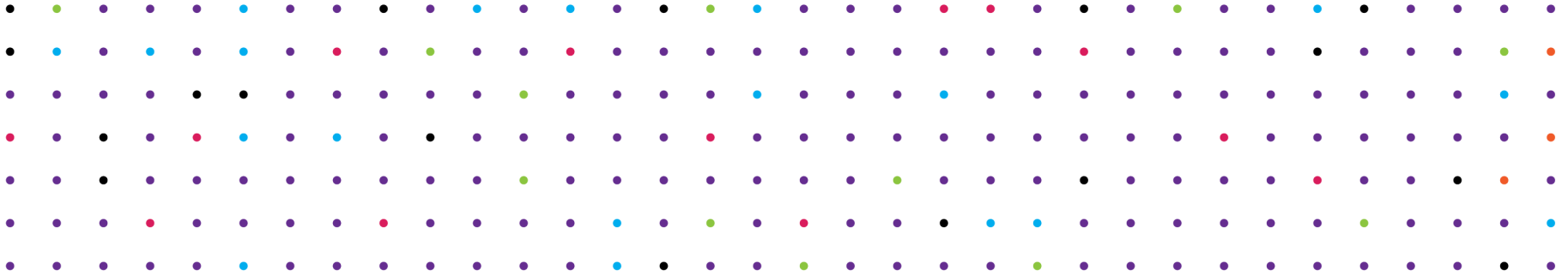
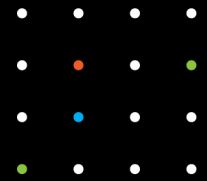


STRATEGIC INITIATIVES

# METRO MICRO PILOT SERVICES

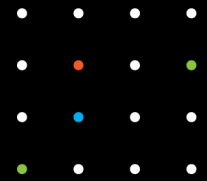


# RECOMMENDATION



- A. AWARD an Indefinite Delivery/Indefinite Quantity (IDIQ) Contract No. OP122943001 for the Metro Micro Contracted Services - North Region to Nomad Transit LLC, a wholly owned subsidiary of Via Transportation, Inc. to provide on-demand microtransit operations services in the not-to-exceed (NTE) amount of \$45,008,012.36 for the three-year base term, and \$47,058,021.47 for the three-year option term, for a total combined NTE amount of \$92,066,033.83, effective December 16, 2024, subject to the resolution of properly submitted protest(s), if any; and
  
- B. AWARD an Indefinite Delivery/Indefinite Quantity (IDIQ) Contract No. OP122943002 for the Metro Micro Contracted Services - South Region to Nomad Transit LLC, a wholly owned subsidiary of Via Transportation, Inc. to provide on-demand microtransit operations services in the not-to-exceed (NTE) amount of \$21,002,472.24 for the three-year base term, and \$21,951,012.21 for the three-year option term, for a total combined NTE amount of \$42,953,484.45, effective December 16, 2024, subject to the resolution of properly submitted protest(s), if any; and

# ISSUE AND PROCUREMENT



## ISSUE

The current MicroTransit Pilot Program – Part B contract was awarded in 2020 and will be expiring on March 31, 2025.

This Board action seeks to obtain approval for contract award for the Service Operations of the Metro Micro services contract for a new MicroTransit program called Metro Micro Contracted Services.

## NUMBER OF PROPOSALS RECEIVED

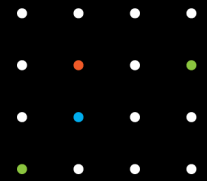
7 Proposals from 4 Firms (North-3 proposals, South-3 proposals, Alternate-1 proposal) (1 proposal determined to be non-responsive)

## AWARDEE

Nomad Transit LLC, a wholly owned subsidiary of Via Transportation, Inc. for both North and South Regions

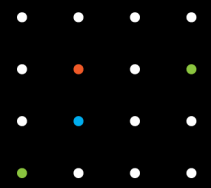


# BACKGROUND



- September 2023, Board issued Motion 42 directing actions to reduce cost per passenger trip to \$20-\$25
- Metro Staff addressed operational changes in response to Motion 42:
  - Optimizing Zone Changes
  - Increased marketing efforts
  - Discontinue Introductory \$1.00 Fare/ Raise to \$2.50
  - Increase vehicle availability
  - Enhancing Software Features
- As a result of operational changes, cost per trip dropped by 39% from \$47.74 to \$29.06 in Q2 FY24
- Negotiated agreement with SMART-TD to contract out operation of service to continue cost reductions

# METRO MICRO OPERATING MODEL



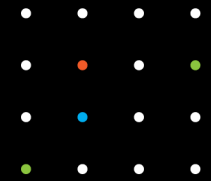
Services	Current Model		New Model	
	Metro	Contractor	Metro	Contractor
Microtransit On-Demand Software *		X		Separate Contract
Vehicle Fleet		X		X
Vehicle Insurance		X		X
Vehicle Wraps		X		X
Vehicle Surveillance Cameras/Software		X		X
Vehicle Maintenance, Fuel, Cleaning		X		X
Vehicle Storage and Operation Facilities		X		X
Marketing		X	X	
Service Delivery Supervision	X			X
Service Delivery Operator	X			X
Operations Management	X			X
Contract Oversight	X		X	
Revenue service Hour rate (excluding Software)		\$98.13		\$82.35
Cost per Passenger (Trip) based on 3.4 PVH		\$28.46		\$24.22



**Metro**

\*Software Services being procured under a separate solicitation

# PROCUREMENT EVALUATION (NORTH REGION)

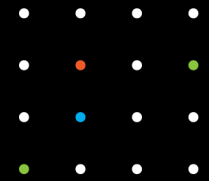


Evaluation Criteria	Max. Points	Nomad	MV	MV Alternate*	Southland
Experience and Qualifications of Proposed Team, Organization, and Past Performance	20	16.90	17.14	17.12	17.76
Experience and Qualifications of Proposed Key Personnel	15	12.05	13.58	12.86	11.90
Approach to Work and Implementation of the Services	31	23.94	26.11	26.64	25.59
Contractor's Facility	10	9.16	9.04	9.12	9.56
Contract Outreach and Mentoring Plan	4	1.00	4.00	4.00	2.00
Price	20	20.00	11.45	10.77	13.50
<b>Total Score</b>	<b>100</b>	<b>83.05</b>	<b>81.32</b>	<b>80.51</b>	<b>80.31</b>
<b>Best and Final Offers (Base + Options)</b>		<b>\$ 92.06M</b>	<b>\$ 141.75M</b>	<b>\$ 220.05M</b>	<b>\$ 112.59M</b>
<b>DBE Commitment</b>	<b>Goal 20%</b>	<b>0.73%</b>	<b>12.96%</b>	<b>17.52%</b>	<b>5.07%</b>
	<b>Passed GFE</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>



\*Alternate is only applicable if MV was awarded both regions

# PROCUREMENT EVALUATION (SOUTH REGION)

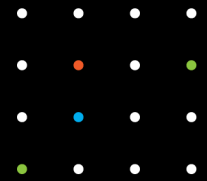


Evaluation Criteria	Max. Points	Nomad	MV Alternate*	MV
Experience and Qualifications of Proposed Team, Organization, and Past Performance	20	16.78	17.12	17.22
Experience and Qualifications of Proposed Key Personnel	15	12.05	12.86	13.48
Approach to Work and Implementation of the Services	31	24.07	26.64	27.00
Contractor's Facility	10	9.24	9.12	8.68
Contract Outreach and Mentoring Plan	4	1.00	4.00	4.00
Price	20	20.00	10.77	9.79
<b>Total Score</b>	<b>100</b>	<b>83.14</b>	<b>80.51</b>	<b>80.17</b>
<b>Best and Final Offers (Base + Options)</b>		<b>\$ 42.95M</b>	<b>\$ 220.05M</b>	<b>\$ 82.91M</b>
<b>DBE Commitment</b>	<b>Goal 20%</b>	<b>0.77%</b>	<b>17.52%</b>	<b>23.63%</b>
	<b>Passed GFE</b>	<b>Y</b>	<b>Y</b>	<b>N/A*</b>



\*Alternate is only applicable if MV was awarded both regions

# METRO MICRO DEOD SUMMARY



## DBE GOAL REQUIREMENT

- DBE GOAL: 20%
- A Total of 7 Proposals Submitted by 4 Firms
- Out of 7 Proposals:
  - 1 Proposal Achieved DBE Goal
  - 3 Proposals Passed GFE
  - Remaining 3 Proposals did not pass GFE and requested a review through a Reconsideration Hearing
  - Reconsideration Hearings are conducted by Ethics Office
- Reconsideration Officer (RO), as a part of Metro's Ethics Department, determined:
  - 2 Proposals Passed GFE (Nomad LLC)
  - 1 Proposal Failed GFE (Circuit)

## LIVING WAGE REQUIREMENT

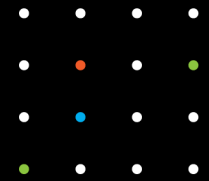
- Nomad LLC proposed Labor Rates Exceeds LW Hourly Rate by \$3.55 for Drivers/Operators and \$3.27 for Mechanics
- Current Microtransit Operators have opportunity: Apply with Contractor at slightly higher wage rate; or transfer to bus/rail operations



**Metro**



# METRO MICRO CONTRACTED SERVICES



## North Region

	Existing Contract	Nomad	MV	MV (Alternate)	Southland
Best and Final Offers (Base + Option)	N/A	\$92,066,033.83	\$141,758,111.80	\$142,551,286.47	\$112,596,202.34
Revenue Service Hour (RSH) Rate	\$98.13	<b>\$81.62</b>	\$115.30	\$118.34	\$101.44
Cost per Trip	\$29.00	<b>\$24.01</b>	\$33.91	\$34.81	\$29.84

## South Region

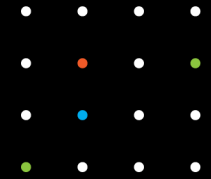
	Existing Contract	Nomad	MV	MV (Alternate)
Best and Final Offers (Base + Option)	N/A	\$42,953,484.45	\$82,911,703.10	\$77,499,048.32
Revenue Service Hour (RSH) Rate	\$98.13	<b>\$83.95</b>	\$147.88	\$137.61
Cost per Trip	\$29.00	<b>\$24.69</b>	\$43.49	\$40.47

1st Year RSH Rate. (Based on current Passenger Per Vehicle (PVH) Load 3.4)

\*Target Cost per Trip = \$20.00 - \$25.00



# METRO MICRO CONTRACTED SERVICES



## Total Contract Costs

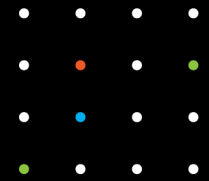
CONTRACT YEAR	NORTH REGION	SOUTH REGION	NEW ANNUAL COMBINED RSH RATE**	COMBINED COST PER PASSENGER*	YEARLY CONTRACTS TOTAL	ESTIMATED REDUCTION			
						CURRENT RSH RATE	EST. COST PER PASSENGER	ANNUAL EST. RSH RATE REDUCTION (DIFFERENCE)	ANNUAL EST. REDUCTIONS
Base Year 1	\$14,203,191.94	\$6,631,555.74	<b>\$82.35</b>	\$24.22	\$20,834,747.68	<b>\$98.13</b>	\$28.86	<b>\$15.78</b>	\$3,992,436.71
Base Year 2	\$14,589,705.71	\$6,803,907.79	<b>\$84.56</b>	\$24.87	\$21,393,613.50	<b>\$100.29</b>	\$29.50	<b>\$15.73</b>	\$3,980,657.21
Base Year 3	\$15,174,354.76	\$7,076,579.61	<b>\$87.95</b>	\$25.87	\$22,250,934.37	<b>\$103.52</b>	\$30.45	<b>\$15.58</b>	\$3,940,639.19
<b>BASE TERM TOTAL (NORTH &amp; SOUTH)</b>					<b>\$64,479,295.55</b>	<b>BASE TERM REDUCTION</b>			<b>\$11,913,733.11</b>
Option Year 1	\$15,075,770.67	\$7,032,365.85	<b>\$87.38</b>	\$25.70	\$22,108,136.52	<b>\$102.85</b>	\$30.25	<b>\$15.46</b>	\$3,912,164.03
Option Year 2	\$15,678,024.16	\$7,313,266.23	<b>\$90.87</b>	\$26.73	\$22,991,290.39	<b>\$106.80</b>	\$31.41	<b>\$15.92</b>	\$4,028,550.46
Option Year 3	\$16,304,226.64	\$7,605,380.13	<b>\$94.50</b>	\$27.80	\$23,909,606.77	<b>\$111.06</b>	\$32.66	<b>\$16.56</b>	\$4,188,906.41
<b>OPTION TERM TOTAL (NORTH &amp; SOUTH)</b>					<b>\$69,009,033.68</b>	<b>OPTION TERM REDUCTION</b>			<b>\$12,129,620.90</b>
Start-Up Costs	\$1,040,759.95	\$490,429.10			<b>\$1,531,189.05</b>				
<b>TOTAL CONTRACT COSTS</b>	<b>\$92,066,033.83</b>	<b>\$42,953,484.45</b>			<b>\$135,019,518.28</b>	<b>TOTAL EST. REDUCTION</b>			<b>\$24,043,354.01</b>

\*Based on current Passenger Per Vehicle (PVH) Load 3.4

\*\*Revenue Service Hours of 253,003 (combined) remain the same for new contract



# METRO MICRO CONTRACTED SERVICES

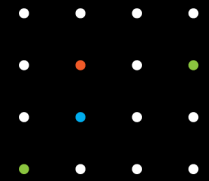


## Contract Performance Requirements

Key Performance Indicator (KPI)	Target
In-Service On-Time Performance (ISOTP)*	≥ 85%
Abandoned Rides*	0
Validated Complaints per 10,000 Boardings*	≤ 50
Mean Miles Between Mechanical Failures (MMBMF)*	≥ 5,000
Average Passenger Wait Time*	≤ 15 Minutes
Preventable Traffic Accidents per 10,000 Odometer Miles*	≤ 3.0
Non-collision passenger incidents per 1,000 boardings*	≤ 1.0
Passengers per Revenue Service Vehicle Hour (PVH)	Depends on Zone, see Table
Combined Cancellation and No-Show Rate	≤ 37%



# METRO MICRO CONTRACTED SERVICES



## Contract Performance Requirements

Passengers Per Revenue Service Vehicle Hour (PVH)			
North Region Service Zones			
Zone		Minimum	Goal
		75% of FY24 Q2 Weekday Average	125% of FY24 Q2 Weekday Average
z4	El Monte	2.39	3.99
z5	North Hollywood/Burbank	2.16	3.6
z6	Highland Park/Eagle Rock/Glendale	2.55	4.25
z7	Altadena/Pasadena/Sierra Madre	2.96	4.94
z8	Northwest San Fernando Valley	3.43	5.71
South Region Service Zones			
Zone		Minimum	Goal
		75% of FY24 Q2 Weekday Average	125% of FY24 Q2 Weekday Average
z1	Watts/Compton	2.19	3.65
z2	LAX/Inglewood	2.61	4.35
z9	UCLA/Westwood/VA Medical Center	2.44	4.06



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