



Board Report

File #: 2019-0865, File Type: Contract

Agenda Number: 29.

**PLANNING & PROGRAMMING COMMITTEE
FEBRUARY 19, 2020
OPERATIONS, SAFETY & CUSTOMER EXPERIENCE COMMITTEE
FEBRUARY 20, 2020**

SUBJECT: THE MICROTRANSIT PILOT PROJECT - PART B (IMPLEMENTATION)

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 5 to firm fixed price Contract No. PS46292001 with RideCo., Inc. as a private partner and technology firm for operations in conjunction with the deployment areas outlined in Attachment F (Regional Readiness Operating Plan) and Attachment G (Map), in the amount of \$28,874,747.50, increasing the total Contract value from \$285,985.13 to \$29,160,732.63.
- B. AMEND the FY20 budget for the MicroTransit pilot project implementation positions and funding listed below:
1. 80 Contract positions to operate the vehicles and 7 Contract positions to supervise the service; and
 2. \$7,750,000 for FY20 contractual and operational expenses

ISSUE

Metro staff seeks to implement innovation to both increase ridership of Metro's family of services and provide an improved customer experience for existing riders by expanding the agency's network through the testing and scaling of MicroTransit within LA County.

This new mode of public transit will offer shared rides which can be ordered through our regional call center, a new mobile application, and/or an internet browser. The suite of MicroTransit software tools for customers will offer real-time trip planning, booking, payment and fare system integration. Customers will also be able to pre-schedule trips or book repeat trips, as well as monitor the real-time status of trips for others under a linked account.

MicroTransit has been developed hand-in-hand to support implementation of the NextGen Bus Plan and the aspirational goal of a 10-minute maximum wait time per our strategic plan, Vision 2028.

According to our NextGen study findings, short trips (1-5 miles), which are being driven solo or with a private car service, are among the most important opportunities for the public sector to retain current ridership and to grow utilization among non-transit customers. Short trips are often to a local market, to pick up a child from daycare, to shuttle a child to an afterschool activity or for a medical appointment. Many of these trips are taken by students, older adults and parents of youth.

To help capture the more than 50% of short trips taking place in LA County today, MicroTransit will be introduced into our existing fixed-route network and provide continued opportunities for Metro to improve on managing customer demand at times when fewer customers are riding. This mixed fleet of vehicles (Transit 150, Transit 350, Grand Caravan, Metris and Sprinter) includes electric vehicles, which is in-line with operational testing on the Orange Line. For ease of use for the customer and personal space, most vehicles will be configured to carry 7-10 passengers.

MicroTransit will not only improve reliability and allow for guaranteed transfers across our multi-modal system but will also offer riders the opportunity to customize their experience by ordering a trip and linking to the next leg of their Metro journey. Metro staff anticipates up to two-thirds of the new trips generated by this mode will include transfers to other modes within Metro's family of services.

Customer and operator safety are critical to maintaining the highest standards of security and optimal service design for MicroTransit. To offer our customers the safest on-demand environment, the entire fleet of vehicles will be operated by our exclusive operating union, SMART-TD. The recommended software/technology platform, akin to Metro's current fixed-route operations, will achieve full integration with the TAP card and account system, and be connected to our Transit Watch network and operations centers for dispatch in the case of safety incidents.

Metro employee operators will undergo eight weeks of workforce training with a focus on customer service and safety. This new innovative training series developed in partnership with Human Capital and Development, the Office of Civil Rights and Operations will be the first of its kind in the nation and is being implemented in coordination with SMART-TD.

During the pilot phase of this operation, Metro staff recommends deploying MicroTransit into six identified areas where ridership can be retained and boosted. These service zones and their deployment schedule are as follows:

- Summer 2020: Watts/Willowbrook
- Fall 2020: Northwest San Fernando Valley
- Winter 2020: LAWA/Inglewood
- Spring 2021: Highland Park/Eagle Rock/Glendale
- Summer 2021: Altadena/Pasadena/Sierra Madre
- Fall 2021: UCLA/VA Medical Center/Century City

This service is recommended to be available 7 days a week with an initial soft launch (60 days) at a 12-hour service span per day. The background section on the following page, as well as Attachment F, details the factors utilized to identify these areas for operations.

This project is term-limited with up to three years of Revenue Service Operations, up to 120 days of

pre- launch and 30 days for final pilot evaluation. This operation will be evaluated to determine whether it should be incorporated as a permanent mode of the agency.

BACKGROUND

New and emerging technology has had a profound impact on how services are delivered. Among the most noteworthy trends has been the rise and growth of on-demand and customized services. In specific, the world of public transit has experienced a meaningful jolt resulting from these new on-demand economies. In California, this has amounted to the rise of Transportation Network Companies initially focused on replacing single-occupancy vehicles. However, in more recent months, this emerging sector has showcased a clear and intentional desire to replace trips traditionally served by public transit agencies.

Metro has continually monitored these changes and trends to better understand the strengths of these models, as well as the challenges in delivering equity. Metro's Office of Extraordinary Innovation (OEI) has engaged in this space by receiving and evaluating unsolicited proposals (including a proposal received in 2016 to test trip pooling technology), interviewing project managers and issuing findings. In partnership with the Eno Center for Transportation, Metro staff published the white paper, UpRouted, a compilation of findings on the early challenges to MicroTransit. Best practices as highlighted in the white paper were sourced from peers at Alameda-Contra Costa Transit District, Santa Clara Valley Transportation Authority and Kansas City Area Transportation Authority. More recently, Metro has funded a TNC partnership through OEI and managed directly by the private sector.

In 2017, under the direction of the Chief Executive Officer, Metro staff assembled an agency-wide team which to-date has drawn insights and expertise from more than 450 staff from all departments to design the new transit offering. This service has been built as a hybrid, merging the best of private technology with the experience of public operations to identify and respond to untapped mobility opportunities within LA County.

The concept was to set-up a multi-year pilot, which would test how an on-demand operation run by Metro employees using private sector technology and vehicles could integrate within Metro's family of services. This service would encourage current Metro customers to ride the system more regularly for a safe, comfortable, reliable, single-direction or round-trip ride.

By introducing and testing a new service focused on short trips in smaller vehicles, Metro would be able to flex its' operations to match the mode/vehicle to the customer. This new operation would tap into the growing momentum and expectation around new technology and tools to encourage ridesharing with Metro for short trips. This was the genesis of the agency's first Pre-Development Agreement Public Private Partnerships (PDA-P3s), which supports a two-part contract similar to a design-build contracting model.

In October 2017, the competitive Request for Proposal (RFP) was issued to procure services from qualified firms or Contractor Team(s) to partner with Metro for planning, designing, testing and evaluating a technology-based service for traveling short distances. The PDA-P3 was divided into two parts, Part A ("Planning and Design,) and Part B ("Implementation and Evaluation").

In April 2018, three PDA-P3 contracts were awarded for service feasibility studies to tech teams with transit planning firms (RideCo/Iteris, Via/Nelson/Nygaard and Transdev/AECOM). The Part A findings were set to serve as the foundation for implementation in Part B.

During the service design period, the three competitors worked with all departments at Metro to craft operations and identify service areas to support equity, network connectivity, economic mobility, congestion reduction and environmental goals. Findings were used to inform the Regional Reading Operating Plan (Attachment F). In September 2019, the three companies completed Part A ("Planning and Design").

To best maximize efficiencies and utilize the vast in-house expertise available, implementation of this new MicroTransit service was shifted to Metro Operations for Part B ("Implementation and Evaluation"). Under the direction of Metro's Chief Operations Officer, the agency has entered pre-revenue service operations as based upon the service feasibility studies (PDA-P3, Part A), the operational road map of the agency under the build outs identified in Measures R and M and the NextGen Bus Plan.

Metro staff recommends the MicroTransit Regional Readiness Operating Plan (Attachment F), in line with Proposed MicroTransit Service Zones displayed in the corresponding map (Attachment G).

DISCUSSION

Metro staff recommends the workforce outlined below to deliver a functional and successful operation:

Operators (SMART)

Metro employees will operate the MicroTransit vehicles under the signed side letter with our exclusive operating Union, SMART-TD, representing all new 80 employee operators for FY20.

Supervisors (AFSCME)

Metro employees will supervise the daily operations of MicroTransit Operators. Seven (7) transit operations supervisors (TOS) will provide on-street operations supervision, coordination, service monitoring and training for MicroTransit operators for FY20.

MicroTransit Project Team (Non-Contract)

The MicroTransit project oversight team will be responsible for, but not limited to, management of daily operations and contract administration; development of MicroTransit training specific to on-demand technology and operations; establishment of safety protocols and procedures for incident training, reporting and resolution; development and management of partnerships and coordination with local cities, municipal operators, local organizations and businesses; direct customer acquisition strategies (includes financial agreements with public and private funders); and analysis to optimize service delivery in order to compete in the marketplace. The five (5) non-contract project positions necessary for pre-launch, revenue service operations and evaluation of the pilot are listed as follows (see attachment D for details):

- 1 Director, Transportation Operations

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- 2 Manager, Transportation Operations
 - 1 Principal Transportation Planner
 - 1 Sr. Administrative Analyst

These positions will report to the Sr. Director, Special Projects for MicroTransit. If MicroTransit becomes a permanent operation, Metro will retain the above positions (operators and project team) as permanent employees of the agency. The Non-Contract positions required to support this project will be allocated from agency-wide vacancies in FY20. Non-Contract positions required to support the project will be allocated from approved agency FY20 staffing levels. All Contract, Non-Contract positions, and all other resources needed in future fiscal years will be included in fiscal year annual budget requests.

Private Partner

Metro will partner with RideCo, Inc. who will be responsible for, but not limited to, the following:

- Create and maintain a software platform (includes multi-modal trip planning, booking, payment tools, etc.)
- Lease, maintain, clean, and fuel/electrify the mixed fleet
- Secure and manage the Reporting Locations (remote vehicle storage and office space for the operations)
- Conduct targeted communications campaigns within deployment areas

DETERMINATION OF SAFETY IMPACT

Customer and operator safety are core to maintaining the highest standards of security and the optimal service design for MicroTransit. Real-time information on vehicles and tools for customers will enhance communications for incident prevention as well as incident reporting. The MicroTransit technology platform will integrate with TransitWatch and related digital tools managed or used by local law enforcement, community health and homelessness advocates, community-based social networking and our transit operations control. The mission is to keep our drivers and customers safe by monitoring emergency, and security incidents, assessing risk, and identifying threats. The project team will work hand-in-hand with System Security and Law Enforcement (SSLE) to address issues such as sexual harassment and homelessness, resulting in enhanced safety on Metro's core transit system and building public trust. Close coordination with SSLE, law enforcement departments, civil rights and other internal Metro departments will ensure the best possible safety and security program for our system.

FINANCIAL IMPACT

Adoption of this pilot program has a FY20 total budget impact of \$7,750,000 (see MicroTransit Expenditure Plan in Attachment E). Therefore, a FY20 budget amendment in the amount of \$7,750,000 is required for pre-revenue and operational expenses. In addition, a FY20 budget amendment for 87 Contract positions is required. The five (5) Non-Contract project positions required to support the project will be allocated from approved agency FY20 staffing levels. Positions and all other resources required for this project will be reassessed and included in fiscal year annual budget requests.

Since this is a multi-year project, the program manager, cost center manager, and chief operations officer will ensure all project resources are budgeted in future fiscal years.

Impact to Budget

Funding for current and future years of the operations, will be included within Metro's annual Operations budget. Metro staff will continue to prioritize grant funding at local, state and federal levels as well as private financing opportunities as they become available.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports the following goals of the Metro Strategic Plan:

Goal 1: Provide high quality mobility options.

MicroTransit will provide a robust and high-quality mobility option for customers, particularly in communities where privately-funded technology is lacking and will allow customers to request on-demand service and connect to transit and destinations they would not otherwise be able to easily reach.

Goal 2: Deliver outstanding trip experiences for all users of the transportation system.

MicroTransit will vastly improve the customer experience for existing customers by reimagining the current trip planning tools and integrating with TransitWatch for smoother and safer trips. This service will increase the number of customers to the Metro system by offering more entry points to Metro's family of services.

Goal 3: Enhance communities and lives through mobility and access to opportunity.

In coordination with the NextGen restructure, MicroTransit will supplement the agency's bus service and ensure our customers maintain mobility and access to major trip generators including employment centers, health services, parks and schools across the County. Alignment and interoperability with the NextGen restructure will be critical to pilot success.

Goal 4: Transform LA County through collaboration and leadership.

Metro is a regional leader on New Mobility through MicroTransit. Metro staff is actively engaging and coordinating with stakeholders across the County to explore how technology can be used to harness transit benefits for all community members. Metro chairs the countywide On-Demand technology working group.

Equity Platform Framework

The agency's Equity Platform remains critical to the design and implementation of the MicroTransit operation. MicroTransit is being designed to address equity concerns head-on by accommodating customers that are not yet served well by core transit services or other on-demand transportation services operated by the private sector. Service areas including hours of operation and pick-up and drop-off locations are being designed with geographic and socio-economic equity in mind. Initiatives, policies, practices, and principles are being applied to the service design and implementation and will be iterated upon once the service is live on the street.

MicroTransit operations will also support Metro's commitment to protecting and preserving the natural environment by utilizing clean emissions vehicles (Transit 350s electric) as part of the mixed fleet of vehicles for this service.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the recommended action. This alternative would eliminate programming developed to supplement the Next Gen Bus Plan, void the negotiated side letter for our represented workforce with SMART-TD and purge one of the twenty-eight by 2028 projects as identified and approved by the Board of Directors.

NEXT STEPS

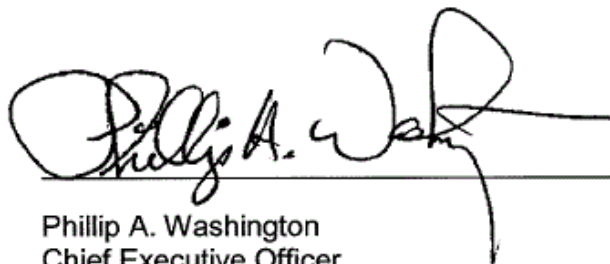
Per Attachment D, the MicroTransit Team Staffing Plan, Metro will launch recruitment of operators, management and support staff and provide training in policies and procedures unique to the MicroTransit operation. Metro staff will secure agreements with local partners/jurisdictions for pre-revenue service operations as per Attachment C, the Regional Readiness Operational Plan. The newly assembled project team will finalize trainings, policies, procedures and protocols including standard operating procedures, security protocols, the MicroTransit Operator Rulebook and Customer Code of Conduct. Outreach, marketing, and customer education on the new mode and connectivity to the Metro network will be critical to service adoption among transit customers new and existing. The private sector partner will support these efforts and finalize arrangements for reporting locations, vehicles and related hardware and software programming and retrofits.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary
Attachment D - MicroTransit Pilot Project Team Staffing Plan
Attachment E - MicroTransit Pilot Project Expenditure Plan
Attachment F - Regional Readiness Operating Plan
Attachment G - Proposed Service Zones Map

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

MICROTRANSIT PILOT PROJECT / CONTRACT NO. PS46292001

1.	Contract Number: PS46292001			
2.	Contractor: RideCo, Inc.			
3.	Mod. Work Description: MicroTransit Pilot Project – PART B (Implementation)			
4.	Contract Work Description: To assist in the day-to-day performance of a new transit mode in areas of the County of Los Angeles as approved by Metro			
5.	The following data is current as of: January 3, 2020			
6.	Contract Completion Status		Financial Status	
	Contract Awarded:	04-26-2018	Contract Award Amount:	\$219,650.26
	Notice to Proceed (NTP):	05-22-2018	Total of Modifications Approved:	\$ 66,334.87
	Original Complete Date:	09-06-2019 (PART A)	Pending Modifications (including this action):	\$ 28,874,747.50
	Current Est. Complete Date:	09-01-2022 (PART B)	Current Contract Value (with this action):	\$ 29,160,732.63
7.	Contract Administrator: Roxane Marquez		Telephone Number: 213-922-4147	
8.	Project Manager: Rani Narula-Woods		Telephone Number: 213-922-7414	

A. Procurement Background

This Board Action is to approve Contract Modification No. 5 to implement Part B of MicroTransit Pilot Project (“Project”) issued in support of a new transportation service to extend the reach of Metro’s multi-modal network.

This Contract Modification will be processed in accordance with Metro’s Acquisition Policy and the contract type is a firm fixed price. The period of performance for Part B is for two (2) years of Revenue Service Operations with 120 days of pre-Revenue Service Operations and 30 days for post-Revenue Service Operations for the final evaluation, totaling 29 months. The Contract includes a one-year option (month-to-month service, for up to 12 months) for a third and final Revenue Service Operations year of the Pilot.

The initial Request for Proposals (RFP) for this project was issued on October 25, 2017 and was solicited and awarded to be executed in two parts; Part A, the “Planning and Design” phase and Part B, the “Implementation and Evaluation” phase. This procurement tool served as the agency’s first Pre-Development Agreement Public Private Partnership (PDA-P3) procurement model.

On April 26, 2018, the Board awarded three (3) contracts to firms to perform Part A (Planning and Design) of the MicroTransit Pilot Project. The period of performance for Part A was 6 months. Part B was determined to be a future Board action depending on the feasibility results of Part A. The three firms awarded, and their respective award amounts, are as follows:

- | | |
|---------------------|--------------|
| • RideCo, Inc., | \$219,650.26 |
| • NoMad (Via) LLC, | \$348,684.69 |
| • Transdev Services | \$316,912.31 |

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

On April 23, 2019, the RFP for Part B (Implementation and Evaluation) was issued to each of the three Contractors in accordance with Metro's Acquisition Policy and Procedures with a separate SBE/DVBE goal of 13% (SBE 10% and DVBE 3%). The Part B RFP provided all three firms with a Letter of Invitation to compete for Part B with a Statement of Work for Part B, an Evaluation Criteria on how their proposals were to be evaluated, and instructions for required documentation; thereby requesting competitive proposals for Part B based on their specific study and analysis.

Six (6) amendments were issued to the RFP Documents, amending documents as follows:

- Amendment No. 1, issued on June 26, 2019, clarified instructions to Proposers – Submittal Requirements (Part A) and extended the due date for both Part A Final Report and Part B proposal to August 16, 2019.
- Amendment No. 2, issued on July 12, 2019, clarified instructions to Proposers – Submittal Requirements (Part B) and extended the Part B proposal due date to August 23, 2019, provided a revised Exhibit B – Pricing Schedule and removed Exhibit 10 – Certification of Compliance with 59 CFP Part 655, Prevention of Alcohol Misuse and Prohibit Drug Use as this does not apply.
- Amendment No. 3, issued on July 31, 2019 extended the due date for Part A Final Report to August 30, 2019 and Part B proposal to September 6, 2019, provided a Supplemental Contract (Amended and Restated) for Part B; and provided for in-person Interviews and Oral Presentations for Part B of the Technical Proposal.
- Amendment No. 4, issued August 28, 2019, extended Part A Final Report due date to September 6, 2019 and extended Part B proposal due date to September 13, 2019.
- Amendment No. 5, issued December 16, 2019, provided a revised and amended Statement of Work (dated 12/16/19) and requested revised Technical Proposals for Part B to be due on December 30, 2019; provided a revised

Exhibit B – Pricing Schedule; provided a revised Exhibit C – Insurance Requirements, provided a revised Article VIII: Insurance; and revised GC-37 Liability and Indemnification.

- Amendment No. 6, issued December 24, 2019, provided a revised Statement of Work for Part B (dated 12/24/19) and extended the due date for Exhibit B – Pricing Schedule to January 2, 2020.

On September 6, 2019, the contracted firms submitted their Final Reports for Part A for the design, planning and development of this project. Final Reports for Part A were reviewed by the Project Manager to learn of their study and to determine the feasibility of this project. This concluded their performance to Part A of the contract for this two-part procurement.

On September 13, 2019, all three (3) firms submitted their Technical Proposal and Price Proposal for Part B based on their recommended design and development for the operation.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from the Office of Extraordinary Innovation, Operations, Policy, Communications, and Information Technology was convened and conducted a comprehensive technical evaluation of the proposals received for Part B.

The proposals were evaluated based on the following evaluation criteria and weights:

1. Customer Experience	15 percent
2. Service Feasibility Study	15 percent
3. Communications Plan	12 percent
4. Performance Plan	12 percent
5. Business Plan	16 percent
6. Price Proposal – Part B	30 percent

Several factors were considered when developing these weights, giving the greatest importance to Price Proposal for implementing Part B.

On October 8, 2019, the Proposal Evaluation Team (PET) completed its independent evaluation of proposals. The PET determined that all three (3) teams were invited to an in-person Interview and Oral Presentation to answer questions, clarify Technical Proposals and approaches to service design and to present their Technical Proposal for implementing Part B.

The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation team's specific questions regarding Part B of their Technical Proposal. Each team also had an opportunity to present their findings and proposed plans under the five technical subject areas identified in the evaluation criteria. Each team summarized their unique approach to

launching a successful on-demand, technology-based transit operation. Also highlighted were staffing plans, work plans, key performance metrics including utilization and anticipated pilot project opportunities and constraints.

Qualifications Summary of Firms Interviewed:

RIDECO

RideCo, Inc. is a full-service, on-demand mobility firm with a breadth of experience developing, maintaining and managing the underlying software technology platforms to conduct MicroTransit operations. RideCo has worked closely with public and private sector partners on the integration of MicroTransit into service offerings in the United States and globally. RideCo is headquartered in Waterloo/Ontario, Canada.

RideCo's Part B Technical Proposal and oral presentation demonstrated thorough expertise in emerging on-demand technologies, strong analysis of zones, and experience with launching on-demand services with partners to support fixed-route network integration. Project personnel demonstrated a deep understanding of Metro's potential for market positioning of MicroTransit in the evolving field of transportation technology. NextGen transit competitiveness research was clearly and explicitly utilized to support the planning work conducted by RideCo.

The Technical Proposal and oral presentation demonstrated RideCo's experience in all required tasks for Part A including pre-launch planning, deployment planning and service design that would most effectively assist the agency in achieving the aspirational goals and performance outcomes reflected in Vision 2028, Metro's Strategic Plan.

RideCo's detailed analysis and modeling supports operational feasibility of this new service offering. Additionally, the showcase of RideCo's technical skill combined with their understanding of the Statement of Work reinforces the team's ability to perform in-line with Metro's performance standards and, at peak performance, to exceed operational and financial targets for this service. The utilization and ridership modeled will allow for the agency to set attainable cost recovery goals and expectations.

RideCo effectively proposed to partner with Metro to build a service which supports the backbone of public transit (the Agency's bus and rail network). The Part B Technical Proposal was comprehensive, thorough in approach, and aligned with Metro's goals and needs of customers both current and future. RideCo illustrated a detailed strategy to achieve the performance standards and utilization required to achieve project success as outlined in the Statement of Work. The maintenance plan offered extensive consideration of safety for both Metro operators and customers. Of equal importance, the Technical Proposal included detailed attention and approach to meet and exceed the unique needs of customers with varying levels of mobility.

Most notably unique to RideCo's expertise as witnessed in their oral presentation is their advanced ability to leverage data and analytics to model and implement operations which can bolster the core product of their respective client.

RideCo's team for Part B consists of the industry's top performers in the field of MicroTransit including specialists in software development, modeling and analytics, vehicle procurement and on-demand marketing and high-touch customer acquisition and outreach techniques.

NOMAD TRANSIT LLC (Via)

NoMad Transit LLC ("Via"), is a wholly-owned subsidiary of Via Transportation, Inc. headquartered in New York City. Via is registered in California as a Transportation Network Company and is focused on providing on-demand technology and subsidized support services to the public sector. The firm directly manages private operations in numerous cities in the United States.

The firm's Technical Proposal offered a software technology platform which distinctly featured improved user experience attributes combined with neatly managed look and user design. The suite of technology tools emphasized ease of use and tied into the proposed market positioning of MicroTransit. Overall, the Technical Proposal offered generally sound analysis with a comprehensive approach to data collection.

The Technical Proposal and oral presentation however, reflected limited understanding of Metro's expectations for a new mode of transportation within Metro's family of services. Metrics for success, including utilization, were not aligned with agency performance goals and yet to be realized improvements per NextGen bus restructure. The firm's Maintenance plan was generally limited in approach and oversight for hybrid P3 operation. Market positioning relied too heavily on positioning transit service as a private ride and leveraging company's brand rather than focusing on the conversion of core transit customers to Metro on-demand riders. The Technical Proposal did not identify and communicate how Metro could best leverage Metro's resources and assets for a Metro operation. The proposed team consisted of a number of specialists including communications experts.

TRANSDEV

Transdev, formerly Veolia Transdev, is a French-based international transport operator, with operations in 19 countries. Transdev also has a Maryland-based corporation.

Transdev's Technical Proposal and oral presentation displayed expertise in a broad range of disciplines, including a strong working knowledge of bus rapid transit, shuttles, fleet maintenance and multimodal services. The firm's Technical Proposal and presentation demonstrated an experienced project team in the fields of transportation technology, operations and service planning.

However, plans and responses to clarifications during oral presentation affirmed a number of critical missing details pertaining to vision and execution of the operation. Transdev did not submit incentives or deductions worksheets and, as such, failed to identify or project Key Performance Metrics that are critical to evaluate pilot project success. Performance measurement was inadequate and, as such, the approach failed to execute on the aspirational goals as identified and reflected in Vision 2028.

On October 4, 2019, the PET completed its evaluation of the above-mentioned proposals after oral interviews and presentations were held. As a result of evaluations, Transdev was determined to be outside the competitive range and was no longer considered for further evaluation.

Upon further development of the NextGen bus restructure and labor rules pertaining to this operation, staff became aware of new requirements for launching and operating MicroTransit. As such, Metro determined that a revised Statement of Work for Part B was required to incorporate clarifications, identify new requirements, and changes to hardware. Most notably, the side letter for the new operators (drivers) and the expectation for Reporting Locations with facilities, office space and parking for Metro employees. Metro also learned that a larger vehicle fleet was required to support integration of MicroTransit within the system-wide build out of the NextGen bus system.

Given these new requirements, Amendment No. 5 was issued on December 16, 2019 with a revised Statement of Work to the two (2) firms deemed within the competitive range after Interviews and Oral Presentations. These firms are listed in alphabetical order:

- NoMad, LLC (Via)
- RideCo, Inc.

Both firms were required to submit a revised Technical Proposal and updated Price Proposal based upon a revised Statement of Work for Part B.

The PET reconvened to evaluate each firms' revised Technical Proposals based upon new requirements presented in the revised Statement of Work. On December 31, 2019, the PET completed its independent evaluation of the technical proposals. As a result, the firms earned the following final scores with RideCo, Inc. ranked as the highest firm to perform Part B, project implementation.

		Average Score	Factor Weight	Weighted Average Score	Rank
1	Firm				
2	RideCo				

3	Customer Experience	88.00	15.00%	13.20	1
4	Service Feasibility Study	94.00	15.00%	14.10	
5	Communications Plan	79.00	12.00%	9.48	
6	Performance Plan	89.60	12.00%	10.75	
7	Business Plan	80.25	16.00%	12.84	
8	Price Proposal	88.15	30.00%	26.45	
9	Total		100.00%	86.82	
10	NoMad Transit LLC				2
11	Customer Experience	69.67	15.00%	10.45	
12	Service Feasibility Study	54.33	15.00%	8.15	
13	Communications Plan	62.50	12.00%	7.50	
14	Performance Plan	56.60	12.00%	6.79	
15	Business Plan	60.50	16.00%	9.68	
16	Price Proposal	100.00	30.00%	30.00	
17	Total		100.00%	72.57	

C. Price Analysis

The recommended price of \$28,874,748 by RideCo has been determined to be fair and reasonable based upon an independent cost estimate (ICE), competition, price analysis, technical evaluation, clarifications and negotiations.

Proposer	Proposal Amount	Negotiated Amount	Metro ICE
NoMad (Via)	\$25,909,721	N/A	\$28,500,000
RideCo	\$29,391,260	\$28,874,748	

CONTRACT MODIFICATION/CHANGE ORDER LOG

MICROTRANSIT PILOT PROJECT

CONTRACT NO. PS46292001

Mod. No.	Description	Status (approved or pending)	Date	\$ Amount
1	Period of Performance Extension	Approved	09-04-2018	\$ 0.00
2	Period of Performance Extension	Approved	12-19-2018	\$ 0.00
3	Revised Statement of Work to increase Work to be Performed	Approved	05-23-2019	\$ 66,334.87
4	Period of Performance Extension	Approved	10-31-2019	\$ 0.00
5	Part B (Implementation) of MicroTransit Pilot Project	Pending	Pending	\$ 28,874,747.50
	Modifications Total:			\$ 28,941,082.37
	Original Contract:		04-26-2018	\$ 219,650.26
	Total:			\$29,160,732.63

DEOD SUMMARY

MICROTRANSIT PILOT PROJECT / CONTRACT NO. PS46292001

A. Small Business Participation – Part A (Planning & Design)

RideCo, Inc. made a 28.59% Small Business Enterprise (SBE) and 3.64% Disabled Veteran Business Enterprise (DVBE) commitment. Part A of the project is 100% complete and RideCo, Inc. exceeded their SBE commitment with 29.52% SBE participation and met their DVBE commitment with 3.64% participation.

SMALL BUSINESS COMMITMENT	28.59% SBE 3.64% DVBE	SMALL BUSINESS PARTICIPATION	29.52% SBE 3.64% DVBE
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	SBE Subcontractors	% SBE Commitment	% Current Participation
1.	Civic Projects Incorporated	9.40%	7.97%
2.	Arellano Associates	19.19%	21.55%
	Total Commitment	28.59%	29.52%

	DVBE Subcontractor	% DVBE Commitment	% Current Participation
1.	DVE Global Marketing, Inc.	3.64%	3.64%
	Total Commitment	3.64%	3.64%

B. Small Business Participation – Part B (Implementation)

The Diversity and Economic Opportunity Department (DEOD) established a 10% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for Part B of this project. RideCo, Inc. exceeded the goal by making a 10.23% SBE and 3.20% DVBE commitment.

SMALL BUSINESS GOAL	10% SBE 3% DVBE	SMALL BUSINESS COMMITMENT	10.23% SBE 3.20% DVBE
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	Name of Subcontractors	% SBE Commitment	% DVBE Commitment
1.	Design Studios, Inc. (SBE)	8.04%	
2.	Arellano Associates (SBE)	2.19%	
3.	DVE Global Marketing, Inc. (DVBE)		3.20%
	Total Commitment	10.23%	3.20%

C. 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 modification.

D. Prevailing Wage Applicability

Prevailing Wage is not applicable to this modification.

E. Project Labor Agreement/Construction Careers Policy

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

MicroTransit Operations Project Team Staffing Plan

Fiscal Year Additions

Union	Position	Total # of FTEs	FY20	FY21
SMART	Operators	180	80	100
AFSCME	Transit Operations Supervisors	7	7	
Represented Employees		187	87	100

ALLOCATION FROM AGENCY BUDGET		Total # of FTEs	FY20	FY21
NC	Director, Transportation Operations	1	1	
NC	Manager, Transportation Operations	2	2	
NC	Principal Transportation Planner	1	1	
NC	Sr. Administrative Analyst	1	1	
Non-Represented Project Employees		5	5	0
Grand Total		192	92	100

**MicroTransit Pilot Project - Expenditure Plan
(Estimate)**

	FY20 Budget (Existing)	FY20 Amendment	FY21	FY22	FY23	Total
Rough Order of Magnitude/Uses of Funds						
Contract & Leased Vehicles		\$ 5,100,000	\$ 13,400,000	\$ 8,800,000	\$ 1,574,748	\$ 28,874,748
Temporary Staff Labor (As-Needed & Interns)	\$ 187,500	\$ 82,500	TBD	TBD	TBD	TBD
Operational Expenses, Training, Computer Supplies & Admin	\$ 844,000	\$ 2,567,500	TBD	TBD	TBD	TBD
Estimated Pilot Expenses	\$ 1,031,500	\$ 7,750,000	\$ 13,400,000	\$ 8,800,000	\$ 1,574,748	\$ 28,874,748
<i>Estimated Represented Employee Annual Expense</i>		\$ 3,504,625	\$ 15,728,868	\$ 17,393,976	\$ 8,673,945	\$ 45,301,414
<i>Estimated Non-Represented Employee Annual Expense</i>		\$ 725,320	\$ 1,523,171	\$ 1,576,482	\$ 1,631,659	\$ 5,456,631



The funding sources under this pilot are currently sufficient to award the contract base of this recommendation.

**These figures are subject to change at any time based on the pilot needs.*

MicroTransit Regional Readiness Operating Plan

What is MicroTransit?

- More than 50% of all trips in Los Angeles County are short (1-5 mile), solo trips using a private car service or driven alone.
- Metro captures few of these trips today.
- To increase ridership, Metro seeks to pair the best of public operations with the best of private technology.
- This new service will maximize new technology to improve the customer experience of Metro's current customers and support the use of Metro's existing suite of services.

	 VIA	 Metro
On-demand Ridesharing	✓	✓
Mobile Application	✓	✓
First/Last Mile	✓	✓
End to End Trips		✓
Metro Call Center		✓
40% Wheelchair Accessible Vehicles		✓
TAP Integration		✓
Transit Watch Integration		✓
Feasibility Studies Completed		✓
SMART Operators with Specialized Training		✓
Staff On-Location		✓

How does MicroTransit Work?

- Shared rides ordered through a regional call center, booked with a mobile application, and/or arranged using an internet browser.
- All MicroTransit operators are Metro employees.
- Service supplements the NextGen Bus Plan.
- Offers quick boards at priority transit stations and stops.
- Five types of vehicles are featured in mixed fleet: Transit 150, Transit 350 (electric), Grand Caravan, Metris and Sprinter.
- Provides customized features for individuals and families with all levels of mobility.

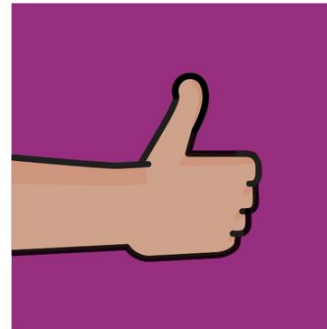
It's reliable.



It's affordable.



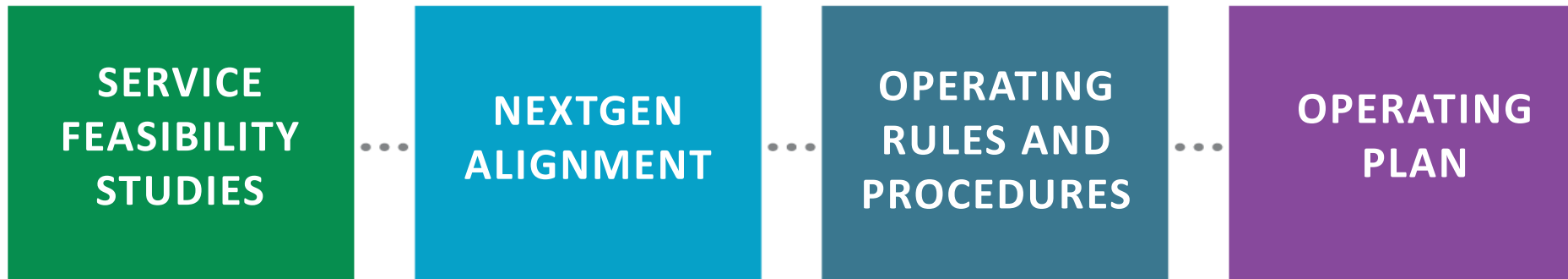
It's safe.



It's customer-driven
and customer-focused.



MicroTransit Roadmap



Prioritizing Safety First



- Metro employee operators will be vetted and trained with an emphasis on customer service and security.
- Up to 10 weeks of in-person operator training created in coordination with:
 - Women & Girls Governing Council
 - Government Alliance on Racial Equity
 - Office of Civil Rights
 - Access Services
 - Understanding How Women Travel Study Team
 - The Equity Platform Project Leads
- Real-time data on vehicle locations, drop offs and pick-up times.
- Security technology with live monitoring of vehicles.

Factors for Identifying Pilot Locations

Network Connectivity:	up to 2/3 of trips will be transfers to other public operations
Economic Mobility:	increases access to jobs, educational resources/institutions
Major Trip Generators:	supports employment centers, hospitals, universities, schools
Priority Use Cases:	medical, students, retail, commuting, child care pick-ups
Customer Demand:	can achieve moving 10 people an hour per vehicle
Shared Usage:	can achieve 70% shared rides
Geographic Equity:	tests variety of unique neighborhoods, communities
Vehicle Miles Traveled:	reduces solo occupancy short trips within the County
Community Partnerships:	has engaged businesses, cities, community based organizations

MicroTransit Operated by Metro

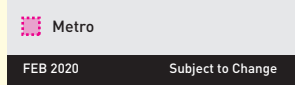
Service available 7 days a week
Initial soft launch (60 days) at 12 hour service span per day

Summer 2020	Watts/Willowbrook
Fall 2020	Northwest San Fernando Valley
Winter 2020	LAWA/Inglewood
Spring 2021	Highland Park/Eagle Rock/Glendale
Summer 2021	Altadena/Pasadena/Sierra Madre
Fall 2021	UCLA/VA Medical Center/Century City

Pilot recommendation allows for three years of Revenue Service Operations. The zones as identified on the map in pink are the anticipated maximum scale of the six service areas.

Proposed Metro MicroTransit Service Zones







Board Report

File #: 2019-0865, **File Type:** Contract

Agenda Number: 29.

**PLANNING & PROGRAMMING COMMITTEE
FEBRUARY 19, 2020
OPERATIONS, SAFETY & CUSTOMER EXPERIENCE COMMITTEE
FEBRUARY 20, 2020**

SUBJECT: THE MICROTRANSIT PILOT PROJECT - PART B (IMPLEMENTATION)

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 5 to firm fixed price Contract No. PS46292001 with RideCo., Inc. as a private partner and technology firm for operations in conjunction with the deployment areas outlined in Attachment F (Regional Readiness Operating Plan) and Attachment G (Map), in the amount of \$28,874,747.50, increasing the total Contract value from \$285,985.13 to \$29,160,732.63.
- B. AMEND the FY20 budget for the MicroTransit pilot project implementation positions and funding listed below:
1. 80 Contract positions to operate the vehicles and 7 Contract positions to supervise the service; and
 2. \$7,750,000 for FY20 contractual and operational expenses

ISSUE

Metro staff seeks to implement innovation to both increase ridership of Metro's family of services and provide an improved customer experience for existing riders by expanding the agency's network through the testing and scaling of MicroTransit within LA County.

This new mode of public transit will offer shared rides which can be ordered through our regional call center, a new mobile application, and/or an internet browser. The suite of MicroTransit software tools for customers will offer real-time trip planning, booking, payment and fare system integration. Customers will also be able to pre-schedule trips or book repeat trips, as well as monitor the real-time status of trips for others under a linked account.

MicroTransit has been developed hand-in-hand to support implementation of the NextGen Bus Plan and the aspirational goal of a 10-minute maximum wait time per our strategic plan, Vision 2028.

According to our NextGen study findings, short trips (1-5 miles), which are being driven solo or with a private car service, are among the most important opportunities for the public sector to retain current ridership and to grow utilization among non-transit customers. Short trips are often to a local market, to pick up a child from daycare, to shuttle a child to an afterschool activity or for a medical appointment. Many of these trips are taken by students, older adults and parents of youth.

To help capture the more than 50% of short trips taking place in LA County today, MicroTransit will be introduced into our existing fixed-route network and provide continued opportunities for Metro to improve on managing customer demand at times when fewer customers are riding. This mixed fleet of vehicles (Transit 150, Transit 350, Grand Caravan, Metris and Sprinter) includes electric vehicles, which is in-line with operational testing on the Orange Line. For ease of use for the customer and personal space, most vehicles will be configured to carry 7-10 passengers.

MicroTransit will not only improve reliability and allow for guaranteed transfers across our multi-modal system but will also offer riders the opportunity to customize their experience by ordering a trip and linking to the next leg of their Metro journey. Metro staff anticipates up to two-thirds of the new trips generated by this mode will include transfers to other modes within Metro's family of services.

Customer and operator safety are critical to maintaining the highest standards of security and optimal service design for MicroTransit. To offer our customers the safest on-demand environment, the entire fleet of vehicles will be operated by our exclusive operating union, SMART-TD. The recommended software/technology platform, akin to Metro's current fixed-route operations, will achieve full integration with the TAP card and account system, and be connected to our Transit Watch network and operations centers for dispatch in the case of safety incidents.

Metro employee operators will undergo eight weeks of workforce training with a focus on customer service and safety. This new innovative training series developed in partnership with Human Capital and Development, the Office of Civil Rights and Operations will be the first of its kind in the nation and is being implemented in coordination with SMART-TD.

During the pilot phase of this operation, Metro staff recommends deploying MicroTransit into six identified areas where ridership can be retained and boosted. These service zones and their deployment schedule are as follows:

- Summer 2020: Watts/Willowbrook
- Fall 2020: Northwest San Fernando Valley
- Winter 2020: LAWA/Inglewood
- Spring 2021: Highland Park/Eagle Rock/Glendale
- Summer 2021: Altadena/Pasadena/Sierra Madre
- Fall 2021: UCLA/VA Medical Center/Century City

This service is recommended to be available 7 days a week with an initial soft launch (60 days) at a 12-hour service span per day. The background section on the following page, as well as Attachment F, details the factors utilized to identify these areas for operations.

This project is term-limited with up to three years of Revenue Service Operations, up to 120 days of

pre- launch and 30 days for final pilot evaluation. This operation will be evaluated to determine whether it should be incorporated as a permanent mode of the agency.

BACKGROUND

New and emerging technology has had a profound impact on how services are delivered. Among the most noteworthy trends has been the rise and growth of on-demand and customized services. In specific, the world of public transit has experienced a meaningful jolt resulting from these new on-demand economies. In California, this has amounted to the rise of Transportation Network Companies initially focused on replacing single-occupancy vehicles. However, in more recent months, this emerging sector has showcased a clear and intentional desire to replace trips traditionally served by public transit agencies.

Metro has continually monitored these changes and trends to better understand the strengths of these models, as well as the challenges in delivering equity. Metro's Office of Extraordinary Innovation (OEI) has engaged in this space by receiving and evaluating unsolicited proposals (including a proposal received in 2016 to test trip pooling technology), interviewing project managers and issuing findings. In partnership with the Eno Center for Transportation, Metro staff published the white paper, UpRouted, a compilation of findings on the early challenges to MicroTransit. Best practices as highlighted in the white paper were sourced from peers at Alameda-Contra Costa Transit District, Santa Clara Valley Transportation Authority and Kansas City Area Transportation Authority. More recently, Metro has funded a TNC partnership through OEI and managed directly by the private sector.

In 2017, under the direction of the Chief Executive Officer, Metro staff assembled an agency-wide team which to-date has drawn insights and expertise from more than 450 staff from all departments to design the new transit offering. This service has been built as a hybrid, merging the best of private technology with the experience of public operations to identify and respond to untapped mobility opportunities within LA County.

The concept was to set-up a multi-year pilot, which would test how an on-demand operation run by Metro employees using private sector technology and vehicles could integrate within Metro's family of services. This service would encourage current Metro customers to ride the system more regularly for a safe, comfortable, reliable, single-direction or round-trip ride.

By introducing and testing a new service focused on short trips in smaller vehicles, Metro would be able to flex its' operations to match the mode/vehicle to the customer. This new operation would tap into the growing momentum and expectation around new technology and tools to encourage ridesharing with Metro for short trips. This was the genesis of the agency's first Pre-Development Agreement Public Private Partnerships (PDA-P3s), which supports a two-part contract similar to a design-build contracting model.

In October 2017, the competitive Request for Proposal (RFP) was issued to procure services from qualified firms or Contractor Team(s) to partner with Metro for planning, designing, testing and evaluating a technology-based service for traveling short distances. The PDA-P3 was divided into two parts, Part A ("Planning and Design,) and Part B ("Implementation and Evaluation").

In April 2018, three PDA-P3 contracts were awarded for service feasibility studies to tech teams with transit planning firms (RideCo/Iteris, Via/Nelson/Nygaard and Transdev/AECOM). The Part A findings were set to serve as the foundation for implementation in Part B.

During the service design period, the three competitors worked with all departments at Metro to craft operations and identify service areas to support equity, network connectivity, economic mobility, congestion reduction and environmental goals. Findings were used to inform the Regional Reading Operating Plan (Attachment F). In September 2019, the three companies completed Part A (“Planning and Design”).

To best maximize efficiencies and utilize the vast in-house expertise available, implementation of this new MicroTransit service was shifted to Metro Operations for Part B (“Implementation and Evaluation”). Under the direction of Metro’s Chief Operations Officer, the agency has entered pre-revenue service operations as based upon the service feasibility studies (PDA-P3, Part A), the operational road map of the agency under the build outs identified in Measures R and M and the NextGen Bus Plan.

Metro staff recommends the MicroTransit Regional Readiness Operating Plan (Attachment F), in line with Proposed MicroTransit Service Zones displayed in the corresponding map (Attachment G).

DISCUSSION

Metro staff recommends the workforce outlined below to deliver a functional and successful operation:

Operators (SMART)

Metro employees will operate the MicroTransit vehicles under the signed side letter with our exclusive operating Union, SMART-TD, representing all new 80 employee operators for FY20.

Supervisors (AFSCME)

Metro employees will supervise the daily operations of MicroTransit Operators. Seven (7) transit operations supervisors (TOS) will provide on-street operations supervision, coordination, service monitoring and training for MicroTransit operators for FY20.

MicroTransit Project Team (Non-Contract)

The MicroTransit project oversight team will be responsible for, but not limited to, management of daily operations and contract administration; development of MicroTransit training specific to on-demand technology and operations; establishment of safety protocols and procedures for incident training, reporting and resolution; development and management of partnerships and coordination with local cities, municipal operators, local organizations and businesses; direct customer acquisition strategies (includes financial agreements with public and private funders); and analysis to optimize service delivery in order to compete in the marketplace. The five (5) non-contract project positions necessary for pre-launch, revenue service operations and evaluation of the pilot are listed as follows (see attachment D for details):

- 1 Director, Transportation Operations

-
- 2 Manager, Transportation Operations
 - 1 Principal Transportation Planner
 - 1 Sr. Administrative Analyst

These positions will report to the Sr. Director, Special Projects for MicroTransit. If MicroTransit becomes a permanent operation, Metro will retain the above positions (operators and project team) as permanent employees of the agency. The Non-Contract positions required to support this project will be allocated from agency-wide vacancies in FY20. Non-Contract positions required to support the project will be allocated from approved agency FY20 staffing levels. All Contract, Non-Contract positions, and all other resources needed in future fiscal years will be included in fiscal year annual budget requests.

Private Partner

Metro will partner with RideCo, Inc. who will be responsible for, but not limited to, the following:

- Create and maintain a software platform (includes multi-modal trip planning, booking, payment tools, etc.)
- Lease, maintain, clean, and fuel/electrify the mixed fleet
- Secure and manage the Reporting Locations (remote vehicle storage and office space for the operations)
- Conduct targeted communications campaigns within deployment areas

DETERMINATION OF SAFETY IMPACT

Customer and operator safety are core to maintaining the highest standards of security and the optimal service design for MicroTransit. Real-time information on vehicles and tools for customers will enhance communications for incident prevention as well as incident reporting. The MicroTransit technology platform will integrate with TransitWatch and related digital tools managed or used by local law enforcement, community health and homelessness advocates, community-based social networking and our transit operations control. The mission is to keep our drivers and customers safe by monitoring emergency, and security incidents, assessing risk, and identifying threats. The project team will work hand-in-hand with System Security and Law Enforcement (SSLE) to address issues such as sexual harassment and homelessness, resulting in enhanced safety on Metro's core transit system and building public trust. Close coordination with SSLE, law enforcement departments, civil rights and other internal Metro departments will ensure the best possible safety and security program for our system.

FINANCIAL IMPACT

Adoption of this pilot program has a FY20 total budget impact of \$7,750,000 (see MicroTransit Expenditure Plan in Attachment E). Therefore, a FY20 budget amendment in the amount of \$7,750,000 is required for pre-revenue and operational expenses. In addition, a FY20 budget amendment for 87 Contract positions is required. The five (5) Non-Contract project positions required to support the project will be allocated from approved agency FY20 staffing levels. Positions and all other resources required for this project will be reassessed and included in fiscal year annual budget requests.

Since this is a multi-year project, the program manager, cost center manager, and chief operations officer will ensure all project resources are budgeted in future fiscal years.

Impact to Budget

Funding for current and future years of the operations, will be included within Metro's annual Operations budget. Metro staff will continue to prioritize grant funding at local, state and federal levels as well as private financing opportunities as they become available.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports the following goals of the Metro Strategic Plan:

Goal 1: Provide high quality mobility options.

MicroTransit will provide a robust and high-quality mobility option for customers, particularly in communities where privately-funded technology is lacking and will allow customers to request on-demand service and connect to transit and destinations they would not otherwise be able to easily reach.

Goal 2: Deliver outstanding trip experiences for all users of the transportation system.

MicroTransit will vastly improve the customer experience for existing customers by reimagining the current trip planning tools and integrating with TransitWatch for smoother and safer trips. This service will increase the number of customers to the Metro system by offering more entry points to Metro's family of services.

Goal 3: Enhance communities and lives through mobility and access to opportunity.

In coordination with the NextGen restructure, MicroTransit will supplement the agency's bus service and ensure our customers maintain mobility and access to major trip generators including employment centers, health services, parks and schools across the County. Alignment and interoperability with the NextGen restructure will be critical to pilot success.

Goal 4: Transform LA County through collaboration and leadership.

Metro is a regional leader on New Mobility through MicroTransit. Metro staff is actively engaging and coordinating with stakeholders across the County to explore how technology can be used to harness transit benefits for all community members. Metro chairs the countywide On-Demand technology working group.

Equity Platform Framework

The agency's Equity Platform remains critical to the design and implementation of the MicroTransit operation. MicroTransit is being designed to address equity concerns head-on by accommodating customers that are not yet served well by core transit services or other on-demand transportation services operated by the private sector. Service areas including hours of operation and pick-up and drop-off locations are being designed with geographic and socio-economic equity in mind. Initiatives, policies, practices, and principles are being applied to the service design and implementation and will be iterated upon once the service is live on the street.

MicroTransit operations will also support Metro's commitment to protecting and preserving the natural environment by utilizing clean emissions vehicles (Transit 350s electric) as part of the mixed fleet of vehicles for this service.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the recommended action. This alternative would eliminate programming developed to supplement the Next Gen Bus Plan, void the negotiated side letter for our represented workforce with SMART-TD and purge one of the twenty-eight by 2028 projects as identified and approved by the Board of Directors.

NEXT STEPS

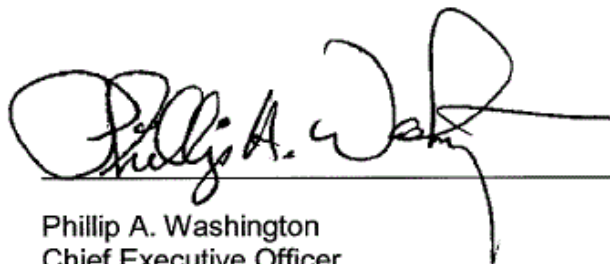
Per Attachment D, the MicroTransit Team Staffing Plan, Metro will launch recruitment of operators, management and support staff and provide training in policies and procedures unique to the MicroTransit operation. Metro staff will secure agreements with local partners/jurisdictions for pre-revenue service operations as per Attachment C, the Regional Readiness Operational Plan. The newly assembled project team will finalize trainings, policies, procedures and protocols including standard operating procedures, security protocols, the MicroTransit Operator Rulebook and Customer Code of Conduct. Outreach, marketing, and customer education on the new mode and connectivity to the Metro network will be critical to service adoption among transit customers new and existing. The private sector partner will support these efforts and finalize arrangements for reporting locations, vehicles and related hardware and software programming and retrofits.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary
Attachment D - MicroTransit Pilot Project Team Staffing Plan
Attachment E - MicroTransit Pilot Project Expenditure Plan
Attachment F - Regional Readiness Operating Plan
Attachment G - Proposed Service Zones Map

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Phillip A. Washington
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