Public Bike Share

Project Update

Public Council Update
February 23rd, 2016

CITY OF VANCOUVER

Public Bike Share Agreement Signed

CITY OF VANCOUVER

- The City has signed an agreement for 5 years of **Public Bike Share Services with CycleHop Corp Canada Inc.**
- The bike share system consists of **1500 bikes and 150 stations.**
- Target launch of **first 1000 bikes is June 2016** with the remaining bikes by the end of the summer 2016.
- The City will provide **$5M as fee for 5 years of service.**

Agenda

1. Background – The City's Bike Share Journey
2. Industry Evolution
3. RFP Process 2015
4. Selected Vendor
5. The Agreement
6. The Vancouver Public Bike Share system
7. Financial Summary
8. Next Steps

1. Background – The City's Bike Share Journey

- In **July 2008**, Council directed staff to report back on the implementation of a PBS system.
- In **March 2009**, Council directed staff to pursue a Public Bike Share system.
- In **April 2011, an RFEOI was issued** and Alta was selected as the preferred proponent to own and operate the PBS system.
- In **June 2012**, staff presented to Council with an update on the procurement process.

1. Background – The City's Bike Share Journey

- In **October 2012**, Council amends By-laws to allow for operations of PBS in Vancouver.
- In **November 2012**, Vancouver Park Board approval for PBS stations to be permitted on Park property.
- In **July 2013**, staff received Council support for:
  - The proposed implementation plan of a **1500 bikes/125 stations** system with integrated **helmet rental** and return at every station; and
  - To **enter into an agreement with Alta Bike Share** as owner, operator and financier of the PBS system**, subject to Alta meeting certain conditions** relating to financing, sponsorship, a system for helmet supply, amongst others.

1. Background – The City's Bike Share Journey

JULY 2013 COUNCIL APPROVAL TO:

i. Provide a one time contribution for equipment purchase and installation: **$6 million;**

ii. Allot in-kind contributions for forgone parking meter revenue and lease of space: **$0.8M/year;**

iii. Provide **$1 million for start-up** staffing, signage, and wayfinding costs; and

iv. Allocate an average **annual sustainment budget** of **$0.5 million** for staffing, signage, and wayfinding costs.

1. Background – The City's Bike Share Journey

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ALTA BIKE SHARE / MOTIVATE

- From July 2013, staff engaged Alta in regular discussions to support and facilitate Alta meeting the specified conditions.
- Following the **bankruptcy of the system supplier Bixi (2014) and the takeover of Alta by Motivate in early 2015**, staff engaged Motivate to determine whether it could meet the conditions but discussions did not lead to positive outcomes.
- Despite substantial City staff support, **Motivate was not able to meet various conditions** (Financing, Sponsorship, Helmet Solution).
- **No money** was paid to Motivate/Alta.
- The City **collapsed the RFEOI** on June 11, 2015 and announced a new procurement process.

2. Industry Evolution

"Smart Bike" systems:

- Payment interface and locking technology is **integrated into the bike**.
- System accessed by smart cards and smartphones, or through **optional payment kiosks**.
- System allow for **smaller PBS stations.**
- System offer **more operational and user flexibility.**
- Lower capital and operating costs.

3. RFP 2015 - Procurement Process

- RFP posted July 17 and received **6 responses**.
- RFP evaluation was conducted in a **phased approach.**
- Phase 1 - **Two proposals shortlisted** for further evaluation.
- Phase 2 - A **preferred vendor** was identified and **Bid Committee approved** entry into contract negotiations with CycleHop Corp Canada.

3. RFP 2015 - Proponents

Proponents	Shortlisted	Selected
CycleHop Corp Canada	✓	✓
Motivate International LLC	✓	
Secure Bike Share Pte Ltd		
Bewegen Technologies Inc		
Kranium, LLC		
Spinlister		

3. RFP 2015 – Timeline

- RFP posted **July 17, 2015.**
- RFP closed **September 14, 2015.**
- Vendor interviews and demonstrations **October 28-30, 2015.**
- On **November 20th ,** Bid Committee provided approval to initiate contract negotiations with the preferred vendor.
- On **November** - **December,** Staff updated Council on the status of the procurement process and the ongoing negotiations.
- On **December 16th,** Council authorized staff to finalize negotiations subject to terms acceptable to the project steering committee and within the financial framework approved in 2013. Council extended its authority to Bid Committee to award a contract to CycleHop Corp Canada.

4. Selected Vendor: Operator – CycleHop

- CycleHop's team has decades of experience in operating large urban bicycle fleets and advancing the bike share industry.
- CycleHop is the largest 'Smart Bike' bike share operations company in North America.
- CycleHop is currently operating or implementing systems in the following cities: Ottawa/Gatineau, Santa Monica, West Hollywood, Beverly Hills, Long Beach, San Ramon, Orlando, Tampa, St. Pete, Phoenix, Mesa, Atlanta, Louisville, and Cleveland.
- The founder was awarded the first U.S. patent for the 'unattended bicycle rental machine' back in 1999.
- CycleHop offers complete bike share solutions - from planning to funding, implementation, operations, and expansion.
- CycleHop was responsible for the Ottawa bike share program's privatization and launch of VeloGo.

4. Selected Vendor: Equipment Provider - Smoove

Smoove®
facilitates sustainable mobility

- Bike share industry leader and product innovator since 2005
- Headquartered in Montpellier and Lyon, France
- 21 cities around the globe
- 20,000 bicycles (2005-16)

SMOOVE GLOBAL PRESENCE

- France: Annemasse, Avignon, Belfort, Chalon-sur-Saone, Clermont-Ferrand, Grenoble, Lorient, Montpellier, Nice, Saint-Etienne, Strasbourg, Valence
- UK: Slough
- Georgia: Batumi
- Italy: Vicenza
- Greece: Corfu
- Cyprus: Nicosia
- Russia: Moscow
- Kazakhstan: Astana
- Thailand: Bangkok
- U.S.: Chicago Forest Preserves
- Finland: Helsinki (2016)

5. The Agreement - CycleHop with Smoove

- PBS provided as a service for a minimum of **5 operating years.**
- Target launch for **June 15, 2016** with **1,000 bikes.**
- Next 500 bikes targeted for July 15, 2016.
- Supplier payment for use of City space up to **$400k/year.**
- City receives a **share of revenue** per bike over a pre-set threshold.
- Possible expansion of system to be determined at a later date.
- **Quality control** measures and **reporting** in place to ensure service levels.

5. The Agreement - CycleHop with Smoove

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CITY CONTRIBUTION

- $5M fee for service of 1500 bikes for a minimum of 5 years.
- Payment of 2/3 of City contribution upon initial launch (1000 bikes).
- Payment of 1/3 of City contribution upon second launch (next 500 bikes).
- City in-kind contributions for lost parking meter revenue not compensated by supplier payment (up to $400K/year) for use of City space.

6. The Vancouver Bike Share System

- **1,500 bicycles** and **150 stations.**
- **Helmets available on bikes** at no additional cost to user.
- Available **24 hours a day, 365 days** a year.
- Phase I service area includes the Downtown Peninsula, bounded by Arbutus Street, 16th Avenue, and Main Street.
- Subject to program success, the system is intended to grow into Phase II service area: expanded west to Macdonald Street and east to Commercial Drive.

6. The Vancouver Bike Share System

Solution highlights

- Fork Lock system secures bikes using dual locking pins.
- Waterproof SmooveBox contains RFID reader and keypad.
- Internal cable lock for securing bike when away from docks during stopovers.
- Rent bike through SmooveBox, mobile app or kiosk.
- Custom station docks providing flexible station arrangements.

Station equipment

- Bikes and docks.
- Sign with map and sponsorship panel.
- Payment terminal at select stations.
- Stations are modular and operate on solar power.

6. Vancouver's System - Station siting

- **CycleHop will recommend station sites** and obtain necessary approvals and permits from the City.
- Stations generally located every **2-3 city blocks**.
- Sited on public streets, sidewalks, plazas and parks, as well as on private lands.
- Stations may be moved and/or resized to meet system demands and accommodate special events/ construction.
- Staff will continue to explore station opportunities on private development sites throughout the City.

7. Summary of Financial Implications

	2012/13 Council Approved	2015 Council Approval
One time payment	$6.0M	$5.0M
City contribution towards station sitings	City to forgo up to $0.8M of lost parking meter revenue	Supplier to pay City up to $0.4M/year for use of City space; City to forgo parking meter revenue not compensated by supplier payment
Start-up funding for City staffing, signage and wayfinding costs	$1.0M	$1.0M
Ongoing annual sustainment budget for City staffing, signage and wayfinding costs	$0.5M	$0.5M

8. Next Steps

- Work on **station locations** will commence immediately, leveraging the work previously done by the City.
- **Sponsorship, branding and design** are key components required for a successful implementation.
- **Public events and outreach** expected between now and summer to **support successful launch.**

Vancouver will get the largest smart-bike system in North America!