SERVICES AGREEMENT

BETWEEN THE CITY OF RIALTO AND

DROPBIKE, CORP. DBA DROP MOBILITY

THIS SERVICES AGREEMENT (herein "Agreement") is made and entered into this 08 day of June, 2021 by and between the City of Rialto, a municipal corporation ("City"), and Dropbike, Corp. dba Drop Mobility, a California corporation ("Consultant"). City and Consultant are sometimes individually referred to as "Party" or collectively as "Parties".

RECITALS

A. City has sought, by issuance of a Request for Proposal or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Following the submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, Consultant was selected by the City to perform those services.

C. Pursuant to Chapter 2.48 of the Rialto Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for the performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, Consultant shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement for City to enter into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, it meets all local, state, and federal

requirements in performing the services, and it is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently, and to the best of its ability, experience, and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Consultant's Proposal.

This Agreement shall include the Request for Proposal or Invitation for Bids ("Contract Documents"), and the Scope of Services shall include Consultant's scope of work or Consultant's accepted bid proposal ("Accepted Bid"). The Contract Documents and Accepted Bid shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the Contract Documents, Accepted Bid, and/or this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any federal, state, or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees, and Assessments.

Consultant shall obtain, at its sole cost and expense, such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the services required by this Agreement, and shall indemnify, defend, and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes penalties, or interest levied, assessed, or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. If Consultant discovers any latent or unknown conditions that will materially affect the performance of the services hereunder, then Consultant shall immediately inform the City of such fact and shall not proceed except at City's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies, and/or other components thereof, to prevent losses or damages, and shall be responsible for all such damages to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Prevailing Wages.

Contractor is aware of the requirements of California Labor Code Section 1720, *et seq.* and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 1600, *et seq*., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. It is the understanding of City and Consultant that the Prevailing Wage Laws do not apply to this Agreement because the Agreement does not involve any services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder. Contractor shall defend, indemnify, and hold City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

1.8 Further Responsibilities of Parties.

Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless specified in this Agreement, neither Party shall be responsible for the service of the other.

1.9 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to, or deducting from said work. No such extra work or change may be undertaken unless a written order is first given by the Contract Officer to the Consultant, describing in detail the extra work or change and the reason(s) therefor and incorporating therein any adjustment in (i) the Contract Sum for the actual cost of the extra work or change, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or an amount not to exceed a total contract sum of Fifteen Thousand Dollars ($15,000), whichever is less, or any increase in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. Payment for additional services rendered by Consultant under this Agreement requires the submission of the actual costs of Consultant's performance of the extra work with the invoice(s) for the extra work claim(s), as provided in Section 2.4. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be

provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other contractors.

No claim for an adjustment in the contract amount or time for performance shall be valid unless the procedures established in this Section are followed.

1.10 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed One Million, One-Hundred Thousand Dollars with Zero Cents ($1,100,000) (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.9.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City may independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within thirty (30) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.

2.5 No Waiver.

Review and payment by City to Consultant of any invoice for work performed by Consultant pursuant to this Agreement shall not be deemed a waiver of any defects in work performed by Consultant or of any rights or remedies provided herein or any applicable law.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively, pursuant to Section 1.9.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine

restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer shall extend the time for performance in accordance with the procedures set forth in Section 1.9. The Contract Officer's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding Five (5) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Qiming Weng	President
(Name)	(Title)
Name	Title
(Name)	(Title)

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the Principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires to reassign any staff or subcontractor of Consultant, Consultant

shall, immediately upon a Reassign Notice from City of such desire of City, reassign such persons or persons.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care, or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be the City Manager or other such person designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode, or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability, and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for

the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

5.1 Insurance Coverages.

The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees, and agents of City:

(a) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury, and property damage. The policy of insurance shall be in an amount not less than $5,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure, and provide legal defense for both the Consultant and the City against any loss, claim, or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than $5,000,000. Said policy shall include coverage for owned, non-owned, leased, and hired cars.

(d) Professional Liability. Professional liability insurance appropriate to the Consultant's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of, or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Consultant's services or the termination of this Agreement. During this additional 5-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements.

(f) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees, and agents as additional insureds, and any insurance maintained by City or its officers, employees, or agents shall apply in excess of, and not contribute with, Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees, and agents and their respective insurers. The insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any Party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Consultant may be held responsible for the payment of damages to any persons or property resulting from the Consultant's activities or the activities of any person or persons for which the Consultant is otherwise responsible nor shall it limit the Consultant's indemnification liabilities as provided in Section 5.3.

In the event the Consultant subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations, or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), arising from Consultant's reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant, or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents, or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents, or employees, any and all costs and expenses incurred by the City, its officers, agents, or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Consultant shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness, or willful misconduct of the design professional. The indemnity obligation

shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

5.4 Sufficiency of Insurer or Surety.

Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City ("Risk Manager") due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the Risk Manager Consultant.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest.

6.2 Reports.

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant.

However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of San Bernardino, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, Eastern Division.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall proceed with payment on the invoices only when the default is cured. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

7.6 Legal Action.

In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct, or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.7 Liquidated Damages

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Consultant and its sureties shall be liable for and shall pay to City the sum of Zero Dollar and Zero Cents ($0.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit “D”). City may withhold from any monies payable on account of services performed by the Consultant any accrued liquidated damages.

7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days’ written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days’ written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant

shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating Party need not provide the non-terminating Party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.10 Attorneys' Fees.

If either Party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing Party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a Party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of

this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

Additionally, pursuant to Rialto Municipal Code section 2.48.145, Consultant represents that it has disclosed whether it or its officers or employees is related to any officer or employee of the City by blood or marriage within the third degree which would subject such officer or employee to the prohibition of California Government Sections 87100 et. seq., Fair Political Practices Commission Regulation Section 18702, or Government Code Section 1090. To this end, by approving this Agreement, Consultant attests under penalty of perjury, personally and on behalf of Consultant, as well its officers, representatives, that it/they have no relationship, as described above, or financial interests, as such term is defined in California Government Section 87100 et. seq., Fair Political Practices Commission Regulation Section 18702, or Government Code Section 1090, with any City of Rialto elected or appointed official or employee, except as specifically disclosed to the City in writing.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq*., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorney's fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Facilities and Equipment.

Except as otherwise provided, Consultant shall, at its own cost and expense, provide all facilities and equipment necessary to perform the services required by this Agreement. City shall make available to Consultant only physical facilities such as desks, filing cabinets, and conference space ("City Facilities"), as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of City. The location, quality, and time of furnishing of City Facilities shall be in the sole discretion of City. In no event shall City be required to furnish any facilities that may involve incurring any direct expense, including but not limited to computer, long distance telephone, network data, internet, or other communication charges, vehicles, and reproduction facilities.

9.2 Payment of Taxes.

Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any federal and state taxes.

9.3 Notices.

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by pre-paid First Class U.S. Mail, registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Any notice, request, demand, direction, or other communication sent by facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered. Other forms of electronic transmission such as e-mails, text messages, instant messages are not acceptable manners of notice required hereunder. Notices or other communications shall be addressed as follows:

If to City:
City of Rialto
150 S. Palm Ave.
Rialto, CA 92376
Attn: City Manager
Tel: (909) 820-2525
Fax: (909) 820-2527

With copy to:
Burke, Williams & Sorensen, LLP
1770 Iowa Avenue, Suite 240
Riverside, CA 92507
Attn: Eric S. Vail, City Attorney
Tel: (951) 788-0100
Fax: (951) 788-5785

If to Consultant: Attn: Dipesh Dar
548 Market St., PMB 64073
San Francisco, CA 94104-5401
Tel: (647) 621-7191
Email: dipesh@dropmobility.com

With copy to: Attn: Dipesh Dar
55 Scenic Mill Way,
Toronto, Ontario, Canada, M2L1S8
Tel: (647) 621-7191
Email: dipesh@dropmobility.com

Either Party may change its address by notifying the other Party of the change of address in writing.

9.4 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.5 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.6 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the Parties. It is understood that there are no oral agreements between the Parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the Parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The Parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.7 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the Parties hereunder unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

9.8 Corporate Authority.

The persons executing this Agreement on behalf of the Parties hereto warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said Party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Agreement on the date first written above.

CITY:

CITY OF RIALTO, a municipal corporation

By: _____
Deborah Robertson, Mayor

ATTEST:

By: _____
Barbara A. McGee, City Clerk

APPROVED AS TO FORM:

Burke, Williams & Sorensen, LLP

By: _____
Eric S. Vail, City Attorney

CONTRACTOR:

Dropbike, Corp. dba Drop Mobility

By: _____
Signature

_____
Name

_____
Title

By: _____
Signature

_____
Name

_____
Title

****Two signatures are required if a corporation****

EXHIBIT "A"

SCOPE OF SERVICES

I. Consultant will perform the following Services:

A. Those services described in the Consultant's revised proposal dated May 28, 2021.

B.

C.

II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

A. Those work products described in the Consultant's revised proposal dated May 28, 2021.

B.

C.

III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City appraised of the status of performance by delivering the following status reports:

A. Those status reports described in the Consultant's revised proposal dated May 28, 2021.

B.

C.

IV. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.

V. Consultant will utilize the following personnel to accomplish the Services:

A. Those personnel described in the Consultant's revised proposal dated May 28, 2021.

B.

C.

REQUEST FOR PROPOSALS (RFP NO. 21-009) RIALTO BIKESHARE PROJECT NO.170810

Revised Financial Proposal Scenario #2

City of Rialto, California

Attn: Michael Tahan

Interim Public Works Director

mtahan@rialtoca.gov

Proposer (corporation):

Dropbike, Corp d/b/a Drop Mobility
rfp@dropmobility.com

(Mailing) 548 Market St, PMB 64073

San Francisco, CA 94104-5401

(Mailing) 55 Scenic Mill Way
Toronto, ON, M2L 1S8

(Corporate) 1209 Orange St
Wilmington, DE, 19801

Primary Contact:

Dipesh Dar
COO
Drop Mobility

+1 647 621 7191
dipesh@dropmobility.com

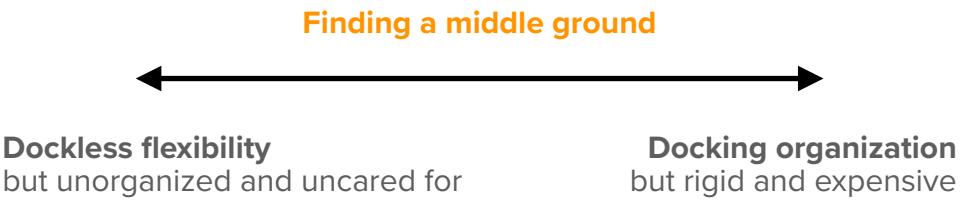
https://www.dropmobility.com/

Executive Summary

Drop Mobility is a leading micro-mobility solutions provider head quartered in Toronto, Canada and operating across multiple markets in North America through its US subsidiaries. Founded in the spring of 2017, our city-first partnership mindset has allowed us to extend the service to many municipalities and campuses in quick time. We were the first North American smart bike company to partner directly with a city and launch a hub-based bike share system in Canada. Since then, Drop has grown to be the market leader in Canada, and has further expanded rapidly to the US markets where we operate and support thousands of vehicles (including e-bikes, pedal bikes and electric scooters) in a number of cities.

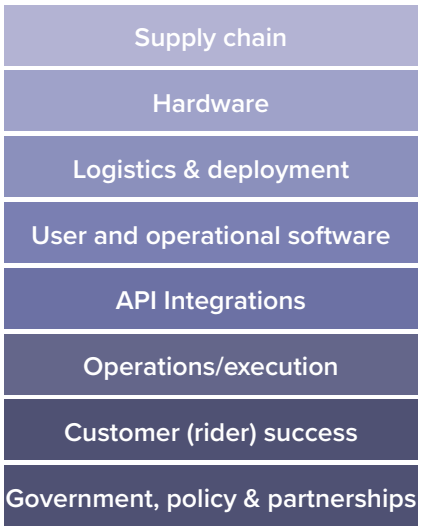
Just in the last couple of years, the micro-mobility and bike share industry has changed drastically with the advent of GPS tracked smart electric vehicles, geo-fencing solutions, dockless operations and the rise of private venture backed micro-mobility companies that are pushing endless supply before validating the demand. This has left cities with a lot of uncertainty about how to structure a system that works best for everyone and is sustainable. There have been many instances of private companies exiting overnight, based on their independent goals and are not committed to real mobility development in the cities.

Traditional docked systems are organized but expensive and inflexible. Dockless systems offer more convenience for users but are disorganized and chaotic for cities. We at Drop believed from the very beginning that instead of choosing camps between docked and dockless systems, there has to be a better way of delivering micro-mobility to cities that want to provide a convenient but organized system to their residents and visitors. We researched extensively and tested various operating models across the multiple markets in which we operate directly and developed our very own hub model that we feel is the perfect middle ground. This involves operating both electric and non-electric vehicles with GPS and lock-to technology in a geo fenced coverage area with multiple destinations marked as hubs. Using a smartphone app, users have the flexibility to check out the vehicles and leave them at the hubs or lock them to any convenient city infrastructure (like racks, posts, etc) anywhere within the coverage area. The hub model is explained in greater details further in this submission.



Further, we believe that for a city bike share system to be successful, you need a partner who is well versed with all parts of the project and not just a specialist in hardware. Our end-to-end expertise in different functions of micro-mobility like hardware, software, supply-chain, operations and customer support make us a full service partner and enables us to provide locally branded and customized solutions to our customers. All of our capabilities are explained in greater detail within the scope of work section.

We believe that given our unique approach to micro-mobility, we are a great fit to support the immediate bike share needs and greater mobility goals for Rialto and look forward to engaging in more detailed conversations with all relevant stakeholders up ahead in the process.



Our end to end expertises across the entire stack of micro mobility make us a desired partner

Project Understanding

After carefully evaluating the RFP, implementation plan, bike feasibility study, and conducting a market analysis of the City of Rialto, our team is confident that we have a good understanding of the city's bike share goals. The city is looking for reliable contractor/vendor who will service the community in a long term capacity with a turn-key bike share system. The City intends for the contractor to be responsible for a full stack of services, including but not limited to installation, maintenance, operations, staffing, app development, branding/marketing, and data sharing of the program. The city also expects some flexibility in the project costs and scope and expects the contractor to come up with two different scenarios given the available budget and additional budget potential.

At a high level, Drop drop has worked with numerous cities and counties across the US in a variety of bike share structures, including many markets where Drop operates a turn-key system. Drop has a flexible operations philosophy, and we believe that there is no "one-size fits all" approach to administering a bike share service. We work with our city partners to determine the best solution for achieving a sustainable, well-utilized and efficient bike share system. If the City resources and findings dictate that a turnkey approach is the most optimal solution for their bike share needs, then Drop will tailor our operations to meet that need. We work within the available resources and existing infrastructure and believe in a phased deployment and expansion in collaboration with the city's mobility plans and goals.

More specific to our findings, there are a few expectations that Rialto seems to have from the bike share system. The program must increase safety for bicycling trips, increase overall bicycling in the city, and should be connected with transit. At a high level, these are all important issues which Drop has dealt with in prior experiences with similar and larger cities, and we have proven success in achieving these goals.

Promoting safety for our riders is salient in our systems. In each city, we work with regulators and city officials to get a clear picture of where safety concerns lie in the city. There might be a particular intersection where riders are put in jeopardy, or a specific zone. We use this city-specific information to compliment the safety information that we already include in our app and website guidelines. Drop can also go a step further to promote safety in specific areas. Through our BLE/GPS and geofencing technology, we can create exclusion zones in dangerous riding areas. This means that riders will be notified before and during a trip if there is an area that they can not ride. For example, if there is a road with a poorly separated shoulder, that has a history

of collisions between bikes and cars, we can make that to be an exclusion zone. Riders will know that they can not take their bikes there, and the locking system will not work if they attempt to end their trip in that area.

Finally, helmet education and availability is a crucial aspect to Drop's operations. When users are on-boarded onto the app, they are exposed to a variety of educational screens including how to use the app, how and where to lock/park their bike, as well as the need to use a helmet. In addition to this, Drop does implement retail partnerships for helmet sale as well as subsidized helmets for members, students, etc, through our app to promote their use. Drop also engages in many public education initiatives to ensure safety on the roads at schools, community centres, and in street promotions.

In order for any bike share program to be successful, there needs to be sufficient ridership. Drop uses a number of mechanisms for enhancing ridership, including street promotions, partnerships with local bike advocacy and non-profit groups, co-branding opportunities with other businesses in the city, a properly integrated and balanced system, and a variety of other methods. Drop has also found in our experience that there is inherently greater usage of pedal assist e-bikes than traditional pedal bikes. They reduction in energy required to use the vehicles allows for people to go further with less effort. This also expands the demographics of people able to use the bikes, as some senior citizens who might not otherwise be able to bike can use the e-bikes comfortably. It's for this reason that we always include e-bikes as a crucial part of our fleet.

Connecting with transit is another key component of a properly functioning system that Rialto has listed as a goal in this project. In many of the cities that we operate in, we connect with transit both in terms of the positioning of hubs and stations near central transit lines to solve the first and last mile challenge, but also through possibly integrating transit ticketing, maps, schedules, etc into our software or in the local transit app. This integration can provide users with a seamless experience by truly connecting our bikes with the transit infrastructure.

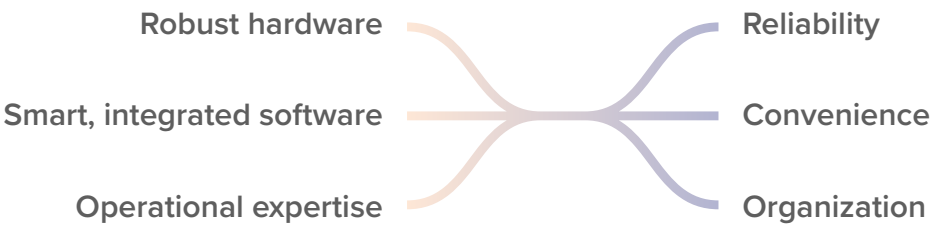
Additionally, as explained in the Bike Share Feasibility study, a successfully implemented bike share project has the potential to enhance social equity in Rialto. Access to transportations crucial for individuals to have the opportunities to take advantage of life-enhancing services and opportunities available to them, such as going to the doctor, getting to school, getting to work, or socializing in their community. Individuals lacking the means to get to central transit lines for the purposes of using these services are further put at a disadvantage from those with access to personal transit devices such as a car or bicycle. As demonstrated throughout the study, it is salient for a bike share program to be designed with rebalancing and vehicle placement plans in place such that devices are available for increased mobility in disadvantaged communities is salient. Having said that, it is important that there is proper engagement with various communities through available channels to ensure representation in those decisions. Another way that Drop had developed an equitable bike share system in similar communities has been to develop equity programs with the city and various non-profits and social services, which allows for discounted rates or non-mobile phone payment options. This mechanism would be at the top of the list of plans to develop alongside the city in a Rialto bike share system.

To sum up, we understand that the City of Rialto is looking for a capable and flexible operator who can work within a limited budget that may change during the course of the program. You are looking for someone who can work as per your plans and deliver on shared goals more like a partner than a vendor. This is the kind of program that we get most excited about as at the core of our value system is to see bike share succeed and make bikes available for more and more people in need.

All of the above capabilities and qualifications are discussed in greater detail further in this submission.

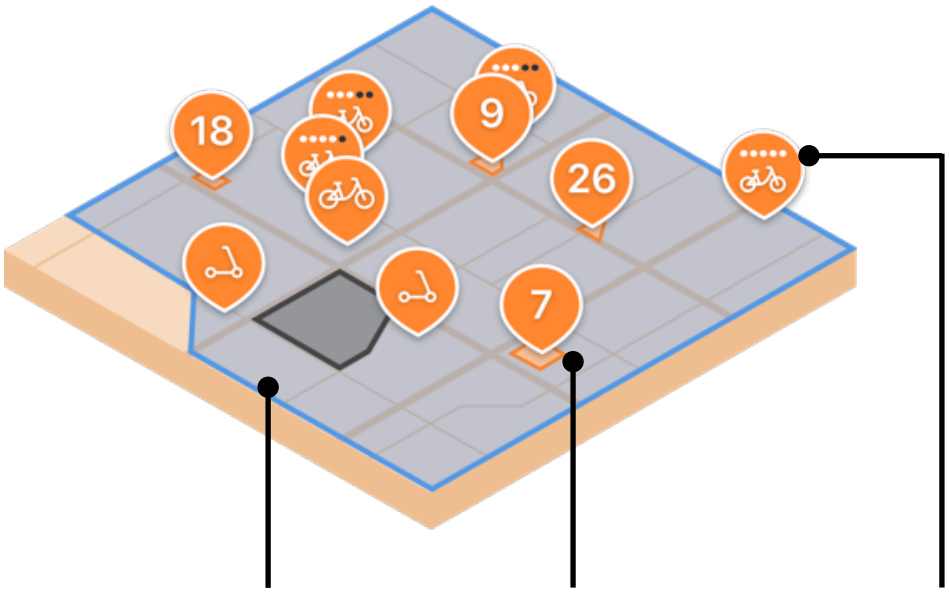
Scope of Work

At Drop we believe in a simple framework for delivering sustainable micro-mobility that involves a combination of robust hardware, an integrated operating model and smart software. This enables us to deliver reliability, convenience and organization which is the key to a successful bike share system. We will discuss our system equipment in further detail below in the System Equipment section, but first we will provide details on our hub based operating model, smart software technology and data services.



Hub-based operating model

As depicted below, our hub-based model is the perfect middle ground between docked and dockless that provides user convenience, reliability and organization.



Coverage area is clearly defined and communicated to users on their apps. Enforced through warnings, incentives and penalties.

Mobility “hubs” for parking and picking up e-bikes increase **reliability** of finding a vehicle and organization.

GPS tracked vehicles that can be unlocked through smartphones by scanning a QR code.

We demarcate an overall service area that is geofenced so that vehicle trips cannot be ended outside this region. We further work with our city/transit partners to identify key locations (like existing biking hotspots, city racks, bus stops, etc) and designate these as ‘hubs’. These are locations where the on ground operations team will rebalance vehicles most of the time and users will be encouraged through in-app instructions to park here. This increases reliability of finding vehicles and keeps the system organized. The hub-based system is a unique solution because users know that reliably there will always be vehicles at certain hubs, and cities know that vehicles will be rebalanced back to hubs. We monitor the system closely through our advanced backend admin software.

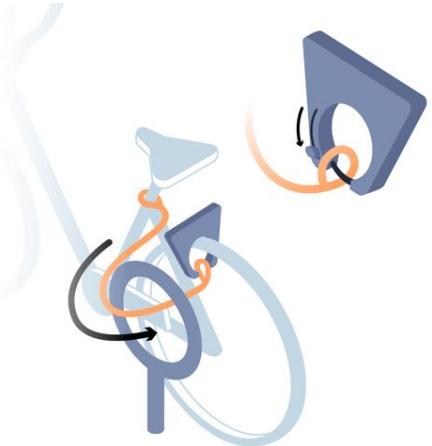
There are a few critical features in our operations that ensure the hub-based model is successfully deployed and maintained. These are our lock-to technology and the end-trip process review.

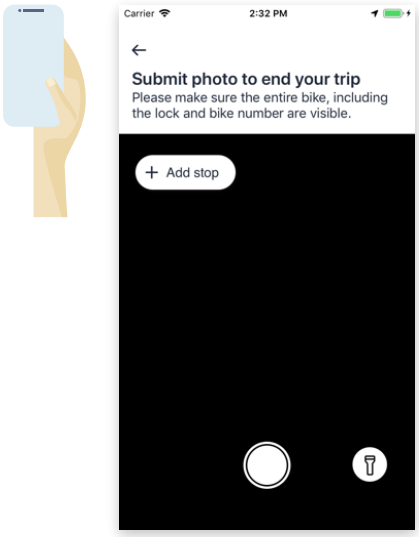
All of our bikes are equipped with a lock-to cable technology. While ending their trip, users are instructed to use the cable to tether the bike to physical infrastructure either at a hub (or at any other locations like city bike posts, racks, flex hubs, etc) and securely lock it. This prevents vehicles from falling over or being left in areas in the middle of the sidewalk or other precarious positions that so many micro-mobility companies have been criticized for.

To ensure that users are following this system, we have built an additional step without which the users cannot end their trip. Once the user clicks the ‘end-trip' button in the app, they are prompted to take a photo of the vehicle with the lock clearly visible. The trip only ends once the photo is successfully submitted on the app. Each of the photos are stored in our back end admin platform where they are accessed and reviewed by the customer support team. If a user did not park correctly, they are notified via the app about the parking issue, and they are subject to warnings and potential fines in a clearly laid-out process. At the same time, our operations team is notified through our automated team-messaging system to check out the vehicle that was provided an end-trip warning.

All our vehicles have an onboard GPS chip and and our service area is geofenced, so we always exactly know where all of our vehicles are at all times. This helps the team to effectively rebalance vehicles to hubs and promptly retrieve any vehicles left out of zone or not properly parked. We can also create exclusion zones and black out areas within the service region where the city partners do not want us to allow vehicles to be parked.

With all of the above hardware and software technology features, we have been able to deliver over 95% parking compliance in markets where we have deployed the hub model. When issues do arise we are able to track vehicles in real time and resolve quickly.

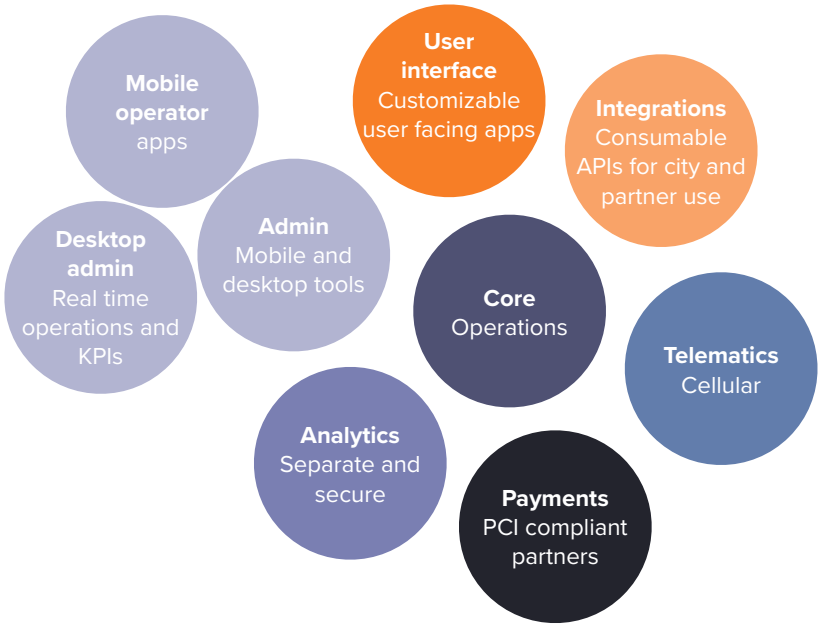




Software and backend technology

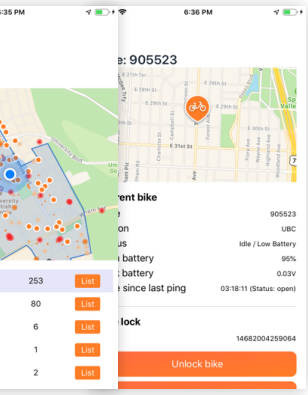
Drop Mobility provides an integrated mobility solution. Our technology stack is developed by our in-house team, with years of experience in regionalization and operating bike share. We provide everything from building a locally branded user facing app, city's bike share website or backend admin platform for on-ground operations. An expertly designed software ensures that every aspect, from the BLE and GPS of the vehicles to the UX, to the data-sharing, to customer support and open API's for integrations is reliable and consistent for both users and our partners. This means that the app is easy to use, vehicles are easy to locate and ride and user data and privacy is protected.

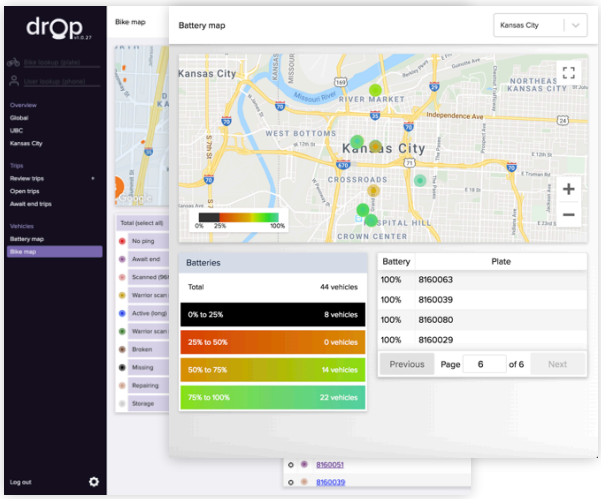
Our infrastructure is localized from the ground up, and includes the suite of tools from operations backends on desktop and mobile, white-labelled user facing apps and websites, and the core modules which maintain and manage connectivity with vehicles over the cellular network.



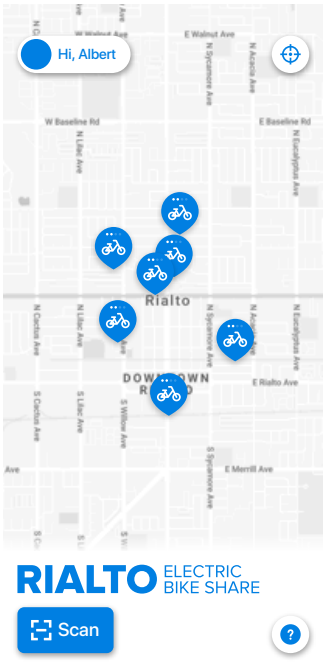
Drop's technology suite is decentralized and modular, which increases reliability while allowing us to move quickly. For example, each module can be updated or customized one at a time.

Parts of our stack are hosted on partners like AWS and Digital Ocean. Databases are backed up in real time in PostgreSQL. Payments are provided through Stripe (PCI compliant).





Operations staff have access to mobile and web platforms. Drop regionalizes and co-brands local user apps and also provides user websites if required (PikeRide example).



- Flexible pricing options (membership, day pass, pay as you go and more), or work with our team for specialized occasions (like conferences, etc) Generate coupon codes for specialized occasions
- View detailed user info, previous trips, end-trip photos, past warnings, ban/manage users and other relevant user data in our web admin
- Vehicle management system which can disable vehicles that are unfit for use, remotely
- Editable service areas both from the mobile app and the web interface
- Built-in vehicle issue tracking system that is tied to vehicles as well as field-technicians so that maintenance can be tracked (and the ability to search/filter by properties like vehicle number, technical name, etc)
- Customer tracking system (CRM) that helps delegate and manage customer support issues
- Smart rebalancing reports that indicate vehicle usage and recommends balancing options
- Trips view that maps trip start/end/duration as well as the ability to filter/find specific trips by their properties (user name, vehicle number, start region, etc)
- End-trip management view that manages proper parking with end-trip photos (and can fine/report customers, or incentivize customers to park in certain regions)
- Hub management including sponsor markers, physical naming and tagging, and more
- Battery management view with low battery bike status, as well as aggregate battery stats (like lifetime of battery before swap)
- End users can report issues with trips, which, if relevant, are automatically added as vehicle issue tickets
- Field-staff have access to mobile apps that allow them to view detailed vehicle status and system status reports, as well as receive notifications for maintenance/system alerts

Customer Facing Website and App

Our front-end user apps for Android, iOS and platform website were designed for today's mobile user.

- Easy to signup with familiar phone number verification and persistent login
- Our website platform is customized to iOS and Android users and has tracked download metrics
- Users can easily view vehicle locations, statuses and check out a vehicle with the quick scan of a QR code
- Users can sign up for all membership and day pass types within the app, skipping any kiosk or website
- Financial services are run in a transaction-protected sandbox and processed through our service provider, Stripe, which is PCI compliant
- User names and addresses are anonymized in all non-encrypted environments, and all app access is encrypted over HTTPS and TLS with audit trails
- Customer feedback section allows users to give feedback, ratings, get FAQs answered, chat with a team member immediately or report issues with their trip
- Both the user app and website is modifiable to include sponsor hubs, sponsor checkouts, other advertising options (which can be developed with our team on a unique per-sponsor basis)
- Users can see their trip history with summary data about their health and environment impact
- Before starting a trip, users are shown instructions customized to their current location, region and past riding experience

Data sharing and security

We believe in sharing all relevant and useful information with our partners, with an eye towards user privacy and data security. There are three levels of data sharing Drop Mobility provides: public, partner reports & API access, and live system data.

Level 1: public data

- Drop Mobility's systems are interoperable with the GBFS (General Bikeshare Feed Specification) and MDS (Mobility Data Specification) formats, and can provide an API endpoint.
- Drop is a strong proponent of multi-modal travel, and public data helps our partners and other service providers integrate into one technology platform

Level 2: partner reports & API access

- Tokenized data (without personally identifiable information) is shared with partners on a weekly or monthly interval, and include customizable reports which are unique to each region's requirements
- Reports already include the following- Trip history: including distance, duration, start/end, trip path, member history: member subscription uptake tracking, coupon code usage, etc, revenue reports: by type, by vehicle, graphed, customer service reports, Demographic and region-specific data can be collected
- Any additional reports which are anonymized and would be of utility to our partners, we develop in concert. The frequency of the above reports can be daily, weekly or monthly as desired

Level 3: system data is shared with partners at an application level

- Our partners can access Drop's operational backend through our mobile and web applications. These systems are part of day to day operation and product team updates features regularly. You will get access to real time data and location of the vehicles in the system and will have the ability to download raw historical data, such as anonymized trips, trip points, system usage and data on the operations, such as activity of the operations team, etc
- Each staff member will have their own login credentials for security and authentication purposes
- These applications are secured through industry-standard encryption protocols (SSL, HTTPS) and strong password and identity systems
- In addition there are many customizable real time reports and analytics available on our web admin dashboard.

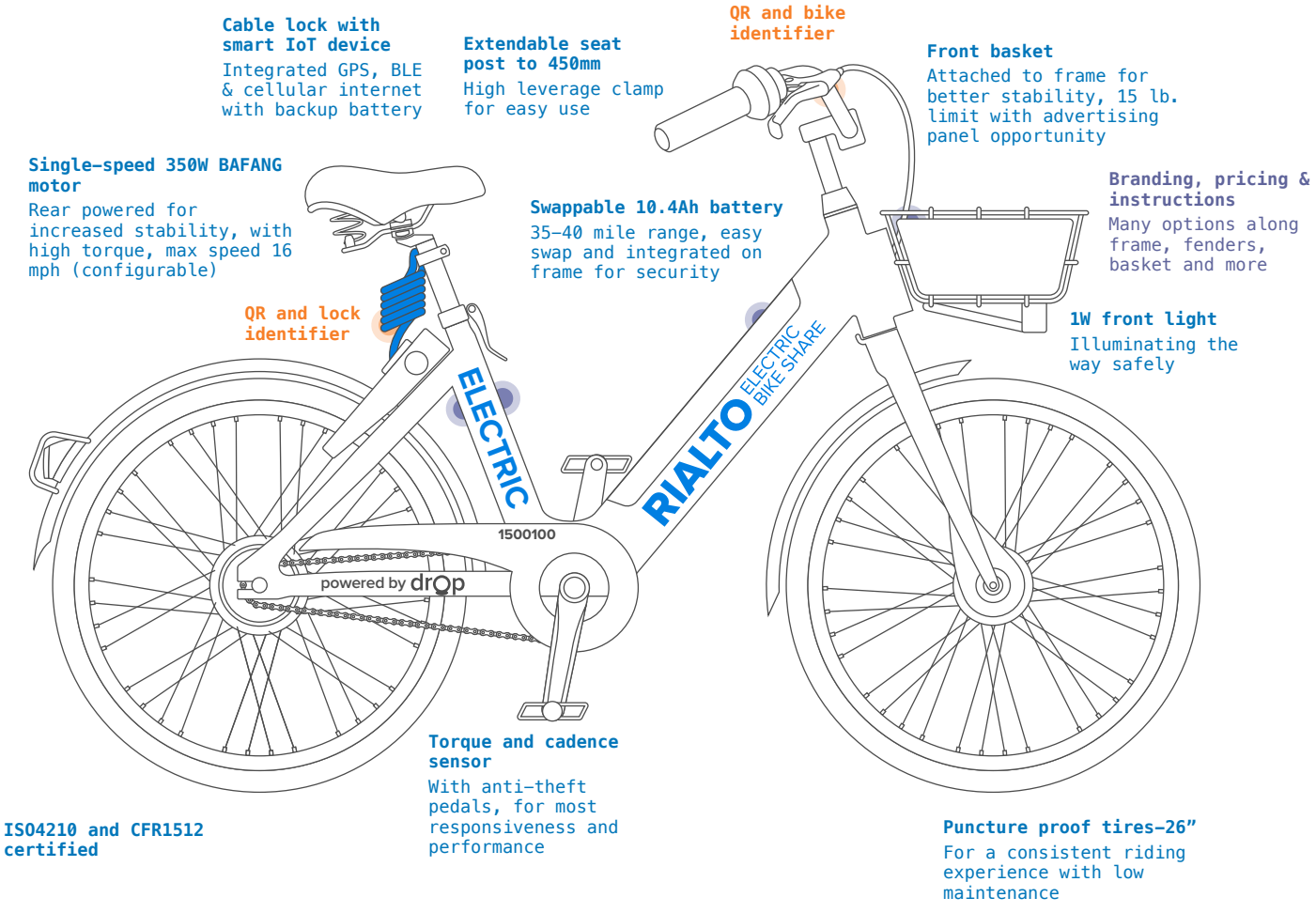
System Equipment

In addition to smart, integrated software and operational expertise, robust hardware is essential for a healthy system. Be it vehicles like our electric pedal assist bikes or hub/station infrastructure like bike racks, way finders, etc.

At Drop we have our own R&D, design and hardware engineering teams that work with our hand picked manufacturing partners to delivery all micro-mobility hardware including e-bikes that are most suited for bike sharing. We have developed the Drop e-bike model E201L after multiple iterations and this is our most popular model till date. We have been able to achieve this superior product quality as we control everything from design to parts sourcing to assembly to spares for our hardware. Working closely with manufacturing partners allows us a lot of flexibility and customization unlike many micro-mobility companies that pick “off the shelf” products and deploy them for bike sharing use without proper testing or research.

Our design philosophy for the e-bike is to have a simple, light and convenient bike frame which gives the rider an enjoyable riding experience but also balance this with a durable, safe, easy to maintain overall design. The various security features are meant to limit theft and vandalism.

Drop’s e-bike is rugged, durable and stylish. Everything from its sturdy design, longer range battery, unisex frame, foam tires to lock-to mechanism have been designed for public bike sharing. The bikes are equipped with internet connected smart locks with on-board GPS and sensors that provide real-time data on battery-levels, locations, bike condition and more. In addition, the unique lock-to cable allows bikes to be secured to physical infrastructure.



Some key safety features that we have built into our bikes

- Electric motor on the back wheel in a combination with Shimano brakes so that the bikes don't flip while hard braking as was reported with some competitor bikes recently
- Concealed numbered battery with keys that is easily swappable but weather proof
- lock-to cables, harder to fall and be stolen
- Basket is fixed in place, reduces tipping
- Bell is double turn for easy use (you can turn it in any direction)
- Front light that actually illuminates the ground and stays on till bike is in unlocked state
- Puncture proof tires (prevent mid trip stops)
- Roller brakes with lowest in class maintenance and highest in class durability
- Double protected brake wires
- Tamper free screws to avoid theft
- Anti-theft pedals
- 16 mph max speed, Torque sensor for better control, electrical cutoff when not turning pedals

In addition to the bikes, Drop works with our distributing partners to ensure that a wide array of supplies are available for the management and maintenance of the system. We determine with our city partners what supplies are needed for the system to be effective. This list includes, but is not limited to bike racks, bike signage, all bike spare parts, retrofitting kits, and rebalancing trucks. Our operations team is well trained and well equipped to deal with any workload that may arise daily.

In addition, Drop works with leading manufacturing partners, adhering to international protocols like ISO 9001:2015 and we have industry Gold standard certifications like CFR1512 for our e-bikes.

Our vehicles also comply with CPSC Public Law 107-309 for maximum engine wattage and ISO 43.150. TUV testing certification is also available and can be provided on request.

Finally, we have the capability to source any mobility hardware through our strong manufacturing network and relationships. Eg. Special accessible bikes, multi speed gear bikes, etc.

An additional Rialto branded e-bike rendition is available at the end of the document for reference.

Business Plan and Pro-forma

At Drop we believe that a public bike share system should be locally customized based on the city's available resources and should not come at a drastic upfront cost to the city.

The nature of our pricing/ownership/operations structure depends heavily on the needs and capacity of the cities that we partner with, the level of funding that they have available, the size of the system they would like to develop, and their existing bike share operations infrastructure. Our partnership depends upon entering into transparent discussions and collaborating on how we can achieve a system with mutual financial and operational sustainability.

Generally speaking, there are four financial categories for any shared micromobility system. These are; hardware procurement cost, software development/management cost, on-ground operations cost and ridership revenue. We work with cities to subsidize and share each of these costs and revenues to enable a sustainable program feasible for all parties involved.

We are not in the business of making a significant profit on the hardware sales, and are rather willing to subsidize a portion of the hardware costs, depending on the funding availability. We also focus on building user demand before pushing excessive vehicle supply. Ownership of the vehicles is generally worked out using the proportion of funding for the hardware from each party in the partnership. But we are open to partial or complete ownership of vehicles by the city if that works better for regulatory reasons.

On the software front, we provide cities with their own user and admin apps and play a support role on maintaining and trouble shooting the software. The software costs are subsidized in large parts through ridership revenue.

On the day to day operations cost, we work within the available infrastructure and hire locally to support and manage the system. We work out an effective balance between investment in rebalancing, parking infrastructure in a phased manner depending on expansion goals.

We work with the city's goals and existing benchmarks on the user/rider pricing and membership model. The revenues can be shared in a way that makes the system feasible for all parties involved. This is a model we have successfully implemented across many of our existing markets. Some of the general pricing products are explained further in this submission.

Below is a tabular breakdown of different costs expected in sync with system size, contract length, etc for the preferred scenario #2.

Scenario #2: 5 year program with $1,000,000 in city funding

Scenario #2

- This is the scenario where the city has $1,000,000 available to spend on a bike share system for 5 years of operation. $120,000 of this has to be spent on marketing and outreach.
- We are proposing a fully electric system with Drop's electric pedal assist (E201L) bikes operating in a hub based model. As explained earlier, this includes having geo-fenced stations (hubs) with bike racks and way finder signs installed for organized parking and user clarity.
- We will provide a "Rialto Bike Share" user app (iOS and Android) and provide a customized website and admin backend (desktop/tablet/smartphone app versions) developed by Drop's in-house software team.
- Proposed system size and hardware details: 125 Drop e-bikes, 25 additional e-bikes, 40 additional swappable batteries and chargers, minimum 18 bike racks (72 rings in total to accommodate ~140 bikes), sufficient spare parts and tools for a 5 year operation.
- Drop to work in collaboration with the city to define KPIs and provide relevant reporting to the city. A detailed approach can be found on page 23.
- Additional transit integration opportunities like ticketing, scheduling, special passes etc with larger system footprint.
- More aggressive marketing, outreach and community engagement opportunities in this scenario. Proposed strategies and activities, as well as a detailed budget, can be found on page 21.
- Focussed and customized equity program support for underserved neighborhoods, detailed on page 22.
- Software cost includes- maintenance, platform fee, GPS/data cost, etc.
- Hardware branding in city livery with eg. "Rialto Bike Share, powered by Drop" subtext.
- Cost to manage operations includes: bike maintenance, daily rebalancing, charging, repairs, customer service, transportations vehicles, insurance and anything else needed to keep the system safe and available.
- Open to working with sponsors, transit or any other community stakeholders.
- Open to hiring locally and using any available public bike infrastructure.

Details	Count
Duration of program	5 years
Electric pedal assist bikes	125
Extra batteries	40
Hubs fitted with bike racks and signage	18
Proposed local operations team size	1 FT + 1 PT
Leased rebalancing vehicles	1
Expected users/members in 5 years	3,000
Expected rides in 5 years	75,000

While we had initially proposed a long term system leasing option, we took the reduced budget and grant considerations back to our team and are happy to share that we can offer an **outright purchase option** within the reduced budget. Below are details for this option which we believe will be the most appropriate for both Drop and the city. We are not re-quoting the leasing option as we feel it will be more complicated to execute within the revised budget, and we can avoid seeking exceptions to the grant.

Outright system purchase overview

- City will own all bikes, hubs/racks and other related hardware like extra batteries, spares, etc
- City to pay on actuals for spares and major repairs to bikes and hubs
- We are proposing to keep a portion of the budget aside for replacement bikes
- This also allows us to maintain and deploy the separate marketing budget
- This option allows for standard termination/renewal terms
- We will actively work to secure additional sources of revenue like advertising, sponsorships, events, etc

Following is the budget breakdown with projected costs and revenues for outright purchase:

Cost head	One time/Annual (US$)	5 year total (US$)
Electric bikes cost @ $2,200/bike for min 125 bikes, includes 40 extra batteries	$275,000	$275,000
Electric bikes replacement @ $2,000/bike for ~ 25 bikes	$50,000	$50,000
System launch and activation		$20,000
Bikes/hubs major repairs	$10,000	$50,000
Spare parts and additional labour	$10,000	$50,000
Hubs (18) fitted with bike racks and signage @ $1,500/hub	$27,000	$27,000
Software (apps, web, admin) development (one time)		$10,000
Software/platform connectivity and maintenance	$18,000	$90,000
Operations cost (team, rebalancing, workshop, etc)	$81,477	$407,384
Insurance	$10,000	$50,000
Marketing and community engagement	$24,000	$120,000
Total funds required (5 year cost)		**$1,149,384**
Grant funds applied		**$1,000,000**
Additional services and resources		$100,000
Revenue plan		
Revenue (Avg) from user fees	$30,000	**$150,000**
Total funds available		**$1,150,000**

Drop will retain all profits from user fees; this expected revenue will offset some operating costs.

Payment schedule for ownership

- Advance on contract : $100,000 (By June 15th 2021), Launch date Dec 1st 2021
- Payment on delivery : $500,000-includes payment for year 1 operation, (By Dec 15th 2021)
- Annual payment for year 2: $100,000/year (By Dec 31st 2022)
- Annual payment for year 3: $100,000/year (By Dec 31st 2023)
- Annual payment for year 4: $100,000/year (By Dec 31st 2024)
- Annual payment for year 5: $100,000/year (By Dec 31st 2025)

Total: $1,000,000 paid across 5 years and $800,000 of this within the first 3 years as per our understanding of the grant funding disbursement.

Year 1 expenses to be covered:

Bikes cost- 150 bikes- $325,000

System launch- $20,000

Repairs year 1- $10,000

Spare parts year 1- $10,000

Hubs (18) with racks- $27,000

Software development- $10,000

Software maintenance year 1- $18,000

Operations year 1- $81,477

Insurance- year1- $10,000

Marketing and outreach including launch- $64,000

Total for year 1 payable at the time of system delivery/launch is $575,477. We propose to round this off to $600,000 payable as $100,000 advance and $500,000 on delivery.

We are also assuming that the city has a tax exemption for any sales or local taxes.

Project Schedule

We are proposing a January-February 2022 launch provided a Notice to Proceed by July 2021. Should the this take longer, these dates will shift accordingly as we require that the system launch be scheduled to begin 180 days from contract signing and payment of the advance.

August to October: Discovery phase: This phase entails gathering information from the city to set up the most effective launch of the system possible. Included during this period is hub mapping, system sizing, infrastructure sourcing, and collaborative planning (existing system transition, communication, internal stake holders onboarding, integration possibilities, etc). During the phase above, key Drop operations team members will visit participating communities within Rialto (eg. schools, large employers), and meet key stakeholders in Rialto to become acquainted with the geography and more effectively plan the operational process for the city. During this time, Drop will also reach out to bike advocacy groups, non-profit groups, and any other organizations with aligning values to explore collaboration opportunities. Our team engages with the stakeholders to learn about potential community engagement opportunities like connecting with bike enthusiast groups, any existing bike/scooter share users, universities, campuses, retail, etc. We then devise a strategy for prior to launch, during the launch, and following the launch activations. Drop also engages in a number of additional pre-launch explorative endeavours where needed, such as a market survey and social media information campaigns.

November to December: Demo/Training period: This phase includes the hiring and training of a project manager, and the planning of a launch event and marketing strategy that is specific to Rialto.

During this period, the project manager gets trained and then demos and tests all bikes/software system to make sure that they are ready to go. In addition to this, the project manager begins looking for more local part time hiring options for fleet management and maintenance. We also scout for suitable workshop/charging spaces and rebalancing vehicles. Plans for the marketing and launch of the system are further developed and we maintain a comprehensive launch checklist. Drop has developed an effective training and onboarding process which we use to quickly bring new team members on board.

January/February: Final Launch Planning and execution: Any final planning for the launch is done, and complete preparations are actioned to ensure a smooth first few weeks. Within a week of launching the new system, Drop hosts a launch event to generate excitement and build awareness. For this event, we invite key figures in transit, cycling, sustainability, government and the press. We also coordinate a press release and social media campaigns.

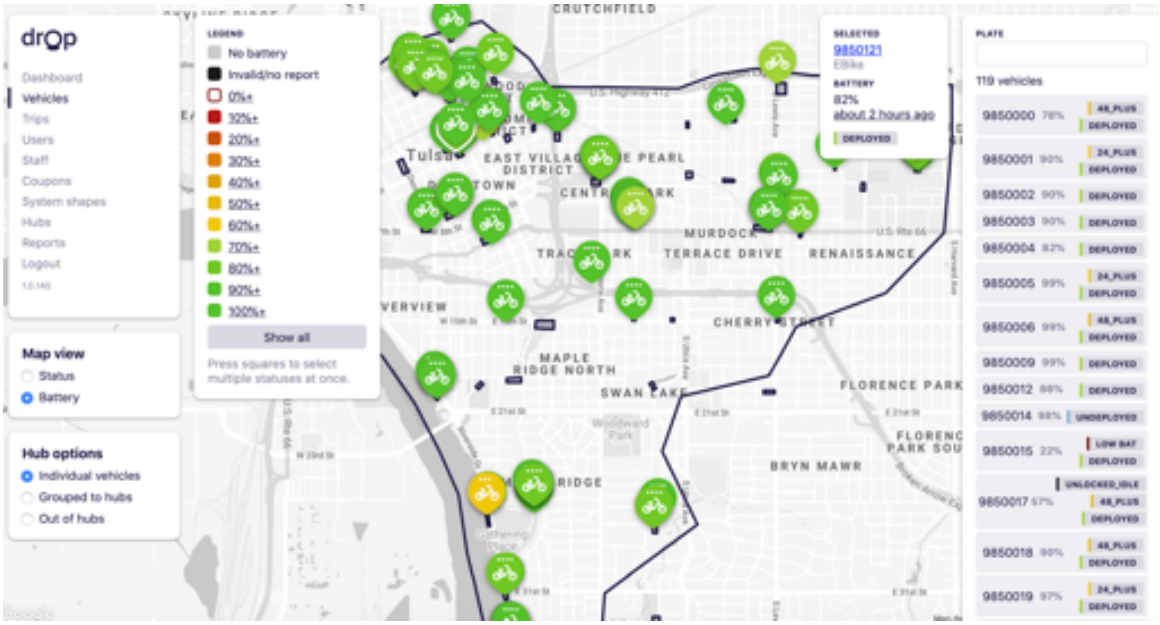
Additional requirements for successful implementation

- City support for local marketing, PR and community engagement
- Space for a temporary workshop and charging station
- City participation in overall strategy, service area and hub identification
- Shared KPI's to measure pilot success to be jointly defined
- Any temp/part time labour for activation and launch
- Collaboration of key stakeholders within community- like transit, campuses, etc
- Support for the Equity Program, including a desk for cash payment and help determining qualified participants for the subsidized memberships.

Rebalancing Plan

At Drop, we have built customized software interfaces that give field staff and system administrators a variety of reports and detailed information on system utilization. We use this data (like riding patterns and bikes trip history) to determine which areas/hubs should be prioritized when rebalancing. There are both mobile and web views for the staff to enable convenient and flexible monitoring of the system. There are various algorithms in the backend that prompt the field team on their rebalancing routes and goals for every shift.

The e-bike batteries are swappable so can easily be replaced on the field with the extra batteries we will provide. The e-bikes thus should never really go out of service due to battery reasons. There is an additional backup battery on the smart bike locks that will keep the lock active and ping the servers for a week even if the main bike battery runs out for some reason. The field staff has access to real time battery charge status for all bikes (see web app screenshot below for reference). This and many other reports and tools make it easy for the staff to plan their day, prioritize routes and attend to bikes depending on their status.



An e-bike battery status view for field staff on the Drop admin backed app

Given that e-bikes have swappable batteries that have a longer capacity and lower charge times than scooters or pedal bikes, this allows our team to plan routes that limit the amount of van and truck trips during rebalancing. Some field staff also like to carry charged batteries in a backpack, and bike from hub to hub while rebalancing. The speed and ease of using the electric bikes allows for this process to still be quite efficient while carbon emissions are limited.

As described earlier in the “hub model” section, using GPS and BLE technology, the end trip picture review process (as described in detail above), and system generated warnings, fines etc, we are able to track and enforce best parking practices.

Our geofencing, hub-based model with lock-to technology, as well as our end picture review helps to ensure that bikes are locked parked correctly after use. When they download the app, the users are clearly educated on how to properly park their bike, and the entire end-trip process. When a user ends a trip, our GPS technology confirms whether or not the bike has been parked both in the service zone or hub. The BLE on

the users phone ensures that they need to be close to the bike before ending their trip. Additionally, the user takes a photo of the locked bike in order to end their trip. Using both smart technology and our customer service team reviewing pictures, we confirm that the bike was tethered and parked correctly, meaning that it was parked either in a hub or at a public bike rack or bike post and not in an exclusion zone or in a way that affects the public right of way. If the vehicle is not parked correctly, the user receives an email with a link to the picture, and an explanation of how their bike is incorrectly parked. Our admin dashboard (which is available to all operations staff and shows them the status and location of all bikes) automatically flags this vehicle as being parked incorrectly (along with any other incorrectly parked bikes) and during their daily runs, the operations team uses the GPS coordinates of that bike to locate it and move it to a correctly parked position.

In our experience, this education process deters users from repeatedly parking bikes incorrectly. However there are occasional users looking to take advantage of the system and use the bikes without parking them correctly on a repeated basis. In those cases, users are subject to a warning system, which is tracked based on how many parking infractions they have committed. Based on the discretion of the operations team and the policies that we set in place in each market, a user can be subject to a parking fine(s) or removal from the service if they demonstrate an unwillingness to learn from the mistakes that they have repeatedly made while parking their vehicles.

Given the spread of COVID 19, in communities with a larger proportion of senior citizens, operations staff will be more diligent about making sure that vehicles are properly sanitized. We also have access to special assisted bikes for people with disabilities if required.

Maintenance Plan

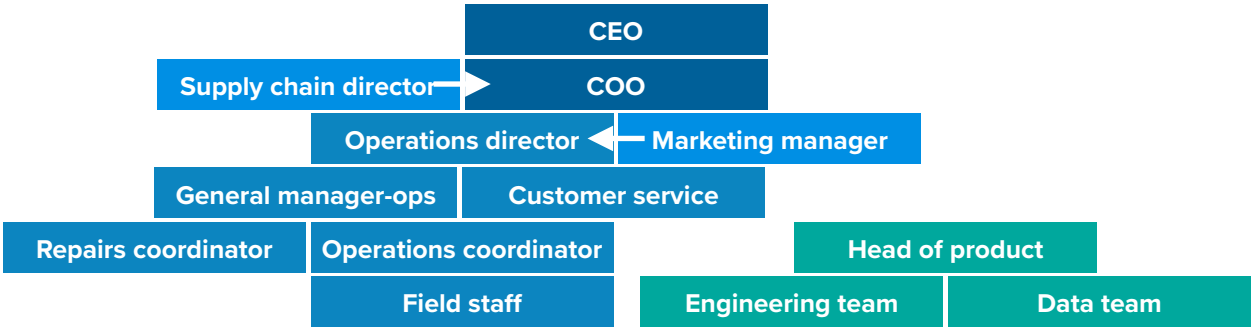
We will be investing in or partnering with a local bike shop for the fleet maintenance needs. We believe in hiring local and are open to working with any existing leads that the city may already have. We also tap into bike enthusiast groups and part time labour here. Drop's HQ team will be on site to provide detailed training of the bike mechanical and electrical parts prior to launch.

Operations field-staff have access to mobile apps that allow them to view detailed vehicle status and system status reports, as well as receive notifications for maintenance/system alerts. The field staff are scheduled for the maintenance of various vehicles, ensuring that each vehicle in the fleet is maintained at least once per week. This maintenance check list includes, but is not limited to checking the chain, tires, lights, saddle, gear shifters, brakes, basket, bell, and overall condition of the bike. As mentioned previously, field staff are alerted to any and all bikes that are low on battery, and swap those batteries. It is a common practice in our operations for field staff to also run through a maintenance check of the bikes when they swap the batteries.

The operations team is able to detect if vehicles have been damaged and are in need of more immediate attention either through our customer service channel where concerns may have arisen, or bike monitoring the condition of bikes in the end-trip review process. Each day through our 12 ours of field staff coverage, they receive an automated report that provides them with information on which bikes are in need of maintenance, any reported breaks, and any bikes out of the service zone.

Drop hires and trains staff with knowledge of bike maintenance and equips them with spare parts and necessary tools. A specialized mechanic deals with more significant damage back at the workshop. Our field team is in constant contact with our HQ data team to service any bikes that are having additional software/ app issues.

Staff Qualifications



A sample operations organization chart

At Drop we believe in a good blend of HQ staff and local hires to achieve success on bike share program deployments. When we enter a new market, we typically operate on a 12 week planning period before launch.

Drop has a vigorous hiring process for our Project Manager, and we source candidates with multiple years of project management experience in active transportation. In addition to that, we look for a candidate who is smart, personable, is a bike enthusiast, and who knows the city well. Our project manager for each market is hired locally, where we look for seasoned professionals with the passion and enthusiasm to lead our team on the ground . The project manager is hired on a full time basis, and is hired close to the beginning of the 12-week preparation period, giving them sufficient time to be trained and onboarded.

Firm Qualifications

Dropbike, Corp d/b/a Drop Mobility

(Mailing) 548 Market St, PMB 64073 , San Francisco, CA 94104-5401

(Corporate) 1209 Orange St, Wilmington, DE, 19801

https://www.dropmobility.com/

Primary Contact: Dipesh Dar, COO

dipesh@dropmobility.com, +1 647 621 7191

We currently have partnerships and bikeshare contracts in over a dozen cities across North America, and additionally provide software products that support bikeshare in multiple other cities across the globe. Some of our most notable partnerships in the North America are expressed below.

1. **Colorado Springs, CO.** We launched here in spring 2019 in partnership with PikeRide, the local non-profit bike share operator. Currently there are close to 250 electric pedal assist bikes and the fleet size is expected to grow to new regions, university campuses, etc reaching 500+ e-bikes, scooters, etc in 2021.

2. **Kansas City, MO.** We launched a fully electric system of 700+ e-bikes, pedal bikes and scooters here in early 2019, working in tandem with the existing docking station system in partnership with the transit authority, RideKC, and the existing bike share non-profit, BikeWalkKC. We have further co-branded the software platform and integrated into the transit service and continue to build on this partnership. The planned system size is 1000+ vehicles which includes electric bikes, scooters and pedal bikes.

3. **Tulsa**, **OK.** Launched 200+ electric assist bikes this summer in partnership with “This Machine” replacing the older pedal bikes. This system is expected to grow to 500+ vehicles in the next 2 years.

Some pictures of Drop e-bikes and scooters in action at cities in MO, CO and OK

Marketing/System Launch

We engage in a variety of outreach and community engagement activities through the course of the program. This includes but is not limited to partnerships with the local biking community, transit, businesses, corporations, schools, etc. We leverage potential sponsors for these activations as well. Following the launch, we engage in additional marketing and promotions through the course of the program.

The following is a budget breakdown with projected costs for marketing and community engagement:

Description	Year 1	Years 2-5	5 year total (US$)
Launch event	US$5,000	US$0	US$5,000
Press outreach	US$2,500	US$1,000	US$6,500
Design and printing of marketing collateral, in both English and Spanish	US$10,000	US$2,500	US$20,000
Campaigns and promotions	US$15,000	US$3,500	US$29,000
Partnership outreach: non-profits, community organizers, and sustainability organizations	US$14,000	US$1,000	US$18,000
Employer outreach: offer information and memberships to businesses and employers	US$2,000	US$1,000	US$6,000
Social media ads	US$10,000	US$2,500	US$20,000
Radio promotion	US$5,000	US$2,500	US$15,000
Misc marketing budget	US$500	US$0	US$500
Totals	**US$64,000**	**US$14,000**	**US$120,000**

Price Structure

We work with city stakeholders to find ways to engage different geographic and demographic consumers, including students, older adults, lower income residents, neighborhoods of color, and other traditionally underserved populations.

Below are a list of our typical pricing products for e-bikes, although these can be modified based on our conversations and engagement with our partners.

- **Pay as you go option**- $1 to unlock + 15 cents per minute
- **Memberships**- $20 per month, $50 quarterly and $100 annual
- **Passes**- $10 for a 24 hour pass or subsidized weekly passes, seasonal passes
- **Discounted access**- subsidized student, equity pricing, etc
- **Special access**- sponsors, city staff, corporate partners, etc
- **Others**- event pricing, coupons, etc

With a heavy emphasis on collaboration and partnership rather than forcing our model on cities, Drop works with city stakeholders in order to determine the most effective pricing options for ensuring equitable access and sustainability of the program.

Equity Offerings

At Drop, we believe in a system that is accessible to all, regardless of income or access to financial services. In each and every market in which we operate, we have built out a robust and comprehensive equity program that addresses the local needs of the market. To do this, we first work directly with public leadership during a discovery period to determine the local needs of the community, build out the goals of the program, and define the criteria for qualification. We then partner to identify communication channels to the equity markets, and form a plan for outreach and engagement.

Drop utilizes a number of options to promote equitable access to the service. We often leverage or build upon existing city equity programs. We are able to allow users to take out a vehicle without having a smartphone, or having a credit card or bank affiliation, and in some special cases using dial in or text or coupon based unlock features. For example, in Kansas City, MO we are working with the city to provide discounted, non-mobile phone bike usage options through their low income program where city and Drop staff aid these individuals in using bicycles. Additionally, the local operations team is advised to maintain a certain minimum density of bikes in low income neighorhoods or neighborhoods without adequate transportation lines.

For Rialto, we understand the top priorities are: offering an affordable membership for those who qualify financially, providing access for non smart phone users and riders who prefer to pay in cash, and communicating the service and equity program in both English and Spanish.

In order to address these needs, we will initially provide 2 products:

Subsidized equity memberships

- Low cost memberships for financially approved/qualified users
  - A $20 annual equity membership that gives 60 free minutes of riding time per day
  - Beyond 60 minutes, regular rates per minute apply
  - Never a fee to unlock
- Coupon based program, will need smartphone and credit card/debit/prepaid card to access via app
- City to build a qualification process or provide a list of qualified residents

Equity access for non smartphone and unbanked users

- A text based unlock system
- Involves a cash payment at a desk
  - To be managed by city staff
- Requires a phone or internet to text
  - City could also provide this service

In the future, after at least 6 months of ridership data, we may introduce a third product.

RFID/NFC card access for non phone and unbanked users

- Users can purchase this card at a desk or at retail stores, using cash
- Tap to unlock bikes
- Subsidized memberships or pay per ride rates

This third product requires substantial investment and makes sense to offer only if there is significant interest in the Equity Program. All programs and informational collateral will be communicated in both English and Spanish.

Tracking Progress

In addition to the system dashboard access and multiple periodic reports to the city, we also track system progress through certain metrics/KPIs:

Some of the standard KPI's that we evaluate the system based on are as follows:

- Number of app downloads and signups
- Number of users taken at least 1 ride
- Number of vehicles deployed and active
- System downtime
- Number of memberships and passes purchased
- Trips per vehicle/day
- Revenue numbers
- Operational efficiency data
- Hubs utilization
- Equity user contribution

We will continue to build on the above basis system performance and rider feedback.

Related Experience and References

In addition to the relevant experience mentioned above, here are some customer references

Reference #1	
Partner Name	BikeWalkKC
Location	Kansas City, MO
Contact	Eric Vaughan Director of Bikeshare 1106 E 30th St Suite G, Kansas City, MO 64109, USA eric.vaughan@bikewalkkc.org +1 (573) 690-0409
Project Description	Kansas City is the world's first transit authority + micromobility partnership. Drop is partnered with KCATA and BikeWalkKC to develop and launch e-assist bike and e-scooter sharing for the residents of Kansas City, Missouri. Beginning of 2019, we are currently scaling to upwards of 1000 vehicles in the fully electric fleet.
Reference #2	
Partner Name	PikeRide
Location	Colorado Springs, CO
Contact	Jolie Nesmith Executive Director 739 E. Pikes Peak Ave., Colorado Springs, CO, USA, 80903 jolie@pikeride.com 719-235-5862
Project Description	Drop is partnered with PikeRide and the Downtown Partnership of Colorado Springs to launch e-assist bikes and scooters for the residents and tourists of Colorado Springs. We are currently scaling up to 500+ electric vehicles.
Reference #3	
Partner Name	Tusla Bikeshare
Location	Tulsa, OK
Contact	Katie Sawicki Executive Director, This Machine 1020 S Rockford Ave Suite G, Tulsa, OK, USA, 74120 katie@thismachinetulsa.co 920-475-5206
Project Description	Launched in the summer of 2020 with 200+ e-bikes in partnership with This Machine

Rendition of a Drop e-bike in Rialto city livery for reference

EXHIBIT "B"

SPECIAL REQUIREMENTS

(Superseding Contract Standard Language)

EXHIBIT "C"

SCHEDULE OF COMPENSATION

I. Consultant shall perform the following tasks at the following rates:

RATE TIME SUB-BUDGET

Consultant's tasks and rates shall be in accordance with the Consultant's revised proposal dated May 28, 2021.

II. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task sub-budget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.9.

III. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:

A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.

B. Line items for all materials and equipment properly charged to the Services.

C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.

D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

IV. The total compensation for the Services shall not exceed $1,100,000 as provided in Section 2.1 of this Agreement.

V. The Consultant's billing rates for all personnel shall be in accordance with the Consultant's revised proposal dated May 28, 2021.

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

I. Consultant shall perform all Services timely in accordance with the schedule included in the Consultant's revised proposal dated May 28, 2021.

II. Consultant's delivery of tangible work products to the City shall be in accordance with the schedule included in Consultant's revised proposal dated May 28, 2021.

III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.