



## Bike Rack Ownership Transfer to City of Sacramento

Consent

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**Attachments:** No

**Referring Committee:** Transportation

### **Issue:**

SACOG is transferring ownership of bike racks installed through the three-city bikeshare pilot program to the City of Sacramento. Some bike racks must be moved and relocated, and others must be removed entirely, as part of the City's conditions for the transfer of ownership.

### **Request:**

Approve

### **Recommendation for Board:**

The Transportation Committee recommended that the board approve the use of up to \$75,000 of SACOG Managed Funds to support the transfer of ownership of bikeshare bike racks, specifically any necessary removals and relocations of bike racks, to the City of Sacramento.

### **Recommendation for Committee:**

That the Transportation Committee recommend that the board approve the use of up to \$75,000 of SACOG Managed Funds to support the transfer of ownership of bikeshare bike racks, specifically any necessary removals and relocations of bike racks, to the City of Sacramento.

### **Background:**

The Regional Bikeshare Pilot program was proposed by the Sacramento Metropolitan Air Quality Management District in 2013 with several partners, including the City of Sacramento. The Project received \$3,805,000 from the 2014 SACOG Regional Funding round to develop and launch a system of shared public system in the cities of Sacramento, West Sacramento, and Davis. By the Program launch in 2018, the Project lead changed from the Sacramento Metropolitan Air Quality Management District to SACOG.

The 2018 bikeshare system launched in the cities of Sacramento, West Sacramento, and Davis using a privately-owned/private-operated dockless bikeshare system. Since the funding award would no longer be used to purchase bikes and equipment, the SACOG board approved the use of bikeshare grant funds for supportive infrastructure improvements like bike parking. The partner cities shared how difficult it can be to use federal funds on small projects like bike racks. Thus, SACOG asked the City of Sacramento to use their local funding to contract for and manage installation of bike racks at SACOG-defined locations in all three

cities. In return, SACOG provided an equal amount of federal funds to City of Sacramento federal transportation project to complete the funding swap.

SACOG transferred ownership of bike racks in the cities of West Sacramento and Davis to each city in 2020 and 2021, respectively. The private company Lime assumed liability for and maintained the bike racks installed in Sacramento as part of their shared agreement with SACOG on behalf of the cities. The agreement between SACOG and Lime ended in 2023, and SACOG now has ownership of the bike racks and maintenance responsibility through the encroachment permit.

The City of Sacramento and SACOG have been working on an acceptable agreement to transfer the bike racks within the city. While the bike racks transferred to West Sacramento and Davis were accepted as-is, Sacramento needs to remove and reinstall several of their racks before accepting ownership to address ongoing maintenance requirements without a sponsor, address areas with bike parking demand, and improve pedestrian, bicyclist, and motorist safety. The City estimates that this work would cost \$75,000 but will not know the exact costs until they conclude the contract bidding.

#### **Discussion/Analysis:**

SACOG planned to use the federal project funds to support Sacramento's bike rack removal and reinstallation through a fund swap, as was used for the initial installation. However, not all the work is eligible for the available funds the City can swap from their Capital Improvement Plan (CIP). Through collaborative discussion with the City of Sacramento and Sacramento Transportation Authority, the financial steward for Measure A funds in the city's CIP and used for city maintenance projects, staff determined that different subsets of Measure A funds would be eligible for bike rack removal and bike rack installation.

The funds used in the City's CIP include eligibility for bike rack installation. The SACOG Managed Fund (SMF) includes the subset of Measure A funding that includes bike rack removal as an eligibility. Both funding types will be needed to complete the work to finish this phase of bikeshare work.

Per SACOG Fund Balance Policy, board approval is required to use SMF unassigned fund balance for a project. Since the exact costs will not be known until the City bids the contract, staff requests the board to approve the use of up to \$75,000 of SMF for this project. Staff will update the totals to the amount used on bike rack removal following the completion of the bid by City of Sacramento staff. The City will then use their funds that can cover bike rack installation to complete the work, which SACOG will swap with federal funds from the project budget.

The use of SMF enables the City of Sacramento and SACOG to complete the transfer of ownership of bike racks and complete the phase of the bikeshare pilot.

The Transportation Committee approved the staff recommendation following a discussion of how the transfers of ownership were conducted with the cities of West Sacramento and Davis. Staff shared that those cities did not need to move any bike racks from their original locations, in contrast to the City of Sacramento needing to for safety concerns and maintenance hazards. In response to a question about the cost estimate, City of Sacramento staff addressed the committee to share how their cost estimate was developed for the agreement with SACOG. Committee members also sought clarification about why the City of Sacramento's bikeshare bike rack ownership transfer was taking place three years after the cities of West Sacramento and Davis accepted ownership of their cities' racks. SACOG staff explained that the micromobility vendor maintained and assumed liability of the Sacramento bike racks until the end of 2023, leading to a 2024

transfer of ownership agreement.

**Fiscal Impact/Grant Information:**

Regional Bikeshare is an element in the Overall Work Program and is included in the budget. The \$75,000 of SACOG Managed Funds is unassigned as of the writing of this staff report.

**List of Attachments:**

Not applicable