

PROCUREMENT SUMMARY

METRO COUNTYWIDE BIKESHARE

1.	Contract Number: PS272680011357 (RFP No. PS11357)	
2.	Recommended Vendor: Bicycle Transit Systems, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: December 15, 2014	
	B. Advertised/Publicized: December 11-15, 2014	
	C. Pre-proposal Conference: January 6, 2015	
	D. Proposals Due: January 27, 2015	
	E. Pre-Qualification Completed: April 13, 2015	
	F. Conflict of Interest Form Submitted to Ethics: March 4, 2015	
	G. Protest Period End Date: June 24, 2015	
5.	Solicitations Picked up/Downloaded: 83	Proposals Received: 5
6.	Contract Administrator: Lily Lopez	Telephone Number: 213-922-4639
7.	Project Manager: Avital Shavit	Telephone Number: 213-922-7518

A. Procurement Background

This Board Action is to approve a two-year Pilot program in support of Metro's Countywide Bikeshare program; Contract No. PS27268001357 (RFP PS11357). The contract will provide implementation, installation, operation, and maintenance of equipment as well as publicize a network of publicly-available bicycles in a Regional Countywide Bikeshare System ("System"). The System encompasses five (5) phases within Los Angeles County. The two-year Pilot program will launch in downtown Los Angeles (DTLA) with 65 stations and 1,090 bikes and is a subset of Phase I. The balance of Phase I and future phases will be presented for Board approval contingent upon successful completion and operation of the Pilot, completion and operation of each subsequent phase, cities participation, and available funding. Subsequent phases may be rolled out to maintain and/or expand the System as follows:

- Phase I (remaining balance): continue operations and maintenance (O&M) of the Pilot
- Phase II: Pasadena – 34 stations and 490 bikes
- Phase III: Two Expansion Cities/Communities – 65 stations and 936 bikes
- Phase IV: Two Expansion Cities/Communities - 53 stations and 763 bikes
- Phase V: Three Expansion Cities/Communities - 37 stations and 533 bikes

The RFP was issued in accordance with Metro's Acquisition Policy and Procedure Manual and the contract type is firm fixed price.

Five (5) amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on December 31, 2014, provided revisions to the solicitation documents and provided responses to questions received;
- Amendment No. 2, issued on January 7, 2015, provided documents related to the Pre-Proposal conference convened on January 6, 2015, provided responses to questions received and extended the proposal due date;
- Amendment No. 3, issued on January 15, 2015, provided responses to questions related to the statement of work (SOW) received;
- Amendment No. 4, issued on January 21, 2015 provided responses to questions related to the SOW received;
- Amendment No. 5, issued January 29, 2015, after receipt of proposals, provided clarifications to the SOW

A pre-proposal conference was held on January 6, 2015, attended by thirty-four (34) participants representing twenty-six (26) firms. Twelve (12) questions were asked during the pre-proposal conference and an additional thirty-seven (37) questions were asked during the solicitation phase.

Eighty-three (83) firms downloaded the RFP and were included in the planholders list. A total of five (5) proposals were received on January 27, 2015.

B. Evaluation of Proposals/Bids

A Proposal Evaluation Team (PET) consisting of staff from Metro's Countywide Planning and Development, City of Los Angeles and City of Pasadena was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

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| • Proposer's Expertise and Experience | 30% |
| • Quality of Equipment and Software | 25% |
| • Regional Integration and Execution Plan | 20% |
| • Innovation | 10% |
| • Cost | 15% |

The evaluation criteria are appropriate and consistent with criteria developed for similar procurements. Several factors were considered when developing these weights, giving the greatest importance to the proposer's expertise and experience. The PET evaluated the proposals according to the pre-established evaluation criteria.

During the week of February 9, 2015, the PET completed its evaluation of the five (5) proposals received and determined that four (4) were within the competitive range. The four (4) firms within the competitive range are listed below in alphabetical order:

1. Bicycle Transit Systems, Inc.
2. CycleHop, LLC
3. Motivate International, Inc.
4. Nextbike, Inc.

One (1) firm, Bewegen Technologies, Inc. was determined to be outside the competitive range and was not included for further consideration as its proposal did not demonstrate it had the required experience on similar projects (bikeshare, carshare, and other sharable transportation service). Additionally, the technology proposed was new and had not been proven successful on a large scale similar to Metro.

After evaluations, the PET determined that oral presentations by the firms within the competitive range were required. During the week of February 17, 2015, the above-mentioned firms were scheduled for oral presentations. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the PET's questions. In general, each team addressed the requirements of the RFP, experience with all aspects of the required scope, and stressed each firm's commitment to the success of the project. Each team was asked questions relative to each firm's proposed staffing plans, perceived project issues, implementation of similar projects and previous experience.

At the conclusion of the oral presentations, two of the four firms in the initial competitive range, BTS and Motivate, remained for consideration and were requested to submit Best and Final Offers.

Qualifications Summary of Firms Within the Competitive Range:

Bicycle Transit Systems, Inc. (BTS)

BTS specializes in bikeshare system implementation and operation. BTS' team member experience spans over 25 years of sustainable transportation solutions that bring with them a broad base of skills and experience having provided similar services for both the private and public sectors.

The Project Manager has over ten (10) years of bikeshare management experience and has led the launch of several programs across major U.S. metropolitan cities, such as Philadelphia, Boston, Washington, D.C. and New York.

In terms of overall experience, the staff at BTS/B-Cycle collectively have launched and/or operated approximately 40 bikesharing systems comprising of approximately 20,000 of bicycles at 1,500 stations. The BTS/B-Cycle Team recently implemented and currently operates a 500 bicycle system in Philadelphia and operates systems in Oklahoma. B-Cycle, in separate partnerships, implemented and operates 26 bikeshare systems in locations like Colorado (700 bikes), San Antonio (425), Austin (375), Fort Worth (300) and others.

BTS proposed a smart-dock bikeshare system that utilizes a payment kiosk and a docking station to return the bikes. This system has been proven successful in large North American cities similar in scale to Los Angeles as it easily identifies a known place to find bikes and allows users to walk up to a station and pick-up a bike at any moment. Smart-dock bikes unlock in response to a credit card or a member key, providing a secure locking point to deter theft and safely transmit usage.

The current 2.0 system BTS is proposing for the Phase 1 Pilot is a smart-dock system however, BTS is currently working on the development of a 3.0 system that includes a smart-bike that would be ready as early as 2017.

Additionally, the team has a proven on-time delivery and launch record and an established domestic supply chain with B-Cycle (subsidiary of Trek Bicycle Corporation) to furnish the bikes required for the program. BTS has invested in technology research and development for software systems that has allowed for the development of a new software system to address past industry issues, such as:

- Transit integration and interoperability with other bikeshare systems in the region
- Acceptance of multiple payment methods
- Smart-bikes (which work with or without stations)
- Stations with and without kiosks
- A dedicated smartphone app to Metro that will provide real time and scheduled data for the majority of bus and rail options available in the greater Los Angeles area and surrounding counties for transit connectivity.

During oral presentations, BTS demonstrated the bike being proposed for the DTLA Pilot launch.

BTS' team includes DBE and non-DBE subcontractors. BTS has no previous contract with Metro.

CycleHop, LLC (CycleHop)

CycleHop, founded in 2011 in Florida, and as of 2015 headquartered in Santa Monica, California, specializes in bikeshare system implementation and operation. CycleHop's client portfolio includes cities, universities, hotels and businesses within the U.S., and is proposing to partner with Social Bike (Sobi) to implement a smart-bike bikesharing system that places the technology on the bike rather than a docking station. The CycleHop/Sobi team has experience in the bicycle industry, however,

the majority of the experience is related to bike rental and bike parking rather than bikeshare operations.

The smart-bike technology allows users to drop-off bikes anywhere a bike rack is available and relies on the usage of smartphones to locate bikes. Most cities that deploy smart-bikes create bikeshare stations using bike racks and charge a user an additional fee (approximately \$2/per trip) if the bike is not returned to the station. Some of CycleHop/Sobi current projects include bikeshare systems in Phoenix, University of Virginia, Tampa and Hamilton, Canada. CycleHop have planned systems for launch in 2015 for Santa Monica, Atlanta, Providence, Ottawa, Canada and other North American cities. CycleHop has no previous contract with Metro.

CycleHop/Sobi collectively has the fewest operating bikeshare systems compared to the other firms. In addition, a reference for the firm stated there have been delays due to on-bike technology and supply chain issues. The Sobi smart-bicycle technology is so new that they have not had a chance to demonstrate long term viability and large scale reliability. This lack of long-term demonstrated experience and product success resulted in lower scores than the other proposals.

During oral presentations, CycleHop demonstrated the bike being proposed for the DTLA Pilot launch.

CycleHop includes DBE and non-DBE subcontractors.

Motivate International, Inc. (Motivate)

Motivate, founded in 2009 and headquartered in New York City, New York, specializes in bikeshare system implementation and operation. Motivate currently manages bikeshare systems in the U.S., Canada and Australia. Motivate has no previous contract with Metro. Although Motivate has provided financial information at the request of Metro in support of pre-qualification reviews, the data is incomplete and cannot be validated. Motivate also proposed a smart-dock bikeshare system similar to BTS.

During oral presentations, Motivate was not able to demonstrate the bike being proposed for the DTLA Pilot launch as it was under production nor did the firm bring an older existing model for demonstration purposes.

Motivate includes DBE and non-DBE subcontractors.

Nextbike, Inc. (Nextbike)

Nextbike, founded in 2004 and headquartered in Leipz, Germany, specializes in bikeshare system implementation and operation. Nextbike currently manages bikeshare systems in Australia, New Zealand, United Arab Emirates and throughout Europe and has recently began to expand into the U.S. market. Nextbike has no

previous contract with Metro. Nextbike proposed a smart-bike bikeshare system similar to CycleHop.

Nextbike’s experience is primarily in Europe but did not demonstrate it had the required experience on similar projects. Additionally, the smart-bike technology proposed is the newest type of bikeshare technology available and has not been proven successful on a large scale similar to Metro.

During oral presentations, Nextbike demonstrated the bike being proposed for the DTLA Pilot launch.

Nextbike includes a DBE subcontractor.

Following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	BTS				
3	Proposer’s Expertise and Experience	88.00	30.00%	26.40	
4	Quality of Equipment and Software	83.31	25.00%	20.83	
5	Regional Integration and Execution Plan	64.00	20.00%	12.80	
6	Innovation	81.00	10.00%	8.10	
7	Price	53.33	15.00%	8.00	
8	Total		100.00%	76.13	1
9	CycleHop				
10	Proposer’s Expertise and Experience	40.67	30.00%	12.20	
11	Quality of Equipment and Software	57.73	25.00%	14.43	
12	Regional Integration and Execution Plan	78.00	20.00%	15.60	
13	Innovation	75.00	10.00%	7.50	
14	Price	86.67	15.00%	13.00	
15	Total		100.00%	62.73	4
16	Motivate				
17	Proposer’s Expertise and Experience	84.67	30.00%	25.40	
18	Quality of Equipment and Software	64.94	25.00%	16.24	

19	Regional Integration and Execution Plan	50.00	20.00%	10.00	
20	Innovation	80.00	10.00%	8.00	
21	Price	66.67	15.00%	10.00	
22	Total		100.00%	69.64	2
23	Nextbike				
24	Proposer's Expertise and Experience	53.33	30.00%	16.00	
25	Quality of Equipment and Software	64.29	25.00%	16.07	
26	Regional Integration and Execution Plan	54.00	20.00%	10.80	
27	Innovation	69.00	10.00%	6.90	
28	Price	100.00	15.00%	15.00	
29	Total		100.00%	64.77	3

C. Cost Analysis

The Phase I two-year pilot program recommended price of \$11,065,673 has been determined to be fair and reasonable based upon Metro's Management and Audit Services Department (MASD) audit findings, an independent cost estimate (ICE), a Project Manager's technical analysis, a cost analysis, fact finding, and negotiations. Bikeshare will encompass five (5) phases within Los Angeles County, inclusive of the Phase I two-year pilot program in downtown Los Angeles. Future expanded phases up to \$65,341,029 will be presented for Board approval contingent upon successful completion and operation of the Pilot, completion and operation of each subsequent phase, cities participation and available funding.

	Proposer Name	Proposal Amount	Metro ICE	Negotiated
1.	BTS (Pilot)	\$11,756,151	\$9,781,553	\$11,065,673
	BTS (remaining phases)	\$68,758,718	\$48,755,302	\$65,341,029

D. Background on Recommended Contractor

The recommended firm, BTS, headquartered in Philadelphia, Pennsylvania, has been in business since 2013. BTS' core leadership team consists of experienced planning, product and implementation individuals who have direct hands-on bikeshare experience, such as the launch and operations of a 2,000 bike regional system in Washington, D.C. and the 1,000-bike regional system in Boston. Additionally, the team brings sponsorship experience from its New York Citi Bike program. In addition to the systems mentioned, BTS' team has also worked on

bikeshare systems in Philadelphia, Chicago, San Francisco, Boston, New York, Washington D.C., Chattanooga, Denver, Austin, Houston, Kansas City, Omaha, Charlotte, Santiago, Chile, and Melbourne, Australia.

BTS' core leadership team and also the founding members of BTS previously worked together at Alta Bicycle Share. BTS' business strategy includes decentralization of management and decision making at the local operations center, employee morale, and ensuring leadership has operations experience.

As previously noted, BTS' proposed smart-dock systems aligns with Los Angeles' large, dense environment as the locations are permanently situated and accessible to users.

BTS' manufacturer, B-Cycle, has implemented and operated over 25 systems throughout the U.S., including the first bikeshare system in Denver, and others in cities such as Madison, San Antonio, and Charlotte. B-Cycle offers experience and well-tested technology that is kiosk-based and has three main components, the bicycle, the stations, and the software. The stations are solar-powered, which means that the docks are powered on their own independent of grid power. Each station houses a custom controller board, a proprietary locking mechanism, LED user notification, and an Radio Frequency Identification (RFID) reader for inventory control.

E. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 22% Disadvantaged Business Enterprise (DBE) goal for this solicitation. This contract is funded by the Federal Highway Administration (FHWA) and falls under the Caltrans DBE Program. As such, all DBE groups are counted toward the DBE commitment. Bicycle Transit Systems, Inc. exceeded the goal by making a 22.37% DBE commitment.

Disadvantaged Business Enterprise Goal	22% DBE	Disadvantaged Business Enterprise Commitment	22.37% DBE
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	DBE Subcontractors	Ethnicity	% Commitment
1.	Say Cargo Express	Hispanic American	0.68%
2.	Accel Employment Services	Asian Pacific American	15.28%
3.	BikeHub	Asian Pacific American	5.48%
4.	Toole Design Group, LLC	Non-Minority Woman	0.93%
	Total Commitment		22.37%

F. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

G. Prevailing Wages

Prevailing wage will be applicable to this contract. Metro will monitor and enforce State and Federal (if applicable) prevailing wage guidelines to ensure that workers are paid at minimum, the appropriate prevailing wage rates, and if applicable, the federal prevailing wage rates. In addition, contractors will be responsible for submitting the required documents needed to determine overall compliance with Metro's prevailing wage monitoring.

H. All Subcontractors Included with Recommended Contractor's Proposal

	Subcontractor	Services Provided
1.	B-Cycle, LLC	Equipment
2.	Kiosk Information Systems	Equipment
3.	Say Cargo Express	Shipping services
4.	RideScout	Software development
5.	Accel Employment Services	Staffing service
6.	BikeHub	Bike repair services
7.	Toole Design Group, LLC	Design services