CITY OF SMYRNA
PURCHASING DEPARTMENT
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TO: Steve Ciaccio, Director, Parks & Recreation
             Tammi Saddler Jones, Assistant City Administrator

FROM: Penny Murphy, Purchasing Manager

DATE: June 3, 2015

SUBJECT: Recommendation – RFI 15-I Bike Share Program Information

The City of Smyrna requested information from nine organizations that provide Bike Share programs for private and public sector entities throughout the USA and other countries. This information was gathered to determine which company might be the best fit for a Bike Share program in Smyrna.

The companies were asked specific questions about how their programs operate and were asked to provide a "ball park" financial scenario based upon the program proposed by Smyrna in the RFI. Based on comparison of the three responses received, it is evident that Zagster is the company offering a program that fits the City's proposed program and requiring less financial and human capital commitment.

A comparison table of the responses is attached to this recommendation. This shows the types of programs offered and an approximation of startup costs to the City. Zagster is the only respondent who will own and maintain the bicycles, provide a website (software) and replace the bicycles every three years at a minimum. This program offers the lowest cost and risk to the City.

It is the recommendation of the Purchasing Department that the City negotiate a contract with Zagster, Inc. for the proposed Bike Share program of 16 bikes at four stations. The Master Services Agreement and Order provided will be reviewed by the City Attorney's office.

Please prepare any necessary paperwork to present to Mayor and Council for approval. We will then prepare a Purchase Requisition and complete contract work/purchase order for any upfront costs associated with the services to launch the Bike Share program in the City.

BikeShare Programs
Comparisons from Request for Information Submissions

From the information received from three Bike Share supplier/partners, it appears Zagster is the best fit for Smyrna's program. It requires less startup funds, is scalable with total web and mobile interfaces and website. Zagster provides ongoing maintenance with trained mechanics and replaces the bikes every three years. Zagster rebalances the fleet weekly. The City should not need any human capital to make this program successful.

Zagster	B-cycle	CycleHop/Social Bicycles
Pricing not considered. This was not a bid but asked for ballpark for comparable program. Considerably less upfront capital. Proposed $52,240 for two year term total, which includes $110 per month per bike (add $25 for insurance per bike)	Pricing not considered. This was not a bid but asked for ballpark for comparable program. Proposed $102K as upfront capital; annual web based enterprise software fee $125.00 per dock. Initial program for 204 docks or $25,500 annual and $30.00 monthly charge per station to third party connectivity provider (4 stations = $120 per month).	Pricing not considered. This was not a bid but asked for ballpark for comparable program. Proposed $1500 per month per station with 10 bikes per station. (@ 4 stations = $6,000 per month or $72K annual cost) (more bikes per station that we requested) Suggested a Stop & Shop location (2 racks, no bikes) for $100 per month per location. Minimum term 36 months; 3 months upfront payment required Implementation fee: $10,000 which includes branding and website
Owns the bikes, racks and programs; leasing scenario; replaces bikes every 3 years.	City would own bikes, racks, cards, etc. but must run program. B-cycle provides proprietary bike sharing software including digital platform with customizable community website; back-end operations management & reporting of website; self-	System branding is unique to City; operates under many brand names. A-Z program including planning, equipment, operations. Regional presence with contract with City of Atlanta;

	service bike rental at Kiosks for short term rentals; dock based for members with B-cards; no kiosk. Offers virtual kiosks for events; mobile applications. MF-RFID technology at kiosks.	customers could use both systems with same membership card. Provides planning, funding, equipment selection, implementation, operations, marketing, sponsorship sales, and regional expansion.
Annual Membership fee of $20-$30 per customer recommended for City with memberships created via website or mobile apps; no kiosks	BCycle's proprietary software allows flexible pricing structures the City could adjust. System reciprocity so members can use other Bike Share programs in other locales.	Did not include membership info. But did mention membership reciprocity for regional programs.
Contract in place by June 19th to launch program in Mid-July	Timeline indicated a late autumn launch (five months planning and implementation)	Implementation of 90 days indicated for a system the size of the City's
Proposal states: "If membership, usage and late fees are applied to your program, Zagster will provide reports of fees collected, and remitted 93% of all revenue back to the City on a quarterly basis" Does this mean the City gets some of the revenue? ANSWER: Yes. If the City elects to charge for annual memberships, for usage overage or late fees, then we would receive 93% of the funds collected by Zagster. The 7% is an administrative fee for handling.	City would run the program. Revenue goes to City but must recoup initial investment and annual investments to realize actual revenue. Suggests local nonprofit to manage the program and outsourcing the customer operational call center minimizing the number of people hired to manage the program.	Needs an operator; sells sponsorships to offset operator costs. City of Atlanta created a position to run their program. Unclear about any revenue sharing and who gets the fees.
Assists with site selection and implementation. Sites need power source for geofencing of bikes.	Also assists with site selections. Site stations can be solar, AC or battery operated; double lock systems; three station types of bolted or heavier non bolted bases.	Assists with site selection and sponsorship sales, along with other services at start up. No electricity needed.
Co-branded, customizable site and mobile experience. Co-branded elements include website URL (Zagster.com/Smyrna), City's logo, panoramic banner, intro	Stations may be customized using decals on kiosk and ad/map module. Bikes are Trek made and adjustable for persons 5' to 6'2" tall. Several locations	Provides: Smart Bikes, docking points, base plates, info panels, kiosk, helmet dispensing kiosk; user and

video, location maps, real time pricing, site FAQs and email branding. Use Fuji Breezer Uptown 26" bikes. 7 gears Provides website with helmet partner to purchase.	on bikes for advertising, sponsorships, etc.	administration web/mobile applications. Kiosks are optional. Uses Dutch-frame bikes; 3 or 8 speed; Shimano Nexus.
Kryptonite locking hardware, Integrated lock holster to prevent lock loss Tracks bikes using mobile app and geofence technology. Tracks the start and end of each trip with cellular location services which can be turned off by user. Geofence surrounds each docking station and sends back info on number of bikes at each station.	Built-in Kryptonite cable lock and theft deterrent hardware	Smart Bikes with built in RFID/GPS and locking mechanism in the bikes. Can be locked to any bike stand. Can be tracked anywhere they are docked.
Rebalances bike units weekly, if necessary. Performs all maintenance including preventive and reactive, using trained local bike maintenance professionals. (ZCM team) They are dispatched by home office with internal mobile communications. Free replacement parts.	One year parts and service warranty on station equipment; one year parts warranty on bike parts; five year warranty on bike frame. Recommends replacing every 10 years (useful life).	Unsure about warranty on hardware. Or maintenance.
Provides bike distribution and rebalancing		Bikes are totally trackable and that can be used for rebalancing.
Customer Service support and Customer Feedback on local level.	Works with operators on Tier 1 station troubleshooting, elevate service requests and answer any questions a customer may have regarding a B-Station; answers software questions a user or operator may have and can provide additional training.	
Freestanding stations can be easier to relocate. Virtual stations.	Stations can be easily added/removed and entire stations can be easily relocated without the need of cranes or mechanical equipment.	Can be free standing or bolted.