



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/7/2021

ALL

Item Creation Date: 11/22/2021

E25805.A2 – Houston B-Cycle Bike Station Kiosks, Software and Bicycles --
ORDINANCE (B-Cycle LLC)

Agenda Item#: 32.

Background:

S10-E25805.A2 - Approve an amending ordinance authorizing a second amendment to Contract No. 4600014077 between the City of Houston and B-Cycle LLC (approved by Ord. No. 2016-0966 on December 7, 2016, as amended by Ord No. 2019-0971 on December 4, 2019) to extend the contract term from December 18, 2021 to June 30, 2022 and to increase the spending authority from \$4,604,172.40 to \$4,748,472.40 for B-Cycle Bike Kiosk Stations, Software, and Bicycles for the Planning & Development Department.

Specific Explanation:

The Director of the Planning & Development Department and Chief Procurement Officer recommend that City Council approve an amending ordinance authorizing a second amendment to the contract between the City of Houston and **B-Cycle LLC** to extend the term from **December 18, 2021 to June 30, 2022** and to increase the authority from **\$4,604,172.40 to \$4,748,472.40** for B-Cycle Bike Kiosk Stations, Software, and Bicycles for the Planning & Development Department.

The original contract was awarded on December 7, 2016 by Ordinance No. 2016-0966 for a three-year term in the original amount of \$4,083,003.00. This contract was subsequently amended on December 4, 2019 by Ordinance No. 2019-0971 to increase the spending authority by \$521,169.40, extend the contract to December 18, 2021, and for implementing 26 additional bike kiosk stations and purchasing of 199 bicycles for kiosk stations. Expenditures as of November 22, 2021 totaled \$4,594,260.20.

The current contract scope of work originally required the contractor to provide all required supervision, labor, materials, tools, equipment, insurance, transportation and expenses necessary for the purchase and installation of 71 bike kiosk stations and 568 bicycles, as specified in the Advanced Funding Agreement with TxDOT. In year-2016, the City was awarded \$3.7 million in federal grant dollars to assist in funding the expansion of the existing City bike-share program known as Houston B-Cycle. The City's PDD sponsored an application for a grant from the Federal Highway Administration, where the grant reimbursed the City for \$3.5 million for the cost of expanding the system. Houston Bike Share, a local nonprofit that administers Houston B-Cycle, provided the remaining \$880,000.00.

To date, the City and Houston Bike Share have worked together to purchase and install 95 B-Cycle stations and 753 bikes. Grant funded stations are available in 22 neighborhoods and ridership is steadily increasing. This contract extension and spending authority increase are necessary to purchase the last two stations and 14 bikes required by the AFA with TxDOT. The requested increase in spending authority is needed to match the amount of funding available through the Transportation Improvement Program (TIP) grant. The extension of the contract with B-Cycle LLC is needed to complete the final purchase of equipment.

Historically, in year-2012, a group of volunteers worked with the City of Houston to establish Houston Bike Share, a 501(C)(3) non-profit organization, to operate the City's bike-share program through the current bike-share contractor (B-Cycle LLC) to furnish and install the initial kiosk stations and bicycles for the bike-share demonstration system. After launching this "pilot" program, the system grew to more than 33 bike stations and a fleet of 225 in 2016 bikes within the City. The expansion brought bike sharing into the Texas Medical Center, and by the end of 2019 there were 14 stations and 107 bicycles. The stations serve Houston's students, with 22 new stations and 229 bicycles at the University of Houston Main Campus, Texas Southern University, UH-Downtown, and Rice University.

In the effort to expand the City's bike-share program in a seamless 100% integrated solution, the City selected to contract with the incumbent provider, B-Cycle LLC, who is owner of the existing proprietary software, bike design, dock design and kiosk technology. For this reason and upon conducting a cost analysis, it was determined that these bikes and added bike kiosk stations, if purchased from other competitors, would not be able to communicate or dock with the existing equipment, of which 95% is owned by the City. It was also deemed cost-prohibitive to uproot and replace all the existing 33 stations with another competitor's versions and models of bike kiosks stations and software. As is, the current bikes interface into the kiosk through a proprietary docking system. Only B-Cycle LLC bicycles fit into a B-Cycle dock. Other off-the-shelf competitor bicycles could not physically dock into a B-Cycle kiosk station. Additionally, all other competing vendors use their own proprietary design, and no two vendors' bicycles are compatible with other bike-share vendors' docks. Lastly, other competitors' software technology cannot interface with the existing bike-share system, and for security measures, B-Cycle LLC utilizes proprietary software and Radio Frequency Identification Devices (RFID) for bicycles, which is essential for communicating with the stations.

M/WBE Participation:

M/WBE Zero-Percentage Goal Document approved by the Office of Business Opportunity.

Fiscal Note:

No Fiscal Note is required for grant items.

11/29/2021

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Jerry Adams
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Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

11/29/2021

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Department Approval Authority

Estimated Spending Authority			
DEPARTMENTS	FY2022	OUT YEARS	TOTAL
Planning & Development	\$144,300	\$0.00	\$144,300

Prior Council Action:

Ordinance No. 2019-0971, passed on December 4, 2019

Ordinance No. 2016-0966, passed on December 7, 2016

Amount and Source of Funding:

\$ 32,448.80 – Local Pass Through Fund (5030)

\$111,851.20 – Other Government Fund (5040)

\$144,300.00

Contact Information:

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ATTACHMENTS:

Description	Type
Cover ltr Back-up E25805.A2	Backup Material
Cover Ltr Back-up, E25805.A1	Backup Material
Coversheet E25805.A1	Backup Material
Original Coversheet, Yr-2016	Backup Material
Original Coversheet Back-up, Yr-2016	Backup Material
ORD 2016-0966	Backup Material
Contract	Contract/Exhibit
MWBE Sole Source and Waiver	Backup Material
Certificate of Insurance, Endorse., AMB	Backup Material
Ownership Form	Backup Material
Certificate of Funds	Financial Information
Funding Form-B	Financial Information
Tax Log	Backup Material
1st Amendment	Budget/CM Amendment
ORD 2019-0971	Backup Material
Cover sheet	Signed Cover sheet