



Board Report

File #: 2023-0203, File Type: Contract

Agenda Number: 21.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MAY 18, 2023

SUBJECT: METRO BIKE SHARE CONTRACT EXTENSION

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute Contract Modification No. 12 to Contract No. PS272680011357 with Bicycle Transit Systems (BTS) for the Metro Bike Share program (MBS) to extend the contract period of performance from July 30, 2023 through December 31, 2023, in the amount of \$5,698,010, increasing the Total Contract Value from \$110,594,074 to \$116,292,084.

ISSUE

A Request for Proposals (RFP) was released in April to secure a new MBS contract. The current MBS contract expires July 30, 2023. To ensure sufficient time to complete the procurement process, while continuing to provide MBS service to the public until a new contract is awarded, an extension of the current contract is needed.

BACKGROUND

MBS was launched in July 2016 in partnership with the City of Los Angeles. Since this date, MBS has provided continuous and consistent service to Los Angeles County residents with more than 200 stations located in the Downtown Los Angeles, Central Los Angeles, Hollywood, Westside, and North Hollywood service areas. To date, over 1.6 million trips have been taken, 5.8 million miles have been traveled, and 5.5 million pounds of CO2 have been averted through the use of MBS.

While ridership decreased during the COVID pandemic, MBS did not reduce or remove service. In fact, MBS successfully transitioned the undocked smart bike system, which experienced various operational issues, including increased loss, to the traditional docked bike system for both the Westside and North Hollywood service areas to stabilize and improve service. In addition, MBS expanded to the Hollywood service area in October 2021 with eleven new stations. Overall, ridership for the entire system continues to increase. Ridership for 2022 was 290,370, representing a 43% increase from 2021, and a 38% increase from 2020. During 2023, ridership is projected to reach 325,000, representing a 12% increase from 2022 and exceeding pre-COVID ridership as well as the highest ridership ever achieved by the program, which was in 2018.

Passholders also continue to increase for all pass types. In 2022, 30-Day passes increased by 75% to 1,116 when compared to 2021. Reduced Fares offer discounts to seniors, students, people with disabilities, and low-income individuals on TAP and directly through the MBS Mobile app and MBS website. Most individuals (56%) with a Reduced Fare pass were eligible through the California EBT verification process. Reduced Fare passholders increased in 2022 by 133% to 276 and represented 19% of all 30-Day and 365-Day passholders.

..Discussion

DISCUSSION

In December 2021, the Metro Board of Directors passed Motion Item No. 41 “Improving the Effectiveness and Sustainability of Metro Bike Share” (Attachment A). The Motion directed staff to take a series of actions focused on stabilizing the current program and preparing for the next iteration of bike share in Los Angeles County. Since the passing of the Motion, several actions in support of MBS and the Motion have occurred:

- In March 2022, staff submitted a receive and file report which presented the work plan to address the directives contained in the Motion, this included fleet stabilization, equitable access, uninterrupted service, convening of a forum, a market survey, and recommendations.
- In April 2022, the Board authorized a 12-month extension of the bike share contract and the purchase of additional bikes and GPS units to restore and stabilize the fleet.
- Between April and October 2022, staff conducted the Industry Forum (August 2022) to obtain insight from the industry/vendors, peer agencies, community organizations, and other interested parties; completed the Market Survey (national and international); conducted outreach to local agencies (Councils of Governments, Joint Power Authorities); ensured ongoing coordination and collaboration with the City of Los Angeles; and continued working to improve the stability and reliability of MBS.
- In October 2022, the Board approved the updated MBS operational model of “Privately Owned - Publicly Managed (Contracted).” The model took into consideration the work conducted as directed by the Motion.

In no small part, as a result of the Motion and subsequent actions coupled with the reduced impact of COVID, MBS ridership and performance have improved. Bike loss has decreased due to improved GPS capabilities, enhanced coordination with Metro’s Safety and Security personnel, and increased monitoring and response efforts by the contractor and staff, all actions delineated in the Motion response work plan. During 2022, the total loss was 177 bikes, which represents a 55% decrease in loss compared to 2021 and a 77% decrease compared to 2020. More specifically, since the Board’s October 2022 authorization to replenish and stabilize the fleet and ensure fleet-wide GPS capabilities, the total bike loss has been 23 bikes or an average of 4.6 bikes (0.3%) lost per month from November to March. Staff will continue to monitor and coordinate with all parties with the goal of maintaining this downward trend. The bike fleet has increased, improved, and stabilized, with more electric pedal-assist bikes (e-bikes) available. E-bikes have a higher trip/bike/day rate than the standard classic bikes (2.77 vs 0.47 in 2022). Ridership, fare revenues, and passholders all increased from 2021 to 2022 and are continuing to grow in 2023. Nevertheless, there is still work to be conducted to meet the goals expressed in the Motion and subsequent responses, of which the

next action is the award and implementation of the new MBS contract.

Since October, staff has been diligently working, in coordination with the City of Los Angeles who is concurrently conducting an independent review of MBS, to complete the Statement of Work and issue the appropriate procurement package. Staff incorporated lessons learned and information obtained from the various Motion directed actions - including the Industry Forum, Market Survey, and local agency outreach. While staff anticipated releasing the Request for Proposal (RFP) earlier, the level of coordination, collaboration, and review resulted in the need for additional time. This included the coordination with the City of Los Angeles, conferring with the MBS Advisory Committee, securing and engaging industry expertise to support and review the Statement of Work, and internal collaboration to ensure the appropriate procurement method and contract structure was selected to position MBS to meet the goals as identified in the Motion. With the release of the RFP in April 2023, staff is requesting an extension of 5 months, for a new end date of December 31, 2023. Staff will return to the Board with the award recommendation pending the completion of the procurement process.

The recommended modification will ensure that MBS remains stable and consistent during the extension. The contractor will continue to operate and maintain the existing MBS service to ensure no degradation of service to the public, including bike availability. During the extension period, staff will continue evaluating the MBS system to ensure that station locations are optimal and performing at their highest potential. Staff will evaluate criteria such as ridership, trip/bike/day ratios, location in an Equity Focus Community (EFC), changes to the surrounding area (i.e., business closures or new apartment buildings), industry best practices as well as community needs to determine if stations should remain or if they should be recommended for relocation. Staff will continue to collect demographic data relative to gender, race/ethnicity, income, and age in the next survey scheduled for June 2023. Staff will coordinate these efforts with the City of Los Angeles and implement approved changes, as time permits.

Per the MOU with the City of Los Angeles, the City will provide 65% of the funds in support of the ongoing operation and maintenance of MBS, and should there be any capital expenses, they will provide 50% of the funds. Staff has reviewed this item with the City of Los Angeles and has received their concurrence to proceed with the extension.

EQUITY PLATFORM

The approval of this contract modification and extension by a total of five months will ensure Metro's ability to continue to operate and maintain a regional bike share program that is accessible to Los Angeles County residents. MBS continues to integrate with existing Metro transit services and provides a seamless passenger experience on Metro's transportation system. Maintaining low bike share fares and ensuring that participants of the LIFE and Reduced Fare programs continue to have uninterrupted access to service with continued discounted fare media are critical components of this program. As mentioned, the number of passholders with Reduced Fare passes increased in 2022 and now represents 19% of all passholders. Participants with eligibility through California EBT represent 56% of all Reduced Fare passes, while students (16 years and over) represent 24%.

As part of the annual survey conducted by MBS, demographic data is collected. In 2022 and consistent with previous surveys, respondents to the survey were mostly male (61%), Caucasian (50%), almost half (49%) had incomes more than \$75K, and most were younger than 50 years old (76%). Past surveys have been implemented online and through social media and only in English. However, additional data collection methods will be implemented during 2023 to ensure that opportunities to respond to the survey are offered more widely. These include in-person and multi-language surveys. The current survey results demonstrate the opportunity and need to focus on further efforts to increase the diversity of MBS users. In 2023, staff will implement strategies that seek to increase ridership by females, people of color, seniors, riders with low-income, and other underrepresented groups.

Metro is committed to expanding the program and ensuring that it is implemented in a manner that leads to more equitable access and outcomes. This includes identifying and working with community-based organizations to support outreach and coordination activities with the goal of obtaining improved representation within and from EFCs and marginalized communities. Feedback specific to locating stations will also be gathered during this process. Additionally, staff will continue to analyze the best path forward toward the effective integration of adaptive and accessible bikes as the MBS program evolves to meet agency goals and customer needs. This contract extension will allow Metro to continue to provide current service in the EFC communities of Downtown/Central Los Angeles, Westside, and North Hollywood (Attachment B).

DETERMINATION OF SAFETY IMPACT

Metro's safety standards will be improved through the approval of this recommendation by ensuring the continued operation of a safe and secure bike share program.

FINANCIAL IMPACT

There is no immediate impact on the current FY 2023 budget, and no budget amendment will be required since the extension of the contract, if approved, will be implemented in FY 2024. Funding for MBS is included in the FY 2024 Proposed Budget and consists of City of Los Angeles subsidy, fares, and operating-eligible funds. Staff will continue to seek new and/or alternative funding, including grants and sponsorship opportunities, to support future MBS capital and operational costs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

MBS program supports the following Vision 2028 Strategic Plan Goals:

1. Provide a high-quality mobility option that enables people to spend less time traveling.
2. Deliver an outstanding trip experience for all users of the transportation system.
3. Enhance communities and lives through mobility and access to opportunity.
4. Transform LA County through regional collaboration and national leadership.
5. Provide responsive, accountable, and trustworthy governance within the organization.

ALTERNATIVES CONSIDERED

The Board may choose to not authorize the requested action. This alternative is not recommended

as this would not be supportive of the Board motion, would impact the stability of the program, and Metro's ability to provide uninterrupted MBS service. If the contract with BTS is not extended, MBS operations would end July 30, 2023.

NEXT STEPS

Upon Board approval, staff will execute Modification No. 12 to Contract No. PS272680011357 with BTS to extend the contract through December 31, 2023. Staff will continue working on the procurement of the next contract.

ATTACHMENTS

Attachment A - Board Motion Item No. 41 (November/December 2021)

Attachment B - Metro EFC Map October 2022

Attachment C - Procurement Summary

Attachment D - Contract Modification/Change Order Log

Attachment E - DEOD Summary

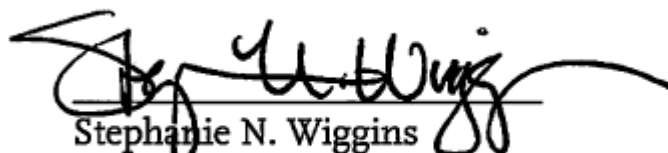
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Stephanie N. Wiggins
Chief Executive Officer

Metro



Board Report

File #: 2021-0743, File Type: Motion / Motion Response

Agenda Number: 41.

**EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 18, 2021**

Motion by:

DIRECTORS KREKORIAN, GARCETTI, KUEHL, AND SANDOVAL

Improving the Effectiveness and Sustainability of Metro Bike Share

Metro Bike Share, a county-wide bike share program, launched in 2016. Since then, Metro has had over 3,300 bicycles in the system, consisting of a mix of Classic, Smart, and E-bikes.

Currently, Metro only has 38% of the total original fleet remaining in operation. Metro Bikes have been targets of theft, and rates of fleet loss ebb and flow as new methods of theft are discovered and addressed. The Metro Bike Share team has increased efforts to recover lost and stolen bicycles but this is not sustaining the fleet and the program does not have an established fleet replenishment strategy. As a result, fewer Metro Bikes are available for use, which degrades the quality of service available to the public.

Affordable, accessible public transportation and active transportation options such as Metro Bike Share are a cornerstone of meeting our region's climate goals. As local jurisdictions in the County continue expanding bicycle infrastructure and mobility options to meet climate goals and improve the quality of life for residents, a successful and sustainable Metro Bike Share program is more important than ever.

SUBJECT: IMPROVING THE EFFECTIVENESS AND SUSTAINABILITY OF METRO BIKE SHARE

RECOMMENDATION

APPROVE Motion by Directors Krekorian, Garcetti, Kuehl, and Sandoval that the Board direct the Chief Executive Officer to report back in 90 days on:

- A. An action plan to stabilize the current fleet size including actions for how to identify, prioritize, and address new mechanisms of theft as they arise.
- B. An action plan to address equitable access in the current program and in any future form of the program. This plan shall include recommendations on issues such as serving people who may be unbanked, addressing the digital divide, and keeping fare cost low.

- C. A plan to provide uninterrupted service as the next iteration of the program is determined and executed.
- D. A plan to convene an industry forum (as was performed for Metro Micro) to bring together academics, cities with existing bike share programs, community stakeholders, and industry experts to provide recommendations on advancing Metro Bike Share beyond the current contract in one of several forms including but not limited to:
1. Continuing Metro Bike Share as a contracted service,
 2. Operating the program In-house with Metro employees,
 3. A private-sector model with financial subsidy provided by Metro.
- E. Performing a market survey to identify best practices and business models among existing bike-share systems in the US, and comparable global systems (e.g., Paris, London, Barcelona, Madrid, and Mexico City), and to develop comparative data on subsidy cost per ride, total ridership, size of fleet, vehicle technology, theft and damage loss and prevention, and alternative financing sources like sponsorship and advertising.
- F. Recommendations for continuing and evolving the Metro Bike Share program to meet the goals of the agency, with countywide stakeholder engagement and consideration of cost-sharing, with the goal of expanding service area and local participation to all subregions in the County. These recommendations should include eligible local, state, and federal funding sources for capital and operations budgets, as well as legislative opportunities to expand such funding eligibility.

Attachment B - Metro EFC Map

ArcGIS Metro EFC Map 2022 (Web Map)

Open in Map Viewer Modify Map Sign In

Details Basemap

Share Print Measure Find address or place

About Content Legend

Legend

Metro Rail and Busway

Metro Rail

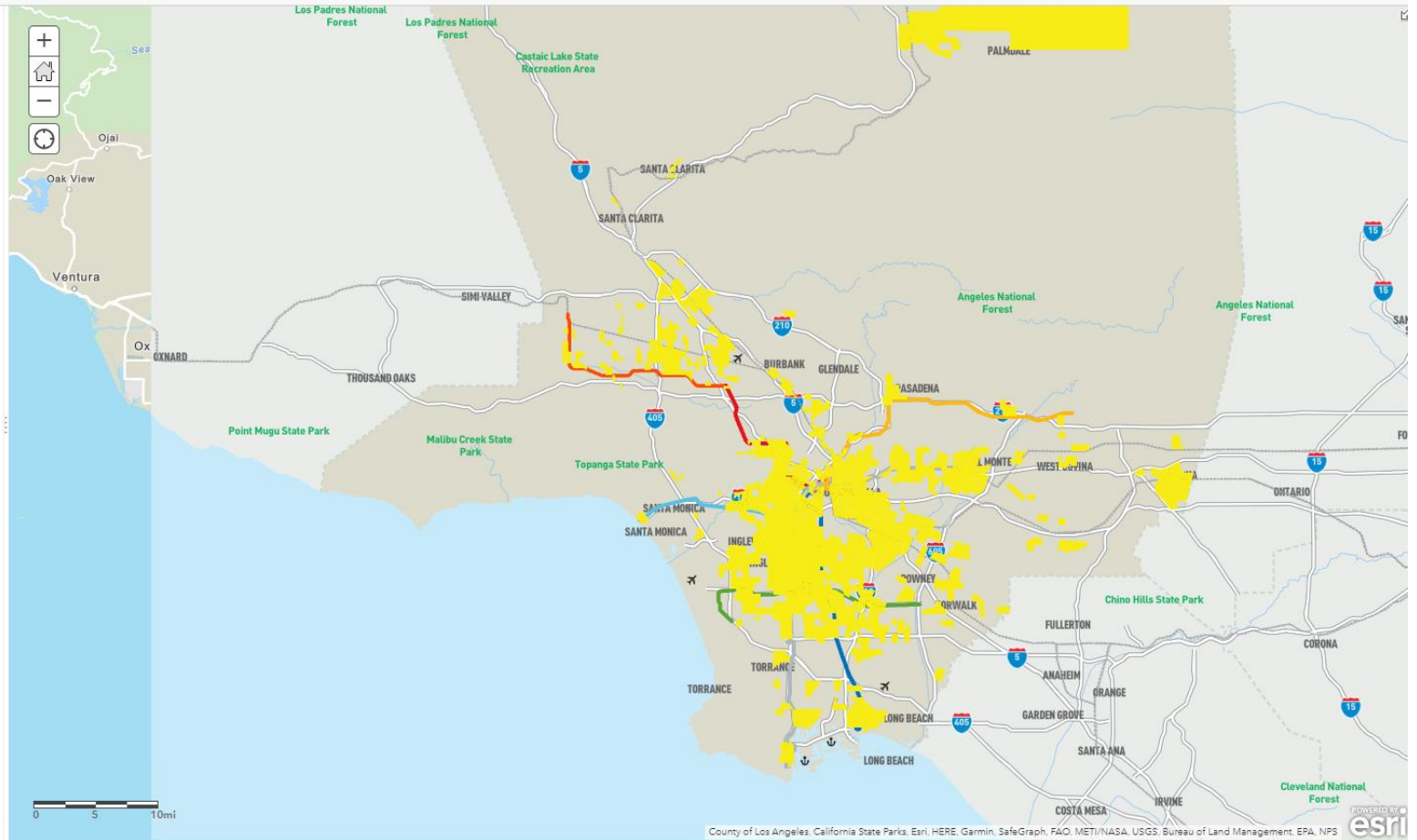
- A Line (Blue)
- B Line (Red)
- C Line (Green)
- D Line (Purple)
- E Line (Expo)
- L Line (Gold)

Metro Busway

- G Line (Orange)
- J Line (Silver)

Metro EFC Map 2022

- EFCs (Updated 2022)



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County of Los Angeles, California State Parks, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, Bureau of Land Management, EPA, NPS



PROCUREMENT SUMMARY

METRO BIKE SHARE/PS272680011357

1.	Contract Number: PS272680011357		
2.	Contractor: Bicycle Transit Systems, Inc.		
3.	Mod. Work Description: Five-month continuation of services for the Metro Bike Share Program through 12/31/23.		
4.	Contract Work Description: Metro Bike Share Program		
5.	The following data is current as of: 4/5/23		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	06/25/15	Contract Award Amount: \$11,065,673 Pilot Phase I – DTLA
	Notice to Proceed (NTP):	07/31/15	Total of Modifications Approved: \$99,528,401
	Original Complete Date:	Phase I 07/31/17 Phases II - V 07/29/22	Pending Modifications (including this action): \$5,698,010
	Current Est. Complete Date:	07/30/23	Current Contract Value (with this action): \$116,292,084
7.	Contract Administrator: Lily Lopez		Telephone Number: (213) 922-4639
8.	Project Manager: Paula Carvajal		Telephone Number: (213) 922-4258

A. Procurement Background

This Board Action is to approve Contract Modification No. 12 issued in support of the Metro Countywide Bike Share program to extend the contract period of performance from July 30, 2023 through December 31, 2023.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

On June 25, 2015, the Board approved a firm fixed price Contract No. PS272680011357 to Bicycle Transit Systems, Inc. for the equipment, installation and operations of the Metro Bike Share Phase I Pilot in the amount of \$11,065,673 for a two-year period.

Refer to Attachment D – Contract Modification/Change Order Log.

B. Cost Analysis

The amount of the modification has been determined to be fair and reasonable based upon an independent cost estimate (ICE), cost analysis, technical analysis, fact finding and negotiations.

Metro staff successfully negotiated a cost savings of \$66,315.

Proposal Amount	Metro ICE	Modification Amount
\$5,764,325	\$5,764,325	\$5,698,010

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO BIKE SHARE/PS272680011357

Mod. No.	Description	Status (approved or pending)	Date	Amount
1	Addition of Sponsorship Broker Agreement	Approved	12/30/15	\$0
2	Additional Support for Phase I – Downtown Los Angeles	Approved	06/06/16	\$108,656
3	Addition of 2 Subcontractors	Approved	07/07/16	\$0
4	Extend Phase I (Downtown Los Angeles Pilot), expand and accelerate Phase II (Pasadena) and Phase III (Venice and Port of Los Angeles)	Approved	11/07/16	\$42,618,583
5	Update Exhibit A-1 Milestone Payment Schedule	Approved	03/22/17	\$0
6	Addition of TAP Integration Step 3	Approved	05/31/17	\$610,076
7	Extend and activate Phase III and Phase IV	Approved	10/08/18	\$34,598,747
8	Metro Countywide Bike Share Greenhouse Gas Reduction Fund (GGRF) Grant	Approved	12/06/18	\$6,342,126
9	Revised SOW + Milestones	Approved	12/14/18	\$0
10	Reallocation of bikes + update milestones with invoices	Approved	08/21/21	\$0
11	Extended period of performance (POP) by 12 months through 7/30/23, purchase new bicycles to replenish and stabilize the on-street bicycle fleet, purchase and install GPS equipment, and maintain a 10% inventory.	Approved	04/28/22	\$15,250,213
12	Extended POP by 5 months through 12/31/23.	Pending	Pending	\$5,698,010
Modification Total:				\$105,226,411

	Original Contract:		06/25/15	\$11,065,673
	Total:			\$116,292,084

DEOD SUMMARY

METRO BIKE SHARE CONTRACT EXTENSION/PS272680011357

A. Small Business Participation

Bicycle Transit Systems (BTS) made a 22.37% Disadvantaged Business Enterprise DBE commitment. Based on payment, the project is 87% complete and the current DBE participation is 24.57%, exceeding the commitment by 2.20%.

Small Business Commitment	22.37% DBE	Small Business Participation	24.57% DBE
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	DBE Subcontractors	Ethnicity	% Committed	Current Participation¹
1.	Accel Employment Services	Asian-Pacific American	15.28%	11.66%
2.	BikeHub	Asian-Pacific American	5.48%	11.59%
3.	Say Cargo Express	Hispanic American	0.68%	0.30%
4.	Toole Design Group, LLC	Caucasian Female	0.93%	1.02%
	Total		22.37%	24.57%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

A review of the current service contract indicates that the Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) was not applicable at the time of award. Therefore, the LW/SCWRP is not applicable to this modification.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.