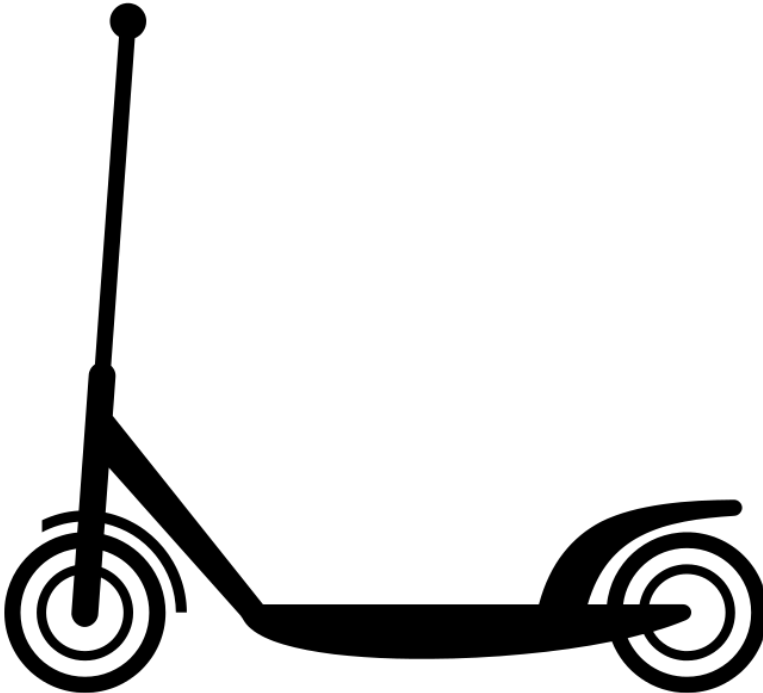


**Micro-Mobility Station Regulation
Pilot Program Review**



1. Background

In the summer of 2017, Micro-Mobility Vehicles (MMVs) appeared on the streets seemingly overnight and created a new transportation landscape. Scooters and dockless bikes began cluttering city sidewalks and Metro transit stations creating obstacles in paths of travel due to the poor parking practices of its users. In order to accommodate the evolving mobility landscape, Metro, the City of Los Angeles, and other municipalities in Los Angeles County approved and implemented pilot programs to regulate the operation of MMVs.

In July 2019, the Metro Board approved a two-year Micro-Mobility Vehicle Pilot Program (“Program”) to manage and regulate MMVs on Metro properties and rights of way (ROW) to support the County’s goal of offering a vital car-free mobility solution for first and last mile connections while maintaining safety and accessibility of Metro stations. This puts Metro ahead of the new legislative requirements.

2. Program Overview

With the adoption of Metro’s pilot program, MMVs and dockless bicycle share service providers were given authorization to conduct business on Metro property, parking facilities, and right of way by executing a license agreement. Metro’s license agreement allows MMV service providers to lease monthly parking spaces at stations of their choosing provided the respective service provider has secured approval to operate in their respective jurisdictions.

In order to enforce designated MMV parking, Metro’s Parking Enforcement contractor monitors and issues citations to MMV service providers through an automated citation notification system. The notification system is designed to have citations reviewed by Metro Parking Management staff prior to transmitting the information to the operating companies. MMV service providers who file as applicants are given the opportunity to correct non-ADA violations within two (2) hours of receiving a citation by providing supporting documentation to Metro.

MMV service providers electing not to enroll in the program may not correct violations. ADA-related violations such as MMVs found on platforms or in front of fare gates are not correctable and result in immediate citations regardless of the company’s status. Citations are invoiced monthly, referencing MMV number, date, time, location and applicable violation code section.

3. Program Implementation

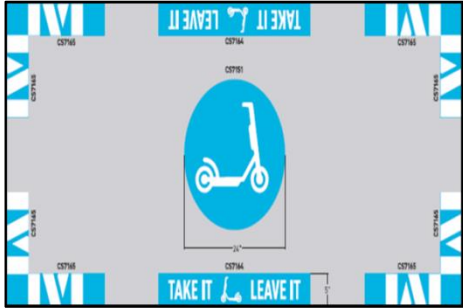
Insurance Requirements

After the Program received Board approval, staff began working with Risk Management on insurance requirements for the Program. The original recommendation for Metro insurance coverage levels was five times greater than most municipalities in Los Angeles County, but due to Metro's liability as a countywide agency, the levels were initially deemed appropriate.

The cost of obtaining the required level of insurance was a major deterrent for the participation of MMV service providers. The opposition to the higher levels of excess liability insurance in the license agreement ultimately fueled a refusal to participate in the program. The lack of enrollment led to a reduction in excess liability insurance requirements to match those of other local municipalities. The liability insurance controversy escalated beyond Metro's purview when state legislation set the level of insurance required for MMV service providers.

In September 2020, the State of California passed AB1286, requiring cities or counties that authorize shared mobility device providers to operate to adopt operation, parking, and maintenance rules by January 2022. The bill also requires shared mobility service providers to enter into an agreement with, or obtain a permit from, the city or county with jurisdiction with specified required levels of insurance.

Per AB1286, California MMV service providers are required to maintain commercial general liability insurance coverage with a carrier doing business in California, with limits of not less than one million dollars (\$1,000,000) for each occurrence for bodily injury or property damage, including contractual liability, personal injury, and product liability and completed operations, and not less than five million dollars (\$5,000,000) aggregate for all occurrences during the policy period. These requirements are in line with Metro's license agreement.



Parking Drop Zones

Metro's original plan of placing MMV parking areas inside parking garages and lots was not effective due to low visibility and inconvenience to users, making these areas obsolete in the first few weeks. Users of the devices were bypassing parking established away from station areas and proceeding directly to the station entrance.

Following the program models of the cities of Santa Monica, Los Angeles, and Long Beach, Metro changed course and installed 'drop zones' which increased visibility and convenience of the parking areas at stations. Staff surveyed and designated MMV 'drop zones' that were visible, uniform in placement and convenient for MMV users without impacting other transit riders.



These new 'drop zones' proved to be highly effective and improved compliance and organization at stations, serving to keep MMV devices out of paths of travel for transit riders. By placing these zones uniformly and consistently at stations near bicycle parking racks, users became familiar with where parking areas were at all stations.

Although these 'drop zones' proved to be effective in managing MMV operations, the lifespan of the decals used to designate the parking areas had unforeseen maintenance challenges. Staff worked with Metro's Facility Maintenance team to test

decals for wear and tear as well as station cleanings such as power washing. Ultimately, the decals installed did not withstand the tests of the environment and a more permanent solution is required to minimize labor and materials needed to maintain the ‘drop zones.’



Staff continues to work with Facilities Maintenance to develop a more permanent solution that is more durable such as using simplified pavement stenciling with weatherproof paint and signage to designate parking areas, thereby reducing maintenance and keeping areas better defined despite exposure to the elements.

Enforcement

From September 2019 to January 2020, Parking Enforcement issued approximately 130 warning citations to MMV service providers as systems were tested and enforcement staff was trained. In February 2020, the first official month of issuance, Parking Enforcement issued approximately 271 citations during the enforcement training period. By mid-March of 2020, with all officers trained, 275 citations were issued prior to the implementation of the COVID-19 Safer at Home mandates.

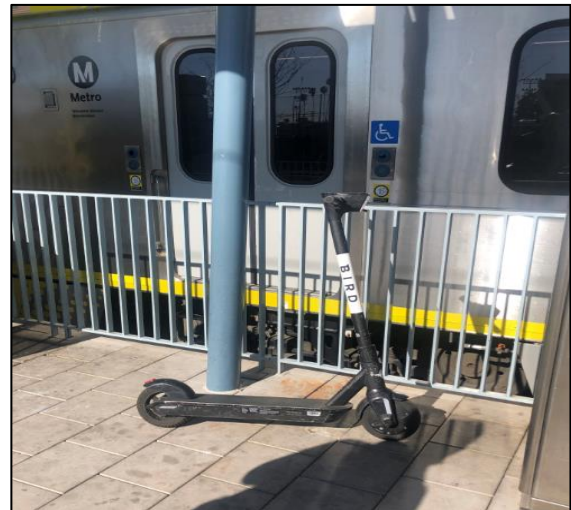
TOTAL NUMBER OF VIOLATIONS ISSUED PER MONTH						
September '19	October '19	November '19	December '19	January '20	February '20	March '20
30	17	14	34	33	271	275

March 2020 was on pace to be the highest level of issuance due to more parking enforcement staff having being trained and allocated to enforce MMV violations. Although the issuance number seems high, it was indicative of the situation – which several MMV service providers chose not to engage with Metro or otherwise enroll in the program resulting in automatic citations as they were not entitled to the two (2)-hour notice to correct violations. Of the MMV service providers who paid Metro’s application

fee, the data indicated a majority of their users were parking properly once Metro installed designated parking areas. The data also showed violations were only occurring on 3 of Metro’s 8 rail lines and busways.

LINE	CITATION ISSUED BY LINE			
	January	February	March	Total
A	0	0	0	0
B	26	45	104	175
C	0	0	0	0
D	0	11	11	22
E	7	215	160	382
G	0	0	0	0
J	0	0	0	0
L	0	0	0	0
TOTAL	33	271	275	579

The citation issuance data demonstrated the number of citations written per day was lower than anticipated. In March 2020, with five parking enforcement officers, Metro was on pace to issue 550 citations, roughly 110 per officer per month. That’s roughly 25 violations per day of enforcement, far lower than anticipated given the labor and effort involved to enforce.



That’s not to say enforcement isn’t or wasn’t necessary. Though properly placed drop zones improved compliance, ADA and platform violations are still cause for concern. In February 2020, enforcement focused heavily on platform abandonment and blocking of ADA pathways. The focused enforcement effort resulted in a significant drop in platform and ADA violations the following month in March, improving safety at our stations.

TYPE OF VIOLATION PER MONTH			
	8-07-050A MMV Outside Designated MMV Parking Areas	8-07-050C MMV parked in ADA parking space or access	8-07-050D MMV Abandoned on transit station platform
January '20	32	1	
February '20	219		52
March '20	269		6
TOTALS	520	1	58

Two-Hour Correction

The 'two-hour correction' policy has proven to be extremely burdensome to Metro with little benefit in its current form. The current process allows participants in the program to correct an improperly parked MMV within two hours of being notified of a non-ADA violation (ADA and platform violations are exempt from this policy).

Several MMV service providers applied to be participants in the program by submitting the required application and processing fee, but did not fully complete the process due to delay in securing insurance. In good faith, during that application process, Metro granted the two-hour correction policy to MMV service providers who initiated the application process. Staff found that response from MMV service providers to correct violations was inconsistent. On several occasions, staff was notified a vehicle in violation had been corrected, only to have an officer return to the station to find the same vehicle in violation, making enforcement less efficient in its coverage of the system. Staff assumed the MMV service providers used the two-hour notice period as an opportunity for a new customer to rent the scooter during the notice period rather than physically correcting the improperly parked MMV.

TWO-HOUR CURE TIME RESPONSE (%)						
	September '19	October '19	November '19	December '19	January'20	February'20
Average Response	1.52%	14.53%	25%	54.38%	51.39%	27.46%

Tracking of the two-hour notice and responses are labor-intensive and lack results due to the fact that the burden of verifying improper parking falls solely on Metro. This policy limits deployment effectiveness and operational efficiency.

Administration

Administering the current program requires constant engagement between MMV service providers and Metro staff. Each citation generates an e-mail notification. Non-ADA violations essentially double the number of e-mails due to the two-hour notice to correct. MMV service provider responses to two-hour correction notices of non-ADA violations must be continuously be monitored by staff and cross-checked for replies that the violation has been corrected within the allotted time period. As cooperation with service providers has been challenging, those responses have varied and have been inconsistent at best. As the number of violations scaled with increased resource, the tracking of responses became more difficult.

The manual invoicing of citations also proved to be a daunting task as it required providing MMV service providers with records of each violation detailing where and when the violation occurred, while cross-referencing the responses received regarding corrected violations. This task proved to be far more labor-intensive than initially anticipated. It is recommended that staff research automated software options to better manage the invoicing process to reduce the time required to perform the task.

Towing/Removal

Many factors influenced the decision to not enact the Program's towing policy in the early stages of the pilot. By not removing or towing a single MMV from any Metro station, it satisfied the goal of gaining cooperation with MMV service providers to address parking issues in a similar manner and strategy used when enforcing automobiles. Towing is a means of enforcement best implemented incrementally, after issuing citations has failed to produce compliance. In the case of Metro's strategy, staff observed a decline in platform violations the following month after a focused enforcement effort. MMV service providers were responding without staff having to increase the severity of enforcement. While citations on platforms did significantly decrease, the corrections were ultimately from service providers that were in the application process with Metro. Ultimately, the safety of all transit riders takes priority. Non-compliant, non-cooperative service providers will need to be removed and towed for failing to comply with Metro's policy. Towing and impoundment is a last resort, the last protection the Program has to ensure safety at Metro stations. Staff continues to review procedures to ensure MMV service providers have every opportunity to comply before towing procedures are enacted.

4. Challenges to Overcome

Participation

The administration of the MMV Program had challenges throughout the pilot period mainly related to Metro's insurance requirements. MMV service providers universally objected to the required coverage because of costs and requested it be revised to mirror that of other agencies. This took several months to resolve, but was ultimately accomplished. Metro revised its insurance requirements to mirror levels of other local agencies operating MMV programs. Recent state legislation passed in September 2020 now dictates insurance levels for MMV service providers so the issue is now moot. However, resolving the insurance issue did not increase participation. Although Metro has had several applications, to date, there are no service providers that have executed Metro's license agreement participating in the Program.

When the Program was first drafted, it was reactive to the fact that MMVs were found to be unmanageable throughout the County and at Metro stations. While there were attempts to come down and enact strict enforcement measures, it was evident that enforcement alone won't fully change the behavior. Cooperation and communication with MMV service providers is imperative to identify problems at stations and address the behavior of their users proactively. Service providers have the ability to engage their users to promote and direct good parking behavior and warn them of potential consequences. This is a tool that can only be used if there is cooperation between the Program staff and the MMV service providers.

Staff recognizes a few MMV service providers have criticisms of the structure and severity of the enforcement aspect of the Program such as the frequency and severity of citation issuance. Staff also recognizes service providers prefer less frequent interaction on a daily basis relating to corrections, which can easily be resolved with improved participation and communication thereby resulting in safer stations for all transit riders. Policy adjustments relating to fines and monthly fees alone would lead to more participation. However, these adjustments cannot and will not sacrifice or de-prioritize safety. Instead, these adjustments should open the door for communication to actively address stations where problems are identified and work cooperatively as partners in mobility.

Fines and Fees

As stated previously, one of the main deterrents of participation of MMV service providers has been the Program's fine and fee structure. In current form, service providers are required to pay an application fee of \$1,500 and a monthly fee for each station they select to use ranging from \$125 to \$250 per month based on category of

station. For access to parking at all Metro stations, MMV service providers are required to pay \$12,500 on a monthly basis. These fees, exclusive of insurance costs, do not take into account any fines incurred for non-compliance and are simply a cost of participating in the Program.

Metro's fines for violations are higher than most public jurisdictions. This was initially set to be more severe than fines for automobiles to address the seriousness of correcting bad parking behavior and ensuring the safety of our transit stations for all transit riders. For perspective, Metro automobile parking violations average \$50-\$55 fine rates for violations. Bicycle parking violations are \$38. Metro MMV parking violations start at \$100.

The higher insurance requirements set forth initially along with the fines and fees for the Program have been the main reasons MMV service providers have not joined the Program. Service providers have voiced this to staff on numerous occasions at different points of the pilot, including most recently in the responses to a recently released RFI from The Office of Extraordinary Innovation's Recovery Task Force to mobility providers. In subsequent proposals, service providers recommended Metro waive fees in exchange for services.

When the MMV program was originally crafted it was envisioned that this would be a revenue generating program. However, revenue has not materialized, given the fact that not one service provider has fully enrolled and executed a license agreement with Metro. Additionally, the citations issued during the pilot period have not been paid. Invoices were sent out March 13 for February violations, just days before California's Safer At Home order went into effect.

As of the date of this report, aside from initial application fees from two service providers, no revenue has been collected. Citation invoices and monthly recurring fees for stations remain uncollected. Therefore, it is recommended that the fee structure and fine rates for violations be reviewed and brought in line with industry standard to ensure fairness to service providers while maintaining the seriousness of violations that pose safety and accessibility concerns. Now that insurance requirements have been resolved, staff is optimistic that with a new goal of facilitating access to transit, the Program will be better structured to encourage cooperation and communication with MMV service providers in lieu of fines in a more phased approach.

5. Review Summary

Based on staff observation and the data collected, by placing designated parking areas in highly visible convenient areas, compliance at stations rose significantly. Prior to implementation of the Program, there were no marked areas telling users where to leave MMV devices. By installing infrastructure, in similar fashion as Metro does for bicycles, a majority of MMV users now park vehicles appropriately.

As stated earlier, that's not to say enforcement of rules and regulations are not necessary. Although the majority of users have begun parking appropriately, there are still those who do not. Those few violations still pose safety and accessibility concerns for all transit riders and require correction to address them. However, the level of response and resource allocated may not be appropriate given the level of compliance.

The lack of participation and overall cooperation of MMV service providers has also made operation of the Program challenging. Though staff could see changes happening in the field in reaction to enforcement, it was not a coordinated effort. All efforts by Metro and service providers were reactive rather than proactive in addressing challenges at stations because of that lack of communication. A program that facilitates addressing concerns before penalties are enforced could improve the relationship and cooperation between Metro and MMV service providers.

Staff agrees that the first step in improving Metro's Program is to review the fees and fines associated with the program. By moving to a model that requires less resource and burden to Metro, properly aligning those fees could remove a huge deterrent for Program participation. Rather than viewing MMV as a revenue source for Metro, altering the program to recoup the burden would drive down costs for MMV service providers and ultimately for Metro. A more cooperative partnership would result in safer accessible stations for all by addressing issues proactively before consequences are enacted.