SCAG Mobility as a Service Feasibility White Paper

Advisory Group Meeting #1
Meeting Summary

Introduction

The Mobility as a Service (MaaS) Feasibility White Paper Advisory Group Meeting #1 was held on Thursday, August 26, 2021, to provide an overview of the project, share preliminary existing conditions analysis and case studies conducted to-date, and obtain feedback from members on the White Paper evaluation framework and existing conditions. Advisory group members received an agenda and charter prior to the meeting.

The Southern California Association of Governments (SCAG) Executive Director, Kome Ajise, provided welcoming remarks and shared his vision for this project and its integration into the 2024 Connect SoCal, SCAG's Regional Transportation Plan and Sustainable Communities Strategies (RTP/SCS).

Kome explained that those attending the kickoff meeting were chosen based on transportation expertise in the SCAG region. He highlighted that Mobility as a Service (MaaS) is a key connection in SCAG's regional transportation plan called Connect SoCal. Connect SoCal presents a collective vision of our future of transportation in Southern California. The plan includes strategies to improve efficiency of our transportation system and expand mobility choices. MaaS presents the integration of public transportation and emerging trends in shared mobility, on-demand services and other mobility innovations. It is critical to develop a framework for how these innovations are integrated into our mobility options to help effectively plan for them. The goal is to ensure mobility in the SCAG region does not depend on the use of single occupancy vehicles.

Meeting Summary

1. ### Welcome & Purpose (Priscilla Freduah-Agyemang, Project Manager, SCAG)
    - Priscilla opened the meeting and thanked everyone for joining the meeting as transportation leaders in the region. She emphasized that SCAG was pleased to have everyone in attendance and for their input into the development of the Feasibility White Paper.
    - Priscilla highlighted the purpose of the study, what members will get from the meeting and expectations of the project team from the members.
    - Priscilla described the general structure of the meeting and shared the meeting agenda.
    - Priscilla opened the floor for self-introductions and asked an Advisory Group Member from each Agency to briefly introduce themselves.

2. ### Advisory Group Overview (Susan DeSantis, Senior Project Manager, Arellano Associates)
    - Susan provided an overview of the SCAG Feasibility White Paper Advisory Group Charter, and the composition of the Advisory Group.

- She referenced the framework elements for the Feasibility White Paper, covering Infrastructure, Data & Technology, Management & Operations, Governance, Institutions, Finance, and Public Education and Acceptance.
- She emphasized SCAG's goal to create a team of thought leaders, decision makers, and MaaS champions to review best practices and successful models for coordination and cooperation to provide guidance on MaaS implementation.
- Finally, Susan highlighted the roles and responsibilities among group members and stressed that the group is not a formal voting body, and that SCAG would be seeking a consensus on key issues.
    - Advisory Group Member, Benjie de la Pena, posed a question to the project team regarding the advisory group charter as follows:
        - "We are not a voting body, but we will give you advice. How do you assure us that we are not just a rubber stamp?"
        - David DeRosa, AECOM, provided Benjie with a response and expressed that ultimately the team is looking for recommendations that will lay the foundation to bring real world implementation to the communities we serve
        - Priscilla added to the response by explaining that the team values everyone's thoughts and it is why Benjie's expertise is part of the advisory group.
        - Benjie hopes the recommendations included as part of the White Paper include any potential disagreements among the advisory group

Poll #1 (Benjamin Lopez, Senior Project Coordinator, Arellano Associates)

Mr. Lopez presented the group with the following poll questions (results in parentheses):

1. In today's on-demand society, the concept of ownership has been transformed. We no longer own products; instead, we consume services. And key technologies – such as cloud, Artificial Intelligence (AI), and Internet of Things (IoT) – serve as a platform for this enormous shift. Please respond if you agree, disagree, or have no opinion with the above statement:
    a. Agree (56%)
    b. Disagree (28%)
    c. No opinion (16%)

2. Fueled by new ride-sharing and e-hailing services like Uber and Lyft, the way we experience transport in the region in the future is via Mobility-as-a-Service (MaaS) Please respond if you agree, disagree or have no opinion with the above statement:
    a. Agree (44%)
    b. Disagree (44%)
    c. No opinion (12%)

3. What have we learned about MaaS so far? (Susan DeSantis) (David DeRosa, Associate Vice President, AECOM) (Victor Xie, Transportation Planner, AECOM)

- Mr. DeRosa began this section of the presentation by providing a working definition of MaaS, including a reference to a longer version of the definition with context in the appendix of the PowerPoint presentation.
- Susan DeSantis provided an overall summary of the interview highlights from the Advisory group one-on-one interviews.
- Mr. DeRosa transitioned to introduce preliminary existing conditions and conclusions to the group, establishing a foundation and vision for MaaS.

Poll #2 (David DeRosa)

Prior to the breakout rooms, Mr. DeRosa presented the group with the following poll question (results in parentheses):

1. Please identify the country/region you feel will lead MaaS Adoption globally?

   a. U.S. (18%)
   b. China (29%)
   c. Western Europe (41%)
   d. Japan (6%)
   e. Russia (0%)
   f. Other (6%)

4. Breakout Discussion Groups (Moderated by David DeRosa, Susan DeSantis, and Victor Xie)

- Advisory Group Members were assigned a breakout room and a moderator. The breakout rooms were split into three topics of discussion:
  - Governance, Finance, Infrastructure (Moderated by David)
  - Technology, Management and Operations (Moderated by Victor)
  - Institution, Public Education and Acceptance (Moderated by Susan)
- The breakout rooms discussed the MaaS definition, existing conditions that are missing and may need to be added into the Existing Conditions Report, along with policy framework recommendations for successful MaaS implementation.
- Each breakout room was designed to be interactive and was utilized to gain attendees' thoughts and capture their critical inputs on the framework for MaaS. The key takeaways from each breakout room are discussed later in this meeting summary.

Report Outs

- A moderator and/or representatives of the individual breakout rooms provided a report out which consisted of an overview of the conversation from each topic of discussion.

5. Wrap-up and Next Steps (David DeRosa and Priscilla Freduah-Agyemang)

- Mr. DeRosa thanked all attendees for meaningful discussion and highlighted next steps.as He presented the proposed dates and focus areas for upcoming meetings.
- Ms. Freduah-Agyemang thanked attendees, and asked for additional introductions from those who joined the meeting later, encouraged participation in the second Advisory Group Meeting in October before adjourning the meeting.

Zoom Chat Highlights

Benjie de la Pena: "strongly recommend that the Policy Framework should include "history" -esp. history of transportation and transportation investments and the benefits and harms they have created."

Benjie de la Pena: "Governance and Institutions - should include current capacities in institutions - and analysis of the gap"

Gillian Gillett: "There is a global payment standard - used everywhere in the world except American transit - open loop EMV. America "just" hasn't made sure everyone has access to a bank/basic payment credential."

Gillian Gillett: "In all of these examples, the citizenry has a basic payment credential - be it a bank account or a government provided bank account equivalent."

Breakout Discussion Highlights

Breakout Room #1 – Governance, Finance, Infrastructure

<u>MaaS Definition</u>:

- Acknowledgement of not including the term "on-demand" as part of the MaaS definition, because fixed route service is a major part of a MaaS system. Passenger rail (Metrolink) and other traditional vanpool can't be classified as "on-demand". Need to underscore what "on-demand" means in the MaaS definition
- MaaS should compete with using a private car and provide an alternative to exclusively using the private car.
- The cost of owning a car may be less expensive than a multi-modal option in some rural areas of the SCAG region.
- Current definition says MaaS is a single entity, but it seems clear the MaaS system will require multiple operators/vendors/agencies
- Definition is too long
- Must properly communicate the intent of a MaaS system

<u>Maas Policy Framework</u>:

- Where does fare payment structure and coordination across the region fit into current policy framework – Management and Operations
- Need to pay attention to payment and revenue transfers as that might dominate the finance discussion or may be a separate topic
- The public and private sectors all have data needs
- We run into bigger governance issues and tech concerns when you discuss financing of MaaS
- Request that this process not open fare policy discussions across providers/operators – don't want to see changes to fare policy
- The payment piece of MaaS will take a while to sort out

<u>Existing Conditions</u>:

- Infrastructure needs to be well funded
- MaaS services rely on payment by the user. How do we coordinate fares and maintain individual fare structures? We probably want to avoid discussion of a regional fare
- Payment processing is a big issue, and policy issues come into play. Need to think more about service availability, data availability and payment systems

- Support for public education and outreach. It's necessary to help people understand the range of mobility services available to them. ICTC is commencing a microtransit service in Calexico, CA with Via as the operator. More details to come.
- Concept of managing peak demand and use public education to inform riders about shorter travel times if they shift their departure time

Who should MaaS serve:

- People who don't have choices now
- It should serve and target those that we can encourage to use transit more
- MaaS has the potential to serve anybody, but initial focus should focus on those who need it the most

Breakout Room #2 – Technology, Management, and Operations

MaaS Definition:

- The second part of the working MaaS definition is clunky and fails to answer the question of who operates and manages MaaS.

MaaS Policy Framework:

- Desire to address the legal challenges, when it comes to contracting between government and private mobility companies. Transit agencies would benefit from a master contract template to write contracts between public and mobility providers. Could also include basic procurement reform, because the current procurement policies make it difficult to draft these contracts.
- Desire to include institutionalized racism, that addresses how payment systems have excluded certain groups of people. Mobility users should have the ability to pay cash and use non-cash payment systems, which the system does not allow.

Existing Conditions:

- Need a group of vendors who provide real-time data collection technologies for transit agencies. Existing vendors are either too expensive or not in compliance and lack a business case to invest in the modernizing their code of infrastructure. Need for agencies to come together to define the procurement process and what is needed to get the right products. There is not a strong agency culture of working with state to exercise/leverage buying power in the procurement process
- We look at problems in silos. It is costly and does not cater to the community's needs
- LADOT is working with LA Metro to lay the groundwork on equity. The current constraint revolves around technology. Need the state to lead the conversation. (Example project: Angeleno card, Mayor's fund for Los Angeles)
- LADOT can offer to be partners and incubate ideas, but for MaaS to exist, you need state level political will
- Need policies and funding opportunities
- Another missing element is a product mapping exercise. i.e., what are the products and who are the customers and define the respective roles of everyone in the product delivery and consumption.

- Product and distribution channels are important. Public transit agencies have a great distribution channel, but not the right product
- Payment barriers are the key to addressing equity concerns
- The Square debit card introduced in Monterey is a good example of how some transit agencies are addressing these concerns. The card offers the ability to pay for transit services and goods such as coffee. Square is also investing in transit discounts, where low-income population with different needs, such as seniors, people with disabilities and students also have access to these discounts. CAL-ITP is already exploring this through the DMV payments. The Monterey Salinas pilot already has senior discounts included.
- Need to address the issue of identity as part of the payment process and how comfortable customers feel about data associated with user accounts
- We could introduce a digital payment option to cash users. An annual fee is another big barrier to MaaS.
- The existing transit system barrier is the infrastructure and long-term contracts and to get infrastructure in sync from a state level. Cal-ITP is willing to examine an approach to procure products as a group for transit agencies, including the various contractual relationships for the procurements.

Breakout Room #3 – Institution, Public Education and Acceptance

MaaS Definition:

- The current definition and term have an internal, inherent bias. For anyone that doesn't own a car, mobility is a service – But often, it is bad service.
- MaaS is not user centric, right now it is only a service. There is room for SCAG to develop its own sense on what MaaS means, and the services needs to be available to meet people's needs. "A single mobility service accessible on demand" promises one ring to bring all the mobility services together, but that's not the way we run any technology services.
- MaaS could rather be viewed as a public utility (meaning – always available when needed) and seamless to the user.
- The definition should not be focused on technology but the user.
- MaaS feels theoretical and far removed from real experiences with transit. We don't have basic transportation options, so overall MaaS feels like a stretch.

MaaS Policy Framework:

- Suggest adding "history" to policy framework because we are not starting from a balanced frame.
- Describe the type of infrastructure referenced – physical, social, etc.
- Suggest adding "capacity" to policy framework. There is not enough capacity within government to manage information, which is the key asset for MaaS. Can be framed as "capacity and information management". Building up skillset and expertise in the government sector will be critical for MaaS
- Agencies like Metro have the funding to improve transportation and access to sidewalks, etc., but the power and decision making is lacking.
- Provide clear explanation of who constitutes governance and institutions
- The phrases used in the framework have an inherent bias. i.e. "Public Education and Acceptance" almost sounds like forcing the concept on the users. It quickly seems to suggest, e.g. "We need to educate you and the reason you aren't accepting MaaS is because you aren't educated".

- There are currently too many barriers to MaaS implementation.
- Funding and decision-making are key to addressing mobility needs in the SCAG region
- Need to address the funding responsibility of MaaS. Who is going to fund MaaS, and where will the funding stream come from? Also, revenue streams should also be part of the MaaS conversation
- Need to address the political framework, land use and culture, and others such addressing mode split. Addressing especially the political considerations can be framed under culture, i.e. organizational culture

Existing Conditions:

- Case studies are not representative of the Los Angeles area.
- There is a lack of curb cuts and bus shelters in many parts of the region.
- MaaS, right now, sounds more available to wealthier residents.
- MaaS will not work everywhere at the same level, due to the differences within the region in terms of infrastructure and transit service availability.

Who should MaaS serve:

- The conversation should not be about who MaaS should serve, but what MaaS should deliver.
- Who MaaS serves also depends on who is funding it – If it is publicly funded, it should serve everyone, but if MaaS is privately funded, it may not serve everyone and only those who can afford it.

Meeting Attendance

Advisory Group Members/Alternates

Gillian Gillett, Program Manager Cal-ITP, California Department of Transportation
Hunter Owens, Research Data Manager, California Department of Transportation
Marven Norman, Policy Coordinator, Center for Community Action and Environmental Justice
Marcel Porras, Chief Sustainability Officer, City of Los Angeles Department of Transportation
Mark Baza, Executive Director, Imperial County Transportation Commission
Jessica Meaney, Executive Director, Investing in Place
Steve Finnegan, Co-Chair, Transportation and Goods Movement, Los Angeles Area Chamber of Commerce
Meg Arnold, Senior Vice President of Market Transformation, Los Angeles Clean Tech Incubator
Stephanie Wiggins, Chief Executive Officer, Los Angeles County Metropolitan Transportation Authority
Nicole Englund, Chief of Staff, Los Angeles County Metropolitan Transportation Authority
Robin O'Hara, Executive Officer, Los Angeles County Metropolitan Transportation Authority
Mark Vallianatos, Executive Officer – Innovation, Los Angeles County Transportation Authority
Manish Chaudhari, Senior Director of Special Projects, Los Angeles County Transportation Authority
Kurt Brotcke, Director of Strategic Planning, Orange County Transportation Authority
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