

# R-17

March 16, 2021

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any documents necessary including any necessary amendments, with Pedal Movement, LLC, of Long Beach, CA, for the operation and maintenance of the BikeShare Program, in an annual amount of \$1,796,525, with a 15 percent contingency in the amount of \$269,479, and for the operation of the GoActiveLB Hub, in an annual amount not to exceed \$34,800, for a total annual contract amount not to exceed \$2,100,804, for a period of 33 months ending on September 30, 2023; and, authorizing the City Manager, or designee, to execute a contract, with Pedal Movement, LLC, for the refurbishment of 1,007 bicycles acquired from the City of New Orleans, LA and City of Santa Monica, CA, for the expansion of the BikeShare fleet, in an amount not to exceed \$872,911, for a period of two years. (Citywide)

## DISCUSSION

City Council approval is requested to enter into two contracts with Pedal Movement, LLC (Pedal Movement), for the operation and maintenance of the City's BikeShare Program (Program), operation of the GoActiveLB Hub, and the refurbishment of additional bicycles.

On January 22, 2019, the City Council authorized Contract No. 35241 with Pedal Movement, for the operation and maintenance of the Program, in an amount not to exceed \$1,410,642, for two years with the option to renew for three additional one-year periods. In July 2019, and again in October 2019, the City purchased additional bicycles from the City of West Hollywood. In response to the program's expansion, on February 18, 2020, the City Council authorized an amendment to the Pedal Movement contract for the operation and maintenance of the expanded Program to increase the contract amount by an additional \$707,250, for a revised total annual amount not to exceed \$2,117,892.

On March 17, 2020, the City Council authorized the purchase of 500 additional bicycles from MobilityCloud, Inc., in an amount not to exceed \$225,000. These bikes were made available by the City of New Orleans. In December 2020, the City of Santa Monica discontinued its bike share program and donated its 493 bicycles to the City at no cost other than that required to relocate and refurbish the bicycles. While some cities have discontinued their bike share program, other cities are expanding them. In Long Beach, Proposition A Metro funding provides a unique opportunity to further expand the program without the use of any General

Fund dollars. Staff is also exploring operational changes (like reducing certain membership costs) to increase ridership and accessibility, especially in underserved areas.

The expansion to just over 1,400 bicycles will require Pedal Movement to manage a bicycle fleet size that is triple the size of the current one. Each BikeShare bicycle will also require new 4G controllers installed by Pedal Movement to replace the outdated 3G controllers. This, combined with the additional Hubs and BikeShare bicycles placed throughout each of the nine Council Districts, will significantly impact Pedal Movement's daily operations and maintenance of the program. The current contract with Pedal Movement for the operation and maintenance of the Program and operation of the GoActiveLB Hub expired on December 31, 2020. The original intent was to extend the contract, but with the Program's continued growth, a new contract is desired at a substantially reduced per-unit cost and an extensively revised scope, effective January 1, 2021. The contract period of 33 months ending on September 30, 2023, is also being proposed to coincide with the City's fiscal year to ensure the funding is accounted for in the proposed Capital Improvement Program (CIP) budget process.

The further development of this Program through this contract will provide an opportunity to continue the geographic expansion of the Program into underserved areas. City staff and Pedal Movement are working on a plan to increase Hubs across Long Beach. Additionally, the Program's expansion advances the City's goals for increasing bicycle riding throughout Long Beach and supports the use of the City's expanding bicycle network, which is in direct alignment with the City's Bicycle Master Plan. The City is committed to the continuation and expansion of the Program due to its public health and recreation benefits and to reduce motor vehicle trips, which reduces traffic congestion and greenhouse gas emissions, consistent with the goals and policies of the City's Mobility Element and Climate Action and Adaptation Plan.

The Program provides a valuable service and amenity to residents and visitors. Users rely on the Program for safe, active, and convenient travel for work and leisure trips. Since the launch of the Program in 2017, the membership has increased each year. Table 1 shows the annual number of active members and increase in membership. Table 2 provides annual trip data since 2017, including number of trips and total miles traveled. Table 3 shows the revenue generated through the Program for each fiscal year.

Table 1: Membership Data

<b>Year</b>	<b>Active Members</b>	<b>Increase in New Memberships Over Previous Year</b>
2017	19,253	First year of the program
2018	30,280	11,027 (57% increase)
2019	39,969	9,689 (32% increase)
2020*	46,110	6,141 (15.3% increase)
2021	47,618	1,508 (3.2% increase to date)

Table 2: Trip Data

Year	Trips	Miles Traveled	Bike Utilization (trip/bike/day)	Carbon Emissions Reduced	Calories Burned
2017	73,577	190,537	0.52	168,019 lbs.	7,621,465
2018	76,617	205,458	0.63	181,177 lbs.	8,218,324
2019	50,335	149,727	0.4	132,032 lbs.	5,989,089
*2020	25,169	79,538	0.16	70,138 lbs.	3,181,502
2021	5,998	21,035	0.16	18,549 lbs.	841,382

\*The BikeShare Program was non-operational for 4 months in 2020 due to the COVID-19 pandemic (3/30 through 7/27).

Table 3: Revenue Data

Fiscal Year	Approximate Annual Revenue
2018	\$320,537
2019	\$216,234
2020*	\$117,017
2021**	\$75,956
Total	\$729,744

\*Operational challenges led to a decrease in 2020, but those challenges have been resolved

\*\*FY 21 as of 02/28/2021

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 new contract with Pedal Movement including the proposed expanded scope of work will ensure the Program and GoActiveLB Hub continue to serve residents, employees, and visitors without disruption.

This matter was reviewed by Deputy City Attorney Amy R. Webber on February 11, 2021, Business Services Bureau Manager Tara Yeats on February 12, 2021, and by Budget Management Officer Rhutu Amin Gharib on February 26, 2021.

**TIMING CONSIDERATIONS**

City Council action to adopt a Resolution and award a contract concurrently is requested on March 16, 2021, to ensure the contract is in place expeditiously.

**FISCAL IMPACT**

The annual contract amount for the operation and maintenance of the Program will be \$2,066,004, inclusive of a 15 percent contingency, and \$34,800 for the operation of the GoActiveLB Hub, for a total annual contract amount not to exceed \$2,100,804, for a period of 33 months. The total one-time contract refurbishment costs will not exceed \$872,911 with sufficient appropriations currently budgeted in Proposition A in the Capital Projects Fund group, and sufficient appropriations for the GoActiveLB Hub are currently budgeted in

HONORABLE MAYOR AND CITY COUNCIL

March 16, 2021

Page 4

Proposition C in the Capital Projects Fund group in the Public Works Department. In addition, sufficient appropriations for the operations contract for the first 9 months are currently budgeted in Proposition A in the Capital Projects Fund group in the Public Works Department. The remaining 24 months will be budgeted as part of the annual budgeting process in Proposition A Capital Projects Fund group in the Public Works Department. No General Fund dollars are expended on the Program. Since January 1, 2019, \$409,207 in revenue was generated. Now that the Program has been in operation for several years and with the new contract terms and increase in bicycles, staff estimates that the Program will generate \$300,000-400,000 annually. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



ERIC LOPEZ  
DIRECTOR OF PUBLIC WORKS

APPROVED:



THOMAS B. MODICA  
CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH PEDAL MOVEMENT, LLC, FOR THE OPERATION AND MAINTENANCE OF THE BIKESHARE PROGRAM AND OPERATION OF THE GO ACTIVE HUB IN AN ANNUAL AMOUNT OF \$1,796,525; AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH PEDAL MOVEMENT, LLC, FOR THE REFURBISHMENT OF 1,007 BICYCLES ACQUIRED FROM NEW ORLEANS AND SANTA MONICA, FOR THE EXPANSION OF THE BIKESHARE FLEET, IN AN AMOUNT NOT TO EXCEED \$872,911

WHEREAS, on January 22, 2019, the City Council authorized a contract with Pedal Movement, LLC , for the operation and maintenance of the City's BikeShare Program (Program); and

WHEREAS, the existing Program, launched in March 2016, has continued to grow in popularity and currently has over 45,000 active members; and

WHEREAS, in November 2019, the Program area expanded to operate Citywide with the inclusion of ten new BikeShare Hubs installed along the Daisy/Myrtle Bicycle Boulevard; and

WHEREAS, further expansion of this Program will provide an opportunity to continue the geographic expansion into previously underserved areas and advances the City's goals of increasing bicycle riding throughout Long Beach and supports the use of the City's expanding bicycle network, which is in direct alignment with the City's Bicycle Master Plan; and

1           WHEREAS, the City is committed to the continuation and expansion of the  
2 Program due to the public health and recreation benefits and to the reduction in motor  
3 vehicle trips, which reduces traffic congestion and greenhouse gas emissions, consistent  
4 with the goals and policies of the City's Mobility Element and Climate Action and  
5 Adaptation Plan; and

6           WHEREAS, in July 2019, and again in October 2019, the City purchased  
7 bicycles from the City of West Hollywood; on March 17, 2020, the City purchased 500  
8 bicycles from the City of New Orleans; and in December 2020, the City of Santa Monica  
9 donated 493 bicycles to the City at no cost other than that required to relocate and  
10 refurbish them; and

11           WHEREAS, the expansion of the Program to 1,400 bicycles will require the  
12 Consultant to manage a bicycle fleet size that is triple the size of the current one; and

13           WHEREAS, Consultant has been operating the Program and the  
14 GoActiveLB Hub for two years and has the capacity and expertise to continue to operate  
15 the Program to serve residents, employees, and visitors without disruption; and

16           WHEREAS, no useful purpose would be served by advertising for bids and  
17 to do so would constitute an idle and useless act and an unnecessary expenditure of  
18 public funds;

19           NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
20 follows:

21           Section 1.   The above recitals are true and correct and are incorporated  
22 herein.

23           Section 2.   The City Manager is hereby authorized to enter a contract  
24 with Pedal Movement, LLC, for the operation and maintenance of the BikeShare Program  
25 in an annual amount of One Million Seven Hundred Ninety-Six Thousand Five Hundred  
26 Twenty-Five Dollars (\$1,796,525) with a fifteen percent (15 %) contingency in the amount  
27 of Two Hundred Sixty-Nine Thousand Four Hundred Seventy-Nine Dollars (\$269,479);  
28 and for the operation of the Go Active Hub in an annual amount not to exceed Thirty-Four

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
411 West Ocean Boulevard, 9th Floor  
Lona Beach, CA 90802

1 Thousand Eight Hundred Dollars (\$34,800), for a total annual contract amount not to  
2 exceed of Two Million One Hundred Thousand Eight Hundred Four Dollars (\$2,100,804),  
3 for a period of two (2) years nine (9) months.

4 Section 3. The City Manager is hereby authorized to enter a contract  
5 with Pedal Movement, LLC for the refurbishment of one thousand seven (1,007) bicycles  
6 from New Orleans, Louisiana and Santa Monica, California for the expansion of the  
7 BikeShare fleet, in an amount not to exceed Eight Hundred Seventy-Two Thousand Nine  
8 Hundred Eleven Dollars (\$872,911), for a period of two (2) years.

9 Section 4. 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 \_\_\_\_\_, 2021  
13 by the following vote:

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15 Ayes: Councilmembers: \_\_\_\_\_

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18 \_\_\_\_\_

19 Noes: Councilmembers: \_\_\_\_\_

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21 Absent: Councilmembers: \_\_\_\_\_

22 \_\_\_\_\_

23 Recusal(s): Councilmembers: \_\_\_\_\_

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City Clerk

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