



# Metropolitan Transportation Commission

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Agenda

### Operations Committee

*Committee Members:*

*Carol Dutra-Vernaci, Chair      Vacant, Vice Chair*

*Eddie Ahn, David Canepa, Victoria Fleming,  
Matt Mahan, James P. Spering, and Sheng Thao*

*Non-Voting Members: Dorene M. Giacobini and Vacant*

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Friday, February 10, 2023

9:35 AM

REMOTE

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In light of Governor Newsom's State of Emergency declaration regarding COVID-19 and in accordance with Assembly Bill 361's (Rivas) provisions allowing remote meetings, this meeting will be accessible via webcast, teleconference, and Zoom for all participants.

A Zoom panelist link for meeting participants will be sent separately to Committee members.

The meeting webcast will be available at <http://mtc.ca.gov/whats-happening/meetings>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number. Committee Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial \*9. When called upon, unmute yourself or dial \*6. In order to get the full Zoom experience, please make sure your application is up to date.

**Attendee Link:** <https://bayareametro.zoom.us/j/88433487042>

**iPhone One-Tap:** US: +13462487799,,88433487042# or +12532050468,,88433487042#

**Join by Telephone (for higher quality, dial a number based on your current location) US:**  
888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)

**Webinar ID:** 884 3348 7042

**International numbers available:** <https://bayareametro.zoom.us/j/kSj8wDVe3>

**Detailed instructions on participating via Zoom are available at:**

<https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom>

Members of the public may participate by phone or Zoom or may submit comments by email at [info@bayareametro.gov](mailto:info@bayareametro.gov) by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

**1. Call to Order / Roll Call / Confirm Quorum**

*Quorum: A quorum of this body shall be a majority of its regular voting members (4).*

**2. Pledge of Allegiance / Acknowledgement of the Flag****3. Compensation Announcement – Clerk of the Committee****4. Consent Calendar**

- 4a.**     [23-0153](#)     Approval of Operations Committee Minutes of the January 13, 2023 Meeting  
**Action:**             Committee Approval  
**Attachments:**     [4a 23-0153 2023-01-13 Operations Committee Meeting Minutes Draft.pdf](#)
- 4b.**     [23-0183](#)     Contract Amendment - Ventek Transit Inc. (\$900,000)  
**Action:**             Committee Approval  
**Presenter:**         Jennifer Largaespada  
**Attachments:**     [4b 23-0183 Summary Sheet Contract Amendment–Ventek Transit Inc \\$900,000](#)
- 4c.**     [23-0193](#)     Clipper® Contract Change Order Amendment - Statement on Standards for Attestation Engagement No. 18 (SSAE 18) Annual Audit of Clipper Program: Cubic Transportation Systems, Inc. (Cubic) (\$200,000)  
**Action:**             Committee Approval  
**Presenter:**         David Weir  
**Attachments:**     [4c 23-0193 Summary Sheet Clipper Contract Change Order Amendment ;](#)
- 4d.**     [23-0154](#)     Contracts- Freeway Service Patrol Towing Services: Beat 5- Bay Area Tow, Inc. (\$4,667,767), and Beat 27- Atlas Towing Services Inc. (\$4,374,920)  
**Action:**             Committee Approval  
**Presenter:**         Gio DiFabio  
**Attachments:**     [4d 23-0154 Summary Sheet Contracts-FSP Towing Services Beats 5 and 27](#)

## 5. Committee Approval

- 5a. [23-0192](#) Contract - Bay Wheels Bikeshare E-bike Expansion: Lyft, Inc.  
(\$15,940,000)

Approval of a contract with Lyft, Inc. (Lyft) for expansion of the Bay Wheels bike share system in the form of electric bikes and other improvements in a not to exceed amount of \$15,940,000.

**Action:** Committee Approval

**Presenter:** Toshi Shepard-Ohta and Laura Krull

**Attachments:** [5ai 23-0192 Summary Sheet Bay Wheels Bikeshare Ebike Expansion Cor](#)  
[5aii 23-0192 Attachment A Bay Wheels Bikeshare Ebike Expansion Contr](#)  
[5aiii 23-0192 Attachment B Bay Wheels Bikeshare Ebike Expansion Contr](#)  
[5aiv 23-0192 PowerPoint Bay Wheels Bikeshare Ebike Expansion Contrac](#)  
[5av 23-0192 Correspondence Received.pdf](#)

## 6. Public Comment / Other Business

*Committee Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial \*9. When called upon, unmute yourself or dial \*6.*

## 7. Adjournment / Next Meeting

**The next meeting of the Operations Committee will be held on Friday, March 10, 2023 at 9:35 a.m. at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA, and other remote locations. Any changes to the schedule will be duly noticed to the public.**

**Public Comment:** The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

**Meeting Conduct:** If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

**Record of Meeting:** Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site ([mtc.ca.gov](http://mtc.ca.gov)) for public review for at least one year.

**Accessibility and Title VI:** MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

**可及性和法令第六章:** MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

**Acceso y el Titulo VI:** La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

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Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.

MTC's Chair and Vice-Chair are ex-officio voting members of all standing Committees.



# Metropolitan Transportation Commission

Agenda Item 4a

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Minutes - Draft

### Operations Committee

*Committee Members:*

*Carol Dutra-Vernaci, Chair      Vacant, Vice Chair*

*Eddie Ahn, David Canepa, Victoria Fleming,  
James P. Spering, Vacant, and Vacant*

*Non-Voting Members: Dorene M. Giacomini and Vacant*

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Friday, January 13, 2023

9:35 AM

REMOTE

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#### 1. Call to Order / Roll Call / Confirm Quorum

**Present:** 4 - Commissioner Spering, Commissioner Ahn, Commissioner Canepa and Chair Dutra-Vernaci

**Absent:** 1 - Commissioner Fleming

Non-Voting Member Present: Commissioner Giacomini

Ex Officio Voting Member Present: Commission Chair Pedroza and Commission Vice Chair Josefowitz

Ad Hoc Non-Voting Members Present: Commissioner Glover, Commissioner Papan, and Commissioner Rabbitt.

#### 2. Pledge of Allegiance / Acknowledgement of the Flag

#### 3. Compensation Announcement – Clerk of the Committee

#### 4. Consent Calendar

Upon the motion by Commissioner Spering and second by Chair Dutra-Vernaci, the Consent Calendar was unanimously approved. The motion carried by the following vote:

**Aye:** 4 - Commissioner Spering, Commissioner Ahn, Commissioner Canepa and Chair Dutra-Vernaci

**Absent:** 1 - Commissioner Fleming

4a. [23-0005](#) Approval of Operations Committee Minutes of the December 9, 2022 Meeting

**Action:** Committee Approval

**Attachments:** [4a 23-0005 2022-12-09 Operations Committee Meeting Minutes Draft.pdf](#)

- 4b. [22-1737](#) Purchase Order Contract: Commuter Benefits Program Database and Registration Portal Salesforce Integration Services: Slalom, LLC (Slalom, LLC) (\$800,000)

**Action:** Committee Approval

**Presenter:** Brooke Fotheringham

**Attachments:** [4b 22-1737 Summary Sheet Purchase Order Contract CBP Salesforce Services Slalom Revised.pdf](#)

## 5. Approval

- 5a. [23-0084](#) Agreements to Advance the State Route 37 Sears Point to Mare Island Improvement Project

Request for approvals of agreements to advance the State Route 37 Sears Point to Mare Island Improvement Project into design phase:

- i. Cooperative Agreement - Integrated Team for Design for SR 37 Sears Point to Mare Island Improvement Project: Caltrans (\$20,000,000)
- ii. Funding Agreement - Design Phase Funding for the SR 37 Sears Point to Mare Island Improvement Project: Sonoma County Transportation Authority (\$4,000,000)

**Action:** Committee Approval

**Presenter:** Kevin Chen

**Attachments:** [5ai 23-0084 Summary Sheet Agreements Advance the SR 37 Sears Point to Mare Island Improvement Project.pdf](#)  
[5aii 23-0084 Presentation Agreements Advance the SR 37 Sears Point to Mare Island Improvement Project.pdf](#)

George Spies was called to speak.

Upon the motion by Commissioner Spering and second by Commissioner Canepa, the i. Cooperative Agreement - Integrated Team for Design for SR 37 Sears Point to Mare Island Improvement Project: Caltrans (\$20,000,000) and ii. Funding Agreement - Design Phase Funding for the SR 37 Sears Point to Mare Island Improvement Project: Sonoma County Transportation Authority (\$4,000,000) were unanimously approved. The motion carried by the following vote:

**Aye:** 4 - Commissioner Spering, Commissioner Ahn, Commissioner Canepa and Chair Dutra-Vernaci

**Absent:** 1 - Commissioner Fleming

**6. Public Comment / Other Business**

**7. Adjournment / Next Meeting**

**The next meeting of the Operations Committee will be Friday, February 10, 2023 at 9:35 a.m. Any changes to the schedule will be duly noticed to the public.**

**Metropolitan Transportation Commission**  
**Operations Committee**

February 10, 2023

Agenda Item 4b

**Contract Amendment – Ventek Transit Inc. (\$900,000)**

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**Subject:**

Request for approval of a Contract Amendment for integration of next generation Clipper® software into the current Clipper Ticket Vending Machines (TVMs): VenTek Transit Inc. (VenTek) (\$900,000).

**Background:**

In 2019, MTC executed a sole source contract with VenTek (manufacturers of ticket vending machines used by Caltrain, Golden Gate Transit and Ferry, Sonoma-Marín Area Rail Transit and Valley Transportation Authority) to perform integration work between the Clipper system and the VenTek TVMs. The contract was divided into three separate tasks; the first two tasks have been completed. This contract amendment would add funds to the contract to complete the third task: integrating the TVMs with the next-generation Clipper library so the TVMs can communicate with the Clipper system in real-time to support the new account-based Clipper program. VenTek is not a Disadvantaged Business Enterprise or a Small Business Enterprise and has no subcontractors. This item was approved by the Clipper Executive Board on January 23, 2023.

**Issues:**


None identified.

**Recommendation:**

Staff recommends the Operations Committee authorize the Executive Director or designee to approve a Contract Amendment with VenTek in an amount not to exceed \$900,000 for development, testing and integration work needed to update the current Clipper TVMs to function in the next-generation Clipper system.

**Attachments:**

- Request for Committee Approval - Summary of Proposed Contract Amendment

  
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Andrew B. Fremier



## Request for Committee Approval

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### Summary of Proposed Contract Amendment

Work Item No: 312-2780

Contractor: VenTek Transit Inc. (VenTek)  
Petaluma, California

Work Project Title: VenTek Ticket Vending Machines (TVMs) Integration

Purpose of Project: To update the VenTek TVMs for next-generation Clipper®

Brief Scope of Work: Under this Contract Amendment, VenTek will update the communication networks in the TVMs to allow for real-time communication as required by the next-generation Clipper system. This Amendment adds funds to an already existing contract.

Project Cost Not to Exceed: \$900,000 (this Contract Amendment)

Total contract value including amendments before this amendment = \$200,000

Total contract amount with this amendment = \$1,100,000

Funding Source: FTA, FHWA, OBAG2, STP, CMAQ, STA, STP Exchange, TCP, Regional Measure 2 Capital and Regional Measure 2 Operating, CARES Act funds, Regional Measure 3, SB1 State of Good Repair

Fiscal Impact: Funds available in the 2022-23 MTC agency budget

Motion by Committee: That the Executive Director or designee is authorized to negotiate and enter into a contract amendment with VenTek for the purpose described above and in the Operations Committee Summary Sheet dated February 10, 2023, and that the Chief Financial Officer is authorized to set aside \$900,000 for such amendment.

Operations Committee:

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Carol Dutra-Vernaci, Chair

Approved: February 10, 2023

**Metropolitan Transportation Commission**  
**Operations Committee**

**February 10, 2023**

**Agenda Item 4c**

**Clipper® Contract Change Order Amendment – Statement on Standards for Attestation  
Engagement No. 18 (SSAE 18) Annual Audit of Clipper Program: Cubic Transportation  
Systems, Inc. (Cubic) (\$200,000)**

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**Subject:**

Request for approval of Clipper Contract Change Order No. 159, Amendment No. 10 – Clipper Program SSAE 18 Audit for Fiscal Year (FY) 2022-23: Cubic Transportation Systems, Inc. (\$200,000).

**Background:**

In May 2012, the MTC Operations Committee approved a contract change order (CO 159) to the Clipper contract for Cubic to engage a firm to assess Cubic's financial and system controls associated with fare processing, financial reconciliation, cardholder support services, card fulfillment, information system operations and card account management functions. These tasks are completed via a standard approach called an SSAE 18 Audit. This change order amendment (Amendment 10 to CO 159) would allow Cubic to engage a firm to perform an SSAE 18 Audit for FY 2022-23.

Industry best practices recommend conducting annual audits to maintain a vendor's focus on controls. Transit agencies rely upon the SSAE report as part of their own annual audits, as an SSAE report can reduce the procedures required in agencies' own audit processes.

The first SSAE Audit under CO 159 was completed in November 2013 for FY 2012-13. CO 159 was subsequently annually amended to provide for SSAE Audits of each subsequent fiscal year. Most recently, this Committee approved the FY 2021-22 SSAE 18 Audit (Amendment 9) in April 2022.

Cubic is not, nor is the subcontractor that would assist in this work, a Small Business Enterprise or a Disadvantaged Business Enterprise.

The Clipper Executive Board approved the proposed change order amendment at its January 23, 2023 meeting.

**Issues:**


None identified.

**Recommendation:**

Staff recommends the Operations Committee authorize the Executive Director or designee to negotiate and enter into a change order amendment with Cubic in an amount not to exceed \$200,000, for the SSAE 18 audit for FY 2022-23, as described above.

**Attachments:**

- Request for Committee Approval Sheet – Summary of Proposed Change Order Amendment

  
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Andrew B. Fremier

## Request for Committee Approval

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### Summary of Proposed Change Order Amendment

Work Item No.: 320-1221

Consultant: Cubic Transportation Systems, Inc.  
San Diego, California

Work Project Title: Statement on Standards for Attestation Engagement No. 18 (SSAE 18)  
Audit for FY 2022-23 (Amendment #10 to CO-159)

Purpose of Project: To produce a SSAE 18 audit report regarding the Clipper program for  
the 2022-23 fiscal year.

Brief Scope of Work: SSAE 18 audits provide an attestation report stating that management's  
financial and information technology controls are effective.

Project Cost Not to Exceed: \$200,000 (this Change Order Amendment)  
Total contract value including amendments before this amendment =  
\$184,191,808  
Total contract amount with this amendment = \$184,391,808

Funding Source: STA, Regional Measure 2 Capital, Regional Measure 2 Operating,  
Regional Measure 3, Fare Media and Card Fee Revenue, SB1 State of  
Good Repair

Fiscal Impact: Funds available in the FY 2022-23 MTC agency budget.

Motion by Committee: That the Executive Director or designee is authorized to negotiate and  
enter into a change order amendment with Cubic Transportation  
Systems, Inc. for the purposes described above and in the Operations  
Committee Summary Sheet dated February 10, 2023, and that the Chief  
Financial Officer is authorized to set aside \$200,000 for such change  
order amendment.

Operations Committee:

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Carol Dutra-Vernaci, Chair

Approved: February 10, 2023

**Metropolitan Transportation Commission  
Operations Committee**

**February 10, 2023**

**Agenda Item 4d**

**Contracts– Freeway Service Patrol Towing Services: Beat 5- Bay Area Tow, Inc.  
(\$4,667,767), and Beat 27- Atlas Towing Services Inc. (\$4,374,920)**

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**Subject:**

Request for approval of five-year contracts with Bay Area Tow Inc. and Atlas Towing Services Inc. for their respective not to exceed amounts, totaling \$9,042,687, as specified above.

**Background:**

The Bay Area Freeway Service Patrol (FSP) program is in its 30th year of service. FSP continues to be a vital program in providing congestion relief and motorist assistance by quickly clearing incidents during commute hours on the Bay Area’s busiest freeways. MTC Service Authority for Freeways and Expressways (SAFE) contracts with private tow operators to patrol 27 different segments of highways that are referred to as “beats.” At its October 14, 2022 meeting, this Committee awarded nine five-year contracts starting in Fiscal Year 2023-24 to cover 13 beats; this included the award of the Beats 5 and 27 Freeway Service Patrol contracts to American Automobile Association Northern California, Nevada & Utah (AAA NCNU) dba AAA Roadside Services. Upon notification of the award, AAA NCNU indicated to MTC SAFE that they declined to accept the contracts for Beats 5 and 27.

On December 15, 2022, MTC SAFE issued an Invitation for Bids (IFB) for Beats 5 and 27 and received seven price proposals on December 23, 2022. Proposers with the lowest contract hourly rate are recommended for this committee for contract award, subject to the award limitations designed to ensure that bidders are not extended beyond their operational capacity. Bay Area Tow Inc. is recommended for Beat 5. Atlas Towing Services, Inc. is recommended for Beat 27. Beat 5 is located in Contra Costa County on I-680 between Marina Vista Road and Alcosta Boulevard and on State Route 24 from Acalanes Road to I-680. Beat 27 is located in Alameda County from Keller Avenue to Foothill Boulevard on I-580.

MTC SAFE incorporated a Small Business Enterprise (SBE) preference with a ten percent bid preference awarded to SBE certified vendors. Three proposers requested and received the SBE preference in this IFB. One SBE certified proposer, Atlas Towing Services, Inc., submitted a

price proposal that resulted in an SBE preference being a determining factor for Beat 27 in this recommendation. Bay Area Tow Inc. submitted a price proposal that resulted in an SBE preference that was not a determining factor for Beat 5 in this recommendation.

The FSP Program is authorized by California Street & Highways Code Sections 2560-2565, and MTC SAFE receives dedicated funds from vehicle registration fees and SB 1, the Road Repair and Accountability Act of 2017, for this purpose. There are sufficient funds in existing FSP state grants, MTC SAFE reserves, and future FSP grants to undertake these contracts through Fiscal Year 2027-28.

**Issues:**

None identified.

**Recommendations:**

Staff recommends that the Committee authorize the Executive Director or designee to negotiate and enter into a five-year contract with Bay Area Tow Inc. for FSP towing services on Beat 5 for an amount not to exceed \$4,667,767 and enter into a five-year contract with Atlas Towing Services Inc. for FSP towing services on Beat 27 for an amount not to exceed \$4,374,920, their respective not to exceed amounts together totaling \$9,042,687, subject to annual approval of MTC SAFE budgets.

**Attachments:**

- Attachment A: Disadvantaged Business Enterprise and Small Business Enterprise Status
- Request for Committee Approval Sheet – Summary of Proposed Contracts.

  
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Andrew B. Fremier

Attachment A

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Disadvantaged Business Enterprise and Small Business Enterprise Status

	<b>Firm Name</b>	<b>Role on Project</b>	<b>DBE* Yes / No</b>	<b>If DBE Yes, List #</b>	<b>SBE** Yes / No</b>	<b>If SBE Yes, List #</b>
Prime Contractor	Bay Area Tow Inc.	Towing Services	No		Yes	488410
Prime Contractor	Atlas Towing Services Inc.	Towing Services	No		Yes	54942

\*Denotes certification by the California Unified Certification Program (CUCP).

\*\*Denotes certification by the State of California.

## Request for Committee Approval

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### Summary of Proposed Contracts

Work Item No.: 6032

Consultant: Bay Area Tow, Inc  
Richmond, California  
Atlas Towing Services Inc. of San Francisco, California

Work Project Title: Freeway Service Patrol (FSP) Tow Operations

Purpose of Project: Incident Management and Congestion Relief utilizing Freeway Service Patrol service during Fiscal Years 2023-24 through 2027-28 on Beats 5 and 27, as designated in the Invitation for Bids (IFB) dated December 15, 2022.

Brief Scope of Work: Provide tow services during hours of congestion and special events as specified by the FSP Partnership, which includes MTC Service Authority for Freeways and Expressways (SAFE), Caltrans, and California Highway Patrol.

Project Cost Not to Exceed: \$9,042,687

Funding Source: State, SAFE

Fiscal Impact: \$ 1,756,558 is subject to approval of FY 2023-24 MTC SAFE budget  
\$ 1,782,548 is subject to approval of FY 2024-25 MTC SAFE budget  
\$ 1,808,537 is subject to approval of FY 2025-26 MTC SAFE budget  
\$ 1,834,527 is subject to approval of FY 2026-27 MTC SAFE budget  
\$ 1,860,517 is subject to approval of FY 2027-28 MTC SAFE budget



Motion by Committee: That the Executive Director or designee is authorized to negotiate and enter into a contract with Bay Area Tow Inc. on Beat 5 (\$4,667,767) and into a contract with Atlas Towing Services Inc. on Beat 27 (\$4,374,920) for FSP tow operations described above and in the Operations Committee Summary Sheet dated February 10, 2023, and that the Chief Financial Officer is authorized to set aside \$9,042,687 for such contracts.

Operations Committee:

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Carol Dutra-Vernaci, Chair

Approved:

February 10, 2023

**Metropolitan Transportation Commission**  
**Operations Committee**

February 10, 2023

Agenda Item 5a

**Contract - Bay Wheels Bikeshare E-bike Expansion: Lyft, Inc. (\$15,940,000)**

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**Subject:**

Approval of a contract with Lyft, Inc. (Lyft) for expansion of the Bay Wheels bike share system in the form of electric bikes and other improvements in a not to exceed amount of \$15,940,000.

**Background:**

Accelerating transportation electrification is a key Plan Bay Area 2050 strategy to help achieve the greenhouse gas reduction target for passenger vehicles. MTC administers transportation funding through the One Bay Area Grant (OBAG) program, including \$65 million for transportation electrification initiatives. As part of the transportation electrification initiative, up to \$20 million has been identified for electric bikeshare.

Staff seek authorization for the Executive Director to negotiate and enter into a sole source contract with Lyft, subject to funding being allocated, to expand shared electric bikes (e-bikes) in the Bay Wheels bikeshare system. The capital investment will include additional e-bikes, spare parts, docking stations, and infill docks in all five Bay Wheels cities and a station electrification pilot in San Francisco, with potential opportunities to expand the pilot to other member cities. This contract would also include a subsidized low-cost membership program for college students, and a new price accumulator for monthly memberships. Lastly, the investment allows for a \$19 decrease in the cost of annual membership, and a \$0.05 decrease in the e-bike per minute fees for members.

While this contract would cover the majority of the \$20 million of funding, the remaining amount, subject to approval, will include funding for an adaptive bikeshare program, partial funding for expansion of e-bike share to adjacent cities, funding for staff needs for participating cities, and grid connection for station electrification. The proposed allocation of the expected programming and investment is summarized in Attachment B and the remaining amount will be brought to the Commission at a later date.

Staff presented to the Operations Committee on November 4, 2022, and to the Policy Advisory Council on January 11, 2023, with an update on bikeshare in the region, focusing on Bay

Wheels. In addition, a report was provided to the MTC Planning Committee in December that included proposed transportation electrification investment details. The MTC Executive Director authorized MTC to enter into a sole source agreement with Lyft for the remainder of the Program Agreement. Concurrently, staff have been working internally and with the five member cities on a proposal and term sheet that aligns regional and jurisdictional goals that can be implemented quickly. The proposed key terms are attached hereto as Attachment A.

**Executive Summary:**

MTC staff believes that bikeshare will play a valuable part in achieving the Plan Bay Area 2050 statutory target to reduce greenhouse gas emissions, as well as the goal of reducing vehicle miles traveled. Given that implementation of all thirty-five strategies outlined in the Plan is expected to nearly double biking and walking commute trips, increasing from 5% to 9% by 2050<sup>1</sup>, a sustainable bikeshare system will be a key implementation component to encourage Bay Area residents to take more trips by biking than by single occupancy vehicles.

As the end of the Bay Wheels contract approaches, in July 2027, MTC and the participating cities need to be proactive in preparing for the future regional bikeshare system. While many aspects of the system are working well, there is also room for improvement, and the system is not equal across all five member cities. To fortify the system, MTC is looking to make an investment by bringing new e-bikes across the entire system. The investment focuses on e-bikes, with additional capital funding to add stations, and pilot station electrification. It includes additional equity program funding, including a subsidized low-cost membership program for college students. The investment focuses on investing in new e-bikes to build regional cohesion and have a substantial e-bike fleet in all member cities. It will add and replace e-bikes in San Francisco and San Jose, and bring e-bikes to Berkeley, Emeryville, and Oakland.

This investment will improve the system's financial sustainability by reducing operational costs through station electrification and longer lasting batteries in the new e-bikes and building ridership by lowering membership costs and e-bike fees. Assessing the financial sustainability of the system post investment will help to understand what investment might be needed for a future

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<sup>1</sup> PBA2050, pg. 119

system, and how successful the system can be. The new e-bikes have better theft deterrents, a significant issue for bikeshare and scooter operators in the Bay Area, and lower operational costs. In addition, e-bikes have had higher utilization than pedal bikes, so adding e-bikes in Berkeley, Emeryville, and Oakland is expected to increase ridership. Finally, reducing annual membership cost and member per minute e-bike are expected to increase membership and ridership by offering a more affordable option. Although this funding approval is subject to the key terms in Attachment A, it does not approve specific details of program implementation or circumscribe the range of possibilities for the expansion.

**Next Steps:**

MTC and Lyft will negotiate a contract that includes the terms provided in Attachment A. Contract execution would be subject to MTC programming actions necessary to fund the contract up to the ‘not to exceed’ amount. Staff will continue to work with cities on how to document their coordination.

**Issues:**

None identified.

**Recommendations:**

Staff recommends the Committee authorize the Executive Director or designee to negotiate and enter into a contract with Lyft for the expansion of the Bay Wheels bike share system in the form of electric bikes and other improvements in an amount not to exceed \$15,940,000, subject to necessary allocation actions.

**Attachments:**

- Attachment A: Term Sheet
- Attachment B: Proposed Investment
- Attachment C: PowerPoint Presentation



Andrew B. Fremier

## Request for Commission Approval

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### Summary of Proposed Term Sheet

Work Item No.:	1413
Consultant:	Lyft Inc., San Francisco, California
Work Project Title:	Bay Wheels Bikeshare E-bike Expansion
Purpose of Project:	To expand e-bike service to the entire Bay Wheels system and improve bikeshare system service
Brief Scope of Work:	To fund capital investments in new e-bikes, spare parts, new stations, infill docks and station electrification, and implement a low-cost subsidized student membership pilot
Project Cost Not to Exceed:	\$15,940,000
Funding Source:	OBAG 3 Climate Initiatives
Fiscal Impact:	Funds available in the FY (Fiscal Year) 2022-23 MTC agency budget.
Motion by Committee:	That the Executive Director or designee is authorized to negotiate and enter into a contract with Lyft Inc., for Bay Wheels Bikeshare E-bike Expansion as described above and in the Operations Committee Summary Sheet dated February 10, 2023, and that the Chief Financial Officer is authorized to set aside \$15,940,000 for such contract, subject to funding availability and programming actions.
Operations Committee:	<hr/> Carol Dutra-Vernaci, Chair
Approved:	February 10, 2023

Term Sheet

Contract Topic	Contract Terms
Pricing	<ul style="list-style-type: none"> <li>● Lower annual membership to \$150</li> <li>● Lower member e-bike per-minute fee to \$0.15/min for one year</li> <li>● Add price accumulator for monthly memberships</li> <li>● Rollout of accumulator and new pricing by the later of (a) June 1 and (b) effective date of the full agreement between the parties to coincide with summer marketing campaigns</li> <li>● Consistent systemwide pricing for e-bikes</li> <li>● Continue protections for BS4A users</li> <li>● Limit for how often Lyft can increase prices for member e-bike fees, similar to annual membership pricing in the Program Agreement</li> </ul>
System Size	<ul style="list-style-type: none"> <li>● Lyft agrees to operate the MTC funded e-bikes across all cities throughout the term of the Program Agreement.</li> <li>● MTC will be responsible for up to \$10M to fund Cosmos e-bikes</li> <li>● Estimate of e-bikes to be funded for each city, dependent on jurisdictional approval and subject to change:               <ul style="list-style-type: none"> <li>○ Berkeley: 260</li> <li>○ Oakland: 600</li> <li>○ Emeryville: 65</li> <li>○ San Jose: 650</li> <li>○ San Francisco: 1,125</li> <li>○ <i>TOTAL: 2,700</i></li> </ul> </li> <li>● MTC will be responsible for up to \$300,000 for spare parts for Cosmo e-bikes</li> </ul>

Contract Topic	Contract Terms
Station Expansion in Existing Cities	<ul style="list-style-type: none"> <li>● MTC will be responsible for up to \$3.2M for new stations and/or additional docks in existing cities, including installation fees as outlined in Appendix A of the Coordination Agreement</li> <li>● Lyft must maintain 20% of total stations in EPCs (new stations plus existing stations)</li> <li>● Estimate of stations to be purchased, for each city, subject to change. Additional infill docks for each city to be determined:                             <ul style="list-style-type: none"> <li>○ Berkeley: 9 stations</li> <li>○ Emeryville: 2 stations</li> <li>○ Oakland: 19 stations</li> <li>○ San Jose: 21 stations</li> <li>○ San Francisco: 4 stations</li> </ul> </li> </ul>
Station Electrification	<ul style="list-style-type: none"> <li>● MTC will be responsible for up to \$440,000 for station hardware costs for station electrification</li> </ul>
Data and Investment Assessment	<ul style="list-style-type: none"> <li>● Lyft to provide data to show return on investment, which the parties will review on or around February 15 and August 15 of each year</li> <li>● At these meetings, the parties will review the impact of the investment and price changes on ridership and system health, determining whether operations costs warrant exploring sources of funding for fees identified in Appendix A to the Coordination Agreement, and if by one year from the rollout of new pricing, total membership does not increase by at least 5,000 members, outside of any MTC subsidized memberships, Lyft may raise member per minute e-bike fees back to \$0.20/min, or MTC may provide a subsidy to be negotiated with Lyft to continue the lower \$0.15/min member e-bike rate</li> </ul>



Contract Topic	Contract Terms
Data and Investment Assessment (continued)	<ul style="list-style-type: none"> <li>● At the end of the first year, Lyft will provide accounting on the spare parts used</li> </ul>
System Expansion to New Cities	<ul style="list-style-type: none"> <li>● Upon mutual agreement between Lyft, MTC and other government agency, MTC or other agency may pay for assets and/or operating fees in new cities.</li> </ul>
Payment Terms	<ul style="list-style-type: none"> <li>● 50% up front payment, remaining paid over time                             <ul style="list-style-type: none"> <li>○ For bikes: remaining 50% paid upon deployment</li> <li>○ For stations and spare parts: remaining 50% paid upon arrival in warehouse</li> </ul> </li> <li>● For memberships: 100% paid up front</li> </ul>
Pass Products	<ul style="list-style-type: none"> <li>● Lyft agrees to work in good faith with MTC and participating cities on pass products that can be used for employers, colleges, or other institutions to expand the use of bike share.</li> <li>● MTC to subsidize 20,000 memberships for college students in bulk at \$120 each, with \$100 paid by MTC up-front (for a total of \$2M) and \$20 paid by each student at sign-up.</li> </ul>
Security of Investment /Capital	<ul style="list-style-type: none"> <li>● At end of contract, or in case of early termination by Lyft, MTC has the right of title, right to assign title or have Lyft remove all assets and Lyft would retain ownership of assets, including spare parts funded by MTC</li> <li>● In case of early termination by Lyft, and if MTC does not elect to retain or transfer title, Lyft agrees to repurchase assets funded by MTC at an amount pro-rated for the remaining duration of the contract.</li> </ul>

Contract Topic	Contract Terms
Marketing	<ul style="list-style-type: none"><li>• MTC and Member Cities will have the right to market the program. Lyft will in good faith participate but does not have any financial obligation to the efforts</li></ul>
KPIs	<ul style="list-style-type: none"><li>• Include e-bikes in relevant KPIs from Program Agreement, including but not limited to KPI 4 Bike Maintenance</li></ul>
Bike Deployment	<ul style="list-style-type: none"><li>• Lyft will not use the purchased e-bikes in other systems while Lyft is operating the Bay Wheels system, and will deploy such e-bikes in accordance with its applicable contractual obligations. Lyft will share the status of these e-bikes through Tableau.</li></ul>

**Proposed Investment for Contract with Lyft (\$15.94M)**

**Capital Investments: \$13.94M**

<i>Title</i>	<i>Description</i>	<i>Amount</i>
<b><i>Bike Fleet Upgrade</i></b>	Upgrade fleet with next generation e-bikes throughout the region. Funding will pay for approximately 2,700 new e-bikes, with an additional \$300,000 to pay for spare parts for the new e-bikes.	<b>\$10.3M</b> 2.7k e-bikes and spare parts
<b><i>Station Infill and Network Expansion</i></b>	Station infill to improve system reliability in all five member cities, with geographic expansion of service area in Oakland, Berkeley and San Jose. Funding will pay for up to \$3.2 million of station and dock equipment, and installation fees. Exact station and dock numbers subject to jurisdictional approval.	<b>\$3.2M</b> 55-66 stations with 23 docks and 0-630 infill docks
<b><i>Station Electrification</i></b>	Electrify 8-10 stations. Funding will cover paying for station hardware	<b>\$0.44M</b> Station hardware
<b><i>Total Capital Investments</i></b>		<b>\$13.94M</b>

**Equity Programs \$2.0M**

<i>Title</i>	<i>Description</i>	<i>Amount</i>
<b><i>Equity: College Student Program</i></b>	Low-cost memberships for students. Funding will subsidize annual memberships for students.	<b>\$2.0M</b>
<b><i>Total Programming Investments</i></b>		<b>\$2.0M</b>

**Proposed Investment for Remaining Funding (\$3.86M)**

**Capital Investments: \$0.56M**

<i>Title</i>	<i>Description</i>	<i>Amount</i>
<b><i>Station Electrification</i></b>	Electrify 8-10 stations. Funding will cover costs to cities for civil work to connect to the electric grid and project management. Pilot expected to focus on San Francisco, with potential opportunities to expand to other cities	<b>\$0.56M</b>  Grid connection, project management
<b><i>Total Capital Investments</i></b>		<b>\$0.56M</b>

**Equity Programs and Expansion to New Cities: \$2.7M**

<i>Title</i>	<i>Description</i>	<i>Amount</i>
<b><i>Adaptive Bikeshare Program</i></b>	Build from Bay Area Outreach and Recreational Program (BORP) pilot to provide ongoing adaptive vehicle options.	<b>\$0.2M</b>
<b><i>Regional Expansion</i></b>	Fund expansion of Bay Wheels to adjacent cities with some local matching funds	<b>\$2.5M</b>
<b><i>Total Programming Investments</i></b>		<b>2.7M</b>

**Additional Funding: \$0.6M**

<i>Title</i>	<i>Description</i>	<i>Amount</i>
<b><i>Station Siting City Staff Needs</i></b>	Fund city staffing needs for station siting or permit fees if necessary	<b>\$0.6M</b>
<b><i>Total Additional Investments</i></b>		<b>\$0.6M</b>

# Bay Wheels Bikeshare E-bike Expansion Contract



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

MTC Operations Committee  
February 10, 2023

# Background

A light gray map of the San Francisco Bay Area is visible in the background. Several counties are highlighted in a light yellow color, including Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, and Santa Cruz.

## ■ Update

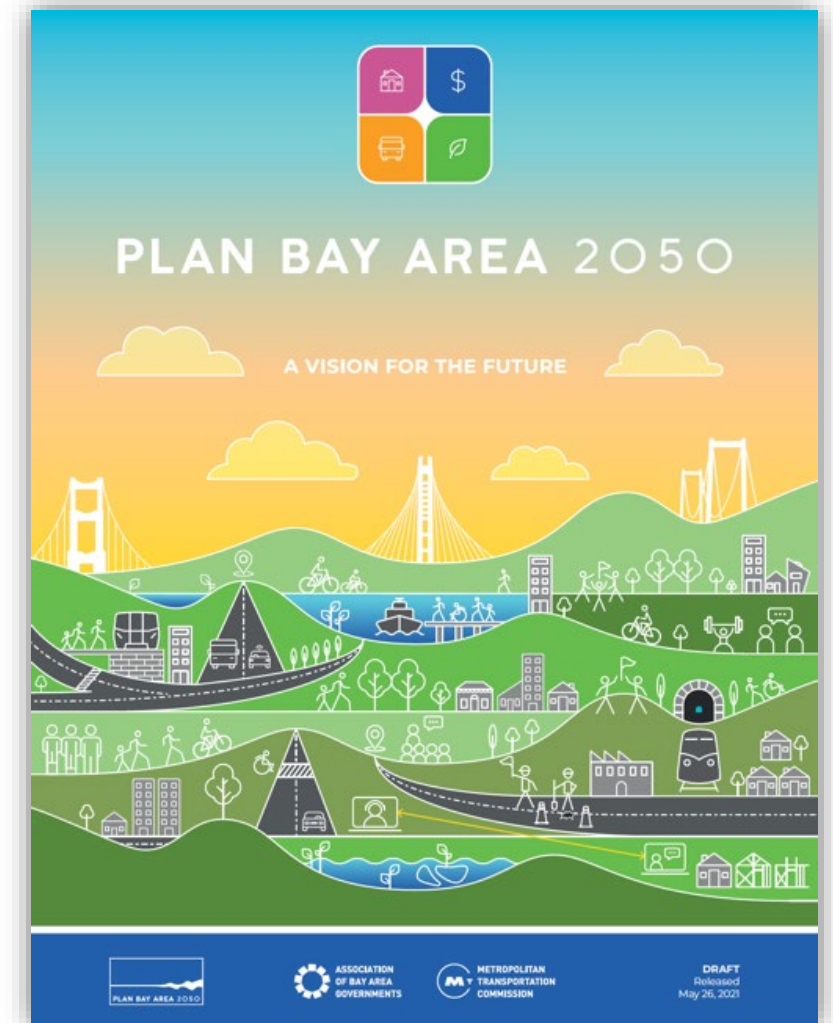
- Presented bikeshare update at November 2022 Ops Committee and January 2023 Policy Advisory Council
- Presented transportation electrification funding at Partnership Board and Planning Committee in December 2022
- Worked with staff internally and externally at member cities on proposal
- Proposal focuses on opportunities to build ridership, create an equitable system across all cities, build a long-term sustainable system

## ■ Key Findings

- Bay Wheels successful at demonstrating potential of e-bikes and bikeshare's role in regional transportation
- Business model challenges exacerbated by COVID
- Opportunity to shape future of regional bikeshare

# Funding Background: MTC Transportation Electrification

- Accelerating transportation electrification is a key Plan Bay Area 2050 strategy to help achieve greenhouse gas reduction target
- MTC administers transportation funding through One Bay Area Grant (OBAG) program, including \$65M for transportation electrification initiatives



# Potential Transportation Electrification Initiatives

Category	Investment
Charging Infrastructure Implementation <ul style="list-style-type: none"><li>• Transit station lots</li><li>• Partnerships with Air District, Community Choice Aggregators (CCAs)</li><li>• Focus on Equity Priority Communities (EPCs)</li></ul>	\$35M-\$40M
Electric Bikeshare <ul style="list-style-type: none"><li>• Electrifying docking stations</li><li>• Increase in regional e-bike fleet with focus on BayWheels</li><li>• Focus on EPCs</li></ul>	\$15M-\$20M
Public Fleet Electrification <ul style="list-style-type: none"><li>• Municipal fleet vehicle charging infrastructure</li></ul>	\$8M
Regional Transportation Electrification Program Evaluation and Strategic Plan	\$2M
<b>Total</b>	<b>\$65M</b>



# Proposal Development

- **Considerations**
  - Bikeshare will play a valuable role in:
    - Plan Bay Area 2050 (greenhouse gas and vehicle-miles traveled reductions)
    - Regional transit recovery
    - Climate Initiatives
    - Regional Active Transportation Plan
  - Transition from zero dollar contract to a model with more policy control
- **Goals:**
  - Equity
  - Build program longevity
  - Prepare for bikeshare future
  - Regional coordination and expansion
  - Mitigate risk and liability



# Proposed Contract with Lyft: \$15.94M

## Capital Investments: \$13.94M

	<i>Description</i>	<i>Proposal</i>
<i>Bike Fleet Upgrade</i>	Upgrade fleet by funding next generation e-bikes and spare parts throughout the region	<b>\$10.3M</b> 2.7k e-bikes and spare parts
<i>Station Infill and Network Expansion</i>	Station infill to improve system reliability in all cities, with additional geographic expansion of service area in Oakland, Berkeley and San Jose to accommodate growth in e-bikes.	<b>\$3.2M</b> 55 –66 stations 0-630 infill docks
<i>Station Electrification</i>	Pilot electrify 8-10 stations	<b>\$0.44M-</b> station hardware
<i>Total Capital Investments</i>		<b>\$13.94M</b>

## Equity Investments: \$2.0M

	<i>Description</i>	<i>Proposal</i>
<i>Student College Program</i>	Subsidized low-cost memberships for students	<b>\$2.0M</b>
<i>Total Capital Investments</i>		<b>\$2.0M</b>

# Additional Intended Investments (non-Lyft): \$3.86M

## Capital Investments: \$0.56M

	<i>Description</i>	<i>Proposal</i>
<i>Station Electrification Pilot</i>	Electrify 8-10 stations. Funding will cover costs to cities for civil work to connect to the electric grid and project management	<b>\$0.56M</b>
<i>Total Capital Investments</i>		<b>\$0.56M</b>

## Equity Programs and Expansion: \$2.7M

	<i>Description</i>	<i>Proposal</i>
<i>Equity: Adaptive Bikeshare Program</i>	Build off Bay Area Outreach and Recreational Program (BORP) pilot program	<b>\$0.2M</b>
<i>Regional Expansion</i>	Expansion to adjacent cities with some local matching	<b>\$2.5M</b>
<i>Total Programming Investments</i>		<b>\$2.7M</b>

## Additional Funding: \$0.6M

	<i>Description</i>	<i>Proposal</i>
<i>Station Siting Staff Needs</i>	Fund staffing needs for station siting	<b>\$0.6M</b>
<i>Total Additional Investments</i>		<b>\$0.6M</b>

# Term Sheet Key Points

- **Pricing:**
  - Annual membership reduced to \$150
  - Member e-bike per minute fees reduced by 25% to \$0.15/min for first year
  - Price accumulator for monthly members
- **System Size:**
  - 2,700 e-bikes, subject to jurisdictional approval
  - Estimates:
    - East Bay: 925
      - Berkeley: 260 Emeryville: 65, Oakland: 600
    - San Jose: 650
    - San Francisco: 1,125
- **New Stations and Docks:**
  - 55-66 stations and 0-700 infill docks; subject to jurisdictional approval
  - Estimates (dock distribution TBD):
    - East Bay: 30
      - Berkeley: 9, Emeryville: 2, Oakland: 19
    - San Jose: 21
    - San Francisco: 4
- **Pass Products**
  - MTC subsidizes 20,000 memberships for college students

# Key Next Steps

- Coordinate with member cities on jurisdictional approval
- Continue working and coordinating with MTC Committees and Policy Advisory Council
- Seek approval for additional funding as part of Transportation Electrification
- Promotion and marketing push for rollout of new program features in partnership with cities and Lyft





*Matt Mahan*  
Mayor

February 9, 2023

Metropolitan Transportation Commission  
Operations Committee  
375 Beale Street, Suite 800  
San Francisco, CA 94105-2066

**Subject: Agenda Item #5a: Contract - Bay Wheels Bikeshare E-bike Expansion - Lyft, Inc.**

Dear Operations Committee Members,

I write in support of the staff recommendation for Bay Wheels Bikeshare E-bike Expansion with Lyft, Inc. For the past nine years, the City of San José has proudly been a service area for Bike Share, which has been widely used by those who live, work and play in San José. This shared mobility system has provided users in San José a greener transportation alternative to traverse throughout the Capital of Silicon Valley. Furthermore, San José has one of the highest proportion of riders using Bay Wheels equity program Bike Share for All, which provides discounts based on income. Unfortunately, COVID-19 significantly impacted system usage with decreased ridership.

The one silver lining we have seen is that while E-bikes constitute approximately 10% of the total 1,000 bike fleet in San José, they are consistently chosen over pedal bikes (Classic Bikes). Therefore, we are excited by the potential introduction of 650 new E-bikes into the San José market, and expansion of service and equity programming. This regionwide approach and \$16 million investment are critical to restoring the vision for bike share and further our mode shift goals in San José.

While we fully support the proposed framework shaped by MTC staff, I request that the committee ensures that cities are kept involved in the forthcoming negotiation process to ensure that major service areas like San José have a voice in shaping a more equitable and sustainable regional bike share system.

Thank you,

A handwritten signature in black ink that reads "Matt Mahan".

Matt Mahan  
Mayor  
City of San José

**From:** [Parker Day](#)  
**To:** [MTC-ABAG Info](#)  
**Subject:** Public Comment for MTC Meeting Feb 10, 2022  
**Date:** Tuesday, February 7, 2023 12:26:58 PM

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**\*External Email\***

Hello,

My name is Parker Day and I'm a resident of San Francisco. As a person who is a longtime Bay Wheels member, I wanted to write in strong support of Item 5a, the contract with Bay Wheels Bikeshare for e-bike expansion. Bike share has been transformative for me, allowing me to make one way trips, compliment transit trips, and reduce my reliance on car transportation. It is especially helpful to have one predominant bike share system for the bay area, and expansion of that system is very important.

With this contract, it will be nice to finally see ebike share return to the east bay. These bikes work for the most types of riders, not relying on personal strength or route planning. I also feel safer riding ebikes around car traffic since they move a little faster, lowering the speed differential.

I am quite confident that ebike share has the power to really transform the way we move around our metro area and I hope you'll approve this contract.

Thank you,

Parker Day  


**From:** [Sandhya Laddha](#)  
**To:** [MTC-ABAG Info](#)  
**Subject:** Comment for 2/10 Operations committee meeting  
**Date:** Thursday, February 9, 2023 12:49:50 PM

**\*External Email\***

Hello,

My name is Sandhya Laddha and I wanted to provide the following public comment for the [2/10 Operations committee meeting](#). Thank you!

Dear committee members,

My name is Sandhya Laddha, Policy Director at Silicon Valley Bicycle Coalition, a non-profit that aims at building healthier and more just communities by making bicycling safe and accessible for everyone in San Mateo and Santa Clara Counties.

We want to applaud MTC's efforts on putting a major investment toward bike share in the Bay Area - this is the very first much needed public subsidy for bikeshare which will help bring some financial stability to the system; and we hope this is one of the many to come! We are thankful to MTC to start laying the groundwork for next steps as the contract with Baywheels ends in 2027.

This investment will bring 650 new bikes and 21 new stations in San Jose alone against 100 e-bikes that the City currently has. It will also bring e-bikes to the East Bay which currently do not have any! At the same time the program proposes a price drop in fees, a new accumulator feature and a college student discount program - all these initiatives would not only benefit those already using bikeshare but also encourage others to use this as a viable option to commute to places - helping reduce the number of cars on our roads - ultimately reducing traffic and congestion. We are also excited about the potential of expanding the current Baywheels program to adjacent cities which would add great value to the bikeshare system given all the Bay area cities are so close to one another.

This is an important first step and down payment toward a publicly funded, seamlessly integrated, equitable, accessible regional micro mobility program. We look forward to working with MTC, Lyft and the City of San Jose on outreach efforts as well as making sure the new stations and bikes are equitably distributed across the City.

We request you to vote in favor of this endeavour and hope to see the new e-bikes on ground as soon as possible.

Thank you!

--

Cheers,

**Sandhya Laddha**

Policy Director | she/her/hers



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