

0150-11716-0002

TRANSMITTAL

TO The Council	DATE 07/27/2026	COUNCIL FILE NO. 22-1049
FROM The Mayor	COUNCIL DISTRICT Citywide	

Proposed Second Amendment to Contract 139579 with Blue Systems, Inc.

Approved and transmitted for your consideration. The Council has 60 days from the date of receipt to act; otherwise, the agreement will be deemed approved pursuant to Los Angeles Administrative Code Section 10.5(a). See the City Administrative Officer report attached.



MAYOR

(Mitch Kamin for)

MWS:WYR:06260081t

Report From

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Analysis of Proposed Contract

(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 7/16/26	C.D. No. Citywide	CAO File No.: 0150-11716-0002
Contracting Department/Bureau: Department of Transportation		Contact: Josh Fogelson	
Reference: Letter to the Mayor from the Department of Transportation dated April 3, 2026; referred for report April 22, 2026.			
Purpose of Contract: Analysis of mobility data provided by dockless transportation services.			
Type of Contract: () New contract (X) Amendment, Contract No. C-139579		Contract Term Dates: August 18, 2020 through December 31, 2023 (original contract term) January 1, 2024 through June 30, 2025 (second amendment)	
Contract/Amendment Amount: \$250,500			
Proposed amount \$ 250,500 + Prior award(s) \$ 849,928 = Total \$1,100,428			
Source of funds: Parking Permit Program Revenue Fund (Dockless mobility fees)			
Name of Contractor: Blue Systems, USA, Inc.			
Address: 2942 Century Pl., Office 738, Costa Mesa, CA 92626			
	Yes	No	N/A
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested	X		
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: 20 %			
Contractor has complied with:		Yes	No
8. Business Inclusion Program		X	
9. Equal Benefits & First Source Hiring Ordinances		X	
10. Contractor Responsibility Ordinance		X	
11. Disclosure Ordinances		X	
12. Bidder Certification CEC Form 50		X	
13. Prohibited Contributors (Bidders) CEC Form 55		X	
14. California Iran Contracting Act of 2010		X	

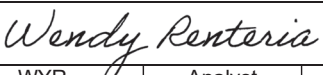
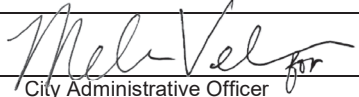
RECOMMENDATION

That the Council approve the proposed second amendment and authorize the General Manager of the Department of Transportation to execute the amendment to Contract C-139579 with Blue Systems for continued provision of a data analytics platform for monitoring dockless providers, from January 1, 2024 through June 30, 2025, and a cumulative total compensation amount not-to-exceed \$1,100,428, in substantial conformance with the revised draft agreement included as Attachment 1 to this report, subject to the review and approval of the City Attorney as to form.

SUMMARY

The Department of Transportation (DOT) requests authority to execute the second amendment to the Contract C-139579 with Blue Systems USA, Inc. (Blue Systems) to extend the contract term by 18 months from January 1, 2024 through June 30, 2025, for a total of four years and 10 months, and to increase the contract ceiling by \$250,500 from \$849,928 to a total estimated compensation of \$1,100,428.

Blue Systems collects and manages real-time Mobility Data Specification (MDS) data and provides the City with a data analytics platform to monitor private dockless service providers operating in the public

 WYR Analyst 0150 - 11716 - 0002	 City Administrative Officer
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right-of-way. The data analytics platform provides the City with MDS data visualization and reporting, allowing the City to verify regulatory compliance; manage and audit per-trip fees, penalties, fines; and monitor issues related to deployment and fleet management.

Blue Systems primarily provided DOT with third-party visualization of MDS data, while collection and management of real time MDS data from vehicles operating in the public right-of-way was provided by Lacuna Technologies (Lacuna) until July 2023 when Lacuna ceased operations. In July 2023, Blue Systems absorbed the existing Lacuna scope of work, requiring additional technical support and adjustments to the contract cost structure.

The contract with Blue Systems expired on December 31, 2023, and DOT requests authorization to extend the contract with Blue Systems, USA, Inc. for an additional 18-months to pay pending invoices and costs for services provided through June 30, 2025. As of July 2025, DOT continues to procure MDS services from Blue Systems through annual software purchase orders.

The City Attorney has reviewed the proposed amendment. Blue Systems is in compliance with City contracting requirements. Consistent with Los Angeles Administrative Code Section 10.5, Council approval of this proposed amendment is required as the proposed term of the total agreement (including this amendment) exceeds three years.

FISCAL IMPACT STATEMENT

The recommendation in this report has no General Fund impact. Funding is available in the City Parking Permit Program Revenue Fund to support this contract amendment. The City's obligation is limited to the availability of appropriations.

FINANCIAL POLICIES STATEMENT

The recommendation complies with City Financial Policies as sufficient funds exist to support the proposed expenditures.

MWS:WYR:06260081t

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 3, 2026

To: The Honorable Karen Bass, Mayor
Office of the Mayor
Attention: Legislative Coordinator

From: Laura Rubio-Cornejo, General Manager 
Department of Transportation

Subject: **SECOND AMENDMENT TO AGREEMENT C-139579 BETWEEN THE LOS ANGELES
DEPARTMENT OF TRANSPORTATION AND BLUE SYSTEMS, USA INC. FOR EXTENSION OF
CONTRACT TERM**

SUMMARY

The Los Angeles Department of Transportation (LADOT) requests authorization to execute an amendment to Agreement C-139579 with Blue Systems, USA, Inc. (Contractor) to extend the contract term for 18 months and increase the contract ceiling amount. The contract amendment is needed to cover costs for continued monitoring, auditing, and regulating vehicles and devices of the Permitted Operators integrated with the Mobility Data Specification (MDS).

RECOMMENDATION

That the City Council, with the concurrence by the Mayor, authorize the LADOT General Manager to execute the Second Amendment to Agreement C-139579 between LADOT and Blue Systems, USA, Inc. to extend the term for an additional 18 months through June 30, 2025, and increase the contract ceiling by \$250,500.

BACKGROUND

Mobility Data Specification (MDS) is a two-way data-sharing platform that allows cities to view real-time data on vehicles operating in the public right-of-way. It also allows cities to create digital policies for parking, geofencing, deployment, and other measures to manage large-scale vehicle deployments. MDS allows LADOT to actively manage private mobility providers in the public right-of-way, collecting valuable insights through a shared data vocabulary, and communicate directly with product companies in real time. LADOT manages dockless scooters, bikes, taxis, and buses through MDS, and proposes to manage autonomous cars, drones, and Electric Vertical Take-off and Landing (eVTOLs) aircrafts in the near future.

On July 9, 2019, the City of San Jose issued a public bid RFQ1907-001 ("RFQ.") seeking qualified Contractors to provide a micro-mobility data analytics platform to monitor, regulate micro-mobility operators, and effectuate more informed transportation planning. In February 2020, the San Jose contract was awarded to Blue Systems, USA, Inc.; beginning in August 2020, the City of Los Angeles sought a data analytics platform to monitor service providers supporting LADOT's Regulatory Framework. In order to meet the City Charter's competitive bid requirement, LADOT piggybacked off of San Jose's competitive bid process. With the data analytics platform, the City intends to continue obtaining processed mobility data and provide visual analytics to verify regulatory compliance, manage

and audit per-trip fees, penalties, fines, and other issues related to deployment, start and end trips, and fleet management issues.

DISCUSSION

Between 2020 and 2023, Blue Systems primarily provided LADOT third-party visualization of MDS data. The collection of real time MDS data from vehicles operating in the public right-of-way was done by Lacuna Technologies (Lacuna). Lacuna also hosted the servers where the MDS data was stored. Blue Systems provided the online-based platform for LADOT staff to interact with MDS data, including generating reports, mapping, and real-time monitoring of vehicles.

In July 2023, without a warning to LADOT, Lacuna ceased operations. Without Lacuna, LADOT could no longer collect or manage mobility operating data, impacting its ability to regulate and review dockless mobility. Blue Systems submitted a proposed quote to take over the existing Lacuna scope of work in addition to the existing Blue Systems visualization scope. Blue Systems, as of July 2023, became the visualization platform and the entity that connects to and ingests data from private entities on behalf of LADOT. This sudden change required some additional technical support while also requiring some slight adjustments to the contract cost structure based on the increased demands of the contractor, as well as an increase in ridership post-COVID.

The contract with Blue Systems expired on December 31, 2023, and LADOT requests authorization to extend the Agreement term with Blue Systems, USA, Inc. for an additional 18-month term to cover the unforeseen changes and additional expenditures required in 2023, as well as cover pending invoices and costs for services provided through June 30, 2025. From July 2025 onward, these services have been and will be provided through an annual software purchase order.

Halting access to the Data Visualization Platforms would hinder LADOT's ability to enforce and manage its dockless permit program, as well as any other for-hire programs that rely on MDS. This would directly impact many residents who regularly rely on these essential services to get to where they need to go.

FISCAL IMPACT

There is no anticipated impact to the General Fund insofar as one-time costs will be absorbed by the Department's operating budget.

LRC:TC:jm

Attachment

**SECOND AMENDMENT
TO
AGREEMENT C-139579
BETWEEN
THE CITY OF LOS ANGELES
AND
BLUE SYSTEMS, USA, INC.
FOR THE
IMPLEMENTATION OF MOBILITY DATA SPECIFICATION VISUALIZATION TOOLS
MOBILITY MANAGER**

SECOND AMENDMENT TO AGREEMENT C-139579 BETWEEN

THE CITY OF LOS ANGELES AND

BLUE SYSTEMS, USA, INC.

FOR THE

IMPLEMENTATION OF MOBILITY DATA SPECIFICATION VISUALIZATION TOOLS MOBILITY MANAGER

THIS SECOND AMENDMENT to Agreement C-139579 ("Agreement") between the City of Los Angeles, a municipal corporation (hereinafter referred to as "CITY"), acting by and through the Department of Transportation (hereinafter referred to as "LADOT"), and Blue Systems USA, Inc., a New York corporation with the principal place of business at 2942 Century Pl., Office 738, Costa Mesa, CA 92626 (hereinafter "Blue Systems" or "CONTRACTOR"), referred to collectively as "PARTIES" and individually as "PARTY", is entered into with reference to the following:

WITNESSETH

WHEREAS, the CITY desires to continue the obtained services for data analytics platform for use in monitoring service providers in support of LADOT'S Regulatory Framework. With the data analytics platform, the CITY intends to obtain mobility data, and this real-time data will be analyzed to verify regulatory compliance, manage and audit per-trip fees, penalties, fines; and other issues related to deployment, start and end trips and other fleet management issues; and

WHEREAS, CONTRACTOR has agreed to sign, execute, and abide by all of the terms and conditions of a separate Master Data License and Protection Agreement (MDLPA), the term of which will be coextensive with the Term of this Agreement; and

WHEREAS, the CONTRACTOR possesses the requisite skills, technologies, and proficiencies in these areas, and has agreed to provide such services to LADOT; and

WHEREAS, LADOT desires in this Second Amendment to Agreement C-139579 to amend the price for Contractor services and increase the contract amount;

NOW, THEREFORE, in consideration of the above premises, and the mutual covenants and agreements herein contained, the Parties agree as follows:

1. **COMPENSATION AND METHOD OF PAYMENT**, Subsection 3.4.1 is hereby added to the Agreement to read as follows:

3.4.1. Yearly service fee for the renewal period from July 14, 2023 to June 30, 2025. In addition to all other fees stated herein, the LADOT agrees to pay the CONTRACTOR a service fee of \$328,000 (three hundred twenty-eight thousand dollars) annually, prorated, for the mobility data lake aggregating, hosting, processing, curing and storing mobility data.

3.4.2. Yearly service fee for the renewal period from July 14, 2023 to June 30, 2025. In addition to all other fees stated herein, the LADOT agrees to pay the CONTRACTOR an annual license fee of \$173,000 (one hundred seventy-three thousand dollars) annually, prorated, for the Mobility Manager Visualization Tool.

2. **COMPENSATION AND METHOD OF PAYMENT**, Subsection 3.10 is hereby added to the Agreement to read as follows:

3.10. Total Compensation. The total compensation for the Agreement, including all amendments, shall not exceed \$1,100,428.

3. **TERM AND TERMINATION OF THE AGREEMENT, Initial Term**, Subsection 4.1 is hereby amended in its entirety to read as follows:

4.1.Initial Term. The term of this Agreement will commence on August 18, 2020, and will terminate on June 30, 2025 (the "Initial Term") unless otherwise terminated in accordance with the termination provisions herein. However, starting on July 1, 2021, the City has a right to terminate this Agreement at any time and for any reason by giving Blue Systems a thirty (30) day written notice. In this case, if the notice period ends mid-month, the termination shall take effect on the last day of that month to avoid mid-month termination.

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SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

For: THE CITY OF LOS ANGELES,
a Municipal Corporation

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

By: _____
Laura Cornejo
General Manager
Department of Transportation

Date:

APPROVED AS TO FORM:

Hydee Feldstein Soto, City Attorney

By: _____
Michael Nagle
Deputy City Attorney

Date:

Blue Systems USA Inc.

**Approved Signature Methods:*

1) Two signatures: One of the Chairman of the Board of Directors, President, or Vice-President, and one of the Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer.

2) One signature of a Corporate-designated individual together with a properly attested resolution of the Board of Directors authorizing the individual to sign

By: _____
Fabrice Bouteau
President
Blue Systems USA Inc.

By: _____
Victoria Vanderlinden
Secretary
Blue Systems USA Inc.

Date:

ATTEST:

PATRICE Y. LATTIMORE, City Clerk

By: _____
Deputy City Clerk

Date: