

# Capitola City Council

## Agenda Report



**Meeting:** January 12, 2023

**From:** Community Development

**Subject:** Regional Bikeshare Contract

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**Recommended Action:** Authorize the City Manager to execute a five-year Professional Services Agreement with BCycle for the Regional Bikeshare Program.

**Background:** On February 28, 2019, the City Council adopted Ordinance 1027 updating Capitola Municipal Code Chapter 10.44: *Bicycles and Personal Transportation Devices* to establish a framework for a potential local bikeshare program. The ordinance added new definitions and standards around electric bicycles, scooters, and shared mobility operators. The ordinance requires any operator of a “shared mobility service” within City limits to have a contract with the City with approval by the City Council. The ordinance also includes safety standards, prohibits riding on sidewalks (with an exception for children), and sets clear rules on bicycle parking. In October 2019, the City released a Request for Proposals (RFP) for a bikeshare program in collaboration with the County; however the City received no viable no-cost proposals in response to that RFP.

Due to the pandemic, staff’s efforts on the bike share program were put on hold. In the fall of 2020, staff collaborated with regional partners to discuss the possibility of a potential regional bikeshare program. Ultimately, a regional working group was formed, which included the University of California Santa Cruz (UCSC), Cabrillo College, the County of Santa Cruz, and the cities of Santa Cruz, Watsonville, and Capitola. The City of Scotts Valley decided not to participate but asked that if a regional agreement was established, that it be set to allow for the addition of new participants at a later date.

In April 2021, the regional working group published a Request for Information (RFI) to evaluate the range of viable options that vendors would propose for the region. The RFI was intended to assess changes to the industry since Capitola released their RFP in 2019 and evaluate the impacts of COVID-19 on shared mobility. Nine mobility companies responded to the RFI, with submittals outlining a variety of options including electric bikes, electric cargo bikes, scooters, and seated scooters. The responses included a range of programs, some with no public costs, others that required a substantial public sector investment.

The RFI process allowed the jurisdictions to identify a set of shared goals and standards for the Request for Proposals (RFP), which was published in August of 2021. Key components of the RFP include a bike-only system, single vendor, hybrid docked/dockless system, fully third-party owned and operated, no cost to the jurisdiction, and a local operations team located within Santa Cruz County.

In November 2021, the regional working group interviewed the three top vendors and test rode the electric bicycles. BCycle was selected as the top choice. Over the past year, the working group has been fine tuning the contract details to establish the same basic terms and conditions in each jurisdiction. Each jurisdiction will enter their own agreement with the selected vendor.

**Discussion:** Pursuant to Capitola’s Municipal Code, the shared mobility service contract must be approved by the City Council prior to a vendor commencing services in the City. The purpose of this item is to authorize the City Manager to enter into a five-year agreement with BCycle.

BCycle is part of the Trek Bicycle organization and has over 11 years of experience providing bikeshare services in over 50 communities. The proposed BCycle system is docked, which requires riders to end each ride by locking the bike into a BCycle dock. BCycle will provide two docks per bicycle. BCycle is committed to launching a regional bikeshare system with 660 e-bikes and 1,320 docks from Watsonville to UCSC. The launch will prioritize installation at UCSC and City of Santa Cruz within the first six months. For the rest of the region the launch date will be 18 months from the date the agreement is executed, or the required permits are issued by the host agency, whichever is later. During the initial five-years of the agreement, BCycle has the option to expand services with up to 2,000 bicycle regionwide.

Electric Bicycles with lock and individual docks will be allocated to participating jurisdictions, as outlined in the table below

<b>Jurisdiction</b>	<b>Minimum Electric Bicycles</b>	<b>Individual Docks</b>
City of Santa Cruz	300	600
City of Capitola	50	100
Cabrillo College	50	100
UCSC	160	320
Watsonville	25	50
Aptos	25	50
Soquel	25	50
Other Unincorporated	25	50
<b>Total</b>	<b>660</b>	<b>1,320</b>

Each e-bike is accessed through walk-up registration through an online app. The agreement also requires BCycle to have a fare card integrated with other transportation networks like Metro and ParkCards. There will also be payment options available for users who are unbanked and/or do not have a credit card or smartphone.

The regional bikeshare program is a no-cost system for participating jurisdictions. All costs are paid by the vendor. Also, the agreement includes a potential revenue share option after the first two years to help jurisdictions cover administrative cost of up to \$25 per dock.

The agreement includes consumer protections related to: maximum price increases, maintenance and repair, customer service, bike availability standards, response times, safety, and education. BCycle is also required to provide quarterly reports to the participating jurisdictions on the deliverables outlined in the scope and minimal performance standards identified in the service level agreement.

User fees are as follows:

- a. Walk Up Pass: \$7 per each 30 minutes; daily maximum is \$75

- b. Monthly: \$30 for unlimited 30-minute trips, extra 30 minutes \$3 each
- c. Annual: \$150 for unlimited 30-minute trips, extra 30 minutes \$3 each

In the agreement BCycle agrees to pursue bulk-member pricing programs for low income and students. In addition, special event pricing can be negotiated with the vendor. Pricing cannot be modified for the first two years. After the second year, pricing may go up 10 percent per contract year or CPI + three percent, whichever is less.

Next Steps: Upon contract execution, staff will begin work with the vendor to identify locations for 100 docks within Capitola. An encroachment permit and Coastal Development Permit will be reviewed by City Council to authorize the proposed dock locations.

Fiscal Impact: There is no fiscal impact to the City for the no-cost bikeshare program.

Attachments:

1. Attachment 1: Professional Service Agreement

Report Prepared By: Katie Herlihy, Community Development Director

Reviewed By: Julia Moss, City Clerk

Approved By: Jamie Goldstein, City Manager