



CITY OF LONG BEACH
DEPARTMENT OF PUBLIC WORKS

R-28
REVISED

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March 13, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute an agreement with Social Bicycles, Inc., of Brooklyn, NY, and any necessary amendments, for the purchase of bicycles, station racks, and associated parts and equipment for the expansion of the Long Beach Bike Share Program, in an amount not to exceed \$1,500,000, for a period of three years, with the option to renew for two additional one-year periods, at the discretion of the City Manager; and,

Increase appropriations in the Transportation Fund (SR 182) in the Public Works Department (PW) by \$1,500,000, offset by Proposition A funds available. (Citywide)

DISCUSSION

City Council approval is requested to adopt a Resolution authorizing the City Manager, or designee, to execute an agreement with Social Bicycles, Inc. (SoBi) for the purchase of new bicycles and associated equipment to expand the Long Beach Bike Share Program (Program) into the communities of North Long Beach, Bixby Knolls, and Wrigley. The City developed and established the Program in March 2016 and has had success with over 22,000 members taking 106,800 bike trips and accumulating 277,600 miles ridden in the past two years.

A Request for Proposals (RFP) is in progress to solicit and award a contract with a permanent Operations and Maintenance (O & M) provider who will continue to maintain the Program and assist the City with expansion of the system into North Long Beach, and eventually citywide.

SoBi operates a proprietary system of dockless bicycles and associated backend software (system) that are utilized locally in Long Beach, Beverly Hills, West Hollywood, Santa Monica, and on the UCLA campus. The system is also utilized in San Francisco, CA; Washington, D.C.; Tampa, FL; Atlanta, GA; Long Beach, NY; Portland, OR; and over two dozen other cities across the country. SoBi continues to grow and expand their system throughout the nation and is in the process of launching new systems in Sacramento and Santa Cruz, CA; New Orleans, LA; and Eugene, OR.

The system is made available to the public through memberships sold on the kiosks, via a mobile application, or on the Long Beach Bike Share website. Once a member, the bicycles are accessible by entering a personal code on the bicycle's touch pad, unlocking the bicycle, and taking it for a ride. The bicycle can be returned anywhere within the network (all stations are delineated on the Program website or mobile app), or locked outside of a station for a small fee.

The City's membership fees are offered at a rate consistent with other bike share systems in the region and fees are intended to offset the costs of operation and maintenance.

To expand the system, additional bicycles, kiosks, and station racks need to be ordered. Site selection for the stations will need to take place over the course of several months. It is expected once the bicycles and equipment are ordered, it will take the vendor six months to manufacture and ship to Long Beach. If approved, staff will work with the vendor to immediately process an order in anticipation of having the bike share system expansion in place before summer of 2019.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

A sole source exception is requested for contracting with Social Bicycles, Inc., as compatible bicycles are only available from this vendor. Each bicycle carries a proprietary, on-board computer and cell phone that links each bicycle to the solely-owned SoBi network software and operating system. Therefore, no useful purpose would be served by advertising for bids, and to do so would be an unnecessary expenditure of City resources.

This matter was reviewed by Deputy City Attorney Amy R. Webber on February 15, 2018 and by Budget Analysis Officer Julissa Jose-Murray on February 27, 2018.

TIMING CONSIDERATIONS

City Council action is requested on March 13, 2018, to ensure the agreement is in place to allow for the ordering and delivery of equipment in a timely manner.

FISCAL IMPACT

The total estimated cost for the agreement with Social Bicycles, Inc., for the purchase of bicycles, station racks, and associated parts and equipment is \$1,500,000 for a period of three years. Approval is requested to increase appropriations in the Transportation Fund (SR 182) in the Public Works Department (PW) by \$1,500,000, offset by Proposition A funds available. There is no local job impact associated with this recommendation.

SGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG A. BECK
DIRECTOR OF PUBLIC WORKS

CB:MM:jc

APPROVED:



PATRICK H. WEST
CITY MANAGER

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE A CONTRACT WITH SOCIAL
6 BICYCLES INC., WITHOUT ADVERTISING FOR BIDS, TO
7 PURCHASE BICYCLES, STATION RACKS, AND
8 ASSOCIATED PARTS AND EQUIPMENT FOR THE
9 EXPANSION OF THE LONG BEACH BIKE SHARE
10 PROGRAM, IN AN AMOUNT NOT TO EXCEED \$1,500,000
11 FOR A PERIOD OF THREE YEARS, WITH AN OPTION TO
12 RENEW FOR TWO ADDITIONAL ONE-YEAR PERIODS
13

14 WHEREAS, in March 2016, the City of Long Beach developed and
15 established a bike share program; and

16 WHEREAS, the City has had success with over 22,000 members taking
17 106,800 trips and accumulating 277,600 miles ridden since its start; and

18 WHEREAS, the City would like to expand the Long Beach Bike Share
19 Program (the "Program") into the communities of North Long Beach, Bixby Knolls, and
20 Wrigley; and

21 WHEREAS, to expand the Program, additional bicycles, kiosks, and station
22 racks need to be purchased; and

23 WHEREAS, Social Bicycles Inc. (SoBi) operates a proprietary system of
24 dockless bicycles and associated backend software; and

25 WHEREAS, compatible bicycles are only available from SoBi since each
26 bicycle carries a proprietary, on-board computer and cell phone which links each bicycle
27 to the solely-owned SoBi network software and operating system and, as a result, no
28 useful purpose would be served by advertising for bids and to do so would constitute an

1 idle and useless act and an unnecessary expenditure of public funds;

2 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
3 follows:

4 Section 1. The City Manager is hereby authorized to enter into a
5 Contract with Social Bicycles Inc., without advertising for bids, to purchase bicycles,
6 station racks, and associated parts and equipment for a period of three (3) years, with the
7 option to renew for two (2) additional one-year periods in an amount not to exceed One
8 Million Five Hundred Thousand Dollars (\$1,500,000), including tax.

9 Section 2. This resolution shall take effect immediately upon its adoption
10 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

11 I hereby certify that the foregoing resolution was adopted by the City
12 Council of the City of Long Beach at its meeting of _____, 2018
13 by the following vote:

14
15 Ayes: Councilmembers: _____

16 _____

17 _____

18 _____

19 Noes: Councilmembers: _____

20 _____

21 Absent: Councilmembers: _____

22 _____

23 _____

24 _____

25 _____

City Clerk

26 _____

27 _____

28 _____