

**Board Report**

File #: 2024-1133, **File Type:** Contract**Agenda Number:** 32.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
MAY 15, 2025****SUBJECT: METRO BIKE SHARE PROGRAM****ACTION: AWARD CONTRACT****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a firm fixed unit rate Contract No. PS124715000 to Lyft Bikes and Scooters, LLC to provide the Metro Bike Share (MBS) program services in the Not-To-Exceed (NTE) amount of \$86,845,569 for the five-year and six month base term, \$42,119,497 for the first three-year option term, \$46,403,975 for the second three-year option term, and \$22,879,834 for optional expansions to other jurisdictions for a total NTE contract amount of \$198,248,875, subject to the resolution of properly submitted protest(s), if any; and
- B. EXECUTE individual contract modifications within the Board approved contract modification authority.

ISSUE

The current MBS contract, inclusive of three one-month options, will expire on November 30, 2025. To provide continued and seamless service to the public, a new contract incorporating the Board-approved model in response to the December 2021 Board Motion No. 41, authored by Directors Krekorian, Garcetti, Kuehl, and Sandoval (Attachment A), is needed.

BACKGROUND

MBS was launched in July 2016 and is Metro's first deployment of a regional Los Angeles County Bike Share program. While the program grew to include the City of Los Angeles, the City of Pasadena, and the Port of Los Angeles as partners, both the City of Pasadena and the Port of Los Angeles elected to leave the program, citing cost considerations. Since its inception, the City of Los Angeles has been and remains a steadfast partner.

MBS currently consists of 225 stations and up to 1,800 bikes. Ridership has fully recovered from COVID impacts and surpassed pre-COVID levels with 519,392 rides recorded for 2024, highest annual ridership to date. The 2024 ridership is 66% higher than the pre-COVID highest annual

ridership registered in 2018. MBS passholder membership also continues to grow year-over-year, with regular passholders growing by 10% and reduced passholders increasing by 39% in 2024. The growth in reduced fare passholders also resulted in a 77% increase in reduced fare trips. For 2024, reduced fare passholders registered 162,702 trips, equating to 31% of the total rides.

Pursuant to the October 2022 Board approved MBS model, staff, in collaboration with the City of Los Angeles, engaged in the development of a Scope of Services (SOS) with the goal of improving the program. The SOS was structured to align with the Board's direction and the approved model. Key model goals include:

- 1) Program Cost - Lower cost to Metro and Partner Agencies;
- 2) Equity - Streamlined expansion controlled by Metro and Partner Agencies, ensuring equitable access to MBS (payment methods, fares) and expanding mobility options to better serve economically impacted communities;
- 3) Program Management - Performance based fixed unit rate services contract;
- 4) Agency Control - Metro retains control over key MBS components - expansion, station placement, fares, etc.;
- 5) Flexibility and scalability to support temporary needs/special events;
- 6) Equipment Ownership - Contractor to provide and own the equipment;

The new model provides and will result in several improvements to the MBS system, with the upgrade of the current equipment being the most visible. The current equipment is approaching the 10-year expected life span and poses a variety of limitations including the use of obsolete stations (current MBS stations are no longer manufactured or available) and the limited availability of e-bikes (less than 15% of the current fleet).

DISCUSSION

This contract award aligns with and advances the improved MBS model approved by the Board by enhancing the program performance and cost efficiency. The contract will result in the following improvements:

- Providing and owning all MBS equipment, including replacement of lost/stolen equipment to ensure on-street bike availability and fleet stability;
- Ensuring a transition with minimal impact to MBS customers;
- Ensuring MBS operates as a "Good Neighbor/Community" member with a focus on close collaboration with the community;
- Operating and maintaining the entire MBS system (equipment, hardware, software and systems) in accordance with performance requirements and standards;
- Ensuring improved equitable access to MBS;
- Increasing ridership, rider diversity, and use cases for MBS;
- Supporting special events;
- Expanding MBS to other jurisdictions as authorized by Metro;
- Lowering program cost

Metro will continue to retain full authority over station placement, fare structure, expansion, sponsorship/advertising, and the overall MBS brand. Additionally, Metro, in collaboration with partners, will continue to actively monitor and manage the program to ensure the Contractor's adherence to the performance requirements and the SOS.

Under the new contract, MBS equipment will be replaced with all new equipment, which includes increasing the number of e-bikes to 80% of the on-street fleet (1,440) and the installation of 50 stations with in-dock e-bike charging ability. MBS e-bikes have consistently demonstrated their appeal by being used over 7 times more than the classic "human-powered" pedal bikes.

Attachment B outlines additional improvements anticipated with the new contract.

- **Cost Reduction**

One of the goals of the Board approved MBS model is to ensure the financial sustainability of the operation and expansion of MBS. Table 1 outlines the estimated cost savings achieved with the new model to operate the current MBS system. The savings are based on the current model, which include costs Metro must bear to support the replenishment of lost equipment, escalating at an annual rate of 1% to 3.5%. On a strictly "apples to apples" comparison, the cost to operate the current MBS system under the new contract will be reduced by 36% to 39% over the base 5-year operating period. Over the 11-year contract period this contract is estimated to save \$55 to \$77 million (32% to 40%). Note these figures do not include any fare or advertising revenue impacts/offsets.

In addition to the O&M savings, there are equipment cost savings, primarily due to the new model's requirement for the Contractor to own and provide the equipment. While Metro will no longer be purchasing the equipment, there will still be some upfront costs to secure and install the equipment (akin to a lease structure). These costs are one-time, and any equipment replacement costs are borne by the Contractor rather than by Metro.

Table 1 Current MBS System (225 Stations - 1,800 Bikes)				
	Estimated Current Model Cost	New Model Contract Cost	Estimated Savings \$	Estimated Savings %
Yr 1 O&M	\$15M	\$9	(\$6M)	-39%
5Yr O&M				
Current MBS 5Yr O&M	\$76M - \$80M	\$49M	(\$28M - \$32M)	(36% - 39%)
Average Annual O&M Cost	\$15M - \$16M	\$10M	(\$5M - \$6M)	(36% - 39%)
Equipment Transition & Mobilization				
One-Time Equipment Transition	\$21M	\$18M	(\$3M)	(14%)
Total - Current MBS System	\$97M - \$101M	\$67M	(\$31M - \$34M)	(32% - 34%)

Table 2 provides a summary of the cost and savings associated with the grant funded expansion. The grant funded expansion provides the opportunity to fill-in service gaps between the Downtown and

the Westside service areas, with approximately 100 stations and 1,000 bikes (this area is estimated to be 48% EFC), as well as filling the gap between the Downtown service area and MBS stations located along the Rail-to Rail active transportation corridor on Slauson Avenue in South LA, with an additional 20 stations and 200 bikes.

With the new model, the expansion O&M costs primarily consist of the incremental fixed unit rate cost to operate and maintain the deployed units and is not burdened with full administrative or other costs, resulting in an overall larger per unit savings. With the reduced cost from the new model and the use of the grant funds, the expected overall cost for this expansion is less than \$8 million for the 5-year base contract period, without fare or advertising revenue offsets.

Of note the total 5-year O&M cost for the current MBS System and Expansion, including grant offsets but no fare or advertising revenue offsets, is approximately \$56M, which is \$20M to \$24M (26% - 30%) less than the estimated current model without expansion related costs included.

Table 2 Grant Funded Expansion (120 Stations - 1,200 Bikes)				
	Estimated Current Model Cost	New Model Contract Cost	Estimated Savings \$	Estimated Savings %
Grant Expansion Equipment	\$10M	\$8M	(\$2M)	(24%)
Grant Expansion O&M	\$24M - \$25M	\$12M	(\$11M - \$12M)	(47% - 50%)
Subtotal - Grant Expansion	\$34M - \$35M	\$20M	(\$14M - \$15M)	(40% - 42%)
<i>Less Grant Funds</i>		(\$12M)		
Total Grant Expansion		\$8M		
Total O&M Current MBS System + Grant Expansion (345 Stations - 3,000 Bikes)				
	Estimated Current Model Cost w/o Expansion	New Model Contract Cost w/Expansion	Estimated Savings \$	Estimated Savings %
Total 5Yr O&M	\$76M - \$80M	\$56M	(\$20M - \$24M)	(26% - 30%)

These cost reductions represent one part of the efforts to improve program efficiency. With new equipment and the pending REAP and RCN funded expansion, ridership is expected to grow; thereby generating increased fare revenues. Additional advertising revenues may also become available as ridership increases and the program expands. With this Contract and due to the equipment exchange, all stations will now have the capability to display static ads and the electrified stations will have the opportunity to generate additional revenue by deploying digital ads advertising. Further discussions with and support from city partners will be needed to enable increased advertising revenues from either static or digital advertising.

Transition/Mobilization

MBS will work closely with the Contractor to minimize any impact to users and the community due to the transition to the new system. The transition to the new equipment is scheduled to be completed within 6 months from the Notice to Proceed. This includes all equipment exchange, deployment of

the new website and mobile app, transfer and/or set-up of existing MBS members on the new system, outreach, education and safety classes, permits and other associated actions. The existing equipment will be stored by the Contractor and MBS staff will coordinate the appropriate transfer, sale, donation or other disposal of the equipment.

With respect to existing contractor staff impacts, the new contract requires both living wage and worker retention. The Contractor has met both requirements and will utilize Transport Workers' Union (TWU) members as well as continue to recognize their collective bargaining agreement.

Additional information regarding the Transition/Mobilization can be found in Attachment B.

Future Expansion

A key element to the future success of MBS and in alignment with prior Board direction is the sustainable and equitable expansion of the system. Expansion consists of gap/in-fill, new service area and new partner/jurisdiction expansion. There are a number of jurisdictions, such as Culver City, Pasadena, Santa Monica, Glendale, County of Los Angeles and others, who have, in the past, expressed interest in becoming MBS partners. The ability to expand MBS not only requires internal contractual authority but also an agreement with the partner agency, which shall address cost sharing requirements. As stated, this new contract represents a reduction in both the initial capital/equipment and on-going operational costs. This cost reduction coupled with improved services is anticipated to result in the ability to pursue a more sustainable expansion of MBS. Additionally, due to the e-bike transition, ridership is projected to grow, resulting in increased fare revenue and the possibility of increased advertising/sponsorship opportunities, which will provide additional offsets to operating costs.

The contract contains an option to support future new partner/jurisdiction expansions and on-going operation. Any expansion associated with this option will require Board approval prior to implementation.

Strengths of Recommended Contractor

The recommended Contractor's proposal stood out due to the following areas of strength, which are anticipated to enhance the performance and operation of the MBS program. This includes a strong track record in managing large scale bike share programs within and outside of the U.S.

- Their operational footprint covering 60 cities and 16 countries - including operating the 6 largest docked bike share programs in the US (New York, New Jersey, Washington D.C., Boston, Chicago, and the San Francisco Bay Area).
- Experience having handled numerous special events from weather, protests, parades, sporting events, concerts/festivals, Presidential Inaugurations, UN General Assembly meetings, etc., which can help MBS as it prepares to support the World Cup and Olympics/Paralympics.

- Experience with the deployment and operation of in-dock charging stations having installed stations in over 20 cities amounting to more than 2,100 stations and 43,000 docks globally. As MBS transitions to an 80% e-bike fleet with 50 in-dock charging stations, the Contractor's experience and capabilities to support MBS is critical to successfully implement the new service.
- Ability to leverage existing operations and services to:
 - Obtain temporary support and equipment for Los Angeles major events - World Cup, Olympics/Paralympics, etc.
 - Use existing venue partnerships (Live Nation, SoFi, Intuit Dome) to better support events
 - Learn, coordinate and possibly integrate with their other operations to provide a more seamless system for travelers and improve services for MBS customers
- Extensive experience with sponsorship in support of bike share (Citi, Nike, Blue Cross/Blue Shield). While Metro retains the rights to advertising and sponsorships, the experience of having secured large value sponsorships for other systems can be beneficial to MBS in the future.
- Experience with integration of bike share applications and services with the Bay Area Clipper Card and Madrid Mobility 360 App. This experience is beneficial to improving MBS integration with TAP (Clipper Card uses Cubic as its provider) and Metro single app project (Madrid Mobility 360 is a Mobility as a Service solution that integrates train, bus, bike share and other transportation services into a single app).
- Finally, the recommended contractor has committed to surpassing the 15% DBE goal through their commitment to meeting more than double the DBE goal at 31.46%.

DETERMINATION OF SAFETY IMPACT

Approval of this item will ensure the continued safe and reliable operation of the Metro Bike Share program and is not anticipated to have any negative safety impacts. Additionally, this Contract will provide monthly bicycle education, safety and riding classes to improve the awareness and capability of future bike riders.

FINANCIAL IMPACT

Funding in the amount of \$26,071,011 is included in FY25 and funding is allocated in the FY26 Proposed Budget to enable the transition, operation, maintenance, and expansion of the MBS program under cost center 4540 - TDM Policy & Regional Shared Mobility, account 50316, Professional Services, under Project #308010 "Bikeshare Program Operating & Maintenance and Project #210186 "MBS Bikeshare Equipment & Expansion". Under the existing cost sharing partnership with the City of Los Angeles, any capital costs are shared equally between Metro and the City (50/50), while operating costs are allocated on a 35% Metro - 65% City partner split. The City is aware of the cost, provisions and requirements of this contract and has provided their concurrence to proceed with the transition of the current MBS services. REAP and RCN related expansion actions, while part of the contract, are pending final concurrence from the City of Los Angeles prior to

authorization.

Since this is a multi-year contract, the cost center manager and Deputy Chief Operations Officer, Shared Mobility will be accountable for budgeting the costs for future years.

Impact to Budget

There is no impact to the current FY25 budget. Funding for MBS is included in the FY25 budget and consists of City of Los Angeles subsidy, fares, DoorDash advertising revenue, and other bus and rail operating-eligible funds.

Metro received \$7.55M in REAP funding from the State to specifically support the expansion of MBS. Additionally, as part of Metro's larger \$139M Federal RCN grant, Metro received \$5M to further support MBS expansion. Together these grant funds will offset 62% of the total cost to expand MBS. The remaining cost of \$7,742,813 over the 5-year period, less any fare and advertising revenues, will be borne by Metro and the City of Los Angeles. Since the award of the grants coincided with this procurement action, both the REAP and RCN grants were incorporated into the base contract to enable a more streamlined and timelier implementation.

Additionally, in support of the installation of in-dock charging stations, a proposal was submitted to the Joint Office of Energy and Transportation and an initial notice of award in the amount of \$2 million was received. This award is still pending final authorization/certification. In the interim, staff will continue to investigate and pursue grant or alternative funding opportunities to help offset these and other MBS costs.

EQUITY PLATFORM

The approval of this new contract will ensure Metro's ability to continue to operate and maintain and work towards a regional bike share program that is accessible to Los Angeles County residents. Metro is committed to expanding the program beyond the City of Los Angeles to include other jurisdictions. Currently, 47% of stations are in EFCs and 40% of all trips are initiated at EFC stations. Under the new contract, the Contractor will implement strategies to build community partnerships through local engagement opportunities with stakeholders and residents at events, both in-person and virtual, and by ensuring information is provided in multiple languages and formats. The Contractor will also develop a "Good Neighbor" plan, subject to approval by Metro, with adherence to this plan being a performance metric subject to potential liquidated damages. The "Good Neighbor" plan is tied to the goal of MBS providing exemplary customer service and being a valued addition to the community/neighborhood within which MBS operates. The purpose of this plan is to better understand how MBS can serve the community and all customers - this includes passholders, single-trip riders, potential riders, partners, businesses and any others that may be impacted by MBS throughout construction/relocation, as well as during general operations, with the goal of enabling MBS to better implement and operate its service to meet community and customers' needs. The plan will outline how MBS will engage, listen, adapt and serve the neighborhoods, businesses and communities within which it operates. Key to this strategy will be to maintain ongoing communication with residents of these communities and to provide a process so that station planning is transparent and allows community members to provide their input.

Metro will collaborate with the Contractor and MBS partner(s) to establish a national model for bike share equity, focusing on communities with “High Need” and “Very High Need” based on the Equity Need Index (MENI) tool which is used to identify areas with the greatest need for transportation equity. The Contractor will propose service metrics, non-smartphone and non-credit card payment options, outreach strategies for disadvantaged populations and a plan for engaging with residents in EFCs. Metro will also collaborate with our MBS partner(s), the Contractor and other stakeholders to consider and identify options that will support expansion of MBS into EFCs through potential grants, such as Better Bike Share Partnership grants, cost-sharing, and other solutions.

In addition, offering an option for individuals who are unbanked or may not have access to a digital device, will be advanced with the new contract as part of the Mobility Wallet solution. Working closely with TAP and the Office of Strategic Innovation will allow Metro to identify an implementation plan for MBS users beyond the current pilot phase. The contract will also allow Metro to work toward an improved and integrated payment solution that provides a more streamlined process. Integration will allow payments within TAP and outside of the TAP environment leading to improved user experience and allowing for greater access overall for LA County residents as well as for visitors anticipated to attend the upcoming major events hosted in the region.

This contract includes a 15% DBE goal established by DEOD. In response, the Contractor is committed to meeting a 31.46% DBE goal, allocated to 4 subcontractors.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro’s significant investment in rail and bus transit.* Metro’s Board-adopted VMT reduction targets align with California’s statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT.

Metro conducted a preliminary analysis which showed that the net effect of this multi-modal item is to decrease VMT. To date, more than 9.1 million miles have been traveled by MBS users, which represents a minimum reduction of approximately 1.9 million VMTs since the 2024 MBS survey results show 22% of users would have driven their personal vehicles or used a taxi or equivalent vehicle to complete their travel if not for MBS.

*Based on population estimates from the United States Census and VMT estimates from Caltrans’ Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

MBS program supports the following Vision 2028 Strategic Plan Goals. MBS ensures users have access to a system that consistently meets high quality standards and that is readily available 24/7 so that there is no wait time. Stations are located near transportation and bicycle infrastructure

projects that connect users to the larger transportation system as well as employment centers, colleges/universities, and other destinations. MBS is committed to regional growth and expansion and to being a model for other cities and communities that incorporates best practices in delivering a financially sustainable program,

1. Provide a high-quality mobility option that enables people to spend less time traveling.
2. Deliver an outstanding trip experience for all users of the transportation system.
3. Enhance communities and lives through mobility and access to opportunity.
4. Transform LA County through regional collaboration and national leadership.
5. Provide responsive, accountable, and trustworthy governance within the organization.

ALTERNATIVES CONSIDERED

The Board may reject the approval of the recommendations. This alternative is not recommended as it could negatively impact the public as the current contract for MBS services will expire on November 30, 2025, inclusive of three one-month options.

The Board may also decide to cease all MBS operations. This alternative is not recommended as MBS is a key component in providing a comprehensive transportation solution to meet the varied needs of Los Angeles County residents and visitors. MBS provides an effective zero-emissions VMT alternative to using a vehicle for short trips.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS124715000 with Lyft for the MBS program and initiate the transition from the current to new contract in as seamless a manner as possible. Staff will initiate outreach efforts to identify and introduce any changes/improvements to the public and existing MBS members and work with the Contractor to secure authorization to enable installation of the in-dock e-bike charging stations. Staff will continue outreach efforts to interested jurisdictions and initiate discussions regarding the possible expansion of MBS. Finally, staff will collaborate with the City of Los Angeles to obtain concurrence and initiate the workplan to implement the REAP and RCN grant funded expansions and ensure adherence to grant requirements.

ATTACHMENTS

Attachment A - Motion #41

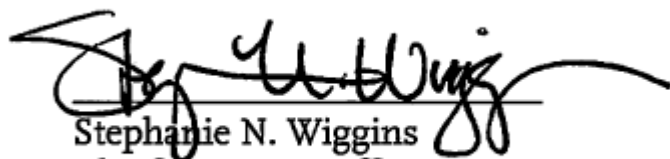
Attachment B - Improvements & Transition/Mobilization

Attachment C - Procurement Summary

Attachment D - DEOD Summary

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Stephanie N. Wiggins
Chief Executive Officer

**Board Report**

File #: 2021-0743, **File Type:** Motion / Motion Response**Agenda Number:** 41.

**EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 18, 2021****Motion by:****DIRECTORS KREKORIAN, GARCETTI, KUEHL, AND SANDOVAL****Improving the Effectiveness and Sustainability of Metro Bike Share**

Metro Bike Share, a county-wide bike share program, launched in 2016. Since then, Metro has had over 3,300 bicycles in the system, consisting of a mix of Classic, Smart, and E-bikes.

Currently, Metro only has 38% of the total original fleet remaining in operation. Metro Bikes have been targets of theft, and rates of fleet loss ebb and flow as new methods of theft are discovered and addressed. The Metro Bike Share team has increased efforts to recover lost and stolen bicycles but this is not sustaining the fleet and the program does not have an established fleet replenishment strategy. As a result, fewer Metro Bikes are available for use, which degrades the quality of service available to the public.

Affordable, accessible public transportation and active transportation options such as Metro Bike Share are a cornerstone of meeting our region's climate goals. As local jurisdictions in the County continue expanding bicycle infrastructure and mobility options to meet climate goals and improve the quality of life for residents, a successful and sustainable Metro Bike Share program is more important than ever.

SUBJECT: IMPROVING THE EFFECTIVENESS AND SUSTAINABILITY OF METRO BIKE SHARE**RECOMMENDATION**

APPROVE Motion by Directors Krekorian, Garcetti, Kuehl, and Sandoval that the Board direct the Chief Executive Officer to report back in 90 days on:

- A. An action plan to stabilize the current fleet size including actions for how to identify, prioritize, and address new mechanisms of theft as they arise.
- B. An action plan to address equitable access in the current program and in any future form of the program. This plan shall include recommendations on issues such as serving people who may be unbanked, addressing the digital divide, and keeping fare cost low.

- C. A plan to provide uninterrupted service as the next iteration of the program is determined and executed.
- D. A plan to convene an industry forum (as was performed for Metro Micro) to bring together academics, cities with existing bike share programs, community stakeholders, and industry experts to provide recommendations on advancing Metro Bike Share beyond the current contract in one of several forms including but not limited to:
1. Continuing Metro Bike Share as a contracted service,
 2. Operating the program In-house with Metro employees,
 3. A private-sector model with financial subsidy provided by Metro.
- E. Performing a market survey to identify best practices and business models among existing bike-share systems in the US, and comparable global systems (e.g., Paris, London, Barcelona, Madrid, and Mexico City), and to develop comparative data on subsidy cost per ride, total ridership, size of fleet, vehicle technology, theft and damage loss and prevention, and alternative financing sources like sponsorship and advertising.
- F. Recommendations for continuing and evolving the Metro Bike Share program to meet the goals of the agency, with countywide stakeholder engagement and consideration of cost-sharing, with the goal of expanding service area and local participation to all subregions in the County. These recommendations should include eligible local, state, and federal funding sources for capital and operations budgets, as well as legislative opportunities to expand such funding eligibility.

Improvements & Transition/Mobilization

Improvements

The information below is a summary of some but not all of the improvements to MBS as a result of the new contract.

Equipment Based:

- More secure and integrated battery placement on e-bikes – batteries secured within the frame of the bicycle;
- New, improved, safety-certified and longer life e-bike batteries – increases e-bike range from 30+ miles to 60+ miles;
- E-bikes equipped with on-bike displays to provide information and messages;
- Improved theft/loss management – including wheel immobilization;
- Improved remote bike monitoring management and data;
- Installation of in-dock charging stations to safely support e-bike charging – 50 stations and 1,200 docks;

User/Community Based:

- Improved station/dock designs to better integrated MBS stations into the community – stations can now consist of a single dock versus the current 10-20 docks/station;
- A new MBS specific website and mobile application will be designed and deployed with a focus on streamlining the user experience;
- Development and deployment of the new “Good Neighbor/Community” policy and practices to ensure that MBS is focused on being a valued member and resource in each community within which it operates;
- Station kiosks will have new displays, support multiple methods of checking out a bicycle, enable integration of third-party payment solutions, support Pay Near Me, Metro Mobility Wallet, and other non-credit card payment services;

Systems/Operational:

- Contractor required to ensure on-street fleet size and availability;
- Station relocation to improve MBS to transit connection;
- Support and improved integration with TAP and coordination with Metro’s single mobile app efforts;
- Improved use of data, analytics and systems to better monitor and track system performance, optimize maintenance activity, and actively track battery performance;
- 24-hour operations management and support will be standard, compared to the current 6:00 am to 8:00 pm hours of operation, to ensure the ability to respond to customer needs or service requirements at all times

E-Bikes and Station Electrification:

As MBS moves to a predominately pedal-assisted e-bike fleet, the monitoring and management of available battery charge will be critical. The new contract requires the installation of in-dock charging stations to enable the charging of batteries, thereby improving the number of e-bikes with sufficient battery power while lowering on-going maintenance costs associated with battery swaps and related actions.

Safety is of primary importance and in recognition of the e-bike incidents in New York City where batteries from privately owned bikes caused home fires while being charged, the contract requires MBS equipment to meet the following safety certifications:

- Underwriter Laboratories (UL) 2271 – Standard for Batteries
- UL 2849 – Standard for E-Bike Electrical Systems
- International Organization for Standardization (ISO) 4210 – Safety and Performance requirements for the design, assembly and testing of bicycles

The UL certifications have been updated to ensure battery and e-bike safety. Safety to both MBS users and the public at large will continue to be of paramount importance. MBS and the Contractor shall monitor and address any safety concerns.

Implementation of electrified/in-dock charging stations requires the Contractor to obtain approval from both Metro and the local jurisdiction (includes securing permits and identifying the source and provisioning of required power). Should the Contractor be unable to connect the stations to enable in-dock charging, the stations will still be functional as a standard non-powered station. In order to mitigate potential vandalism of the power sources, the connections are designed to be hidden from public view. Alternative solar powered stations are also available, however additional discussions with the Contractor will be needed.

Initial discussion has begun between Metro and the City of Los Angeles (LADOT, Bureau of Engineering, LADWP) and all parties are in general agreement to support this effort. There are also ancillary benefits to having electrified stations, which includes the opportunity to collaborate and support additional uses within the footprint or adjacent to the stations, such as charging stations for privately owned equipment or possible EV charging capabilities – such as the possible coordination with the City of Los Angeles BlueLA electric carsharing program when the opportunity arises.

Transition/Mobilization

During the first four months of the transition, the current/existing contractor will continue to operate MBS. During this time the new contractor will be completing its mobilization efforts and begin staging and exchanging up to 50% of the on-street equipment. It is anticipated that the new contractor will begin service operations at the end of the fourth month at which point the current service will no longer be operational. This will ensure that there is limited to no service interruptions during the transition, albeit there will be service limitation due to the equipment exchange.

Customer-focused improvements will also be implemented during the transition, including a new website, mobile application and streamlined methods to check out a bike. With respect to the mobile application, the Contractor and Metro staff will investigate and develop the mobile application in coordination with Metro's concurrent work towards the development of a single Metro app. The transfer of existing MBS membership may require some member interaction to set up the application (password, payment, etc.). Upon successful completion of the transfer of member information, Metro will take steps to ensure the proper closure of the prior mobile application and the removal of all data.

During the transition, stations may be relocated to improve connectivity to transit or meet other needs. This includes the relocation of MBS stations onto Metro Rail station plazas to improve the first-last mile connectivity between MBS and Metro Rail. Additionally, new station designs allow for improved neighborhood integration with the capability to install single or a smaller number of docks compared to the current practice of 10 to 15 docks per station. This flexibility allows MBS to be more efficient in the placement of docks and better integrate MBS equipment into a neighborhood/community.

PROCUREMENT SUMMARY

METRO BIKE SHARE PROGRAM/PS124715000

1.	Contract Number: PS124715000	
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: 7/23/2024	
	B. Advertised/Publicized: 7/23/2024	
	C. Pre-Proposal Conference: 8/6/2024	
	D. Proposals Due: 9/19/2024	
	E. Pre-Qualification Completed: 4/4/2025	
	F. Ethics Declaration Forms submitted to Ethics: 9/19/2024	
	G. Protest Period End Date: 5/20/2025	
5.	Solicitations Picked up/Downloaded: 56	Bids/Proposals Received: 3
6.	Contract Administrator: Ana Rodriguez	Telephone Number: (213) 922-1076
7.	Project Manager: Kenneth Coleman	Telephone Number: (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:

- | | |
|--|------------|
| • 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	Lyft Bikes and Scooters LLC				
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	Total		100.00%	89.65	1
8	Bicycle Transit Systems, Inc.				
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	Total		100.00%	87.04	2

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.

	Proposer Name	Proposal Amounts	Metro ICE	Best and Final Offer
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.

DEOD SUMMARY

METRO BIKE SHARE PROGRAM/ PS124715000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 15% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Lyft Bikes and Scooters, LLC exceeded the goal by making a 31.46% DBE commitment.

Small Business Goal	15% DBE	Small Business Commitment	31.46% DBE
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	DBE Subcontractor	Ethnicity	% Committed
1.	Tranzito DBA BikeHub	Asian Pacific American	28.14%
2.	Craft Construction Inc.	Hispanic American	1.37%
3.	ICI Engineers	Asian Pacific American	0.20%
4.	Sequoia Consultants	Subcontinent Asian American	0.07%
5.	Arellano Associates	Hispanic American	1.35%
6.	2meart.com	African American	0.33%
Total Commitment			31.46%

B. Local Small Business Enterprise (LSBE) Preference

The LSBE preference is not applicable to federally funded procurements. Federal law (49 CFR § 661.21) prohibits the use of local procurement preferences on FTA-funded projects.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable on this Contract. Metro staff will monitor and enforce the policy guidelines to ensure that workers are paid at minimum the current Living Wage rate of \$25.23 per hour (\$19.28 base + \$5.95 health benefits), including yearly increases. In addition, Contractors will be responsible for submitting the required reports for the LW/SCWRP and other related documentation to staff to determine overall compliance with the policy.

D. Prevailing Wage Applicability

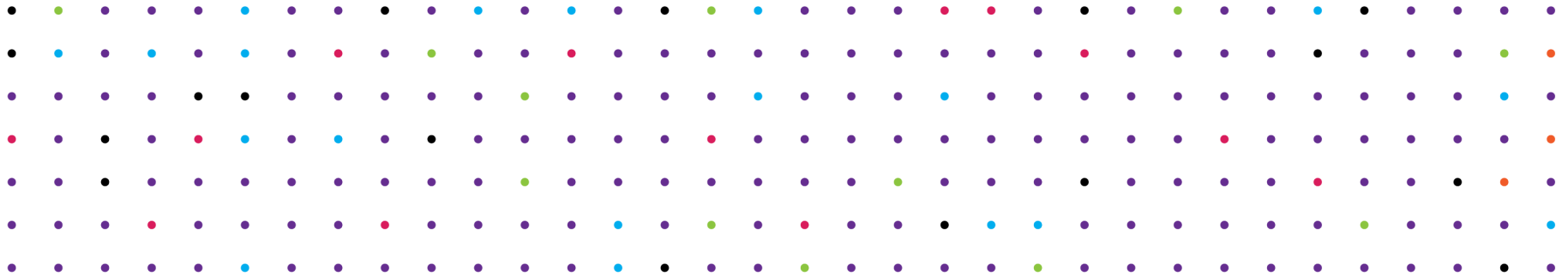
Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the US Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.

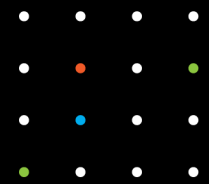
SHARED MOBILITY

METRO BIKE SHARE



Operations, Safety, & Customer Experience Committee Meeting
May 15, 2025

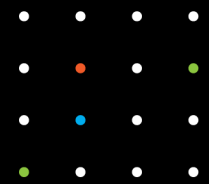
RECOMMENDATION



AUTHORIZE the Chief Executive Officer to:

- A. AWARD a firm fixed unit rate Contract No. PS124715000 to Lyft Bikes and Scooters, LLC to provide the Metro Bike Share (MBS) program services in the Not-To-Exceed (NTE) amount of \$86,845,569 for the five-year and six month base term, \$42,119,497 for the first three-year option term, \$46,403,975 for the second three-year option term, and \$22,879,834 for optional expansions to other jurisdictions for a total NTE contract amount of \$198,248,875, subject to the resolution of properly submitted protest(s), if any; and
- B. EXECUTE individual contract modifications within the Board approved contract modification authority.

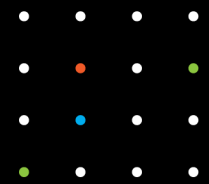
NEW MODEL & CONTRACT



Contract Award follows the new Board approved model:

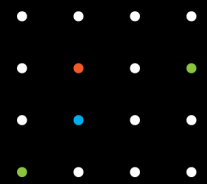
- Lower Cost - Decrease in O&M compared to current model
- Improve Equity – Grant based expansion, Mobility Wallet, focused outreach, etc.
- Improve Management - Performance based fixed unit rate service contract
- Provide a more sustainable path for other jurisdictions to join MBS
- Other
 - Requires living and prevailing wage
 - Includes Grant funded expansion (State REAP and Federal RCN grants amounting to \$12.55M)

NEW MODEL & RESPONSIBILITIES



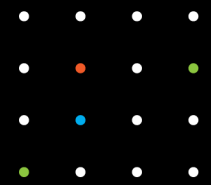
- Metro retains control over:
 - Expansion;
 - Station locations;
 - Fare;
 - Advertising/sponsorship;
 - MBS Data;
 - MBS brand and overall operations
- Equipment Ownership – Contractor provides, owns and replaces damaged/lost equipment at their cost
- Union Workforce and Continuity – Recommended Contractor's team includes a unionized subcontractor to support MBS using existing Transport Workers Union (TWU) bike share employees

OPERATIONAL IMPROVEMENTS



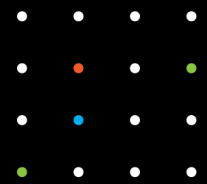
- All new equipment
 - 80% e-bike fleet versus current 10% - 15% (1,440 e-bikes v. 150 - 200 e-bikes);
 - New E-bikes have a 60+ mile range versus current 30+ miles; remote programming capability – geofencing, wheel immobilization, etc.; on-bike display
 - Electric charging stations (50 for base; 5 each for Grant expansions);
 - New equipment can support smaller dock deployments (1+ dock(s) versus current 10 - 20 docks/station);
- Improved transit connections - relocation of stations onto Metro property;
- Contractor responsible for ensuring a stable 1,800 on-street bike fleet (current contract requires Metro to purchase inventory to ensure fleet size);
- 24x7 operations versus current 7am to 8pm hours of operation;
- Transition to new system over 5 – 6 months
 - Phase 1 (approximately 4 months to complete)
 - ✓ Replace of 50% of the current stations with new stations
 - Phase 2 (approximately 2 months to complete)
 - ✓ Replace remaining 50% of system

BASE CONTRACT COST SUMMARY – CURRENT v NEW MODEL



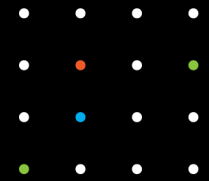
	Estimated Current Model Cost	New Model Savings \$	New Model Savings %
Current System O&M (5Yrs)	\$76M - \$80M	(\$24M - \$32M)	(31% - 39%)
Equipment Replacement	\$21M	(\$3M)	(14%)
Subtotal Current System*	\$97M - \$101M	(\$27M - \$34M)	(27% - 34%)
<i>Grant Expansion Equipment/One-Time</i>	<i>\$10M</i>	<i>(\$2M)</i>	<i>(24%)</i>
<i>Grant Expansion O&M</i>	<i>\$24M - \$25M</i>	<i>(\$11M - \$14M)</i>	<i>(47% - 56%)</i>
Subtotal Grant Expansion*	\$34M - \$35M	(\$12M - \$15M)	(36% - 42%)
Base Award*	\$131M - \$136M	(\$38M - \$49M)	(30% - 36%)
<i>Subtotal Options</i>	<i>\$165M - \$193M</i>	<i>(\$53M - \$84M)</i>	<i>(32% - 43%)</i>
Total All O&M*	\$259M - \$292M	(\$91M - \$125M)	(35% - 43%)
Total All*	\$296M - \$330M	(\$93M - \$131M)	(32% - 40%)

GRANT FUNDED EXPANSION



- Included in the Base Contract Award and consists of:
 - Two Grants – State REAP (\$7.55M) and Federal RCN (\$5M)
 - Grants support the following system gap in-fill expansion:
 - ✓ Downtown service area (Vermont Ave) to Westside service area (Westwood Blvd) – 100 stations and 1,000 bikes;
 - ✓ Downtown service area (Exposition Blvd) to MBS stations on Rail-to-Rail Active Transportation Corridor (Slauson Ave) in South LA – 20 stations and 200 bikes
- With Grant offset cost of expansion will reduce to approximately \$8M over the five-year period (without additional revenue offsets)

PROCUREMENT SUMMARY



AWARDEE

Lyft Bikes and Scooters, LLC

NUMBER OF PROPOSERS

Three (3) proposals were received - one (1) was deemed non-responsive to DBE requirements

Proposers include:

- Bicycle Transit Systems, Inc.
- Drop Mobility California, LLC (non-responsive due to DBE commitment)
- Lyft Bikes and Scooters, LLC

DEOD COMMITMENT

DBE goal – 15% DBE commitment – 31.46%

ISSUE

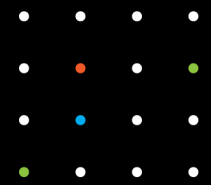
The current contract, inclusive of 3 one-month options, expires November 30, 2025. A new contract is needed to continue operating the MBS program.

DISCUSSION

The award of this contract will ensure continued operation of MBS pursuant to prior Board directive and actions. The new contract will decrease costs and improve the ability to expand MBS.

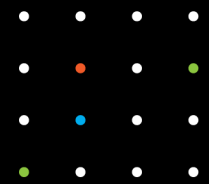


PROPOSAL EVALUATION



Evaluation Criteria	Maximum Points	Lyft	BTS
Experience and Qualifications of Proposed Team and Key Personnel	20.00	16.90	17.00
Understanding of Requirements and Work and Overall Approach	50.00	43.75	40.50
Contract Outreach and Mentoring Plan	5.00	4.00	5.00
Price	25.00	25.00	24.54
Total Score	100.00	89.65	87.04
Best and Final Offers		\$ 198.25M	\$ 201.95M
DBE Commitment	Goal 15%	31.46%	17.21%

STRENGTHS OF RECOMMENDED CONTRACTOR



- Greater understanding of operations in major metropolitan areas with oversight and management of the 6 largest bike share programs in US
- Understanding of the requirements and practices of large-scale special events/incidents – Presidential Inaugurations, UN General Assembly meetings, major sporting events, etc.
- Improved theft deterrence (reported 3% loss versus 7% -8%)
- Significant deployment of in-dock charging stations – over 20 cities, 2,100 stations, 43,000 docks – including solar powered charging stations
- Ability to leverage existing operations to support MBS needs
 - Temporary resources – obtain resources from other large systems to support MBS
 - Existing venue partnerships (SoFi Stadium and Intuit Dome)
 - Coordinate and possibly integrate with other bike share programs operated by Lyft
- Successfully securing large scale sponsorships
- Exceeds DBE Goal (15%) with a 31.46% commitment