



Approve Bike Share Contract Amendment

Consent

Prepared by: Sabrina Bradbury

Attachments: Yes

Approved by: James Corless

Referring Committee: Transportation

1. Issue:

Consideration of an amendment to the Bike Share Program Agreement between the Sacramento Area Council of Governments (SACOG) and Lime for a one-year pilot in the City of Davis.

2. Recommendation:

The Transportation Committee unanimously recommends that the board approve an amendment to the Bike Share Program Agreement with Lime and delegate authority to the Executive Director to finalize and execute the contract amendment.

3. Background/Analysis:

In November 2020, the SACOG Board of Directors approved an amendment to the Bike Share Program Agreement with Lime to continue bike share operations in Sacramento and West Sacramento. A key aspect of that contract amendment took into consideration that the economics around bike share systems were uncertain, and the market was sorting out a sustainable business model. As part of the amendment, Lime and SACOG agreed to a cost and revenue sharing deal that was based on an understanding that Lime's scooter operations would also partially subsidize the bike share system. At the time of the amendment, the City of Davis was interested in exploring options for a bike-only system and/or a system that would include strong parameters for scooter pilot to address concerns associated with scooter parking and sidewalk riding.

Since that time, SACOG has worked with the city/regional partners to explore options for a relaunch of bike share in Davis, while also examining other options for bike share in the region, all with the objective of informing decisions on a path forward for a more sustainable bike share system in the region.

4. Discussion/Analysis:

After much discussion, negotiation, and iteration, the PSC brings a recommendation to this committee for an amendment to the Program Agreement that outlines terms for a one-year bike share and scooter share (shared micromobility) pilot in Davis. There is still much that is unknown about the economics of bike share and what ridership will look like in the future as many offices continue to offer telework and hybrid options. However, the University of California – Davis has fully returned to in-person courses and this pilot program will allow city and regional partners to gauge the interest of students and residents in a shared micromobility system that is larger than ever before.

The terms of the amendment are outlined in Attachment A. The terms of the pilot include:

- A fleet of 500 bikes and 300 scooters
- Rider pricing packages that bring the per-trip cost down to \$0.12 - \$0.14 per minute, or free for those who qualify through the low-income program
- Strong service level agreements around the operations and management of devices to address concerns regarding parking, safety, and operator accountability
- No subsidy required
- Data sharing and reporting requirements that will allow SACOG and partners to evaluate the efficacy of the pilot
- A limited one-year term that includes a termination clause that gives the city authority to cancel the pilot at any point This amendment will allow the City of Davis to relaunch bike share and test scooter share.

The goal of this amendment is to provide an option to relaunch bike share in the near term and collect more information about ridership, revenues, and costs in current and post-pandemic market conditions while partners continue to explore the longer-term delivery models in shared micromobility for the region's residents. This pilot will also provide us information about the level at which we may or may not need to subsidize bike share over the longer term. The amendment would cover a one-year period, with an option for Davis to extend or terminate the pilot at any point.

If the SACOG board approves this contract amendment, the terms will move through the City of Davis for final approval before launching the pilot program.

5. Fiscal Impact/Grant Information:

The SACOG board awarded \$3.9 million for the regional bike share project. This action would not make any changes to the existing approved budget and expenditures.

6. This staff report aligns with the following SACOG Work Plan Objectives:

Goal 2 : Connected Communities

Objective 2: Support innovative mobility options that develop equitable, accessible transportation options for all residents.

Objective 3: Prioritize cost-effective transportation investments that enhance mobility while improving safety, air quality, and the condition of transportation infrastructure and assets.