



Board Report

File #: 2018-0117, File Type: Contract

Agenda Number: 38.

EXECUTIVE MANAGEMENT COMMITTEE APRIL 12, 2018

SUBJECT: MICROTRANSIT PILOT PROJECT (MTP)

ACTION: AWARD CONTRACTS FOR MICROTRANSIT PILOT PROJECT (MTP)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award the following firm fixed price contracts to firms to partner with Metro for planning, designing, testing and evaluating a new transportation technology-based service for traveling short distances, subject to resolution of protest(s), if any:

- A. Contract No. PS46292001 to RideCo in the amount of \$219,650.26 for 6 months;
- B. Contract No. PS46292002 to NoMad Transit LLC in the amount of \$348,684.69 for 6 months;
and
- C. Contract No. PS46292003 to Transdev in the amount of \$316,912.31 for 6 months.

ISSUE

To drive the best value in pilot design, Metro is using a pre-development agreement contracting model that will allow the agency to maximize integration of privately developed technologies and approaches, promote shared risk and reward with private partners, and drive attainment of project performance goals. The pre-development agreement consists of two parts, Part A (“planning and design”) and Part B (“implementation and evaluation”).

The recommendation of multiple awards for Part A, the planning and design of a financially and technically feasible on-demand MicroTransit service ensures the agency will receive the most effective solution and increases the likelihood of success for what is a very new and untested technology. These three contracts will serve as the agency’s first pre-development P3s.

Upon delivery of Part A, Metro, in its sole discretion, will determine if the proposed services meet established feasibility criteria. If achieved, Metro will offer the right of first negotiation for Part B, implementation and evaluation of the MicroTransit service.

DISCUSSION

Metro's desire is to improve the customer experience and service level for existing Metro riders and drive new customer acquisition. We will do this by operating a new demand-responsive service that offers reservation, payment, and real-time customer information available through a mobile application.

The goal of the project is to determine whether a Metro-provided on-demand service can provide a convenient new travel option in a primarily fixed-route transit network for current customers while also encouraging new customers to use transit.

On October 25, 2017, Metro issued a Request for Proposal (RFP) to procure services from qualified firms or Contractor Team(s) to partner with Metro for planning, designing, testing and evaluating a new transportation technology-based service for traveling short distances.

New Award Contracts

The up-front investment in Part A will increase the likelihood that Metro will receive solutions that can achieve the agency's policy and project performance goals within existing project constraints. Awarding contracts to multiple Contractor Teams is reflected within and supported by the language included in the RFP.

The three Contractor Teams that are awarded Part A will be responsible for the delivery of three feasibility studies. Each study will consist of 7 tasks:

- Task 1: Transportation Planning and Analysis
- Task 2: Software/Technology Solution Plan
- Task 3: Performance Plan
- Task 4: Cost Structure, Payment & Recovery
- Task 5: Capital Programming
- Task 6: Communications Plan
- Task 7: Innovation

Metro will own the resulting deliverables and work product for Part A, including any associated intellectual property rights.

DETERMINATION OF SAFETY IMPACT

Metro's on-demand service offering is intended to improve safety and security for current and future Metro customers. Meeting or exceeding Metro's safety standards will be a core consideration in service design and delivery.

FINANCIAL IMPACT

The funding for Part A is included in FY18 and FY19 budgets in Project 100002, Cost center 2031

and Account 50316.

Impact to Budget

State and local funds (Prop A, C, and TDA Administrative funds) are being utilized to fund Part A. These funds are not eligible for bus and rail operations. There is no impact to existing federal funding.

ALTERNATIVES CONSIDERED

The Board may decide not to authorize the execution of these Contracts. This alternative is not recommended as this project is included in the Board approved Twenty-Eight by '28 projects.

NEXT STEPS

Upon Board approval, Metro staff will execute the new Contracts with all three firms. The feasibility studies will be completed by the end of 2018. If Metro selects to move forward to Part B, Metro staff will then bring the life of project budget to the Board for consideration. Upon Board approval, MicroTransit service will begin operations in 2019.

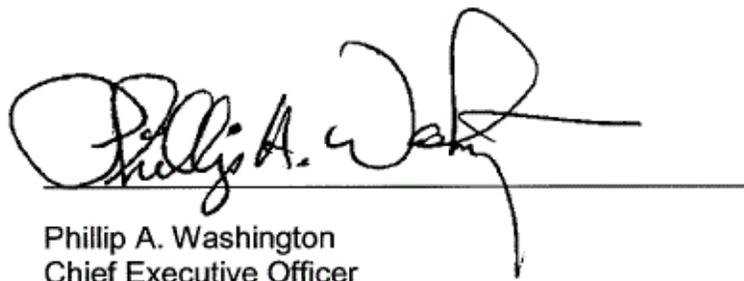
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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