Municipal Transportation
17 Agency Board of Directors adopted Resolution No. 220906-079, which authorized the Director
18 of Transportation to execute the MOU and refer the MOU to the Board of Supervisors for
19 approval; now, therefore, be it

20 RESOLVED, That the San Francisco Board of Supervisors of the City and County of
21 San Francisco authorizes the Director of Transportation to execute the Next Generation
22 Clipper System Memorandum of Understanding with the Metropolitan Transportation
23 Commission and participating Bay Area transit operators; and, be it

1 FURTHER RESOLVED, That within 30 days of the MOU being fully-executed by all
2 parties, the Director of Transportation of the Municipal Transportation Agency shall provide
3 the final MOU to the Clerk of the Board for inclusion into the official file.
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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 221083

Date Passed: November 29, 2022

Resolution authorizing the San Francisco Municipal Transportation Agency Director of Transportation to execute the Next Generation Clipper® System Memorandum of Understanding with the Metropolitan Transportation Commission and Bay Area transit operators, including the allocation of operating and maintenance costs for the participating agencies, effective upon approval of this Resolution.

November 17, 2022 Government Audit and Oversight Committee - RECOMMENDED

November 29, 2022 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 221083

I hereby certify that the foregoing
Resolution was ADOPTED on 11/29/2022 by
the Board of Supervisors of the City and
County of San Francisco.

A Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

12/9/22

Date Approved