



Board Report

File #: 2025-1010, File Type: Contract

Agenda Number: 26.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
FEBRUARY 19, 2026**

SUBJECT: METRO MICRO SOFTWARE SERVICES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to Execute Modification No. 2 to Contract No. PS124278(2) 000, Metro Micro Software Services with Spare Labs, Inc. in support of Metro Micro enhancements and the 2026 FIFA World Cup software platform for shuttle services in the firm-fixed price of \$386,150.00, increasing the total contract value from \$61,250.01 to \$447,400.01.

ISSUE

Metro Micro Software Services Contract No. PS124278(2)000 was awarded to Spare Labs, Inc. in the amount of \$0.01 to configure and customize an on-demand microtransit software platform supporting Metro Micro operations with limited contract modification authority. As Metro continues to refine and improve the Metro Micro service model, additional software configuration and enhancements are required that will also support the World Cup Games Enhanced Transit Services (WCGETS).

This Board action requests approval for Modification No. 2 to enhance Metro Micro’s software to 1) support predefined fixed routes, enabling a blended model of on-demand and fixed routing, 2) allow for integrated text and voice communication, and for 3) a three-month software subscription for the WCGETS vehicle fleet.

BACKGROUND

Metro Micro is an on-demand, shared ride transit service that utilizes a mobile application for drivers and customers, and cloud-based software platform to provide flexible point-to-point transportation based on customer demand. The software calculates the most efficient routing for each trip based on current traffic conditions and street access and provides real-time turn by turn navigation to the driver. The service currently operates in eight designated zones throughout Los Angeles County.

In March 2025, Metro Micro implemented a new operating model consisting of separate software and operating contracts. The software Contract No. PS124278(2)000 was awarded to Spare Labs, Inc. to provide a driver application, rider application, operations dashboard, and KPI and reporting functions

to support Metro Micro operations. In addition, the Contract's scope of services anticipated the need for additional and evolving services. The scope of services authorizes other types of additional work based on emerging needs on a permanent or temporary basis which may require enhancements to the software platform.

DISCUSSION

The current Metro Micro software contract provides the following functions to support dynamic routing and scheduling, including:

1. Driver and vehicle assignment management, dynamically adjusted in real-time;
2. Turn-by-turn driver navigation based on dynamic routing;
3. Text communication between dispatch and drivers;
4. A dispatch control center to monitor and manage overall operations; and
5. Performance dashboards to track KPIs and operational statistics.

This contract modification would allow for software modifications to further enhance Metro Micro's operating model to support predefined fixed routes, enabling a blended model of on-demand and fixed routing to serve recurring high-demand situations, such as school start and dismissal times. As an added benefit, the Metro Micro software, with the predefined fixed route enhancement, provides the necessary requirements for the WCGETS operations.

In less than five months, Los Angeles will be hosting eight FIFA men's World Cup matches at SoFi Stadium, including a quarter final game. To reduce traffic congestion, and limited parking availability at the stadium and surrounding area, Metro will be implementing WCGETS to transport 30,000 spectators and workforce for each game between various transit hubs and park and ride locations and SoFi Stadium.

The WCGETS plan requires over 330 vehicles and will be operated by a combination of Metro and other Southern California transit operators, and private contractors. To support this operation, a uniform plug-and-play technology is needed to track and communicate with the 300+ vehicles across multiple transit agencies and contractors. The system must also provide drivers with turn-by-turn navigation based on predetermined routes, with the ability to dynamically adjust routes, assignments, and operations in response to real-time changes to traffic conditions, security perimeters, street closures, and ridership demand. The traditional Metro ATMS (CAD-AVL) solution is not suitable in this case due to its extensive hardware and software infrastructure requirements.

While the WCGETS routes, schedules and driver assignments will be preplanned prior to the World Cup, it is anticipated that the WCGETS will need to be flexible to adjust to changes in traffic conditions, security perimeters, street closures, and ridership demand during and between games. The Metro Micro software, with its flexibility to adjust to these changes, and with the added predefined fixed route enhancement, provides the necessary requirements for WCGETS operation, including the ability to:

- Adjust routes and communicate adjustments to drivers in real time;
- Dynamically reassign drivers and vehicles between routes based on demand;
- Provide real-time turn-by-turn navigation through the driver application;
- Track and communicate with a mixed fleet of transit providers via a cloud-based plug; and play mobile device centrally in the WCGETS control center and in the field; and
- Capture and report operating statistics to inform adjustments needed to WCGETS during and between games.

Contract Modification No. 2 authorizes software updates to enhance Metro Micro's operating model to support predefined fixed routes, enabling a blended on-demand and fixed-route approach for recurring high-demand scenarios. This contract modification also adds integrated voice communication including Silent Alarm System (SAS), eliminating the need for separate cellular phones, and increases the fleet covered in the software subscription to include the WCGETS fleet of 330+ vehicles. Together, this modification enhances the Metro Micro services and allows the software to be used for the WCGETS operations.

DETERMINATION OF SAFETY IMPACT

The approval of this item will enhance operational safety and reliability by enabling real-time vehicle status visibility, system monitoring that ensures fast response to event-related incidents, rapid dispatch communication, and enhancing customers' transit experience.

FINANCIAL IMPACT

For this contract, funding of \$386,150 for Modification No. 2 for FY26 is allocated under cost center 3595 - Metro Micro Operations, Project 306007 - Special Mega Events, Task No. 01.02.20, World Cup 2026 Bus Transportation.

Impact to Budget

The current source of funds for this action includes Proposition C 40%. This funding source is eligible for bus operations.

EQUITY PLATFORM

The Metro Micro service is a dynamically routed shared transit service utilizing vehicles to pick up and drop off patrons based on customer demand rather than a fixed schedule and fixed routes. This on-demand shared-ride service is an on-call service, customized to customers' requests for when and where they want service, connecting more people to our existing transportation system. This service is designed for short, shared trips approximately 1-6 miles within Metro Micro's defined zones, utilizing vehicles that are smaller than traditional core transit rail cars and buses.

For our patrons utilizing the service, Metro Micro is committed to ensuring equitable access to

Metro’s shared-ride service. Metro Micro’s daily operations aim to increase overall ridership and provide access to important needs such as employment, education, health care, and necessities. Micro provides ADA accommodations for Metro customers with disabilities for shared ride pick-ups and drop-offs across all zones. The project includes several zones that all serve Equity Focus Communities (EFCs), including some zones consisting predominantly of identified EFCs.

Metro staff sought to address inequities in the availability and affordability of on-demand ride-hailing offered by private companies, which are often less available in areas with lower median household incomes. All Micro Zones contain EFCs, and the following chart shows a range of EFC coverage between zones:

Zone	% of Land Area in EFC	% of Population in EFC
Watts/Compton	68.0%	69.8%
El Monte	50.6%	73.3%
LAX/Inglewood	33.2%	40.3%
Highland Park / Eagle Rock / Glendale	19.3%	31.7%
North Hollywood / Burbank	19.2%	29.5%
Altadena / Pasadena / Sierra Madre	9.9%	23.7%
UCLA / Westwood / VA Medical Center	5.5%	10.6%
Northwest San Fernando Valley	3.9%	7.2%

For context, 31% of the land area of the eight Metro Micro Zones is in EFCs.

The data does acknowledge some unevenness across Micro Zones. For a long time, Altadena/Pasadena/Sierra Madre has had the highest ridership volume. However, in recent months, Highland Park/Eagle Rock/Glendale has seen steady growth and is increasing in ridership. Watts/Compton remains in third place. As a result, when looking at the proportion of our target population that resides in EFCs and combining that with our ridership proportion in each Micro Zone, we can estimate that 38.4% of Metro Micro ridership comes from EFCs.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro’s significant investment in rail and bus transit.* Metro’s Board-adopted VMT reduction targets align with California’s statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on

VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. Micro supports Metro's systemwide strategy to reduce VMT through planning and operational activities that will benefit and further encourage transit ridership, ridesharing, and active transportation. Approximately 70% of Metro Micro rides are shared, with an average travel distance of 4 miles. Without this service, these trips would likely occur as single-occupancy vehicle trips or solo rides on a Transportation Network Companies (TNCs) platform, resulting in increased overall vehicle miles traveled. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Metro Micro supports strategic plan goals #1.2 and 2.3: Metro Micro is an investment in a world-class transportation system that is reliable, convenient, and attractive to more customers for more trips. Metro Micro continues to improve customer satisfaction at customer touchpoints by offering an accessible, flexible service that adapts to customer demand and needs.

ALTERNATIVES CONSIDERED

The Board may elect not to approve this recommendation. This option is not recommended as it would result in the inability to improve the software to support predefined fixed routes, enabling a blended model of on-demand and fixed routing. In addition, Metro would not be able to utilize the Metro Micro software to support World Cup operational needs.

NEXT STEPS

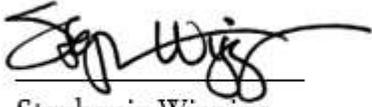
Upon approval by the Board, Metro staff will execute Contract Modification No. 2 with Spare Labs, Inc.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by:
Roxane Marquez, Director, Finance & Administration, (213) 922-4147
Dan Nguyen, Senior Executive Officer, Strategic Initiatives (213) 418-3233
Debra Avila, Deputy Chief Vendor/Contract Management Officer, (213) 418-3051

Reviewed by:
Conan Cheung, Chief Operations Officer, (213) 418-3034

A handwritten signature in black ink, appearing to read 'Step Wiggins', written over a horizontal line.

Stephanie Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

METRO MICRO SOFTWARE SERVICES/ PS124278(2)000

1.	Contract Number: PS124278(2)000		
2.	Contractor: Spare Labs Inc.		
3.	Mod. Work Description: Metro Micro Enhancements and 2026 FIFA World Cup software platform for shuttle services		
4.	Contract Work Description: Provide and support the software platform for Metro Micro on-demand transit operations (dispatch, driver, and communications).		
5.	The following data is current as of: 1/22/2026		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	02/20/2025	Contract Award Amount: \$0.01
	Notice to Proceed (NTP):	N/A	Total of Modifications Approved: \$61,250.00
	Original Completion Date:	02/20/2028	Pending Modifications (including this action): \$386,150.00
	Current Est. Completion Date:	02/20/2028	Current Contract Value (with this action): \$447,400.01
7.	Contract Administrator: Jered Rakosky		Telephone Number: (213) 922-2702
8.	Project Manager: Dan Nguyen		Telephone Number: (213) 418-3233

A. Procurement Background

This Board Action is to approve Contract Modification No. 2 issued in support of enhancing Metro Micro’s software to support predefined fixed routes enabling a blended model of on-demand and fixed routing, to allow for integrated text and voice communication (including Silent Alarm System (SAS)), and provide a three month software subscription for the WCGETS vehicle fleet to support Metro’s special-event shuttles during the FIFA World Cup 2026.

This Contract Modification will be processed in accordance with Metro’s Acquisition Policy, and the contract type is firm fixed price.

In February 2025, Metro awarded firm-fixed price Contract No. PS124278(2)000 to Spare Labs, Inc., in the amount of \$0.01 to provide software services for the

configuring and customizing of Metro Micro's on-demand software platform to dispatch, monitor, schedule and track vehicles offering shared rides.

One modification has been issued to date. Refer to Attachment B – Contract Modification/Change Order Log.

B. Price Analysis

The recommended price has been determined to be fair and reasonable based upon a review of key cost elements (software license, labor hours, and travel), technical evaluation, Independent Cost Estimate (ICE) and negotiations with the proposer.

Proposal Amount	Metro ICE	Negotiated Amount
\$479,750.00	\$449,825.00	\$386,150.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO MICRO SOFTWARE SERVICES/ PS124278(2)000

Mod. No.	Description	Status (approved or pending)	Date	\$ Amount
1	Proof of Concept for fixed-route shuttle software services	Approved	09/18/2025	\$61,250.00
2	Enhance Metro Micro's software to support predefined fixed routes enabling a blended model of on-demand and fixed routing, provide integrated text and voice communication (including Silent Alarm System (SAS)), and provide a three month software subscription for the WCGETS vehicle fleet (FIFA World Cup 2026)	Pending		\$386,150.00
Modification Total:				\$447,400.00
Original Contract:				\$0.01
Total:				\$447,400.01

DEOD SUMMARY

METRO MICRO SOFTWARE SERVICES / PS124278(2)000

A. Small Business Participation

At the time of solicitation, the Diversity & Economic Opportunity Department did not establish a Disadvantaged Business Enterprise (DBE) goal for this procurement due to the lack of subcontracting opportunities. It is expected that Spare Labs, Inc. will continue to perform the services of the contract with its own workforce.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy 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

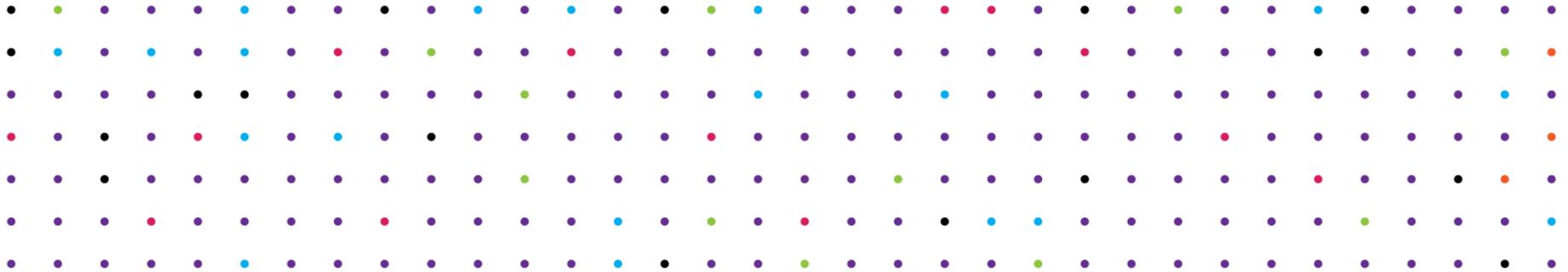
Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.

E. Manufacturing Careers Policy

The Manufacturing Careers Policy (MCP) does not apply to this contract. The MCP is required on Metro's Rolling Stock RFPs, with an Independent Cost Estimate of at least \$50 million.

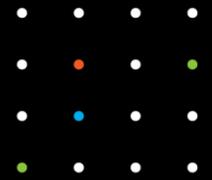
STRATEGIC INITIATIVES

METRO MICRO SOFTWARE SERVICES



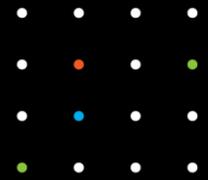
Operations, Safety, and Customer Experience Committee
February 19, 2026

RECOMMENDATION



A. AUTHORIZE the Chief Executive Officer to execute Modification No. 2 to Contract No. PS124278(2)000, Metro Micro Software Services with Spare Labs, Inc. in support of Metro Micro enhancements and the 2026 FIFA World Cup software platform for shuttle services in the firm-fixed price of \$386,150.00 increasing the total contract value from \$61,250.01 to \$447,400.01.

ISSUE AND DISCUSSION



ISSUE

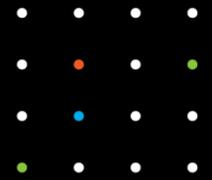
Metro Micro Software Services Contract No. PS124278(2)000 was awarded to Spare Labs, Inc. in the amount of \$0.01 to configure and customize an on-demand micro transit software platform supporting Metro Micro operations with limited contract modification authority. As Metro continues to refine and improve the Metro Micro service model, additional software configuration is required for deviated fixed routing that will also support the World Cup Games Enhanced Transit Services (WCGETS).

Modification No. 2 seeks to enhance Metro Micro's software to 1) support predefined fixed routes, enabling a blended model of on-demand and fixed routing, 2) allow for integrated text and voice communication, and for 3) a three-month software subscription for the WCGETS fleet.



Metro

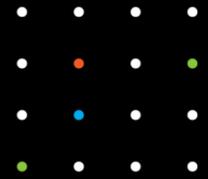
BACKGROUND



- Metro Micro is an on-demand, shared ride transit service that utilizes a mobile application for drivers and customers to provide flexible point-to-point transportation based on customer demand.
- The software Contract No. PS124278(2)000 was awarded to Spare Labs, Inc. to provide a driver application, rider application, operations dashboard, and KPI and reporting functions to support Metro Micro operations.
- The Scope authorizes other types of additional work based on emerging needs on a permanent or temporary basis, which may require enhancements to the software platform.

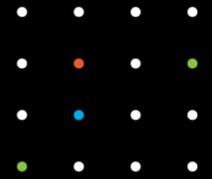


DISCUSSION



- The current Metro Micro software contract provides the following functions to support dynamic routing and scheduling:
 1. Driver / Vehicle assignment management, dynamically adjusted in real time
 2. Turn-by-turn driver navigation based on dynamic routing
 3. Text communication between dispatch and drivers
 4. A dispatch control center to monitor and manage overall operations
 5. Performance dashboards to track KPIs and operational statistics
- This contract modification enhances the operating model by adding predefined fixed routes, enabling a blended on-demand and fixed-route service to better address recurring high-demand periods, such as school start and dismissal times.
- The Metro Micro software, with the predefined fixed route enhancement, provides the necessary requirements for the WCGETS operations.
- This modification also incorporates integrates voice communication; and expands the software subscription to include the WCGETS fleet of 330 vehicles.

NEXT STEPS



Upon Board Approval, Metro will execute Modification No. 2 with Spare Labs, Inc.

