

## PROCUREMENT SUMMARY

## METRO BIKE SHARE PROGRAM/PS124715000

1.	<b>Contract Number:</b> PS124715000	
2.	<b>Recommended Vendor:</b> Lyft Bikes and Scooters, LLC	
3.	<b>Type of Procurement (check one):</b> <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.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> 7/23/2024	
	<b>B. Advertised/Publicized:</b> 7/23/2024	
	<b>C. Pre-Proposal Conference:</b> 8/6/2024	
	<b>D. Proposals Due:</b> 9/19/2024	
	<b>E. Pre-Qualification Completed:</b> 4/4/2025	
	<b>F. Ethics Declaration Forms submitted to Ethics:</b> 9/19/2024	
	<b>G. Protest Period End Date:</b> 5/20/2025	
5.	<b>Solicitations Picked up/Downloaded:</b> 56	<b>Bids/Proposals Received:</b> 3
6.	<b>Contract Administrator:</b> Ana Rodriguez	<b>Telephone Number:</b> (213) 922-1076
7.	<b>Project Manager:</b> Kenneth Coleman	<b>Telephone Number:</b> (213) 922-2951

**A. Procurement Background**

This Board Action is to approve the award of Contract No. PS124715000 to Lyft Bikes and Scooters, LLC to operate Metro's Bike Share (MBS) program, which is countywide. Board approval of contract awards are subject to the resolution of properly submitted protest(s), if any.

On July 23, 2024, Request for Proposals (RFP) No. PS124715 was issued as a competitive procurement in accordance with Metro's Acquisition Policy. The proposed contract type is firm fixed unit rate.

The RFP was issued with a Disadvantaged Business Enterprise (DBE) goal of 15% and required a DBE Contracting Outreach and Mentoring Plan (COMP), which requires the selected Contractor(s) to mentor a total of three (3) DBE firms for protégé development.

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

- Amendment No. 1, issued on July 26, 2024, extended the proposal due date;
- Amendment No. 2, issued on August 8, 2024, extended the date for providing answers to questions submitted by proposers;
- Amendment No. 3, issued on August 28, 2024, updated DBE GFE Commitment Forms;
- Amendment No. 4, issued on September 5, 2024 extended the proposal due date, and updated the evaluation criteria and pricing forms; and
- Amendment No. 5, issued on September 13, 2024, updated DBE GFE commitment forms, and made a minor clarification to the submittal requirements and evaluation criteria.

A virtual Pre-Proposal Conference was held on August 6, 2024. There were 18 participants representing a total of 10 firms. There were 26 questions received, and responses were provided prior to the proposal due date.

A total of 56 firms downloaded the RFP and were included on the planholders list.

A total of three proposals were received on the proposal due date of September 19, 2024, and are listed below in alphabetical order.

1. Bicycle Transit Systems, Inc.
2. Drop Mobility California LLC
3. Lyft Bikes and Scooters LLC

## **B. Evaluation of Proposals**

A diverse Proposal Evaluation Team (PET) consisting of staff from Metro's Operations and Countywide Planning Departments, as well as representatives from the County of Los Angeles' Internal Services Department, the Los Angeles Department of Transportation (LADOT), and the Mobility Planning Division from the City of Culver City, was convened and conducted a comprehensive technical evaluation of the proposals received.

On September 24, 2024, the PET met to discuss the evaluation process, confidentiality requirements, review information regarding conflicts of interest and receive the evaluation documents.

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

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|--|------------|
| • Experience and Qualifications of Proposed Team and Key Personnel | 20 percent |
| • Understanding of Requirements and Work and Overall Approach      | 50 percent |
| • Contracting Outreach and Mentoring Plan                          | 5 percent  |
| • Price Proposal   | 25 percent |

The evaluation criteria are appropriate and consistent with criteria developed for past similar operations procurements. Several factors were considered when developing these weights, giving the greatest importance to the understanding of the requirements and the overall approach.

The evaluation committee conducted virtual interviews with the firms between October 17, 2024, and October 31, 2024. The firms' key personnel had an opportunity to present their qualifications and respond to the evaluation team's questions. In general, each firm's presentation addressed their technical proposal with a focus on the overall approach to the work being requested including equipment transition, charging stations, schedule, flexibility, customer management, partner engagement, and community engagement. Each team was asked questions regarding handling integration between multiple jurisdictions, their ability to show agility through expansion when transitioning to e-bikes, and lessons learned from challenges in previous implementations with other agencies.

On November 13, 2024, Metro's Diversity & Economic Opportunity Department (DEOD) notified Drop Mobility California LLC (Drop Mobility) that they were determined to be non-responsive for failure to meet the 15% DBE goal, and failure to demonstrate adequate Good Faith Efforts (GFE). Under Metro's Administrative Code, proposers that fail GFE evaluations

are afforded the opportunity of an administrative reconsideration conducted by Metro's Ethics Department. Drop Mobility requested a Reconsideration Hearing and the hearing was held on December 12, 2024.

During their hearing, Drop Mobility presented evidence to support their position that adequate GFE had been made. Metro's Reconsideration Officer (RO) reviewed the requirements of each category, DEOD's initial evaluation, and all forms and evidence submitted by the Proposer.

Metro's RO issued the Reconsideration Hearing Opinion for Drop Mobility and determined that Drop Mobility did not demonstrate sufficient GFE. As such, Drop Mobility was notified that they were determined to be non-responsive for failing to meet the DBE goal and not demonstrating that they made sufficient GFE. Drop Mobility was therefore eliminated from further consideration.

The PET Team was notified of the determination that Drop Mobility had been determined to be non-responsive and the evaluations continued for the remaining proposals, which were determined to be within the competitive range, and are listed below in alphabetical order:

1. Bicycle Transit Systems, Inc.
2. Lyft Bikes and Scooters LLC

#### **Qualifications Summary of Firms within the Competitive Range:**

##### **Bicycle Transit Systems, Inc. (BTS)**

BTS is the current operator of Metro's Bike Share program and has been since the program's inception over 8 years ago. The company specializes in bike share and has recently expanded its capabilities through the acquisition of BCycle, making them a fully integrated docked bike share provider offering bikes, docks, stations, and related software along with operations and customer service. As the current provider, BTS' proposal includes a plan for a transition with no interruption in service, while introducing new program elements such as e-bikes and system enhancements. The proposal highlights the company's experience managing Metro's system over the years, along with a commitment to the community. According to their proposal, BTS employs a unionized workforce and is a diverse, privately owned company with a team committed to equity, sustainability, and community engagement.

##### **Lyft Bikes and Scooters LLC (Lyft)**

Lyft's proposal includes references to their experience in operating bike share systems worldwide. As one of the largest bike share operators with systems in over 16 countries, Lyft explains that they understand system transitions, technology integration, and scalable operations. The company's expertise in system expansions and electrification directly aligns with some of Los Angeles County's priorities for the future of the Bike Share program. Lyft's proposal provides detailed plans for integrating hardware, software, and implementing new equipment, such as e-bike solutions, to enhance system efficiency and user experience. Lyft also partnered with local subcontractors to assist in efforts for a seamless transition and maintain continuity for Metro's Bike Share staff. The proposal detailed Lyft's understanding of the program's technical, operational, and logistical requirements which, according to their

proposal, offers to deliver a successful, sustainable, scalable bike share program for Los Angeles County.

Metro's PET requested all firms in the competitive range to conduct equipment demonstrations to provide the Metro team with an overall understanding of the bicycle models (inclusive of classic and e-bike models), the user interface, system management, charging stations and docks, non-charging stations and docks, kiosks, mobile apps, notifications, check-out and return processes, loss/theft management, and maintenance practices.

Metro conducted discussions with all firms in the competitive range to discuss firms' technical proposals, clarifications, contract exceptions, and to clarify price assumptions. These discussions were held to give all proposers within the competitive range an opportunity to fully address and meet Metro's requirements.

Upon conclusion of the discussions, Metro issued a request for Best and Final Offers (BAFO) on February 27, 2025. BAFO proposals were due on March 13, 2025, and were distributed to the PET for technical scoring on the same day. The BAFO proposals were reviewed by the PET in accordance with the evaluation criteria established in the solicitation.

At the conclusion of the evaluation process, which was comprised of technical evaluations of submitted proposals, oral presentations, equipment demonstrations, comprehensive discussions with both firms in the competitive range, and review of BAFO, Lyft's proposal was determined to be the highest-ranked proposal.

The following is a summary of the evaluation scores.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>Lyft Bikes and Scooters LLC</b>				
3	Experience and Qualifications of Proposed Team and Key Personnel	84.50	20.00%	16.90	
4	Understanding of Requirements and Work and Overall Approach	87.50	50.00%	43.75	
5	Contracting Outreach and Mentoring Plan	80.00	5.00%	4.00	
6	Price	100.00	25.00%	25.00	
7	<b>Total</b>		<b>100.00%</b>	<b>89.65</b>	<b>1</b>
8	<b>Bicycle Transit Systems, Inc.</b>				
9	Experience and Qualifications of Proposed Team and Key Personnel	85.00	20.00%	17.00	
10	Understanding of Requirements and Work and Overall Approach	81.00	50.00%	40.50	
11	Contracting Outreach and Mentoring Plan	100.00	5.00%	5.00	
12	Price	98.16	25.00%	24.54	
13	<b>Total</b>		<b>100.00%</b>	<b>87.04</b>	<b>2</b>

### **C. Price Analysis**

The recommended Not-to-Exceed (NTE) amount of \$198,248,875 proposed by Lyft Bikes and Scooters LLC is comprised of a six-month transition and a five-year base period in the NTE amount of \$86,845,569, two, three-year options for operations and maintenance in the amount of \$42,119,497 for the first three-year option, and \$46,403,975 for the second, three-year option. Additionally, Metro included optional system expansions in the base and option periods, to be exercised at Metro's discretion. The base expansions are in an amount NTE \$11,165,699, and the option period expansions are in the NTE amounts of \$5,587,042 for the first three-year option and \$6,127,093 for the second three-year option.

The recommended amount for the contract has been determined to be fair and reasonable based upon adequate price competition, clarifications, discussions, BAFOs, and Metro's Independent Cost Estimate (ICE). The BAFO amounts for both proposers increased from the original proposal amounts primarily due to a revision of the scope issued with the Request for BAFOs that incorporated two grant-funded expansions consisting of an additional 120 stations, 2,400 docks and 1,200 bikes to the base.

The recommended NTE amount is 24% lower than the ICE. The ICE overestimated the operations and maintenance costs for the base, options, and optional expansions due to having used the existing contract costs, which were at a higher rate, plus an escalation factor. The price proposals were reviewed and have been determined to be complete and account for all requested items in the Scope of Service. The difference between the ICE and the proposal amounts is due to the competitive nature of the procurement and Metro's emphasis on ensuring that the project is cost-effective and sustainable.

	<b>Proposer Name</b>	<b>Proposal Amounts</b>	<b>Metro ICE</b>	<b>Best and Final Offer</b>
1.	Lyft Bikes and Scooters LLC	\$171,046,252	\$263,476,187	\$198,248,875
2.	Bicycle Transit Systems	\$159,981,578	\$263,476,187	\$201,949,762

### **D. Background on Recommended Contractor**

The recommended firm, Lyft Bikes and Scooters, LLC is based in San Francisco, CA and is a subsidiary of Lyft, Inc. focused on operating rental bikes and scooters. Lyft is a global leader in operating large-scale bike share systems, managing more than 60 systems across 16 countries, including major cities such as San Francisco, CA, Boston, MA, Chicago, IL, New York, NY, and Madrid, Spain.