



Board Report

File #: 2017-0925, File Type: Contract

Agenda Number:

PLANNING AND PROGRAMMING COMMITTEE MAY 16, 2018

SUBJECT: METRO BIKE SHARE PHASE 3 EXPANSION

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the:

A. Chief Executive Officer (CEO) to exercise options and execute Modification No. 7 to Contract No. PS272680011357 with Bicycle Transit Systems, Inc. (BTS) to activate Metro Bike Share Phase III Expansion, in the not-to-exceed (NTE) amount of \$35,477,704 (for capital costs, pre-launch activities, and on-going operations and maintenance), increasing the total contract value from \$54,402,988 to \$89,880,692, to the following areas:

- Culver City
- Marina del Rey
- West Los Angeles
- Downtown Los Angeles Expanded

B. Phase III Expansion Life of Project (LOP) budget of \$10.5M; and

C. CEO to negotiate and execute a Memorandum of Understanding (MOU)/MOU amendment to set the terms of fiscal and administrative responsibility, as described in the Board Report dated January 14, 2015 (accessed at http://media.metro.net/board/items/2015/01_january/20150114p&pitem25.pdf), with the City of Los Angeles, Culver City, and Marina del Rey to expand the Metro Bike Share Program to the following areas:

1. Echo Park/Silver Lake, Koreatown, MacArthur Park/Westlake, and Palms/Mar Vista/Playa del Rey/Playa Vista/Del Rey and the inclusion of the two stations awarded 2016 Affordable Housing and Sustainable Communities (AHSC) grant funding (document found at <http://libraryarchives.metro.net/DPGTL/AHSC/2016-AHSC-Grant-Award-Notice.pdf>)
2. Culver City
3. Marina del Rey

ISSUE

At the June 2015 meeting, the Board awarded a contract to BTS for the provision of equipment, installation, maintenance, and operation of the Metro Bike Share Program. The contract includes phases for expanding bike share to other cities throughout the County, to be exercised upon Board authorization. The Board authorized expansion to Pasadena, the Port of Los Angeles, and Venice at the October 2016 meeting. Board authorization is needed to exercise phases within the contract to expand the downtown Los Angeles service area, West Los Angeles, Culver City, and Marina Del Rey.

The system expansion will add convenience for patrons and will augment ridership for Metro Bike Share and connections to transit. Staff has been coordinating with City of LA, Culver City, and Marina Del Rey in preparation for this next expansion phase.

In October 2016 two projects located in the current Metro Bike Share service area in downtown Los Angeles were awarded AHSC grant funding. These two projects included a Metro Bike Share station in their respective proposals. In order to exercise phases within the BTS contract to purchase, install and operate these stations, Board authorization is necessary. Reimbursement through the AHSC project sponsors will be provided at \$160,000 per station.

DISCUSSION

In January 2014, the Board authorized the CEO to procure, contract, and administer the Metro Bike Share Program through Motion 58. In January 2016, the Metro Bike Share program was initiated and subsequently expanded to Pasadena, Port of LA, and Venice in 2017.

Phase III Expansion

Metro staff has been working closely with staff from City of Los Angeles, Culver City and Marina Del Rey in preparation for Phase III Expansion to these areas.

- *Culver City*

In June 2017, the Culver City Council approved and reserved budget for Metro Bike Share Expansion. Metro Bike Share provides first/last mile connections between origins and destination in this community and the Culver City Expo Station. The City is working on its last items in the 2010 Bicycle & Pedestrian Action Plan and anticipates the implementation of new bicycle network connections near the Culver City Transit Center in summer 2018. A new Bicycle and Pedestrian Action Plan setting future goals and action items designed to support the introduction of bike share is currently under development. In March 2017, Culver City completed a Bike Share Feasibility Study recommending 280 bicycles and approximately 28 stations within the City boundary. Launch is anticipated in fall 2018.

- *Marina Del Rey*

Directly adjacent to Venice, the highest performing Metro Bike Share service area, Marina Del Rey is home to a portion of the heavily used Marvin Braude Bike Trail, connecting this community to Venice and several other beach communities that embrace bicycling. In spring

2017, Marina Del Rey approved and reserved budget for Metro Bike Share Expansion in FY18. As part of the Metro Countywide Feasibility Study, approximately 77 bicycles and 11 stations are recommended for this area. Launch is anticipated in fall 2018.

- *West Los Angeles*

Palms and Mar Vista are a natural extension of Culver City and a bridge to Venice and Marina Del Rey. Bike share suitability is high and moderately-high in these areas. City of Los Angeles has expressed strong interest in expanding Metro Bike Share to these communities and City Council action took place in April 2018. If City of Los Angeles budgeting allows, the expansion will include Playa del Rey, Playa Vista, and/or Del Rey. As part of the Metro Countywide Feasibility Study, approximately 700 bicycles and 79 stations are recommended for this area. Launch is anticipated in fall 2018.

- *Downtown Los Angeles Expansion*

The largest Metro Bike Share service area is downtown Los Angeles with 61 stations and approximately 700 bicycles. Contiguous expansion offers great benefits for users. Expansion is proposed to Echo Park/Silver Lake, Koreatown, and MacArthur Park/Westlake, which have high bike share suitability. City of Los Angeles has expressed strong interest in expanding Metro Bike Share to these communities and City Council action took place in April 2018. As part of the Metro Countywide Feasibility Study, approximately 696 bicycles and 79 stations are recommended for this area. Launch is anticipated in mid-2019. The service area will immediately expand to the Expo Park/University Park/USC by relocating low performing stations from the downtown Los Angeles service area. Additionally, a Greenhouse Gas Reduction Fund (GGRF) has been awarded to fund the capital cost for further expansion in this service area pending California Transportation Commission (CTC) allocation in June 2018.

Affordable Housing and Sustainable Communities Grant

In January 2016, the Board approved the Strategy for the AHSC Program, including authorization for staff to include Metro-specific components. The component menu included Metro Bike Share stations valued at \$160,000 for capital costs and two years of operations and maintenance costs.

The Skid Row Housing Trust and Deep Green Housing applied for AHSC grant funding in March 2016 that included a Metro Bike Share station in the project proposals for Six Four Nine Lofts and 7th and Witmer Apartments, respectively. Both projects are located in the current Metro Bike Share service area in downtown Los Angeles and were awarded AHSC grant funding in October 2016. A Term Sheet was developed describing the roles and responsibilities of the project sponsor, LADOT, and Metro in carrying out the projects.

In order to exercise phases within the BTS contract to purchase, install and operate these stations, Board authorization is necessary. These awards will add 20 bicycles and 2 stations to the downtown Los Angeles system.

Non-Metro Bike Share Programs

Non-Metro Bike Share programs are currently operating in Los Angeles County. While Metro staff will continue to coordinate with cities and partner agencies that host these programs, Metro will not develop regulations on their operations.

DETERMINATION OF SAFETY IMPACT

The Metro Countywide Bike Share expansion will not have any adverse safety impacts on Metro employees and patrons.

FINANCIAL IMPACT

The proposed Modification to Contract No. PS272680011357 with BTS for the Metro Countywide Bike Share Phase III Expansion increases the total contract value from \$54,402,988 to \$89,880,692. Attachment C reflects the Expenditure and Funding Plan for Phase III Expansion. Capital costs are split 50%/50% between Metro and Bike Share Partners; pre-launch activities, operations and maintenance are split 35%/65% between Metro and Bike Share Partners. This funding will be partially restored to the general funds with partner-share reimbursements as indicated above and in the Expenditure and Funding Plan. The revenues projected from user fees and potential sponsorship may reduce Metro's funding responsibility.

This request shall establish Metro Bike Share Phase III LOP by \$10.5M for capital and pre-launch operations and maintenance, under a new project number.

Impact to Budget

Funding for Metro's share will include allocations from user fees, PC 25%, and Measure M 2%, and Bike Share Partner reimbursement which includes 50% for capital costs and 65% for pre launch activities, operations and maintenance.

Capital costs, pre-launch activities, and on-going maintenance and operation funding is included as a placeholder in FY19 budget. Funds will be redistributed to the appropriate newly developed project number upon Board approval.

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

ALTERNATIVES CONSIDERED

The Board may choose not to adopt the new Bike Share Business Plan, adopt the revised fare structure, and/or exercise the contract phases. This alternative is not recommended, as it does not allow the Bike Share Program to respond to past performance, customer feedback, and current conditions and is not in line with previous Board direction.

NEXT STEPS

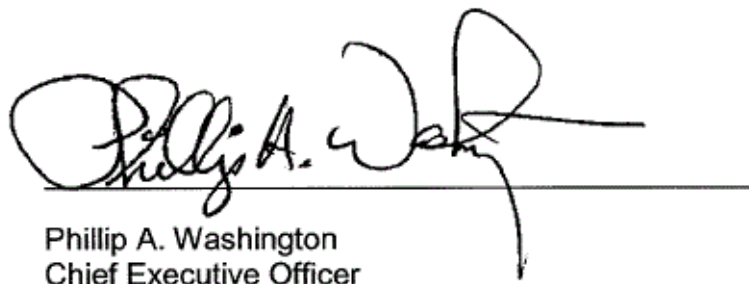
Upon approval by the Board, staff will negotiate and execute Modification No. 7 to Contract No. PS272680011357 with BTS for Phase III Bike Share Expansion and the listed MOUs will be amended / executed with the respective partner agencies.

ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - Contract Modification/Change Order Log
- Attachment C - Funding and Expenditure Plan
- Attachment D - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

METRO BIKE SHARE PHASE 3 EXPANSION / PS272680011357

1.	Contract Number: PS272680011357		
2.	Contractor: Bicycle Transit Systems, Inc.		
3.	Mod. Work Description: Expand and activate Phase III and incorporate new technology (smart bike).		
4.	Contract Work Description: Metro Bike Share Program		
5.	The following data is current as of: 5/2/18		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	7/24/15	Contract Award Amount: \$11,065,673 Pilot Phase I – DTLA
	Notice to Proceed (NTP):	7/31/15	Total of Modifications Approved: \$43,337,315
	Original Complete Date:	Phase I 7/31/17 Phases II - V 7/29/22	Pending Modifications (including this action): \$35,477,704
	Current Est. Complete Date:	7/29/22	Current Contract Value (with this action): \$89,880,692
7.	Contract Administrator: Lily Lopez		Telephone Number: (213) 922-4639
8.	Project Manager: Basilia Yim		Telephone Number: (213) 922-4063

A. Procurement Background

This Board Action is to approve Contract Modification No. 7 issued in support of the Metro Bike Share Program to expand and maintain the current system as follows:

- **Culver City:** Activate the schedule for implementation by installing three smart bike kiosks, 28 smart bike stations, 476 smart bike docks and 280 smart bikes in the amount of \$5,092,657.
- **Marina Del Rey:** Activate the schedule for implementation by installing six smart bike kiosks, 11 smart bike stations, 131 smart bike docks and 77 smart bikes in the amount of \$1,846,616.
- **Venice – modification of existing equipment:** Relocation of existing 2.0 equipment from Venice to DTLA that includes 15 smart bike kiosks, 15 smart bike stations, 204 smart bike docks and 0 smart bikes in the amount of \$482,566.
- **Palms/Mar Vista/Playa del Rey/Playa Vista/Del Rey and Venice:** Activate the schedule for implementation by installing 38 smart bike kiosks (includes 15 for Venice), 79 smart bike stations (includes 15 for Venice), 960 smart bike docks

and 700 smart bikes (165 smart bikes allocated to Venice) in the amount of \$14,912,097.

- **Expo Park/USC/ University Park, Koreatown, MacArthur Park/Westlake, Echo Park/Silver Lake:** Activate the schedule for implementation by installing 26 smart bike kiosks, 81 smart bike stations, 1,217 smart bike docks and 716 smart bikes in the amount of \$13,143,768.

This Contract Modification was processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

On June 25, 2015, the Board awarded 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. The contract included five phases for expanding the Bike Share program to other cities throughout the county upon Board approval. Phases II to V, as identified in that Board report, were to be brought back to the Board for approval after successful completion and operation of Phase I.

On October 27, 2016 the Board approved Contract Modification No. 4 to activate the schedule for the implementation and operation of the Metro Bike Share expansion in Downtown Los Angeles for an additional five years, and in Venice, Pasadena, and the Port of Los Angeles for six years in the firm fixed amount of \$42,618,583.

Refer to Attachment B – Contract Modification/Change Order Log for modifications issued to date.

B. Cost

The final negotiated amount will comply with all requirements of Metro's Acquisition Policy and Procedure, in conjunction with an in process audit being performed by Metro's Management and Audit Services Department (MASD), a technical analysis, an independent cost estimate, negotiations, and a cost analysis to determine a fair and reasonable price before the Modification is executed.

Proposal Amount	Metro ICE	NTE Amount
\$36,502,952	\$31,415,482	\$35,477,704

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO BIKE SHARE PHASE 3 EXPANSION / 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	11/7/16	\$42,618,583
5	Update Exhibit A-1 Milestone Payment Schedule	Approved	3/22/17	\$0
6	Addition of TAP Integration	Approved	5/31/17	\$610,076
7	Extend and Exercise Phase III Options (Culver City, Marina del Rey, West Los Angeles, Downtown Los Angeles expanded)	Pending		\$35,477,704
	Modification Total:			\$78,815,019
	Original Contract:			\$11,065,673
	Total:			\$89,880,692

ATTACHMENT C

BIKE SHARE FUNDING & EXPENDITURE PLAN

	Year 3 FY18	Year 4 FY19	Year 5 FY20	Year 6 FY21	Year 7 FY22	Grand Total
CULVER CITY						
Capital Costs						
Metro Contribution (50%)	\$ 266,814	\$ 266,814	\$ -	\$ -	\$ -	\$ 533,628
Culver City Contribution (50%)	\$ 266,814	\$ 266,814	\$ -	\$ -	\$ -	\$ 533,628
Total	\$ 533,628	\$ 533,628	\$ -	\$ -	\$ -	\$ 1,067,256
Pre-Launch Operations & Maintenance						
Metro Contribution (35%)	\$ 35,067	\$ 105,200	\$ -	\$ -	\$ -	\$ 140,266
Culver City Contribution (65%)	\$ 65,124	\$ 195,371	\$ -	\$ -	\$ -	\$ 260,494
Total	\$ 100,190	\$ 300,570	\$ -	\$ -	\$ -	\$ 400,760
On-going Operations & Maintenance						
Metro Contribution (35%)		\$ 271,534	\$ 322,588	\$ 332,266	\$ 342,234	\$ 1,268,623
Culver City Contribution (65%)		\$ 504,278	\$ 599,093	\$ 617,065	\$ 635,577	\$ 2,356,013
Total		\$ 775,812	\$ 921,681	\$ 949,331	\$ 977,811	\$ 3,624,636
Grand Total	\$ 633,818	\$ 1,610,010	\$ 921,681	\$ 949,331	\$ 977,811	\$ 5,092,652

	Year 3 FY18	Year 4 FY19	Year 5 FY20	Year 6 FY21	Year 7 FY22	Grand Total
MARINA DEL REY						
Capital Costs						
Metro Contribution (50%)	\$ 97,362	\$ 97,362	\$ -	\$ -	\$ -	\$ 194,724
Marina del Rey Contribution (50%)	\$ 97,362	\$ 97,362	\$ -	\$ -	\$ -	\$ 194,724
Total	\$ 194,724	\$ 194,724	\$ -	\$ -	\$ -	\$ 389,448
Pre-Launch Operations & Maintenance						
Metro Contribution (35%)	\$ 13,139	\$ 39,416	\$ -	\$ -	\$ -	\$ 52,555
Marina del Rey Contribution (65%)	\$ 24,400	\$ 73,201	\$ -	\$ -	\$ -	\$ 97,601
Total	\$ 37,539	\$ 112,617	\$ -	\$ -	\$ -	\$ 150,156
On-going Operations & Maintenance						
Metro Contribution (35%)		\$ 91,019	\$ 118,553	\$ 122,110	\$ 125,773	\$ 457,454
Marina del Rey Contribution (65%)		\$ 169,034	\$ 220,170	\$ 226,775	\$ 233,578	\$ 849,558
Total		\$ 260,053	\$ 338,723	\$ 348,885	\$ 359,351	\$ 1,307,012
Grand Total	\$ 232,263	\$ 567,394	\$ 338,723	\$ 348,885	\$ 359,351	\$ 1,846,616

	Year 3 FY18	Year 4 FY19	Year 5 FY20	Year 6 FY21	Year 7 FY22	Grand Total
DOWNTOWN LOS ANGELES EXPANSION						
Capital Costs						
Metro Contribution (50%)		\$ 761,633	\$ 761,633	\$ -	\$ -	\$ 1,523,266
City of Los Angeles Contribution (50%)		\$ 761,633	\$ 761,633	\$ -	\$ -	\$ 1,523,266
Total		\$ 1,523,266	\$ 1,523,266	\$ -	\$ -	\$ 3,046,532
Pre-Launch Operations & Maintenance						
Metro Contribution (35%)		\$ 99,769	\$ 299,307	\$ -	\$ -	\$ 399,076
City of Los Angeles Contribution (65%)		\$ 185,285	\$ 555,856	\$ -	\$ -	\$ 741,141
Total		\$ 285,054	\$ 855,163	\$ -	\$ -	\$ 1,140,217
On-going Operations & Maintenance						
Metro Contribution (35%)		\$ -	\$ 1,014,254	\$ 1,044,681	\$ 1,076,022	\$ 3,134,957
City of Los Angeles Contribution (65%)		\$ -	\$ 1,883,614	\$ 1,940,123	\$ 1,998,326	\$ 5,822,063
Total		\$ -	\$ 2,897,868	\$ 2,984,804	\$ 3,074,348	\$ 8,957,020
Grand Total	\$ -	\$ 1,808,320	\$ 5,276,297	\$ 2,984,804	\$ 3,074,348	\$ 13,143,769

	Year 3 FY18	Year 4 FY19	Year 5 FY20	Year 6 FY21	Year 7 FY22	Grand Total
WEST LOS ANGELES EXPANSION						
Capital Costs						
Metro Contribution (50%)	\$ 794,607	\$ 794,607	\$ -	\$ -	\$ -	\$ 1,589,214
City of Los Angeles Contribution (50%)	\$ 794,607	\$ 794,607	\$ -	\$ -	\$ -	\$ 1,589,214
Total	\$ 1,589,214	\$ 1,589,214	\$ -	\$ -	\$ -	\$ 3,178,428
Pre-Launch Operations & Maintenance						
Metro Contribution (35%)	\$ 99,067	\$ 297,201	\$ -	\$ -	\$ -	\$ 396,269
City of Los Angeles Contribution (65%)	\$ 183,982	\$ 551,946	\$ -	\$ -	\$ -	\$ 735,927
Total	\$ 283,049	\$ 849,147	\$ -	\$ -	\$ -	\$ 1,132,196
On-going Operations & Maintenance						
Metro Contribution (35%)		\$ 767,298	\$ 1,006,863	\$ 1,037,069	\$ 1,068,181	\$ 3,879,412
City of Los Angeles Contribution (65%)		\$ 1,424,983	\$ 1,869,889	\$ 1,925,985	\$ 1,983,765	\$ 7,204,622
Total		\$ 2,192,281	\$ 2,876,752	\$ 2,963,055	\$ 3,051,946	\$ 11,084,034
Total West Los Angeles Expansion	\$ 1,872,263	\$ 4,630,642	\$ 2,876,752	\$ 2,963,055	\$ 3,051,946	\$ 15,394,658

PHASE 3 EXPANSION TOTALS						
Capital Costs	\$ 2,317,566	\$ 3,840,832	\$ 1,523,266	\$ -	\$ -	\$ 7,681,664
Pre-Launch Operations & Maintenance	\$ 420,778	\$ 1,547,388	\$ 855,163	\$ -	\$ -	\$ 2,823,329
On-going Operations & Maintenance	\$ -	\$ 3,228,146	\$ 7,035,024	\$ 7,246,075	\$ 7,463,457	\$ 24,972,702
Grand Total	\$ 2,738,344	\$ 8,616,366	\$ 9,413,453	\$ 7,246,075	\$ 7,463,457	\$ 35,477,695

DEOD SUMMARY

METRO BIKE SHARE PHASE 3 EXPANSION / PS272680011357

A. Small Business Participation

Bicycle Transit Systems, Inc. (BTS) made a 22.37% DBE commitment. The project is 34% complete. Current DBE participation is 15.73%, representing a shortfall of 6.64%. BTS explained that their shortfall is due to a recent expansion in 2017, which included non-DBE equipment purchases. In September 2016, BTS had a 14.52% DBE shortfall as a result of these equipment purchases.

BTS explained that it is anticipated that DBE participation will increase as staffing requirements are fulfilled this year. According to BTS' forecast, their DBE participation is expected to exceed their current commitment.

Small Business Commitment	22.37% DBE	Small Business Participation	15.73% DBE
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	DBE Subcontractors	Ethnicity	% Committed	Current Participation¹
1.	Accel Employment Services	Asian Pacific American	15.28%	9.59%
2.	BikeHub	Asian Pacific American	5.48%	3.29%
3.	Toole Design Group, LLC	Caucasian Female	0.93%	1.51%
4.	Say Cargo Express	Hispanic American	0.68%	1.33%
5.	Delphin Computer Supply	Caucasian Female	Added	0.01%
Total			22.37%	15.73%

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

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this Contract.

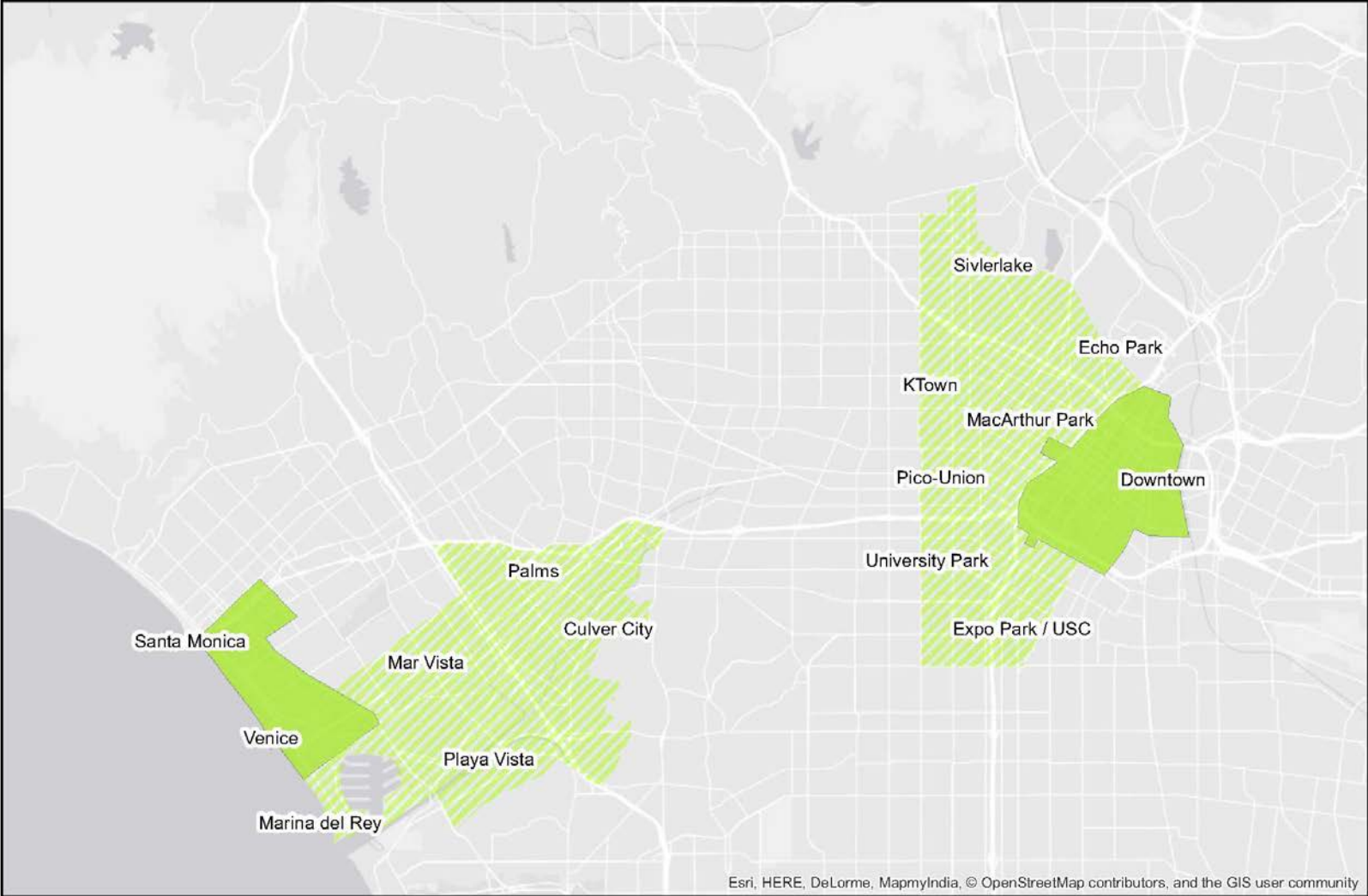
C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

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

Anticipated Phase III Expansion Areas



- Phase 3 Expansion Communities
- Existing System

