

**Metropolitan Transportation Commission**  
**Regional Network Management Committee**

**March 13, 2026**

**Agenda Item 5b**

**Contract Amendment - Bay Wheels Bikeshare Contract Extension: Lyft Bikes and Scooters, LLC (\$2,510,000)**

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**Subject:**

Request for approval of a contract amendment with Lyft Bikes and Scooters, LLC (Lyft) to extend Lyft's operation of the Bay Wheels bikeshare system and fund new capital investments. The request would extend the contract by five years for an amended end date of July 31, 2032, in an amount not to exceed \$2,510,000.

**Background:**

The Bay Area Bike Share Program Agreement with Bay Area Motivate, LLC (BAM) was signed in 2015 and the system launched in 2017. The agreement was established as a ten-year, no-cost contract in exchange for providing the exclusive right to operate bikeshare in the participating cities. It also allowed for two renewal terms of five years. At that time, the participating cities were San Francisco, San José, Oakland, Berkeley, and Emeryville. In 2018, Lyft Inc. acquired BAM and the bikeshare program was rebranded as Bay Wheels. BAM was subsequently merged into its parent company, Lyft Bikes and Scooters, LLC.

In February 2023, the MTC Operations Committee approved a \$16 million investment into the Bay Wheels system to expand the station network and the ebike fleet to all participating cities. As a part of the investment, 2,700 ebikes and 55 new stations were purchased, Daly City became the first expansion city to join the Bay Wheels system, a student membership pilot launched, the first electrified bikeshare station was installed, and prices for members were reduced. The new MTC-funded ebikes began deployment in November 2023 in San Francisco and San José and in 2024 in Oakland, Emeryville, and Berkeley. The cities expect to complete installation of the MTC-funded stations in 2026.

Staff presented to the Regional Network Management Committee on January 9, 2026, providing an update on bikeshare in the region and focused on Bay Wheels and the positive results of the MTC investment. Since 2023, Bay Wheels ridership has grown by more than 30% for two consecutive years and more than 74% from 2023 to 2025. The system served 4.4 million trips in

2025 and over 22 million trips since 2017. This level of ridership would make Bay Wheels equivalent to the 7th largest transit operator by ridership in the Bay Area. Bay Wheels has demonstrated how it provides an important first/last mile connection to transit, with many of the highest ridership Bay Wheels stations adjacent to BART and Caltrain stations, ferry terminals, and the Salesforce Transit Center. Bay Wheels also alleviates demand for limited space for bikes on transit vehicles, including Caltrain and San Francisco Bay Ferry, which reported reaching bike capacity on some trains and ferries in 2025.

**Contract Renewal:**

The initial ten-year term with Lyft ends in July 2027, and the contract allows for two five-year renewal terms. In advance of the contract end date, MTC staff began to prepare for a Request for Proposal (RFP) for the next phase of Bay Wheels. Despite MTC's investment of \$14M in capital funding, more than 90% of the stations and 60% of the bikes are owned by Lyft. The cost of replacing the existing network of over 600 stations and 7,000 bikes with new equipment is over \$40 million. Recent comparable docked bikeshare procurements in other regions also required ongoing funding for operations and maintenance costs to solicit competitive bids.

While beginning to prepare for an RFP, MTC staff also engaged Lyft to assess the viability of coming to an agreement on exercising a five-year renewal term. Staff initially assumed this was unlikely due to Lyft's contention that it loses money on the Bay Wheels system, and the limited availability of new funding MTC could contribute. However, MTC and Lyft were able to identify a path to a renewal term, due primarily to the significant remaining useful life of the MTC-funded equipment.

MTC staff have since been working with staff at the participating cities and Lyft on a proposal and term sheet that will sustain and improve the system, while also better positioning it for a procurement at the end of the renewal term when more funding opportunities may be available. The proposed key terms are attached hereto as Attachment A, including the limits to member price increases, maintaining the discounted \$5 first year of the Bikeshare for All (BS4A) income qualified membership, and operational improvements to increase bike and dock availability. The additional five years will ensure that the value of the investment MTC made into the Bay Wheels

system in 2023 is fully achieved with time to evaluate the impacts and incorporate them into a future RFP when more funding may be available.

The renewal term also provides a more streamlined path to piloting expansion into adjacent cities. Capital and operations funding are required for expansion beyond the original five participating cities. The terms include capital funding for 10 stations in new cities and requires the operating fees for up to 10 stations to be waived if sited in close proximity to the existing station network. Further, if new cities identify sufficient operations and capital funding, Lyft will work in good faith to develop proposals for such expansion.

As a condition of the Bay Wheels program the participating cities granted Lyft the exclusive rights, with some exceptions, to operate a bikeshare program. The exclusive rights also extend to shared ebikes in San Francisco and San José. These exclusive rights, as well as other program provisions, will extend through the renewal term.

Staff seek authorization for the Executive Director to negotiate a contract amendment with Lyft Bikes and Scooters, LLC, subject to MTC programming and budget actions planned in March 2026, to renew the Bay Wheels contract, and expand the current Bay Wheels bikeshare system. The capital investment will include additional ebikes, electrified docks to expand the station electrification pilot, and non-electrified docks for new and infill stations, with potential to expand the program into cities adjacent to the current program service area. This investment accompanying the renewal will be made on a sole source basis.

Lyft is not a small business enterprise (SBE).

**Issues:**

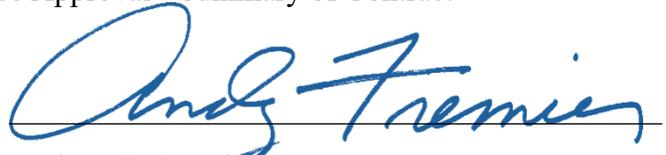
None identified.

**Recommendations:**

Staff recommends the Committee authorize the Executive Director or designee to negotiate a contract amendment with Lyft that includes the terms provided in Attachment B in an amount not to exceed \$2,510,000, subject to MTC programming and budget actions planned in March 2026.

**Attachments:**

- Attachment A: Small Business Enterprise Status
- Attachment B: Proposed Investment & Term Sheet
- Attachment C: Request for Committee Approval - Summary of Contract
- Attachment D: PowerPoint



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Andrew B. Fremier

**Small Business Enterprise Status**

|                  | <b>Firm Name</b>             | <b>Role on Project</b>   | <b>SBE**<br/>Yes / No</b> | <b>If SBE Yes,<br/>List #</b> |
|------------------|------------------------------|--|---------------------------|-------------------------------|
| Prime Contractor | Lyft Bikes and Scooters, LLC | Bikeshare operations and maintenance, marketing and community outreach, customer service | No                        |                               |
| Subcontractor    | Motivate LLC                 | Bikeshare operations and maintenance subcontractor                                       | No                        |                               |

Footnote:

\*Denotes certification by the California Unified Certification Program (CUCP).

\*\*Denotes certification by the State of California.

**Proposed Investment**

| <i>Title</i>                                | <i>Description</i>  | <i>Amount</i>                                     |
|---|---|---|
| <i>Station Infill and Network Expansion</i> | Station docks to better serve highest ridership areas, pilot expansion into adjacent cities, and improve seamless connections to regional transit.<br><br>Intended split: <ul style="list-style-type: none"> <li>○ 200 docks for highest ridership areas (San Francisco)</li> <li>○ 200 docks to expand to adjacent cities and improve network at city borders</li> <li>○ 50 docks for regional transit hubs such as at BART, Caltrain, and ferry terminals.</li> </ul> | <b>\$943,000</b><br><br>450 docks                 |
| <i>Station Electrification</i>              | Electrified station hardware to improve bike availability and reduce operating costs associated with battery swapping.  | <b>\$831,000</b><br><br>376 electrified docks     |
| <i>Ebike Fleet Replenishment</i>            | Replenishment of ebikes and ebike batteries to maintain fleet numbers throughout the renewal term.  | <b>\$733,000</b><br><br>200 ebikes, 100 batteries |
| <b><i>Total Capital Investments</i></b>     |   | <b>\$2.51 million</b>                             |

Term Sheet

| Contract Item     | Terms  |
|-------------------|--|
| Program Term      | <ul style="list-style-type: none"> <li>● 5-year renewal term extending agreement to July 31, 2032. MTC will have the option to unilaterally extend the agreement by an additional 5 months through December 31, 2032.</li> </ul>   |
| Pricing Structure | <ul style="list-style-type: none"> <li>● Member pricing – Consumer Price Index (CPI) + 2% annual increases</li> <li>● Bikeshare for All (BS4A) pricing - No changes through July 2027, then in Aug 2027, BS4A pricing will be structured as follows:                         <ul style="list-style-type: none"> <li>○ Maintain \$5 first year BS4A membership fee through full extension term</li> <li>○ 2nd year BS4A membership fee set at ½ the amount of the current annual membership fee</li> <li>○ BS4A ebike fee set at ½ current annual member ebike fee and capped at the cost of a 20-minute trip</li> </ul> </li> </ul>                                |
| Fleet Minimums    | <ul style="list-style-type: none"> <li>● San Francisco                         <ul style="list-style-type: none"> <li>○ 2026: Ebike minimum increase from 1,800 to 2,200, decrease in classic fleet minimum from 1,400 to 1,000</li> <li>○ Between 2027-2029: Utilization based ebike minimum increase to 2,500, option to increase ebike minimum further to 2,800 with corresponding decrease in classic fleet minimum to 700, upon mutual agreement.                                 <ul style="list-style-type: none"> <li>■ Ebike fleet minimum increase conditions (must meet both), measured on a 12-month rolling basis:</li> </ul> </li> </ul> </li> </ul> |

| Contract Item                        | Terms   |
|--------------------------------------|---|
|                                      | <ul style="list-style-type: none"> <li>● Overall ebike utilization greater than 6 trips/ebike/day</li> <li>● Casual ebike utilization greater than 1.5 trips/ebike/day</li> <li>● All other cities                             <ul style="list-style-type: none"> <li>○ 2026: 20% reduction in classic fleet minimums in each city due to very low classic bike utilization</li> <li>○ 2028: If classic bike utilization is still below 0.4 then additional 20% reduction in classic fleet minimum</li> </ul> </li> </ul> |
| San Francisco Valet Operations       | <ul style="list-style-type: none"> <li>● Lyft commits to implementing valets or rebalancing at a minimum of 6 major events per year in San Francisco, as well as a commuter valet in downtown San Francisco if peak demand exceeds dock availability by 2x over 10 or more days in a month</li> </ul>   |
| Rideability KPI                      | <ul style="list-style-type: none"> <li>● Implement Rideability KPI as a stronger accountability metric for bike and dock availability than the current Rebalancing KPI, starting with a 6-month assessment period in SF, then expansion to other cities in Q4 2026</li> </ul>   |
| Stations and Station Electrification | <ul style="list-style-type: none"> <li>● MTC will purchase a total of 826 docks (electrified and non-electrified)</li> <li>● Lyft will contribute 150 additional docks</li> <li>● Intent of new stations                             <ul style="list-style-type: none"> <li>○ System sustainability, generate ridership to avoid performance measures</li> <li>○ Pilot expansion to adjacent cities</li> </ul> </li> </ul>  |

| Contract Item                        | Terms  |
|--------------------------------------|--|
|                                      | <ul style="list-style-type: none"> <li>○ Improve seamless connections to regional transit hubs (BART, Caltrain, ferry)</li> <li>● Electrified station installation                             <ul style="list-style-type: none"> <li>○ Lyft will lead implementation and fund trenching costs associated with deployment of electrified stations at locations included on Lyft’s list of priority locations</li> <li>○ For locations not on Lyft’s priority list, MTC and/or the Participating City will need to fund trenching costs</li> </ul> </li> </ul>  |
| Station Relocation and Operating Fee | <ul style="list-style-type: none"> <li>● Starting in 2026, Lyft will work with Berkeley, Emeryville, Oakland, and San José to relocate severely underperforming stations (less than 1 trip/station/day), waiving installation/de-installation fees for up to 30 relocations per year                             <ul style="list-style-type: none"> <li>○ Starting in 2028, an operating fee of \$25 per dock per month would apply to any underperforming stations not moved</li> <li>○ Stations in EPCs will have an additional grace period through 2029 before an operating fee applies; operating fees for stations in EPCs will also be discounted by 50%</li> </ul> </li> </ul> |
| Station Re-sizing                    | <ul style="list-style-type: none"> <li>● Lyft and the cities will meet annually to discuss right-sizing stations in order to better allocate docks within each city based on demand, and upon mutual agreement, Lyft will reallocate docks accordingly at no cost to MTC or the cities</li> </ul>  |

| Contract Item                            | Terms  |
|--|--|
| System Expansion                         | <ul style="list-style-type: none"> <li>● Up to 10 stations, as determined by MTC, may be sited within 1/4 mile of the Participating City borders and these stations will not be subject to operating fees.</li> </ul>  |
| Theft & Loss Replenishment               | <ul style="list-style-type: none"> <li>● MTC will fund replenishment of initial 200 ebikes in extension period. Lyft will fund up to 200 additional replenishment ebikes per year across all cities. Lyft will also fund Lyft-funded San Francisco ebike replenishment up to 9% per year; if Lyft's theft &amp; loss replenishment exceeds 9% of the San Francisco ebike fleet in a year, the San Francisco ebike minimum will be reduced by a proportionate amount in the subsequent year.</li> </ul>   |
| Regional Transit Connectivity Incentives | <ul style="list-style-type: none"> <li>● Lyft will provide \$10,000 in credits per year through 2032 to be distributed by MTC to encourage connectivity between regional transit and bikeshare.</li> </ul>   |
| System Performance Measures              | <ul style="list-style-type: none"> <li>● Establish escalating measures based on significant adverse impacts to ridership and utilization sustained over a six-month period, measured against the same six-month period for the previous two years                         <ul style="list-style-type: none"> <li>○ Tier 1 – San Francisco classic fleet minimum reduction of 25% if casual ridership and overall utilization are down any amount</li> <li>○ Tier 2 – Annual member fee cap increased to \$200 if casual ridership is down 10% or more and total ridership and overall utilization are down any amount</li> </ul> </li> </ul> |

| Contract Item                   | Terms   |
|---------------------------------|---|
|                                 | <ul style="list-style-type: none"><li>○ Tier 3 – Unilateral termination option (by Lyft) if casual ridership, overall ridership, and overall utilization are all down 20% or more. Lyft must provide at least 15-months written notice to terminate.</li></ul>  |
| Security of Investment /Capital | <ul style="list-style-type: none"><li>● At end of contract, or in case of early termination by Lyft, MTC has the right of title, right to assign title or have Lyft remove all assets and Lyft would retain ownership of assets.</li><li>● In case of early termination by Lyft, and if MTC does not elect to retain or transfer title, Lyft agrees to repurchase assets funded by MTC at an amount pro-rated for the remaining duration of the contract.</li></ul> |
| Student Membership              | <ul style="list-style-type: none"><li>● MTC, in consultation with Lyft, may elect to use up to \$400,000 of the 2023 MTC investment intended for college student memberships to instead fund Bay Wheels stations in high demand areas within close proximity to public university campuses.</li></ul>   |

**Request for Committee Approval**

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**Summary of Proposed Contract Amendment**

Work Item No.: 1238

Consultant: Lyft Bikes and Scooters, LLC  
San Francisco, California

Work Project Title: Bay Wheels Contract Renewal

Purpose of Project: To renew the Bay Wheels program agreement until July 31, 2032 and improve bikeshare system service.

Brief Scope of Work: To renew the Bay Wheels contract and fund capital investments in more ebikes, batteries, stations, and system expansion.

Extension Cost Not to Exceed: \$2,510,000

Funding Source: OBAG 3 Climate Initiatives  
RM2 Capital  
\$560,000 is included in the FY 25-26 Agency budget.  
\$1,950,000 is subject to MTC programming and budget actions planned in March 2026.

Motion by Committee: That the Executive Director or designee is authorized to negotiate and enter into a contract amendment with Lyft Bikes and Scooters, LLC as described above and in the Regional Network Management Committee Summary Sheet dated March 13, 2026 and that the Chief Financial Officer is authorized to set aside \$2,510,000 for such amendment, subject to MTC programming and budget actions planned in March 2026.

Regional Network  
Management Committee:

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Candace Andersen, Chair

Approved: March 13, 2026