

**Board Report**

File #: 2016-0994, **File Type:** Budget**Agenda Number:** 15.

**PLANNING AND PROGRAMMING COMMITTEE
FEBRUARY 15, 2017****SUBJECT: BIKE SHARE PROGRAM TAP STEP 3A INTEGRATION****ACTION: ESTABLISH LIFE OF PROJECT BUDGET FOR BIKE SHARE TAP STEP 3A
INTEGRATION****RECOMMENDATION**

ESTABLISH the Life of Project (LOP) budget for **Bike Share TAP Step 3A Integration** in the amount of \$1.65 million

ISSUE

At the November 2015 meeting, the Metro Board authorized the phased Regional Bike Share Integration Strategy to create a seamless user experience with the TAP Program (Attachment A). Two steps of Bike Share TAP integration were completed in time for the launch of the Downtown Los Angeles Pilot Bike Share in July 2016.

At the November 2016 meeting, in order to complete Step 3 - Seamless User Integration, the Metro Board awarded a contract to Vertiba Inc. to enhance the current TAP Customer Relationship Management (CRM) system such that it may accommodate Bike Share account management (Attachment B). Also at the November 2016 meeting, the Metro Board adopted a strategy to implement Step 3A - Bike Share TAP account and payment integration through TAP CRM enhancements. Staff is in the process of finalizing a contract modification with Bicycle Transit Systems (BTS) to perform changes to the existing Bike Share system to support Bike Share TAP Step 3A Integration. Board authorization to establish a LOP is requested to support this effort.

DISCUSSION

Board approved Step 3A Integration includes interoperability between Bike Share and transit, allowing for integration with other systems like Metro Bike Hubs, parking, ride sharing and other multi-mobility services. To achieve this functionality, the existing TAP CRM known as TAPforce will be further developed to enable account management for services outside of the Metro transit system. This enhanced TAPforce system will store and process information that will enable payment and delivery of benefits through TAP across a variety of different systems and will be accessible to patrons through an enhanced website and call center communications. The existing account data, management and payment processing functions of Bike Share, currently within the TAP BTS CRM,

will be transferred to TAPforce. The existing Bike Share CRM will need to be modified to work in tandem with TAPforce, communicating in real time to allow system users to access bikes, manage their accounts, and provide for customer service access.

Together, the enhanced TAPforce and BTS systems will enable customers to seamlessly use Bike Share, transit, and other supporting transportation services for multimodal travel. Countywide Planning Department has worked closely with TAP Operations and consulted with the BTS technical team to develop integration strategies for Step 3A, which will result in the following functionality:

- › Exchange of data for purse and account information. Account balance may be shared for multiple uses (i.e. Bike Share, parking, or other).
- › Enable transfers and discounts between Metro transit, Bike Share and other bicycle services.
- › Enable reciprocity between multiple bike share systems. Bike share vendors would still need to develop their own communications protocols with TAP for the exchange of real-time data.
- › Request credentials other than a credit card (e.g., a driver's license) to potentially prepare for cash payments for Bike Share and other bike services in the future.

Staff continues to explore the option for cash payments for Bike Share.

The cities of Santa Monica, Long Beach, Beverly Hills and West Hollywood and their bike share vendors have also participated in planning to understand integration needs and abilities for Step 3. Though the TAPforce enhancements will be designed to accommodate integration with any bike share system, each system will be responsible for the cost of enhancing its respective bike share CRM to integrate with TAPforce. Business rules and transfer policies will need to be developed for any features involving reciprocity between agencies.

Findings

Based on the direction previously received from the Metro Board and detailed cost estimates from Vertiba Inc. and BTS, staff proposes adoption of a LOP in the amount of \$1.65 million to support this capital project development. Board action in November 2016 authorized the award of a contract to Vertiba to perform TAP CRM enhancements, including those that allow Bike Share integration. This LOP will support both the Vertiba and BTS work to achieve Board-directed Bike Share TAP integration.

DETERMINATION OF SAFETY IMPACT

Implementing a Bike Share TAP integration strategy will not have any adverse safety impacts on Metro employees and patrons.

FINANCIAL IMPACT

Bike Share TAP Step 3A Integration costs are estimated to be up to \$1.65 million over two fiscal years (Attachment C). The estimated development costs for FY17 are \$700,000 and are included in the budget under Cost Center 4320. Since this is a multi-year project, the cost center managers, project manager and Chief Planning Officer will be responsible for budgeting the costs in future years, including any phase(s) the Board authorizes to be exercised.

Impact to Budget

The source of funds for the Step 3A Integration is Prop C 40% in FY17. This source is eligible for bus and rail operations. Should active transportation eligible funds be available as the project progresses, staff will replace the Prop C 40% with these other funds to alleviate the strain on operations eligible funds.

ALTERNATIVES CONSIDERED

The Board may choose not to establish a capital project and LOP for Bike Share TAP Integration. This choice is not recommended due to the increasing need for integration with new technologies and systems to support multimodal travel. If no LOP is established for this integration, Bike Share will not be able to achieve a seamless customer experience as directed by previous Metro Board actions.

NEXT STEPS

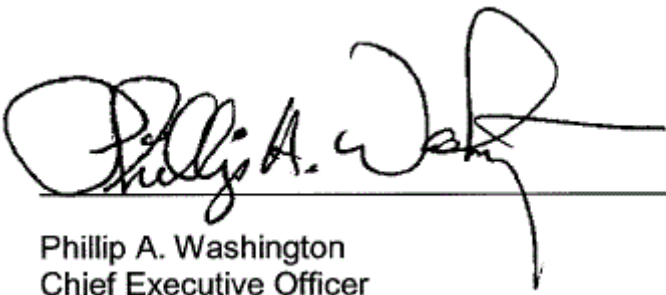
With Board approval to establish this LOP, staff will execute a contract modification with BTS and work with TAP on directing Vertiba Inc. to implement Step 3A. Staff will continue development of Step 3B for multimodal mobile ticketing and report back to the Board in the fall of 2017.

ATTACHMENTS

- Attachment A - November 2015 Board Report
- Attachment B - November 2016 Board Report
- Attachment C - LOP Budget and Funding Plan
- Attachment D - Presentation: Bike Share/Tap Integration Step 3

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Board Report

File #:2015-1436, File Type:Program

Agenda Number:

**PLANNING AND PROGRAMMING COMMITTEE
NOVEMBER 18, 2015**

SUBJECT: METRO COUNTYWIDE BIKESHARE PROGRAM

ACTION: APPROVE A BIKESHARE FARE STRUCTURE AND AUTHORIZE INITIATION AND IMPLEMENTATION OF A PHASED REGIONAL BIKESHARE INTEGRATION STRATEGY.

RECOMMENDATION

- A. APPROVE a fare structure for the Metro Countywide Bikeshare Program as proposed within the report.
- B. AUTHORIZE the initiation and implementation of a phased Regional Bikeshare Integration Strategy including the following:
 1. Implement Step 1 and Step 2 in 2016.
 2. Continue to collaborate with TAP on an integration strategy for Step 3 and report back in Spring 2016.

ISSUE

At the June 2015 meeting, the Board awarded a two-year contract to Bicycle Transit Systems (BTS) for provision of the equipment, installation and operations of the Metro Countywide Bikeshare Phase 1 Pilot in downtown Los Angeles (DTLA Pilot). At the July 23, 2015 meeting, the Board approved Motion 22.1 (Attachment A), providing staff with direction on next steps for implementing the Countywide Bikeshare Program. Included within Motion 22.1 was direction to enable a "seamless user experience." Staff has pursued TAP integration as one of the elements to creating a seamless experience between Metro Bikeshare, transit and potentially, other municipal bikeshare systems. Board approval and authorization are needed to proceed with the proposed Countywide Bikeshare Fare Structure and TAP integration strategy.

DISCUSSION

Fare Structure Development

Staff continues to meet with the bikeshare-ready cities identified in the Metro Countywide Implementation Plan - including the cities of Los Angeles, Pasadena, Huntington Park, Culver City and the County of Los Angeles - on a regular basis, either as a group or one-on-one in order to advance the launch and expansion of the Countywide Bikeshare system. We have worked with these bikeshare-ready cities to develop a fare structure that positions bikeshare as a Metro service

(one that extends the reach of transit) and addresses a variety of regional needs. In developing the proposed fare structure, we reviewed an array of fare structures from other systems nationwide (Attachment B). Santa Monica's adopted fare structure for Breeze bikeshare was considered as part of this survey; however, it did not meet all of our fare structure objectives as described below. Staff from Santa Monica has stated they are not prepared to modify their rate structure until they have a period of operating the system and evaluate the local results.

Fare Structure Objectives

In developing the Countywide Bikeshare Fare Structure, staff set forth several objectives that would influence and frame the proposed structure. In addition to developing a fare structure that would contribute to the financial sustainability of the system, we also sought a fare structure that would work for a regional system - that is, a fare structure that would be successful in the various communities throughout Los Angeles County with their unique socio-economic and demographic characteristics.

As part of that effort, we developed a fare structure that is modeled after a transit fare structure. By drawing on the existing transit fare model, Metro has the opportunity - as the leader of the Countywide Bikeshare program - to fully position bikeshare as a thoughtfully integrated element of transit over time. We sought a fare structure that intrinsically addresses equity. Recent studies (Attachment C) show that lowering the barrier to entry can in and of itself draw persons of lower income into trying bikeshare. While staff will continue to explore other opportunities to further address equity and the un-banked, establishing a low entry point to use bikeshare was identified as a key objective. Lastly, we sought a fare structure that was clear, easy to understand and customer friendly.

Fare Structure



The proposed fare structure includes 3 simple pass options: 1. a “Monthly” pass for \$20 that includes unlimited 30 min trips, 2. a “Flex” pass for a \$40 annual fee that includes a \$1.75 charge per 30 min trip, and 3. a “Walk-Up” for \$3.50 per 30 min trip. The “Monthly” pass will have an auto-renew option upon sign-up. The first two passes can only be purchased online (on a computer or mobile device) however; the walk-up can be purchased at the payment kiosk available at each bikeshare station. Each of these passes caters to the various types of bikeshare users - frequent user, occasional user and casual user. The fare recovery ratio for the Metro Countywide Bikeshare Program with the proposed fare is estimated to range between 60% and 80% depending on the typology of the city. The fare recovery ratios are based on the proposed pass pricing and applied to other comparable systems (Attachment D). In addition to being financially sustainable, the proposed fare structure had broad support among the bikeshare ready cities and fulfills the bikeshare objectives as described below:

Bikeshare as a Metro Service

- Fare pricing is based on a 30-minute trip equivalent to approximately a 3 mile ride which is the FTA bike-shed for transit.
- Fares look similar to transit or are based on a multiplier of existing transit fares.
 - For walk-up users, the price is 2x the price of a Metro bus/rail ride. This rate is low enough to encourage first-time users to try the system while remaining sustainable enough to foster an appropriate revenue stream. Based on the dynamics of other similar bikeshare systems, we expect a large percentage of walk-up users to be DTLA visitors or tourists who are not price-sensitive.

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- For Monthly Pass holders, all rides within the 30-minute period are free. Overage charges are equivalent to a Metro bus/rail trip at \$1.75 per every additional trip within 30 minutes.
 - Flex Pass fares are equal to a Metro bus/rail trip (\$1.75).
 - Similar to transit fares, the proposed fare structure is built on payment per ride or per month.

Equity

- The three proposed pass options are flexible and streamlined to meet the diverse needs of communities that may need to serve user bases composed of local residents, tourists, or both. For instance, the overage charge rate does not escalate and thus supports users who may be traveling from greater distances to access a transit station or a final destination. (We may observe this in more suburban areas like South LA, East LA, San Gabriel Valley and San Fernando Valley cities and other areas of Los Angeles County.)
- We priced the walk-up rate to accommodate all users, including low-income riders. (Attachment D)
- The flex pass option is the most affordable option for occasional users. This pass will provide transit dependent users who are the most price-sensitive a low annual entry fee at \$40. In the future, the \$40 Flex pass fee could be subsidized to allow rides on bikeshare to cost the same as trips on Metro Transit (\$1.75).

Customer Friendly/Easy to Understand

- The proposed fare structure includes three simple pass options. We limited the menu of options to improve customer understanding and make signing up easy.
- The overage charges are non-escalating to keep the structure user friendly.

Bikeshare Integration Strategy

The Metro Board provided direction through Motion 22.1 to create a “seamless user experience.” Staff has pursued TAP integration as one of element of creating a seamless experience between the Metro Countywide Bikeshare Program, transit, and other bikeshare systems. With two different bikeshare vendors in the County, physical integration between the two proprietary bikeshare systems can best be addressed through the co-location of stations. Software integration for step 3 may be addressed through web and mobile applications, and/or the TAP system. TAP in partnership with Countywide Planning, has worked with BTS’s technical team, and CycleHop and its contracted cities’ staff with of an integration strategies for step 3. Based on the work conducted thus far, staff proposes to implement the following phased approach to achieve countywide bikeshare integration.

Step 1- Bikeshare-enabled TAP card as Bikeshare ID

A uniquely branded TAP card will function as a Countywide Bikeshare ID to unlock bicycles at each station. Only Countywide Bikeshare TAP cards issued by BTS to pass holders will be recognized by the bikeshare system. Bikeshare fares are associated with the Bikeshare user’s account and not with the TAP card itself. The TAP cards will also be usable on the TAP bus

and rail system.

Estimated Implementation Schedule: DTLA launch next summer.

Step 2 - Existing TAP card as Bikeshare ID

All TAP cards will function as bikeshare passes to unlock a bicycle at a station. The TAP card number will need to be entered, either by the user or an app, at the time of purchase of a Bikeshare pass and validated by BTS for the Metro system. This step requires sharing of limited data between TAP and bikeshare vendor(s). Planning staff is working with TAP and Metro Information Technology Services staff to develop a data exchange tool for this task. Bikeshare fares are associated with the Bikeshare user's account and not with the TAP card itself.

Estimated Implementation Schedule: By the end of calendar year 2016.

Step 3 - Seamless User Integration

Create a seamless user experience where the account registration and/or payment for Metro transit services and multiple bikeshare vendors is linked. Staff anticipates that the development of a regional back-office and clearinghouse and/or the procurement of a third-party intermediary service provider will be required. Staff will continue to work collaboratively between departments to further refine the functions of this service and develop rough order of magnitude costs to inform a recommendation. However, it is anticipated that this clearinghouse and/or third-part intermediary should perform, at a minimum, the following functions and accommodate expansion of functions:

- Exchange of data for purse and account information.
- Enable transfers between Metro transit and bicycle services.
- Enable interoperability with other Countywide bicycle services such as Metro Bike Hubs.
- Enable interoperability between bikeshare vendors.
- Estimated implementation Schedule: Metro Bikeshare Phase 2 Expansion

DETERMINATION OF SAFETY IMPACT

Implementing a Metro Countywide Bikeshare fare structure and initiation and implementation of a phased TAP bikeshare integration strategy will not have any adverse safety impacts on Metro employees and patrons.

FINANCIAL IMPACT

The FY16 budget includes \$7.78M for this project in cost center 4320, Project 405301 - 05.01 (Bikeshare Program).

Since this is a multi-year project, the cost center manager and Chief Planning Officer will be responsible for budgeting the cost in future years, including any phase(s) the Board authorized to be exercised.

Impact to Budget

The sources of funds are toll revenue grant and other eligible and available local funds or general funds.

ALTERNATIVES CONSIDERED

The Board may choose not to approve a Metro Countywide Bikeshare fare structure or authorize the initiation and implementation of a multi-step TAP/Bikeshare integration strategy. This alternative is not recommended, as it is not in line with previous Board direction.

NEXT STEPS

Staff will return to the Board in Spring 2016 with an update on the following items:

Title Sponsor

We are working with our bikeshare contractor, BTS to solicit a title sponsor. As was reported to the Board in September 2015, we are on schedule to launch the DTLA Pilot and are proceeding with a black bicycle that will provide flexibility to add sponsor placement with decals on the body, skirt guard, and basket at a later time.

Cash Payments and Subsidized Reduced Fares

We are exploring options for in-person and/or cash payment for the “Monthly” and/or “Flex” passes. We also continue to explore opportunities for providing subsidies to Metro Rider Relief and Reduced Fare Office participants, potentially utilizing JARC funds for the DTLA Pilot to “buy-down” subsidies as is done for transit.

Step 3: Seamless User Integration

We continue to evaluate options for Step 3 seamless user integration. We will return to the Board to request direction on the development of a clearinghouse and/ or the procurement of a third-party intermediary.

ATTACHMENTS

- Attachment A - Metro Board Motion 22.1, July 2015
- Attachment B - Bikeshare Fare Structure in Other Cities
- Attachment C - Data Supporting Monthly Pass
- Attachment D - Fare Recovery Estimates Comparison Chart

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Agenda Number:

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Board Report

File #:2016-0851, File Type:Contract

Agenda Number:42.

**EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 17, 2016**

**SUBJECT: TAP SYSTEM INNOVATIVE ENHANCEMENTS FOR SEAMLESS CONNECTIVITY
WITH MULTI-MODAL MOBILITY PROGRAMS**

ACTION: EXECUTE SOLE SOURCE CONTRACT WITH VERTIBA, INC.

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and execute sole source Contract No. PS 6394500 to **Vertiba Inc., a Salesforce System Integrator, to enhance the TAP system in order to achieve maximum interoperability with regional systems and services including Bike Share, parking, ride-hailing companies, fare subsidy programs, electric vehicle car-sharing, gift card programs, mobility hubs, a mobile app** and more in an amount not-to-exceed \$4,750,000.

ISSUE

Seamless TAP interoperability and growth potential for services such as Bike Share, parking, ride-hailing companies, fare subsidy programs, electric vehicle car-sharing, gift card programs, and mobility hubs is not possible unless the TAP system is modified to handle payment functions for outside accounts.

DISCUSSION

A motion by Vice Chair Garcetti and Directors Solis, Bonin and Najarian requested Technology & Transportation Investments to Improve Customer Service (Item #44; file ID2015-1783). This motion asked TAP to begin development of a next-generation system for “seamless customer payment of non-Metro services, including but not limited to Metrolink, taxicabs, ride-hailing companies, Bike Share, parking, etc.”

TAP has been working to follow this Motion’s direction by integrating with various systems. For example, two of three phases of TAP integration into the Metro Countywide Bike Share program are now complete. TAP cards are the exclusive pass media used on the Bike Share system and any one of millions of existing TAP cards may be linked to a Bike Share account to unlock bikes. Step three of Bike Share integration is dependent upon completing TAP payment integration. TAP is also working with parking services to enable a similar integration, which also must include TAP payment options.

To fully integrate TAP payment with these separate and unique systems, the current card-based TAP system needs to be modified to include regional account-based functions. In addition, gift card programs, ride-hailing companies, mobility hubs, electric vehicle car-sharing, Immediate Needs and Rider Relief Transportation Programs (low-income subsidy programs) and more have requested integration into TAP. In order to completely integrate TAP payment with these separate and unique systems, the current card-based TAP system needs to be modified to include regional account-based functions.

The enhanced system will store and process information that will enable payment and delivery of benefits through TAP across a variety of different systems and will be accessible to patrons through an enhanced website, a new mobile phone application and a traditional call center. Plans call for the enhanced architecture to also connect to additional, anticipated, future system services with limited cost and integration. The enhanced system includes plans to ensure low-income accessibility and ease of use for all customers. Customers will be able to use transit in addition to other supporting last-mile transportation services for seamless connectivity and multi-modal travel.

TAP and Outside Account Payment Integration

Software development is needed within the existing TAP architecture that will connect and integrate a TAP account with outside systems. From a customer perspective, this development would enable payment and access with the TAP account across multiple systems such as Bike Share, parking, gift card programs, ride-hailing companies, mobility hubs, electric vehicle car-sharing, low-income subsidy programs and more, while preserving the transit functionality of the TAP card. Access to all of these services would be made available through a regional TAP payment system where customers could link to their choice of a variety of individual multi-modal programs.

Benefits of the Enhanced System

According to the Board Motion, “technological sophistication is expected by today’s customers within all economic and demographic strata.” Innovative TAP integration with numerous multi-modal services will deliver a variety of benefits. For example, TAP integration with Rider Relief and Immediate Needs Transportation Programs means that these programs will be able to realize their full potential and discard outdated practices such as paper coupon redemption that require costly, labor-intensive printing, distribution, clearing, settling and burden on third-party retail sales outlets.

TAP integration with Bike Share, parking, gift card programs, ride-hailing companies, mobility hubs, electric vehicle car-sharing and more will enable these potential and established revenue-generators to enhance customer service, provide seamless commuter options and make transit more attractive to potential riders. By integrating mobility services together under a single account, TAP will remove barriers to system access and create opportunity for synergistic ridership growth across modes. Increasing riders on alternative transportation modes contributes to the Long Range Transportation

Plan's goals of reducing congestion and miles traveled by single-occupant vehicles, and increasing air quality while keeping the economy moving. A centralized repository of mobility service data will also allow staff to measure system performance across modes, a procedure previously impossible with isolated accounts.

DETERMINATION OF SAFETY IMPACT

Implementing the enhanced TAP System will not have any adverse safety impacts on Metro employees or patrons.

FINANCIAL IMPACT

Funds for development of the scope, including integration for RRTP and INTP are included in the FY17 budget under cost center 3020, in projects 207144 Regional Point of Sale Development and 210147 CRM Enhancements. Bike Share TAP Step Three integration costs are estimated at \$1.2 Million over two fiscal years, of which \$700,000 are designated for TAP integration. The estimated development costs for FY17 are included in the budget under cost center 4320, Project 405305. Since this is a multi-year project, the cost center managers and project managers will be responsible for budgeting the costs in future years. Additional costs for Bicycle Transit Systems will be addressed as part of Bike Share contract modification.

Impact to Budget

The source of funds for Bike Share is a mix of General Funds, local grant, and other eligible and available local funds. Local funds are eligible for bus and rail operating or capital expense; these funds may be reimbursed from future Bike Share sponsorship revenues, if any. The costs for remainder of the scope are funded with Prop C 40% and TDA Article 4. These sources are eligible for bus and rail capital or operations.

Justification of Sole Source

To accommodate regional payment functions and seamless connectivity, an account-based layer must be added onto the current TAP Customer Service System. Vertiba Inc. is the architect of the innovative, cloud-based, highly-customized Customer Service System for TAP. This complex and unique system holds TAP customer information for 26 TAP-enabled agencies, including Metro, Metrolink and Access Paratransit and integrates into eight TAP-related, Metro Departments (TAP Call Center, Reduced Fare, Call Sales, Corporate Programs, Business Programs, U-TAP, Back Office, and Customer Experience). In addition, Vertiba developed the custom code for the internal website, which provides customer information for all TAP departments and the Regional TAP Operators. They also developed the customer-facing *taptogo.net* site which is for the general public. Both the internal and customer-facing sites will be configured to integrate with a new mobile phone application. The

system built by Vertiba also integrates with Metro's Accounting department, the TAP card manufacturer, the third-party retail vendor network and the TAP fare equipment system. Due to the high level of customized development that has already been completed and integrated, and to keep costs as low as possible, staff recommends Vertiba to perform this complex integration. Vertiba is a highly qualified, Salesforce-certified firm that has over 100 5-star ratings on the Salesforce App Exchange.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the implementation of expanded TAP account-based functions for integration with external programs. This choice is not recommended due to the increasing need for integration with new technologies and systems. If no account-based functionality is included, then the card-based TAP system will not be able to integrate with account-based systems such as Bike Share, parking, gift card programs, ride-hailing companies, mobility hubs, electric vehicle car-sharing, low-income subsidy programs and others. The Board may direct staff to competitively bid this effort, but this is not recommended because this would likely cost more due to the complexity of the system that is already in place and the amount of time necessary for the selected vendor to understand the customization and then to make the necessary modifications.

NEXT STEPS

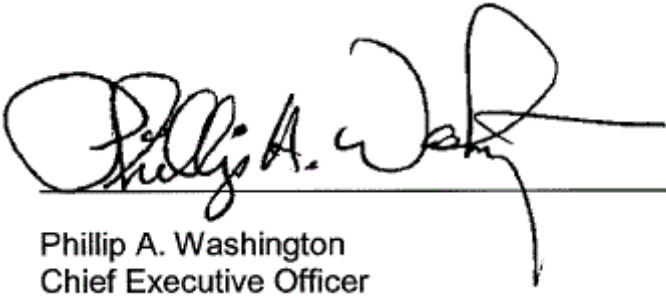
Upon Board approval of this strategy, staff will negotiate, award and execute a contract to Vertiba, Inc. and will begin work in December, 2016.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary
Attachment C - Board Motion #44

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PROCUREMENT SUMMARY

TAP SYSTEM INNOVATIVE ENHANCEMENTS FOR SEAMLESS CONNECTIVITY
WITH MULTI-MODAL MOBILITY PROGRAMS/PS 6394500

1.	Contract Number: PS 6394500	
2.	Recommended Vendor: Vertiba, LLC	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input checked="" type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: October 20, 2016	
	B. Advertised/Publicized: N/A	
	C. Pre-Proposal Conference: N/A	
	D. Proposals Due: October 31, 2016	
	E. Pre-Qualification Completed: November 7, 2016	
	F. Conflict of Interest Form Submitted to Ethics: November 1, 2016	
	G. Protest Period End Date: N/A	
5.	Solicitations Picked up/Downloaded: 1	Bids/Proposals Received: 1
6.	Contract Administrator: Anush Beglaryan	Telephone Number: (213) 418-3047
7.	Project Manager: Robin O'Hara	Telephone Number: (213) 922-2411

A. Procurement Background

This Board Action is to approve single source Contract No. PS 6394500 issued to provide enhancements to the existing Customer Relationship Management (CRM) System for the regional TAP Smart Card Program. The existing Customer Relationship Management System is furnished by Vertiba, LLC.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price. One amendment was issued during the solicitation phase of this RFP. Amendment No.1 issued on October 20, 2016, extended the proposal submittal due date.

B. Evaluation of Proposals

The Proposal Evaluation Team (PET) consisting of staff from TAP Program/Finance and Bike Share convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the established evaluation criteria stated in the RFP, which are appropriate and consistent with criteria developed for other similar procurements.

During the week of October 31, 2016, the PET met and evaluated the proposal. The PET conducted fact finding and negotiations via telephone with Vertiba's Project Manager and key team members.

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon technical evaluation, cost analysis, fact finding, and negotiation. The independent cost estimate (ICE) did not account for the mobile application and gift card functions that are required in the scope of work. In addition, the hourly labor rates used in the ICE were lower than labor rates for Los Angeles County. As a result, the ICE is lower than the NTE amount.

	Proposer Name	Proposal Amount	Metro ICE	NTE Amount
1.	Vertiba, LLC.	\$4,850,000	\$3,400,000	\$4,750,000

D. Background on Recommended Contractor

The recommended firm, Vertiba, LLC (Vertiba), headquartered in Boulder, Colorado with offices in Texas, California, Oregon, Arizona, North Carolina, and Utah, has been in business since 2010. Vertiba is a global leader in Salesforce platform implementations, technology and creativity. Vertiba has extensive experience implementing customer relationship management systems and solutions, all based on the Salesforce platform. Vertiba has gained national prominence for its innovative work on the Salesforce platform, and its ability to deliver outstanding results for its clients. Furthermore, Vertiba is a Gold-level Salesforce implementation partner with consultants throughout the United States and is ranked in the top 3 for customer satisfaction among all 700+ certified partners.

Vertiba has successfully completed similar projects for Bay Area Rapid Transit (BART) in the greater San Francisco area as well as for the State of California Department of Transportation (Caltrans). Vertiba has identified key personnel who will be working closely with staff to ensure successful implementation and completion of the project.

The existing Customer Relationship Management (CRM) System for the TAP Service Center was implemented by Vertiba. In 2015, Metro entered into an agreement with Vertiba to integrate Metro's unique TAP programs into the CRM.

DEOD SUMMARY

**TAP SYSTEM INNOVATIVE ENHANCEMENTS FOR SEAMLESS CONNECTIVITY
WITH MULTI-MODAL MOBILITY PROGRAMS/PS 6394500**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not recommend a Small Business Enterprise (SBE) goal for this sole source, non-competitive procurement, which involves software coding and proprietary architecture that precludes subcontracting opportunities. Vertiba, Inc. did not make an SBE commitment but indicated it will endeavor to include small business as the project evolves.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.



Board Report

File #:2016-0086, **File Type:**Motion / Motion Response

Agenda Number:

**REGULAR BOARD MEETING
January 28, 2016**

Motion by:

**MAYOR ERIC GARCETTI, SUPERVISOR HILDA SOLIS,
DIRECTOR MIKE BONIN & DIRECTOR ARA NAJARIAN**

January 28, 2016

**Item #44; File ID 2015-1783
Technology & Transportation Investments to Improve Customer Service**

The quality of the customer experience is directly relevant to how attractive the MTA system is to potential riders, and more riders translates into the furthering of MTA’s goals of easing congestion, cleaning our air and keeping our economy moving.

Technological sophistication is expected by today’s customers within all economic and demographic strata.

A majority of people across all economic and demographic strata carry cellular and/or internet enabled devices on their person.

People want to be constantly connected to cellular and Internet service, especially when traveling.

Transportation information applications are among the most downloaded smart-phone programs.

Technology has the potential to improve customer service, “first-mile, last mile” connections by linking the transit system with car sharing, taxi, bike and other modes of transportation; provide real-time bus and train timetables; streamline transfers; and more.

As MTA proceeds with its unprecedented expansion of Los Angeles County’s transportation network, it is essential that these investments are complemented by the best possible technology.

MOTION by Garcetti, Solis, Bonin, Najarian that the Board direct the CEO to:

- A. Prioritize and accelerate the **full** installation of cellular and Wi-Fi infrastructure and service in MTA tunnels, underground stations, and provide a status report on the execution of agreements with cellular service providers, with the goal of a system with no “dead zones” for cellular and

internet users.

- B. Begin the development of a next-generation Transit Access Pass (“TAP”) for customer payment of non-MTA services, including but not limited to Metrolink, taxicabs, ride-hailing companies, bikeshare, parking garages, etc.
- C. Identify existing transit applications that do not use real-time MTA data and explore the feasibility of sharing real-time data to enhance the user experience.
- D. Work with transit technology companies to develop connectivity and demand-response systems that integrate with MTA’s fixed-route transit lines to provide first-mile/last-mile connections in various modes.
- E. Improve real-time arrival service information, including, but not limited to:
 - 1. Set a goal of repairing faulty displays within 24 hours of failure
 - 2. Ensure consistency between countdown clocks displays at each rail station
 - 3. Create true real-time feeds of bus and rail arrival times rather than the current practice of information feeds at set intervals.
 - 4. Work with Metrolink and Amtrak to install real-time arrival information at regional rail stations.
- F. Work with county transit municipal operators to help improve bus speeds at key corridors where traffic signal priority technology exists.
- G. Identify and utilize technology to better align arrivals and departures of different lines to streamline transfers.
- H. Report back on all the above during the April 2016 MTA Board cycle.

LOP BUDGET AND FUNDING PLAN

	FY17	FY18	Capital Costs Total
Uses of funds			
Design and development	\$ 700,000	\$ 220,000	\$ 920,000
Testing and debugging	\$ -	\$ 545,000	\$ 545,000
Program management	\$ 75,000	\$ 110,000	\$ 185,000
Total	\$ 775,000	\$ 875,000	\$ 1,650,000
Sources of funds			
Prop C 40%*	\$ 775,000	\$ 875,000	\$ 1,650,000
Total	\$ 775,000	\$ 875,000	\$ 1,650,000

*May be funded with other Active Transportation-eligible funds in FY18

Bike Share/ TAP Integration Step 3

Recommendations

- **Establish LOP budget for Bike Share/ TAP Integration Step 3A Integration in the amount of \$1.65M**
 - \$900,000 to the TAP CRM upgrade
 - Part of \$4.75M contract awarded by Metro Board Nov 2016
 - Up to \$750,000 for Metro Bike Share software adaptation

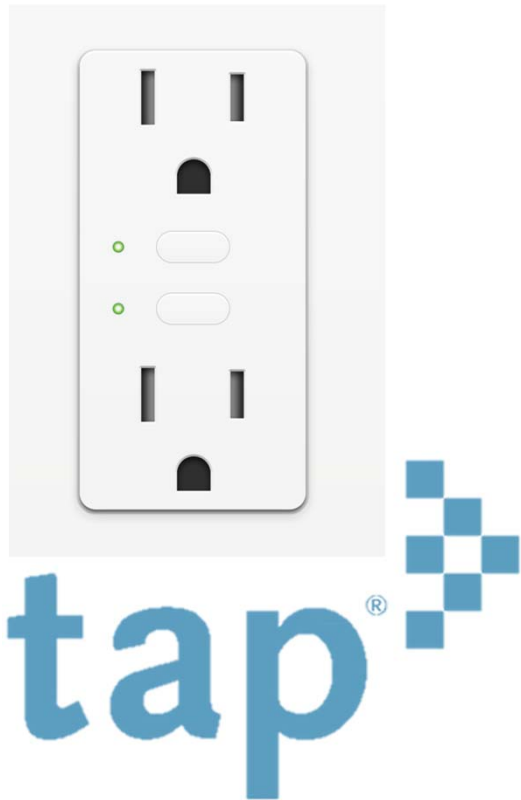
Project Objective

Create a seamless user experience across modes and services

- Exchange data and account information across modes
- Enable transfers and discounts between Metro transit, Bike Share, and other services
- Enable reciprocity between bike share systems
- Store and use credentials other than a credit card to serve low income, senior, and student customers



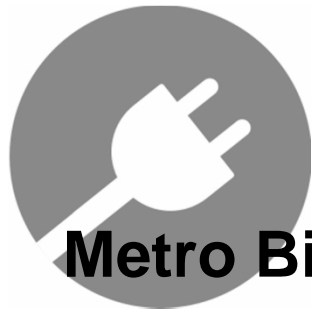
Project Objective



- **Enhance the existing TAP Customer Relationship Management system (TAPforce)**
 - This contract was awarded in November 2016
 - Create a regional multimodal transportation account management system in TAP
 - Build capability to accept information from other systems



Project Objective



Metro Bike Share



- Build connections to TAP to exchange account and trip information
- Enables transfers and discounts between modes and services
- Enables reciprocity between bike share systems
- Enables low income, student, and senior pass types and rates



Other services



Metro



Next Steps

- **Coordinate with TAP to implement TAP CRM upgrades**
- **Work with BTS to implement Metro Bike Share changes**
- **Work with 3rd party bike share and other services to integrate with TAP**