

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
300 Lakeside Drive, P. O. Box 12688, Oakland, CA 94604-2688

*** * * REVISED AGENDA * * ***

Special Meeting of the Board of Directors

June 8, 2017

10:00 a.m. or immediately following the Regular Board Meeting

MEMBERS OF THE PUBLIC MAY ADDRESS THE BOARD OF DIRECTORS REGARDING ANY MATTER ON THIS AGENDA. PLEASE COMPLETE A "REQUEST TO ADDRESS THE BOARD" FORM (AVAILABLE AT THE ENTRANCE TO THE BOARD ROOM) AND HAND IT TO THE SECRETARY BEFORE THE ITEM IS CONSIDERED BY THE BOARD. IF YOU WISH TO DISCUSS A MATTER THAT IS NOT ON THE AGENDA DURING A REGULAR MEETING, YOU MAY DO SO UNDER GENERAL DISCUSSION AND PUBLIC COMMENT.

ANY ACTION REQUIRING MORE THAN A MAJORITY VOTE FOR PASSAGE WILL BE SO NOTED.

1. CALL TO ORDER
 - A. Roll Call.
2. Public Comment on Item 3 Only.
3. Procurement of Preloaded Clipper Cards from Cubic Transportation Systems, Inc.* Board requested to authorize. (TWO-THIRDS VOTE REQUIRED.)

Please refrain from wearing scented products (perfume, cologne, after-shave, etc.) to this meeting, as there may be people in attendance susceptible to environmental illnesses.

BART provides services/accommodations upon request to persons with disabilities and individuals who are limited English proficient who wish to address BART Board matters. A request must be made within one and five days in advance of a Board meeting, depending on the service requested. Please contact the District Secretary's Office at (510) 464-6083 for information.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Pat M. Power</i> 7 June 2017		GENERAL MANAGER ACTION REQ'D:		
DATE: 6/7/2017		BOARD INITIATED ITEM: No		
Originator/Prepared by: Patricia Nelson Dept: Administration and Budget <i>p. nelson</i> 6/7/2017 Signature/Date:	General Counsel <i>[Signature]</i> 6/7/17 []	Controller/Treasurer <i>[Signature]</i> 6/7/17 []	District Secretary []	BARC <i>[Signature]</i> 6-7-17 []

Sole Source Procurement of Pre-loaded Clipper® Cards from Cubic Transportation Systems, Inc. (Two-Thirds Vote Required)

PURPOSE:

To obtain Board authorization, in accordance with Public Contract Code Section 20227, to purchase pre-loaded Clipper® cards from Cubic Transportation Systems, Inc. in an amount not to exceed \$1,050,000.00.

DISCUSSION:

There are many occasions throughout the year where BART ridership surges creating an overwhelming demand on BART ticket vending machines. BART riders are forced to stand in long lines to purchase a BART magnetic stripe ticket. As a customer convenience, staff has proposed to procure pre-loaded Clipper® cards to be sold directly to BART customers on such occasions, when the District anticipates passenger crush loads.

The General Manager is seeking authority to purchase pre-loaded Clipper® cards from Cubic Transportation Systems, Inc. (Cubic) for an amount not to exceed \$1,050,000.00.

Cubic is the contract operator of the Clipper® card program administered by the Metropolitan Transportation Commission. Cubic will be directed to pre-load the cards on an as needed basis when staff anticipates the need for events and promotions.

For the initial procurement the District would procure 30,000, pre-loaded \$11.00 dollar Clipper® cards from Cubic for an amount not to exceed \$450,000.00. Below is the

breakdown of the cost to purchase an individual pre-loaded Clipper® card.

Card Acquisition Fee (fixed)	\$3.00 each
Cost to Pre-load value fee (fixed)	\$1.00 each
E-cash load (variable)	<u>\$11.00 each</u>
Total cost per card	\$15.00 each
Initial quantity of Clipper® cards	30,000 units
Total cost	<u>\$450,000.00</u>

Pursuant to Public Code Section 20227, the Board may direct the purchase of any supply, equipment, or material without observance of any provision requiring contracts, bids, or notice upon a finding by two-thirds of all members of the Board that there is only a single source of procurement therefor and that the purchase is for the sole purpose of duplicating or replacing equipment currently in use.

Since Cubic is the operator of the Clipper® card program, the sole producer of Clipper® cards, and the only vendor with the ability to pre-load a high volume of Clipper® cards, under Section 20227 Cubic constitutes the single source supplier for the pre-loading of Clipper® cards.

The Office of the General Counsel will approve this procurement Contract as to form.

FISCAL IMPACT:

While staff is requesting funding in the amount \$1,050,000.00, for this procurement, the cost for the purchase and pre-loading of Clipper® cards described above will be borne ultimately by customers purchasing these Clipper® cards at BART stations. Therefore, there will be no long-term fiscal impact to the District.

The Office of the Controller-Treasurer will certify as to the funding availability of this procurement.

ALTERNATIVES:

Do not authorize the General Manager to purchase preloaded Clipper® cards from CTS, and miss the opportunity to transition our customers to the Clipper® card.

Sell Clipper® cards to our customers and require them to load the cards at the TVM. This will likely lead to longer lines at ticket vending machines during high volume ridership events, leading to reduced convenience and customer satisfaction.

Continue to sell pre-encoded magnetic stripe tickets. This would not be consistent with ongoing District efforts to transition passengers towards Clipper® card use for BART payment.

RECOMMENDATION:

Adoption of the following Motion.

MOTION:

Pursuant to Public Contract Code Section 20227, the Board finds that Cubic Transportation Systems, Inc. is the single source supplier for the procurement of pre-loaded Clipper® cards. The Board authorizes the General Manager to procure pre-loaded Clipper® cards from Cubic Transportation Systems for an amount not to exceed \$1,050,000.00.

Two-thirds vote required