



City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 21106

File ID: 21106

File Type: Resolution

Status: Items Referred

Version: 1

Reference:

Controlling Body: BOARD OF ESTIMATES

File Created Date : 01/18/2011

File Name: Amending the 2011 Operating Budget by appropriating \$100,000 from the Contingent Reserve to the Parks Division and authorizing the Mayor and City Clerk to execute a three year agreement and lease with "B-cycle LLC."

Final Action:

Title: Amending the 2011 Operating Budget by appropriating \$100,000 from the Contingent Reserve to the Parks Division and authorizing the Mayor and City Clerk to execute a three year agreement and lease with "B-cycle LLC." Various AD's

Notes:

Sponsors: David J. Cieslewicz, Mark Clear, Bryon A. Eagon and Tim Bruer

CC Agenda Date:

Enactment Date:

Attachments:

Author: Kevin Briski, Superintendent of Parks

Enactment Number:

Hearing Date:

Entered by: llafave@cityofmadison.com

Published Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Parks Division	01/18/2011	Referred for Introduction				
1	COMMON COUNCIL	01/18/2011	Referred	BOARD OF ESTIMATES			Pass
1	BOARD OF ESTIMATES	01/24/2011					

Text of Legislative File 21106

Fiscal Note

The three year agreement provides for a \$100,000 annual contribution from the City for support of this program. For the Year 2011, funding of \$100,000 would be appropriated from the Contingent Reserve to Parks Division account GN01-54901-617150. Funding for the subsequent two years would be requested through the regular operating budget process.

Title

Amending the 2011 Operating Budget by appropriating \$100,000 from the Contingent Reserve to the Parks Division and authorizing the Mayor and City Clerk to execute a three year

agreement and lease with "B-cycle LLC." Various AD's

Body

Preamble:

The City of Madison has been approached by parties interested in providing a rental bicycle sharing service. The system proposed by B-cycle LLC, the vendor of the equipment, involves kiosks and locked storage docks for bicycles. B-Cycle was formed out of a partnership involving Trek Bicycles, a local international corporation and ongoing partner in the City's successful Ride the Drive events. The B-Cycle bikes are rented by use of a credit card, after which the rented unit is released from the dock. Bikes must be returned by the end of the day, and may be returned to a kiosk and dock other than that of the original rental, if a space is available. It is expected that several rental kiosks will be located on City of Madison property, and elsewhere throughout the City, as part of this program. In addition to the cost of purchasing the equipment and necessary licenses to run the program, if the City were to run the program there would be additional costs (such as maintenance and liability related issues) that would make the service difficult to operate and cost-prohibitive to provide. By providing leased public space and contributing financially to the program, the City can successfully provide its citizens with this service, at less cost and liability risk than if it were to do so itself.

This system is currently active in a number of European and American cities, including Paris, Chicago, Denver, and Des Moines. The proposed system would be externally owned, operated, and maintained. The City will lease space for some of the bike stations.

Whereas, the Trek Bicycle Corporation is a Madison area-based company that is among the largest bike manufacturers in the world and a major employer in our region; and

Whereas, Trek has proposed that Madison be a pilot city for its prototype B-Cycle bicycle sharing system, a unique product on the world market; and

Whereas, Trek made this proposal after passage of the 2011 City of Madison operating budget, requiring a budget amendment to meet its objectives; and

Whereas, Trek is proposing that the company provide high quality bikes, bike parking stations, bike maintenance and repositioning, and GIS systems (the value of the capital investments alone at about \$1.4 million) for three years; and

Whereas, Trek proposes that the City contribute \$100,000 for each of the next three years to maintain the system; and

Whereas, the B-Cycle bike sharing system will: be an important amenity and means of transportation for City residents, workers and visitors; bring visitors to our downtown; displace car traffic and take pressure off of downtown parking; help Madison meet its goals of reducing air pollution and greenhouse gas emissions and having 20% of all downtown trips done by bike by 2020; provide a major area employer with a meaningful test of its new product in an easily accessible location for the company to observe and improve it; and

Whereas, this test and demonstration could lead to new production and jobs for Madison residents;

NOW, THEREFORE BE IT RESOLVED that the 2011 Operating Budget be amended by appropriating \$100,000 from the Contingent Reserve to the Parks Division as follows:

GN01-54901-617150 \$100,000

AND BE IT FINALLY RESOLVED that the Mayor and City Clerk are authorized to enter into a three year agreement and lease with B-cycle, LLC to operate the B-Cycle program in Madison, consistent with this resolution.