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MEMORANDUM

March 4, 2022

To: Dan Blankenship, RFTA
CC: Mike Yang and David Johnson, RFTA; Mirte Mallory, WE-cycle
From: Adrian Witte, Toole Design
Project: RFTA Regional Bikeshare Study

Re: RFTA/WE-cycle Interim Operating Framework for 2022

Given an agreement for the long-term implementation of the Regional Bikeshare Expansion Plan is not expected to be completed before Summer 2022, it is recommended that RFTA enter into an Interim Grant Agreement with WE-cycle to provide funding for bikeshare service in existing communities in 2022 and for planning service in Carbondale and Glenwood Springs.

The agreement will establish a budget and expected service levels (see below); identify the funds that RFTA will release in 2022; outline how funds will be disbursed and made available to WE-cycle; and identify reporting requirements. WE-cycle will be responsible for collecting funds from participating local jurisdictions for 2022 operations per their existing process.

It is recommended that RFTA establish an expectation amongst jurisdictions with existing service that 2022 is an interim year and that RFTA is funding the modernization and service enhancement costs. Local jurisdictions will be required to fund a 20% local match for new capital costs, but no additional operating contributions are required from local jurisdictions beyond what they have already budgeted. The objective is to put a Memorandum of Understanding in place by July of 2022 such that 2023 budgets can be completed per their local budget cycles and jurisdictions can prepare to pay their respective shares of their local bikeshare service.

Scope of Services for 2022

In 2022, WE-cycle will operate bikeshare services in Aspen (known as the Aspen System), Snowmass Village (known as the Snowmass Village Bikeshare Connector), Basalt, and the El Jebel area of unincorporated Eagle County and Pitkin County (known as the Mid-Valley System).

In addition to providing safe, reliable, healthy, and 24/7 bike transportation as a first- and last-mile connection to RFTA bus stops and as a car-independent mode for in- and around-town travel, WE-cycle will make the following enhancements to its service in 2022:

System-Wide Modernization:

- Upgrades & Repairs: Upgrade all existing station modems to meet 5G cellular requirements; repair select station hardware due to use or end of life; comprehensive inspection, repairs, and part replacements on all 227 pedal bikes (100 of which are 10 years old); upgrade website, sign-up portal, and rider account dashboard for compatibility with current software and API; absorb increased part and transport costs per current prices. These investments have been deferred as long as safe to do so and are now necessary repairs and upgrades to meet operating standards. They collectively reflect an approximately 5 times increase in maintenance and repair costs as compared to 2021.
- Increased staffing levels to meet system demands, service levels, and planning responsibilities:
    1. WE-cycle is adding the equivalent of 2 FTEs to the leadership / year-round team to align staffing with system requirements and to accommodate the increased system size. These individuals will allow WE-cycle to maintain and repair the existing equipment to required standards and complete the necessary outreach and planning associated with expanded service in existing communities and future service in Carbondale and Glenwood Springs.
    2. Increased local operating staff hours to operate and maintain the increased system size and complexity of both station and bike electrification.
    3. Increased staff compensation and benefits to meet industry standards and regional market rates in order to retain existing staff and attract new talent.
    4. These staffing adjustments collectively comprise an approximately 50% personnel cost increase as compared to 2021.
- **Aspen System:** The City of Aspen has invested in five new solar-powered e-stations, funded through a CMAQ grant and the City's local match which represents a 28% growth in system size to a total of 28. Three of the new stations will be located in the Maroon Creek Valley (Aspen Highlands, Aspen Recreation Center, and the Aspen School Campus) thereby extending the service area by approximately 1 mile. RFTA is funding 13 new e-bikes which doubles the e-bike fleet size bringing the total number of bikes to 146. Six existing station map panels will be replaced. After 10 years of use, the trailer for the electric balancing vehicle is being replaced. The Aspen System will operate from early May to end of October 2022.
- **Mid-Valley System:** RFTA has funded two new solar-powered e-stations which will be located at the Basalt Upvalley and Willits BRT stations which represents an 8% growth in stations to a total of 27. RFTA is funding 13 new e-bikes which doubles the e-bike fleet size and bringing the total number of bikes to 118. Twenty-four map panels will be replaced including at 14 stations in Town of Basalt, 8 stations in Eagle County, and 2 stations in Pitkin County. An electric balancing bike and trailer is being added to facilitate non-vehicle bike balancing in the Basalt area. The Mid-Valley System will operate from late-April to end of October of 2022.[1]
- **Snowmass Village Bikeshare Connector:** No expansions planned but the Snowmass System will benefit from the system-wide upgrades. Two existing station map panels will be replaced. Service will be available from early May to end of October 2022.
- **Carbondale:** With the support of both RFTA and the Town of Carbondale, WE-cycle will lead all planning, coordination, and community engagement with the intent to implement bikeshare in Carbondale in the

[1] NOTE: the Scope of Services does not include an extension of the operating season in the Mid-Valley System. This would require more local participation to do so. If the extension is desired it would need to be decided by August 2022.

spring of 2023. WE-cycle will work closely with a to be formed Carbondale Bikeshare Working Group consisting of an elected official, a jurisdiction staff member, a RFTA staff member, a member of the Bike-Ped Committee, and community members at-large including at least one Spanish-speaker. System infrastructure and operations will be funded per future agreements.

- **Glenwood Springs:** With the support of both RFTA and the City of Glenwood Springs, WE-cycle will lead all planning, coordination, and community engagement with the intent to implement bikeshare in Glenwood Springs in the spring of 2024. In 2022, WE-cycle will focus on initial outreach and system planning and engage a to be formed Glenwood Springs Bikeshare Working Group consisting of an elected official, a jurisdiction staff member, a RFTA staff member, a member of the Bike-Ped or Transportation Committee, and community members at-large including at least one Spanish-speaker. System infrastructure and operations will be funded per a future agreement.

Conceptual Carbondale Planning Schedule

The Interim Agreement anticipates WE-cycle taking the lead on planning and implementing a Carbondale bikeshare system in the spring of 2023. Below is a tentative schedule to realize this objective:

- May/June 2022 – RFTA / WE-cycle present the Regional Bikeshare Study and Carbondale's bikeshare system plan, anticipated system costs, and bikeshare overview to the Carbondale Board of Trustees. Meeting outcome goals:
    1. Gain Trustee support and Town commitment to facilitate planning, implementation etc.
    2. Give the Town the opportunity to participate at 20% of capital costs and 50% of operating costs.
- Summer 2022 – Convene a Carbondale Bikeshare Working Group and work on siting station locations and sizes.
- End of August 2022 – WE-cycle presents a refined system plan to Town of Carbondale Trustees.
- September 2022 – WE-cycle makes a supplemental budget request to the RFTA Board for a down payment on equipment.
- October 2022 to April 2023 – Continued system planning and preparations for system opening.
- Spring 2023 – System opening!

Conceptual Glenwood Springs Planning Schedule

The Interim Agreement anticipates WE-cycle taking the lead on planning and implementing a Glenwood Springs bikeshare system in the spring of 2024. Below is a tentative schedule to realize this objective:

- Summer 2022 – RFTA / WE-cycle present the Regional Bikeshare Study and Glenwood's bikeshare system plan and anticipated system costs, and bikeshare overview to the City Council. Meeting outcome goals:
    1. Gain Council support and City commitment to facilitate planning, implementation etc.
    2. Give the City the opportunity to participate at 20% or capital costs and 50% of operating costs.
- Fall 2022 – Convene a Glenwood Springs Bikeshare Working Group.
- 2023 – Focused community engagement and system planning.
- Spring 2024 – System opening!

Interim Funding

Per the Destination 2040 Plan, $1.271 million in capital and $550,000 annually (in 2020 and growing at 3% per year) was approved by voters for new bikeshare service in Carbondale and Glenwood Springs and expanded service in Aspen and Basalt.

Exhibit 1 shows detailed budgets for capital and operations and planning for 2022. It shows the breakdown of costs and funding by jurisdiction. RFTA's total 2022 Regional Bikeshare Expansion Expenditures are included in Exhibit 2 and show:

- RFTA's Capital Expenditures: $66,480
- RFTA's Administration, Operations, and Planning Expenditures: $728,000
- RFTA's Total 2022 Expenditures: $794,480*

* Note: inclusive of already budgeted funds

Capital

Capital costs in 2022 include the following new investments for system expansion:

- Aspen: Five e-charging stations that will be funded through a CMAQ grant; 13 e-bikes of which 50% of this cost was approved in Fall 2021 by the RFTA Board; 6 replacement map panels.
- Mid-Valley:
    - Two e-charging stations and 13 e-bikes (half of these assets will be located in each of the Town of Basalt and Pitkin County).
    - Twenty-four replacement map panels (14 in the Town of Basalt, 8 in Eagle County, and 2 in Pitkin County).
- Snowmass Village: Two replacement map panels.

New capital costs to expand the system in existing service areas will be funded at 80% from RFTA and a 20% local match from the local jurisdiction. RFTA will own the assets and jurisdictions will assign their portion of the use to RFTA.[2] This results in a capital budget request for RFTA funding in the amount of **$66,480** in 2022. Local jurisdiction match amounts are shown in Exhibit 1A and local jurisdictions will be invoiced directly by RFTA for these amounts in 2022. In 2023 and beyond, it is anticipated that the MOU being developed will include RFTA collecting funds from local jurisdictions to purchase assets that will be used by WE-cycle.

Aside for Carbondale System Start-Up:

Capital funding will also be required for the Carbondale system. It is recommended that the planning effort in Carbondale be kicked-off per the schedule above. WE-cycle will finalize an equipment order per the agreed-upon system plans and present a supplemental budget request to the RFTA Board to fund a 50% deposit on their portion of equipment for Carbondale prior to the September payment deadline, with the remainder of payment due upon equipment delivery in 2023.

[2] The long-term MOU would include language about reimbursement of local shares if, for some reason, the service is discontinued prior to the end of the assets' useful life.

Capital costs for the Carbondale system would include:

- Start-up Equipment: these are costs associated with purchasing redistribution vehicles and spare parts associated with new systems. The anticipation is that these would be funded 100% by RFTA.
- New capital: these are costs associated with purchasing and installing new bikeshare equipment including approximately 12 regular stations, 3 e-charging stations, 167 docks, 50 regular bikes, and 25 e-bikes. The anticipation is that these would be funded 80% by RFTA with a 20% local match.

Administration, Operations, and Planning

Operations and planning costs include:

- Administration and Operations: these costs include the compensation and benefits for staff, system-wide costs such as administration, insurance, marketing, system branding, professional services, supplementing the continuation of fare-free service, local operating costs such as vehicle maintenance, supplies, tools, operating software fees, rent and costs for a local office and operations center, seasonal install/uninstall of the system, etc.
- System planning costs: these costs include outreach, site planning, design, and permitting of new stations.

Exhibit 1B shows a breakdown of 2022 Administration, Operations and Planning costs by community and what portion of these funds go towards existing operations, service modernization, and service expansion. RFTA's total 2022 Regional Bikeshare Expansion Expenditures are shown in Exhibit 2.

Exhibit 2 shows a 2022 Administration, Operations and Planning Budget of **$728,000** that will be requested from the RFTA Board. This includes $190,000 that represents RFTA's current contribution to the existing system, plus an additional $538,000, which will be drawn from the already committed $619,000 that was identified for O&M in 2022 as part of Destination 2040. This will leave $81,000 ($619,000 minus $538,000) in the Destination 2040 O&M fund that can potentially be rolled over into 2023.

The following funding has also been committed by local jurisdictions and WE-cycle. No additional local commitments are required for 2022 operations:

- City of Aspen: $150,960 in 2022
- Town of Basalt: $30,000 in 2022
- Eagle County: $45,000 in 2022
- EOTC: $100,000 in 2022 (used to support service in the City of Aspen, Pitkin County, and the Town of Snowmass Village).
- WE-cycle: has committed to providing $186,000 in 2022 from system sponsorship.

Exhibit 1A: 2022 WE-cycle Bike Share Capital Budget

Item	Funding Source	Cost	2021 Funding	2022 Funding	Total Funding
		I. Expansion and Upgrades in Existing Communities			
Aspen					
E-charging stations (5 units)		$ 180,000			
E-bikes (13 units)		$ 34,500			
Replacement map panels (6 units)		$ 6,800			
Cost Subtotal		$ 221,300			
	CMAQ Grant		*$ 180,000*	*$ -*	*$ 180,000*
	Local Capital		*$ -*	*$ 8,260*	*$ 8,260*
	RFTA Capital		*$ 17,250*	*$ 15,790*	*$ 33,040*
Aspen Subtotal			***$ 197,250***	***$ 24,050***	***$ 221,300***
Pitkin County					
E-charging station + 6 e-bikes		$ 44,750			
Replacement map panels (2 units)		$ 2,300			
Cost Subtotal		$ 47,050			
	Local Capital		*$ -*	*$ 9,410*	*$ 9,410*
	RFTA Capital		*$ 22,375*	*$ 15,265*	*$ 37,640*
Pitkin County Subtotal			***$ 22,375***	***$ 24,675***	***$ 47,050***
Basalt					
E-charging station + 6 e-bikes		$ 44,750			
Replacement map panels (14 units)		$ 15,900			
Cost Subtotal		$ 60,650			
	Local Capital		*$ -*	*$ 12,130*	*$ 12,130*
	RFTA Capital		*$ 22,375*	*$ 26,145*	*$ 48,520*
Basalt Subtotal			***$ 22,375***	***$ 38,275***	***$ 60,650***
Eagle County					
Replacement map panels (8 units)		$ 9,300			
Cost Subtotal		$ 9,300			
	Local Capital		*$ -*	*$ 1,860*	*$ 1,860*
	RFTA Capital		*$ -*	*$ 7,440*	*$ 7,440*
Eagle County Subtotal			***$ -***	***$ 9,300***	***$ 9,300***
Snowmass Village					
Replacement map panels (2 units)		$ 2,300			
Cost Subtotal		$ 2,300			
	Local Capital		*$ -*	*$ 460*	*$ 460*
	RFTA Capital		*$ -*	*$ 1,840*	*$ 1,840*
Snowmass Village Subtotal			***$ -***	***$ 2,300***	***$ 2,300***

Jurisdiction	**2021 Funding**	**2022 Funding**	**Total Funding**
Total Aspen	$ -	$ 8,260	$ 8,260
Total Pitkin County	$ -	$ 9,410	$ 9,410
Total Basalt	$ -	$ 12,130	$ 12,130
Total Eagle County	$ -	$ 1,860	$ 1,860
Snowmass Village	$ -	$ 460	$ 460
Subtotal Jurisdictions	**$ -**	**$ 32,120**	**$ 32,120**
CMAQ - Aspen	**$ 180,000**	**$ -**	**$ 180,000**
RFTA Funding - Existing Systems	**$ 62,000**	**$ 66,480**	**$ 128,480**
Total	**$ 242,000**	**$ 98,600**	**$ 340,600**

Exhibit 1B: 2022 WE-cycle Bike Share Administration, Operations, and Planning Budget

NOTES: WE-cycle sponsorship and existing RFTA operating funding allocated to each jurisidiction based on # of stations, EOTC investment allocated based on coverage of Snowmass and Pitkin Co. funding responsibilities with remainder to Aspen

Existing Stations	New Stations	Total Stations	% of Existing Stations	% of New Stations Total	Operating Rev./Exp.	Existing	Modernization	Expansion	Total
49	7	56							
22	5	27	45%	71%	**Aspen**				
					Local Operating	$ 151,000			$ 151,000
					WE-cycle Sponsorships	$ 83,510			$ 83,510
					EOTC	$ 62,209			$ 62,209
					RFTA Regional Overhead	$ -			$ -
					RFTA Operating	$ 85,306	$ 159,837	$ 57,143	$ 302,286
					RFTA Planning	$ -			$ -
					Aspen Subtotal	$ 382,025	$ 159,837	$ 57,143	$ 599,005
2	1	3	4%	14%	**Pitkin County**				
NOTE: These stations are in the Mid-Valley system					Local Operating	$ -			$ -
					WE-cycle Sponsorships	$ 7,592			$ 7,592
					EOTC	$ 12,000			$ 12,000
					RFTA Regional Overhead	$ -			$ -
					RFTA Operating	$ 7,755	$ 14,531	$ 11,429	$ 33,714
					RFTA Planning	$ -			$ -
					Pitkin County	$ 27,347	$ 14,531	$ 11,429	$ 53,306
15	1	16	31%	14%	**Basalt**				
					Local Operating	$ 30,000			$ 30,000
					WE-cycle Sponsorships	$ 56,939			$ 56,939
					EOTC	$ -			$ -
					RFTA Regional Overhead	$ -			$ -
					RFTA Operating	$ 58,163	$ 108,980	$ 11,429	$ 178,571
					RFTA Planning	$ -			$ -
					Basalt	$ 145,102	$ 108,980	$ 11,429	$ 265,510
8	0	8	16%	0%	**Eagle County**				
					Local Operating	$ 45,000			$ 45,000
					WE-cycle Sponsorships	$ 30,367			$ 30,367
					EOTC	$ -			$ -
					RFTA Regional Overhead	$ -			$ -
					RFTA Operating	$ 31,020	$ 58,122	$ -	$ 89,143
					RFTA Planning	$ -			$ -
					Eagle County	$ 106,388	$ 58,122	$ -	$ 164,510
					Carbondale				
					Local Operating	$ -			$ -
					WE-cycle Sponsorships	$ -			$ -
					EOTC	$ -			$ -
					RFTA Regional Overhead	$ -			$ -
					RFTA Operating	$ -			$ -
					RFTA Planning	$ -		$ 80,000	$ 80,000
					Carbondale	$ -	$ -	$ 80,000	$ 80,000

Exhibit 1B: 2022 WE-cycle Bike Share Administration, Operations, and Planning Budget

NOTES: WE-cycle sponsorship and existing RFTA operating funding allocated to each jurisidiction based on # of stations, EOTC investment allocated based on coverage of Snowmass and Pitkin Co. funding responsibilities with remainder to Aspen

Existing Stations	New Stations	Total Stations	% of Existing Stations	% of New Stations Total	Operating Rev./Exp.	Existing	Modernization	Expansion	Total
					Glenwood Springs				
					Local Operating	$ -			$ -
					WE-cycle Sponsorships	$ -			$ -
					EOTC	$ -			$ -
					RFTA Regional Overhead	$ -			$ -
					RFTA Operating	$ -			$ -
					RFTA Planning	$ -		$ 22,000	$ 22,000
					Glenwood Springs	$ -	$ -	$ 22,000	$ 22,000
2	0	2	4%	0%	**Snowmass Village**				
					Local Operating	$ -			$ -
					WE-cycle Sponsorships	$ 7,592			$ 7,592
					EOTC	$ 25,791			$ 25,791
					RFTA Regional Overhead	$ -			$ -
					RFTA Operating	$ 7,755	$ 14,531	$ -	$ 22,286
					RFTA Planning	$ -			$ -
					Snowmass Village	$ 41,138	$ 14,531	$ -	$ 55,669

Existing Stations	New Stations	Total Stations	Jurisdictional Allocation	Existing	Modernization	Expansion	Total
22	5	27	**Total Aspen**	$ 382,025	$ 159,837	$ 57,143	$ 599,005
2	1	3	**Total Pitkin County**	$ 27,347	$ 14,531	$ 11,429	$ 53,306
15	1	16	**Total Basalt**	$ 145,102	$ 108,980	$ 11,429	$ 265,510
8	0	8	**Total Eagle County**	$ 106,388	$ 58,122	$ -	$ 164,510
			Total Carbondale	$ -	$ -	$ 80,000	$ 80,000
			Total Glenwood Springs	$ -	$ -	$ 22,000	$ 22,000
2	0	2	**Snowmass Village**	$ 41,138	$ 14,531	$ -	$ 55,669
49	7	56	**Total Regional Ops. Rev./Exps.**	**$ 702,000**	**$ 356,000**	**$ 182,000**	**$ 1,240,000**

Funding by Source	Existing	Modernization	Expansion	Total
City of Aspen	$ 151,000	$ -	$ -	$ 151,000
Pitkin County	$ -	$ -	$ -	$ -
Town of Basalt	$ 30,000	$ -	$ -	$ 30,000
Eagle County	$ 45,000	$ -	$ -	$ 45,000
Town of Snowmass Village	$ -	$ -	$ -	$ -
EOTC	$ 100,000	$ -	$ -	$ 100,000
Local Operating Subtotal	**$ 326,000**	**$ -**	**$ -**	**$ 326,000**
WE-cycle Sponsorships	**$ 186,000**	**$ -**	**$ -**	**$ 186,000**
RFTA Operating	$ 190,000	$ 356,000	$ 80,000	$ 626,000
RFTA Planning	$ -	$ -	$ 102,000	$ 102,000
RFTA Subtotal	$ 190,000	$ 356,000	$ 182,000	$ 728,000
Total Operating Rev./Exps.	**$ 702,000**	**$ 356,000**	**$ 182,000**	**$ 1,240,000**

Exhibit 2

2022 RFTA Regional Bike Share Expansion Expenditures

2022 RFTA Bike Share Expansion Capital Budget

1	RFTA Expansion Capital	$	66,480
2	**Subtotal 2022 RFTA Capital Expenditures**	**$**	**66,480**

2022 RFTA Bike Share Administration, Operations, and Planning Budget

3	WE-cycle Administration and Operations	$	626,000
4	WE- cycle Planning for Future Carbondale and Glenwood Springs System Startup	$	102,000
5	**Subtotal 2022 WE-cycle Administration, Operations, and Planning Expenditures**	**$**	**728,000**
6	**Total 2022 RFTA Regional Bike Share Expansion Expenditures**	**$**	**794,480**