

PROCUREMENT SUMMARY

METRO BIKE SHARE/PS102304000

1.	Contract Number: PS102304000	
2.	Recommended Vendor: Lyft Bikes and Scooters, LLC	
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: April 19, 2023	
	B. Advertised/Publicized: April 19-20, 2023	
	C. Pre-Proposal Conference: April 27, 2023	
	D. Proposals Due: June 28, 2023	
	E. Pre-Qualification Completed: October 26, 2023	
	F. Ethics Declaration Forms submitted to Ethics: June 28, 2023	
	G. Protest Period End Date: January 23, 2024	
5.	Solicitations Picked up/Downloaded: 43	Bids/Proposals Received: 2
6.	Contract Administrator: James Giblin	Telephone Number: 213-922-4654
7.	Project Manager: Paula Carvajal-Paez	Telephone Number: 213-299-4258

A. Procurement Background

This Board Action is to approve Contract No. PS102304000 issued in support of Metro Bike Share. Board approval of contract awards is subject to resolution of any properly submitted protest.

The Request for Proposals (RFP) was issued in accordance with Metro's Acquisition Policy and the contract type is firm fixed price. A 28% DBE goal with a COMP (Contractor Outreach Mentoring Plan) Program participation was required.

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

- Amendment No. 1, issued on May 5, 2023, clarified and updated the Statement of Work, adding more detail to Sections 2.2 - *Data Management*, 2.3 – *Data Analytics and Reporting*, and 9.2 – *TAP and Mobility Wallet*.
- Amendment No. 2, issued on May 18, 2023, extended the deadline to submit questions and extended the proposal due date from June 7, 2023, to June 21, 2023;
- Amendment No. 3, issued on May 25, 2023, added Form 6/COMP PROGRAM – Protege Pre-Assessment Form as a requirement;
- Amendment No. 4, issued on June 6, 2023, extended the proposal due date from June 21, 2023, to June 28, 2023;

A total of 43 firms downloaded the RFP and were included in the planholders list. A pre-proposal conference was held on April 27, 2023, attended by 18 participants

representing 14 firms. A total of 58 questions were asked and responses were released prior to the proposal due date.

A total of two proposals were received on June 28, 2023, from the following firms:

- Bicycle Transit Systems, Inc. (BTS)
- Lyft Bikes and Scooters, LLC (Lyft)

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Operations Department and Office of Strategic Innovation, Los Angeles Department of Transportation, City of Pasadena, and City of Culver City, was convened to conduct a comprehensive technical evaluation of the proposals received.

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

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|--|-----|
| • Understanding of the Requirements/Work and Overall Approach | 45% |
| • Firm/Team (Prime and Subs) Experience and Staff Qualifications | 25% |
| • DBE Contracting Outreach and Mentoring Plan (COMP) | 5% |
| • Cost Proposal | 25% |

The evaluation criteria were carefully developed by the project team based partially on the previous Metro Bike Share solicitation, with refinements and additions based on the experience of operating the program since July 2016. Several factors were considered when developing these weights, giving the greatest importance to the understanding of requirements/work and overall approach. The PET evaluated the proposals according to the pre-established evaluation criteria.

During the period of July 24, 2023, through August 23, 2023, the PET independently evaluated and scored the technical proposals. Both firms were determined to be within the competitive range and were invited for oral presentations on August 3, 2023, which provided each firm the opportunity to present their team's qualifications, and to respond to questions from the PET.

Following oral presentations, a clarification request was issued to both proposers on August 9, 2023, to confirm that both proposals addressed sponsorship/advertising as an alternative, rather than as a baseline component of cost proposals. The PET finalized technical scores based on written proposals, oral presentations, and the clarification request. On August 23, 2023, the PET completed their evaluation of the proposals and ranked Lyft's proposal as the highest scored proposal.

Qualifications Summary of Firms within the Competitive Range:

Lyft Bikes and Scooters, LLC (Lyft)

Lyft operates bike-share programs in many of the largest and most visible domestic markets, including New York City (Citibike), Chicago (Divvy), and San Francisco (Bay Wheels). Each of these programs, as well as others both domestic and international, were acquired by Lyft via a 2018 buyout of Motivate, then the largest bike-share operator in the United States. In 2022, Lyft acquired PBSC Urban Solutions, a Montreal-based bike-share systems manufacturer, and the supplier of equipment in support of Lyft's proposal for Metro Bike Share.

Lyft brings an experienced team to the project, including the VP of Public Policy with 15 years of experience in related industries; Sr. Director of Business Development with 9 years in related industries; and General Manager for the Los Angeles Market with 4 years in related industries.

Lyft's response to the solicitation is a plan to replace 100% of current Metro Bike Share equipment with their own systems, a change which will be accompanied by a 75% e-bike to standard bike ratio, as well as charging docks (as opposed to the current fleet whose batteries are manually charged and replaced by technicians). In addition to the full system replacement, Lyft commits to improve key metric performance of the Metro Bike Share program using technologies and best practices developed and deployed in other leading North American markets.

Bicycle Transit Systems, Inc. (BTS)

BTS currently operates the LA Metro Bike Share program and has done so since 2016. Furthermore, BTS operates other major bike-share programs in Philadelphia (Indego) and Las Vegas (RTC Bike Share). BTS partners with B-Cycle, a subsidiary of major bicycle manufacturer Trek Bikes, as both the current and proposed supplier of docks and bicycles to the Metro Bike Share Program.

BTS's project team includes extensive experience in the nascent domestic bike-share industry, including the CEO with 8 years in related industries; owner/founder with 16 years in related industries; and the General Manager for the Los Angeles Metro Bike Share with 7 years in related industries.

Without the need for a transition to a new operator or equipment replacement, BTS' proposal demonstrated they can immediately focus on Metro Bike Share objectives which range from improving equitable access to service, to expansion into new geographical locations in the market, to reducing cost and improving performance, as well as key customer service and ridership metrics. BTS' proposal ranked well in the technical areas; however, its cost proposal was not competitive.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Lyft Bikes and Scooters, LLC				
3	Understanding of the Requirements/Work and Overall Approach	81.33	45.00%	36.60	
4	Firm/Team (Prime and Subs) Experience and Staff Qualifications	92.68	25.00%	23.17	
5	DBE COMP Plan	80.00	5.00%	4.00	
6	Cost Proposal	100.00	25.00%	25.00	
7	Total		100.00%	88.77	1
8	Bicycle Transit Systems, Inc.				
9	Understanding of the Requirements/Work and Overall Approach	84.00	45.00%	37.80	
10	Firm/Team (Prime and Subs) Experience and Staff Qualifications	90.68	25.00%	22.67	
11	DBE COMP Plan	80.00	5.00%	4.00	
12	Cost Proposal	39.20	25.00%	9.80	
13	Total		100.00%	74.27	2

C. Cost Analysis

The recommended price of \$132,558,098 has been determined to be fair and reasonable based upon an independent cost estimate (ICE), cost analysis, technical analysis, fact finding and negotiations.

The recommended amount includes the following items that were negotiated but not included in Lyft's original proposal:

- Negotiation of incentive funding
- Clarification of the cost to incorporate annual escalation
- Clarification on unforeseen actions
- Negotiated a usage fee program with a 5% residual over the useful life of equipment (docks and bikes), with Metro retaining rights to purchase all equipment in the event of contract termination
- Agreed on preliminary terms and funding for station electrification, to allow for a major customer service and operations improvement with charging docks
- Negotiated a loss sharing plan to reward partnership in reduction of theft percentage, with guide rails to help ensure Metro is protected from loss.

	Proposer Name	Proposal Amount	Metro ICE	Recommended Amount
1.	Lyft	\$103,610,822 Base: \$48,318,960 (Years 1-5) Opt. 1: \$27,635,131 (Years 6-8) Opt. 2: \$27,656,731 (Years 9-11)	\$133,558,605	\$132,558,098 Base: \$62,933,262 (Years 1-5) Opt. 1: \$33,146,835 (Years 6-8) Opt. 2: \$36,478,001 (Years 9-11)
2.	BTS	\$264,296,016 Base: \$144,865,206 (Years 1-5) Opt. 1: \$56,564,577 (Years 6-8) Opt. 2: \$62,866,233 (Years 9-11)		

D. Background on Recommended Contractor

Lyft Bikes and Scooters, LLC, (Lyft) incorporated in 2021 in San Francisco, CA, is a subsidiary of Lyft, Inc. focused on operating networks of short-term rental bikes and scooters. This subsidiary incorporates staff and resources from two recent corporate acquisitions made by Lyft, Inc.: Motivate, acquired in 2018; and PBSC Urban Solutions, Inc. (PBSC), acquired in 2022. Motivate was, at the time of acquisition, the largest bike-share operator in the United States. PBSC, a Montreal-based manufacturer of docks and bicycles, continues to operate as a major international supplier of bike-share systems. Lyft's proposal included competitive labor rates for hourly workforce that exceed Metro's current living wage rate. Additionally, Lyft's subcontractor committed to voluntarily recognize the existing Transport Workers Union (TWU) upon program transition.

Lyft, Inc., founded in 2007 and headquartered in San Francisco, CA, manages a platform facilitating peer-to-peer ridesharing across the United States and Canada. The corporation orchestrates versatile transportation networks, driven by mobile phone apps and granting users access to diverse travel options. Their offerings range from the Ridesharing Marketplace, connecting drivers and passengers; Express Drive, a car rental program aimed at Lyft drivers; Lyft Rentals, a short-term oriented entry into the car rental market, as well as a fleet of shared bikes and scooters in multiple cities, catering to short-distance trips. Additionally, Lyft, Inc. has invested in products and services ranging from access to self-driving vehicles, centralized tools, enterprise solutions like concierge transport for organizations, subscription plans such as Lyft Pink,

commuter programs via Lyft Pass, first and last-mile services, and safe rides initiatives tailored for university settings.