MEMORANDUM

TO: Members of the Transportation, Energy, Utilities Committee
FROM: Chapin Spencer, Director, Public Works
      Robert Goulding, Public Information Manager, Public Works
CC: Cindi Wight, Director, Parks, Recreation & Waterfront
    Nicole Losch, Senior Planner, Public Works
DATE: February 24, 2022
RE: E-Bikeshare Update & Recommended Next Steps

Background:
After hearing feedback from TEUC, stakeholders and our institutional/regional partners, we believe that
an additional year of electric bikeshare is warranted. Stakeholders, partners and the Council are aligned
that this system must operate as a transportation choice for regional riders, and not a tourist draw. Further,
to make this work, a cross municipal streamlined partnership is one of the best ways to help this system
succeed. Finally, the partnership that we have entered into introduces regulations that would be much
more difficult to achieve outside of this partnership, especially if other bikeshare vendors felt incentivized
to enter the Burlington market.

After hearing the concerns at the January TEUC, we approached Bolt Mobility with a clear set of
community needs to strengthen Year 2 of electric bikeshare. After two meetings with Bolt Mobility –
including one with their CEO – they have indicated to us that they will agree to the following additional
commitments as part of a proposed contract amendment and renewal to run one year starting May 5,
2022:

➢ Start each day during the peak season (Memorial Day to Labor Day) with no more than 4
  (four) bikeshare bikes at any waterfront hub. The Parks Commission and BOF/CC must
  approve the lease of space in a park, including the current Penny Lane location. This start of the
day cap is expected to suppress demand at the waterfront while still providing an option to
  regional system users.

➢ Expand the number of hubs in the bikeshare network by at least 10 on or before May 27,
  2022 – the majority of which will be in residential areas. DPW Transportation will provide a
  list of preferred neighborhood expansion sites for additional virtual or physical hubs to be
  implemented by the Friday prior to Memorial Day. These hubs will be identified for their ability
to enhance neighborhood riding and connection to our transportation network. We believe that as
  the system gets more visibility and serves more needs especially in neighborhoods this will
  encourage additional riders.
➢ Set a bikeshare system goal that more than 80% of trips being other than roundtrip waterfront trips - defined as trips that do not originate and end at the same waterfront hub. Roundtrip waterfront trips are our proxy for tourist driven recreation - which is not the goal of the bikeshare system. If this threshold isn’t met in the 2022 season, it will be a basis for triggering a public hearing at a fall 2022 Transportation Energy & Utilities Committee meeting to consider contract non-renewal and next steps for bikeshare in Burlington. This step will incentivize Bolt to perform to expectations and allow regular monitoring of how the system performs. It adds a specific and measurable metric to study system performance.

➢ Implement escalating pricing during 2022 that disincentivizes longer recreational trips. This has been requested as a tool to disincentivize longer trips at a price that scales up the longer the bike is in use. The current contract encourages the vendor to implement escalating pricing. This amendment would require its implementation in 2022. Bolt reports that they are prepared to implement this in 2022.

➢ Offer group/corporate memberships no later than May 5, 2022. These memberships are an untapped area of growth that can grow bike commuting for area organizations, increase ridership and generate system growth with point to point riders. Bolt says that a group pricing model is under development and will be marketed in 2022 to area organizations.

➢ Keep at least 200 bikes in active service during the May – October season. Due to pandemic related supply chain issues last year, the vendor was not able to have 200 bikes in active service. This year they state that they can deliver. With the increased number of hubs, it is important there be enough bikes in each hub to provide reliable accessibility.

There are additional areas that can improve this partnership and balance stakeholder concerns. While these are not part of the contract, they are important for this discussion.

➢ Parks, Recreation & Waterfront has a March meeting scheduled with local vendors to discuss needs and interests for a waterfront operating lease. While there was a prior discussion in 2021 with one stakeholder for a lease, this will be a broader conversation and hopefully yield an opportunity for area businesses to capture the tourist – or additional – markets and provide balance to our community.

➢ Bolt and partners have discussed more assertive marketing to grow the subscription market for regional riders, and this will be discussed at a meeting this week.

Potential bikeshare options moving forward:
1. Negotiate contract amendment with Bolt, based on the proposed commitments listed above, to operate the bikeshare service for an additional year.
   a. This gives the current electric bikeshare a chance to build on last year’s launch. Bolt has proven to be a flexible and responsive partner. All other municipal and regional partners have expressed to Burlington an interest in renewing with the current vendor. We are only one year in and hope that a second year will show further improvement.

2. Pull out of the regional partnership entirely.
   a. This would be a suboptimal result from staff’s perspective. The partnership and the bikeshare service could still go on without Burlington’s participation. E-bikes could still operate on City streets and paths, but we would have much less influence over hub locations and none over specific contract provisions.

3. Re-open an RFP, either with regional partners or independent of the partnership.
   a. There have been two RFP’s introduced over a 5 year period. Gotcha (at the time) was chosen in 2018 to operate the traditional bikeshare system, which evolved into Bolt’s (having purchased Gotcha) e-bike system. As supply chain issues impacted the delivery of the e-bike system, a second RFP led to some interviews with other systems. None seemed as flexible as Bolt to agree to requested local conditions. Furthermore, it was not clear whether they would have local staff on the ground managing the system.
b. While we could reopen an RFP and do so more widely and for longer, we still may not find another vendor and would still be at the starting point of negotiations for a bike share system where trial and error and trust would all need to be rebuilt. There is no guarantee that a system would be in place for 2022 – which everyone is hoping is truly our first post-pandemic year.

**Metrics to Measure System Performance:**
Staff recommends the City evaluate the following metrics in the fall of 2022 before deciding on next steps:

- Whether the goal was met of 80% of trips being other than round-trip waterfront rides
- The increased subscribership from the current approximately 150 members and especially demonstrating growth in the equity plan and corporate subscriptions
- The year over year trend in total number of point to point (non-round-trip) rides
- Whether the vendor maintained the average fleet size at 200 bikes during peak season
- Overall compliance with contract provisions

**Staff Recommendation:**
Based on two successful negotiations with Bolt where they were willing to commit to the proposed contract terms above, staff recommends advancing the first option detailed above – developing a contract amendment for a one-year extension from May 5, 2022 to May 4, 2023. With an affirmative vote of the TEUC, City staff would work with the City Attorney and the vendor to develop contract language consistent with the terms above. The goal would be to bring the proposed amended contract to the City Council in late March or April.

We look forward to the conversation at the upcoming TEUC meeting. Feel free to reach out in advance with any questions.