



Board Report

File #: 2017-0925, **File Type:** Contract

Agenda Number:

**PLANNING AND PROGRAMMING COMMITTEE
MAY 16, 2018**

SUBJECT: METRO BIKE SHARE PHASE 3 EXPANSION

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the:

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

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

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

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

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

ISSUE

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

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

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

DISCUSSION

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

Phase III Expansion

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

- *Culver City*

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

- *Marina Del Rey*

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

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

- *West Los Angeles*

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

- *Downtown Los Angeles Expansion*

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

Affordable Housing and Sustainable Communities Grant

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

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

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

Non-Metro Bike Share Programs

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

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

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

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

Impact to Budget

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

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

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

ALTERNATIVES CONSIDERED

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

NEXT STEPS

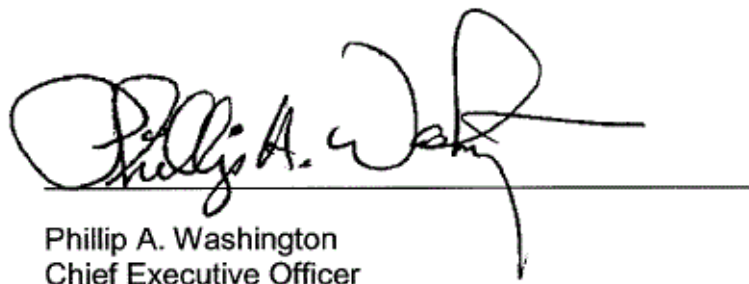
Upon approval by the Board, staff will negotiate and execute Modification No. 7 to Contract No. PS272680011357 with BTS for Phase III Bike Share Expansion and the listed MOUs will be amended / executed with the respective partner agencies.

ATTACHMENTS

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

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