CITY OF BURLINGTON, VERMONT

CITY COUNCIL TRANSPORTATION, ENERGY & UTILITIES COMMITTEE

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Transportation, Energy and Utilities Committee of the City Council

Tuesday, March 23, 2021 5:30 PM

Due to current physical distancing measures, this meeting will be held virtually.

To view the meeting:
1. Join via Zoom: https://us02web.zoom.us/j/84603122855
2. Call in for audio-only – Phone number: 312-626-6799 and Webinar ID: 846 0312 2855

To participate in public comment:
1. You must either join the meeting via the Zoom link above (strongly encouraged) or by calling via the call-in information above.
2. If signed in via Zoom, please use the "Raise Your Hand" feature. This will alert DPW staff that you wish to speak and will automatically add you to the queue. When it's your turn to speak, your name will be called and you will be unmuted.
3. If you are calling in, please press *9 which will alert DPW staff that you wish to speak. When it's your turn to speak, your phone # will be called out and you will be unmuted.
4. If you encounter any difficulties when attempting to speak, please email DPWCommunications@burlingtonvt.gov.

–AGENDA–

1. **Agenda**
2. **Minutes of 1/26/2021**
3. **Public Forum**
4. **Consolidated Collection**
   - Lee Perry, DPW
   - 45 Minute Duration
   - Action
5. **Greenride Bikeshare Update (See Attachment)**
   - Rob Goulding, Nicole Losch, DPW
   - 20 Minute Duration
   - Information
6. **Director's Report**
7. **Councilors' Update**
8. **Adjourn**

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Chapin Spencer
Director of Public Works

MEMORANDUM

TO: Transportation, Energy & Utilities Committee

FROM: Robert Goulding, Public Information Manager, Public Works
Nicole Losch, Senior Planner, Public Works

DATE: March 23, 2021

CC: Chapin Spencer, Director of Public Works
Cindi Wight, Director of Parks, Recreation & Waterfront

RE: Shared Mobility Update

Affordable, sustainable transportation choice is a key feature of Burlington's efforts to improve and enhance its transportation network. We have continued to work with partners toward transitioning the region's existing traditional pedal bike share fleet to an all electric fleet. When we briefed you in February 2020 about our region's partnership with Gotcha Mobility, we expressed cautious optimism that our vendor would have an e-bike network ready to launch in 2020. It turns out that our caution was warranted. After the vendor's acquisition, reorganization and recommitment over the last winter, we have given them a final chance to launch the e-bike network this Spring 2021.

BACKGROUND

In June 2019, City Council approved a contract for DPW to enter into an agreement with shared mobility company Gotcha and regional partners consisting of the Chittenden County Regional Planning Commission (CCRPC), Chittenden Area Transportation Management Association (CATMA), the University of Vermont (UVM), Champlain College and the cities of Winooski and South Burlington. This contract called for 200 e-bikes spread out across the Chittenden County area - with the largest concentration in Burlington.

At the time, newly levied tariff issues led to significant delays and prevented Gotcha from launching in 2019. After our 2/2020 briefing to the Transportation, Energy & Utility Committee (TEUC) the coronavirus pandemic took hold across the globe shutting supply chains and leading to significant e-bike industry "headwinds." As the 2020 season wound down Gotcha was unable to provide an e-bike fleet. Burlington's partners explored a Request for Proposal to evaluate if there were other industry participants who could provide an e-bike network in near term with the specific flexibility and contract requirements we required.

While there were some potential candidates, Gotcha's assets and debts were bought by Bolt Mobility. Bolt is a better capitalized e-bike provider and has agreed to launch in Burlington with flexibility, prior contract commitments and by keeping a Chittenden County based employee to manage the network. We have decided to work with them, pending a successful Spring 2021 launch. With City Attorney guidance, we have continued to navigate this contract and roll-out. As a reminder, the contract provides this micromobility service to the public at no cost to the participating municipalities.

CONTRACT PROVISIONS

To ensure this contract was representative of our community's values, we had already required certain conditions during negotiations in 2019. These included:

- A provision that this contract could be terminated after 1 year if the vendor did not meet our expectations
- Adherence to Key Performance Indicators (see attachment C)
- Technology-enforced speed restrictions on the Waterfront Greenway (see attachment A)
- Livable wage paid to all area employees.
- Discounted pricing for community members with less economic means (see attachment B)
- Signage at one waterfront location reminding users that the bike motor would shut off before the Colchester causeway and encouraging them to instead use a local bike shop. (see attachment A)
- To introduce in the future gradually increased pricing so as to discourage recreational rides OR demonstrate in writing that this technology was not possible for the system

Additionally, we have recently taken the following supplemental steps to further direct the vendor to structure the system towards serving a transportation purpose:

- Received commitment from the vendor to eliminate the hub at the bottom of College Street that in prior years had appeared to generate a large percentage of leisure trips
- Received commitment from the vendor to place signage at all central waterfront hubs about the e-assist not working on the Colchester Causeway and to encourage bike rentals from a local bike shop
- Urged the vendor again to implement escalating pricing to encourage turnover and discourage longer recreational rides while reminding them that having escalating pricing would be a positive consideration for extending their contract past the first year
- Urged the vendor to establish more hubs in Burlington residential neighborhoods

NEXT STEPS

As of this writing, Bolt reports that they are having e-bikes delivered to Vermont in the month of March and are preparing their paperwork for permitting approvals for network stations in Burlington and the surrounding communities. When bikes are in market and permitting paperwork is submitted, we plan on signing this contract. We have been clear with Bolt's leadership that if they don't launch in Spring 2021, we will move on from this partnership.

Feel free to reach out to either of us with any questions.

Rob Goulding, rgoulding@burlingtonvt.gov
Nicole Losch, nlosch@burlingtonvt.gov

ATTACHMENT A - BURLINGTON SPECIFIC CONDITIONS

1. Waterfront and Greenway. Operator shall ensure that the speed limit for the electronic assistance function of all Shared Mobility Devices supplied under this Agreement shall be limited to no more than the (10) miles per hour when a Shared Mobility Device is being used within the Burlington Waterfront or on the Burlington Greenway.

2. Church Street Marketplace. Operator shall ensure that the electronic assist function of any Shared Mobility Device operating on the Church Street Marketplace is automatically disabled once the Shared Mobility Device enters the Church Street Marketplace.

3. Limitation of Waterfront hub locations. No station shall be located west of Battery St and within 750 feet of-College St.

4. Operator shall provide signs at any permanent docking stations adjacent (within 600 feet) to the Waterfront Greenway that say, at a minimum, "The motor on these bikes will cease to operate outside of the bike-share system limits, and therefore will not be operational on the Causeway. For long recreational rides, please contact one of Burlington's terrific bike rental shops"

5. Prior to expiration of the initial term and 60 days prior to possible renewal, Operator shall provide the City a statement detailing its efforts to integrate escalated pricing into its fee structure, including whether or when escalated pricing will be included as a feature. The City reiterates to Operator that this is an important feature and will be evaluated as one condition of renewal

ATTACHMENT B - User Fees for Initial Launch

User Fees for Initial Launch

The following fee schedule is reflective of the initial fees to charge Users decided by the parties and are subject to change from time to time upon mutual agreement of the Parties.

Pay as You Go	$1.00 to unlock, $.35/min
Annual Plan	$99.99/year Includes 30 minutes of free ride time per day $.35/min after free ride time is used All unlock fees waived
Student Annual Plan (UVM, Champlain, UVMMC only)	$39.99/year Includes 30 minutes of free ride time per day $.35/min after free ride time is used All unlock fees waived
CATMA Annual Plan	$69.99/year Includes 30 minutes of free ride time per day $.35/min after free ride time is used All unlock fees waived
Bolt Forward Equity Plan / Military Rate	50% off Pay as You Go per minute rate

*All pricing reflects use of e-bicycles only
**Bolt reserves the right to adjust pricing

ATTACHMENT C -- **Key Performance Indicators**

Performance Indicator	Description	Measure Period	Measured Unit	Threshold
System Reporting	Monthly reports and limited Admin access provided.	Monthly/Annual	See below	See below
Device Availability	Number of devices available for use in a day relative to the number of bicycles in the system	Average monthly	E-bicycle E-scooter (if implemented)	200 200
Device Maintenance and Inspection	Number of devices receiving a weekly maintenance inspection	Monthly	% of devices in service	80%
Station Maintenance and Inspection	Stations receiving a cleaning and inspection	Twice per month, no more than 21 days between inspections	% of stations	80%
Device Response Time	Time to respond to reported deficient, damaged, or unclean station components of devices.	Any given point in time/monthly	Complaint response time.	12 hours
Website/Mobile App in Service	Percentage of time that the website and mobile app are in service	Any given point in time/ monthly	% of total minutes per month	99%

Customer Service Availability	Contractor will maintain a toll free customer service number from 8a-8p (live response), and a 24/7 after- hours service (message). Customer complaint and resolutions should be tracked through a system.	Any given point in time/monthly	Hours	95%
Customer Service Response Time	Response time between customer inquiry and complaint resolution plan	Any given point in time/monthly	Complaint acknowledgement response time. Resolution plan response time. Measured in hours.	24 hours or less
Device Distribution	See below	See below	See below	See below

Redistribution. CATMA will work with Bolt to identify High Priority Areas based on station usage per day and peak times of usage. Distribution will be critically timed to increase the probability that each High Priority Area has sufficient bicycles available. Prior to the full launch, Respondent and the CATMA will agree to designate High Priority Areas. Additionally, Bolt and the CATMA shall agree to allocate a set minimum of the total bicycle fleet to the various priority areas specified at peak days and hours.

Email from Rick Sharp (3/19)

Hi Chapin,

Thanks for getting back to me. I am very concerned that you have already made up your minds about a new contract with Bolt. Sounds like you already negotiated the terms without the input of Local Motion, Ski Rack, North Star Sports, us, or anyone else despite us asking about this repeatedly. I feel like we have been shut out of the process. I'm very disappointed in that and I will provide a full critique of what I understand are the terms of your current proposal in a bit.

But I must say I am absolutely astounded with your statement that Bolt will have ebikes in Vermont by the end of this month with no public discussion of "buy local first", hubs, pricing, helmets, "virtual hubs" and a whole lot of other issues. So Bolt doesn't even have a signed contract but the ebikes will be here within two weeks.

Pedal bikes didn't work at all as a point to point transportation system over the past two years. Ebikes won't either. The definition of insanity is doing the same thing over and over and expecting a different result.

The substitution of ebikes in a system that never worked as planned with only mean more pain for local bike shops.

Please let us in on this process.

I'll send my detailed comments out to everyone shortly.

Rick Sharp

Email from Rick Sharp (3/20)

Hi Chapin, Bryan and Everybody,

First, as one of the oldest (and still boldest) bicycle advocates in these parts, I want to express my extreme skepticism that the proposed Bolt ebike rental system for the Burlington area will accomplish the desired result of a point-to-point ebike transportation system for Chittenden County. My fear is that this new ebike rental system will follow the same path of the last two years of pedal bike rentals with two thirds of all rides instead being for recreation on the bike path, robbing local bike shops like ours of thousands of dollars in summer rental income.

In fact, I believe that competition from this Bolt ebike rental system could be the difference between our shop, Burlington Segways and Electric Bikes, surviving this year after the pandemic and going out of business permanently.

So I'm hoping you don't sign a new contract with Bolt. You have every right not to. They breached the 2019 Agreement. They never brought in the ebikes in 2020 and that contract was with Gotcha, not even the same company. The old contract certainly did not perform as advertised. Two-thirds of all rentals were round trip, out and back from the one hub on the waterfront. Let's call a spade a spade. It was a failure that cost local bike shops like us thousands. I am a long time member of Local Motion and have contributed thousands to the cause. I don't like seeing those rental bikes on the bike path we created at the expense of Local Motion and the other local bike shops as well. What ever happened to Buy Local first?

So my advice is to terminate negotiations with Bolt and instead put the resources into giving away bikes and ebikes to those that can't afford them instead. I don't believe a point-to-point rental ebike system works in the Burlington area without cannibalizing the local summer rental shops. So my vote (if I have one), is admit your failure and walk away.

But I'm a realist. I know you won't do that. And you probably won't listen to my suggestions, but here they are anyway:

1. Sounds like you already have an agreement with Bolt that there will be no ebike rental hub west of Battery Street. Thanks for listening. That's a start. We would still like a sign with all 4 shops within a reasonable walk of the old rack on College Street directing visitors to local shops as well.

2. If what you are really after is a point-to-point ebike transportation system and not an inexpensive joy ride on the bike path, and you have the ability to "geo-fence" at least the power of ebikes operating on Church Street, then why don't you "geo-fence" the bike path and the waterfront boardwalk as well. They can still pedal but no power for sight seeing. At least that cuts down on the competition for ebike rentals from us and other local shops.

3. You probably won't agree to that. But at least geo-fence the power beyond the Winooski River and make sure all hubs in the New North End are located along population dense North Ave., not the bike path.

4. The contemplated fee structure still doesn't work to discourage the use of these rental ebikes on the bike path or the Causeway. I don't care about Annual Plans, Student or CATMA plans. Knock yourselves out. They don't compete with summer rentals or our shop or the others and that is supposedly the "mission" of the bike share system in the first place. In fact the competition with local shops for rentals used on the bike path could be eliminated entirely if you eliminated the pay as you go option. All of those using the system regularly can get passes and you can give out passes to low income residents. Tourists would be forced to use local bike shops. Problem solved.

But I know Bolt wouldn't agree to that because that's where the money is. And that's my point. Take out the profit of summer and foliage season rentals on the bike path to tourists and the whole thing doesn't work.

But you won't do that so let's examine the "Pay As You Go" option. It takes about an hour to get out to the Causeway on an ebike. Round trip would be 120 minutes. With the proposed fee structure, that comes to $43 which is less than what all the local shops are charging for one day ebike rentals ($50). In order to discourage use of the ebike beyond the bridge you can geo-fence so that the power no longer provides an assist, but they could still pedal out for less than renting from a local shop. Again, not my preferred solution, but I would suggest doubling the per minute fee to $.75 after the first hour That would make the Bolt rental more expensive than at local shops for the trip to the Causeway anyway.

5. That still leaves you with the helmet problem. I believe all local bike shops require helmets. We provide them free of charge. You only get a helmet if you bring your own to Bolt rentals. Again, if you have a plan you are likely to have a helmet, but if you are pay as you go, not likely. And remember these are ebikes that regularly cruise at 20 mph, at least on the bike path. That's a good reason to not sign the contract. But even if you ignore me on safety, the City should encourage the use of local bike shops with helmets over those short term rentals by installing signs where appropriate directing visitors to local shops instead. Not just to "terrific local bike shops" but by naming the nearby local shops with addresses and phone numbers at each hub.

6. I also think it would be appropriate for the City and CCRPC to commit to terminate this program in one year if it again turns out that most of these rental ebikes spend most of their time on the bike path.

Hopefully, our business will survive one more year of an unlevel playing field tilted in favor of an out-of-state corporation that doesn't even have to pay rent for the space they use.

I appreciate your careful consideration of the issues I've raised.

Rick Sharp

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DEPARTMENT OF PUBLIC WORKS

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Chapin Spencer
DIRECTOR OF PUBLIC WORKS

Lee Perry
ASSISTANT DIRECTOR
DPW MIANTENANCE DIVISION

MEMORANDUM

To: Transportation, Energy and Utilities Committee

From: Chapin Spencer, Director
Lee Perry, Assistant Director DPW Maintenance
Rob Goulding, Public Information Manager

Date: March 22, 2021

Re: Evaluation of a Municipally Operated Consolidated Collection Alternative

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Background:

There are many ways communities coordinate the collection of trash, recyclables and food scraps. In our City, individual residential property owners subscribe with a local hauler for solid waste services or bring their trash to one of the County's Drop-Off Centers. According to a survey of 461 communities nationwide, this subscription arrangement occurs only in approximately 11% of communities. Consolidated collection, on the other hand, is the much more common approach with 83% of communities having the municipality either collecting waste streams itself or contracting with private haulers.

Consolidated collection has been explored in our region for decades. Long-time staffers recall a City Council resolution seeking to explore the concept for trash collection around 2000. In 2009, the Chittenden Solid Waste District launched a countywide analysis of consolidated collection that ran until 2014. In April of 2018, the City Council passed a resolution requesting the Department of Public Works to undertake a citywide consolidated collection feasibility study with the City of South Burlington and Chittenden Solid Waste District. The report evaluated a franchised model with private haulers and the findings were presented to the Council's Transportation Energy & Utilities Committee (TEUC) in June and July 2020. Past materials can be found at: https://www.burlingtonvt.gov/dpw/Maintenance/Consolidated

At the August 2020 TEUC meeting, the Committee requested DPW staff do an in-house financial analysis of a municipally run consolidated collection system. This memo summarizes the key findings from this effort.

Study of a Municipally Run Collection Program – Scope of Work:

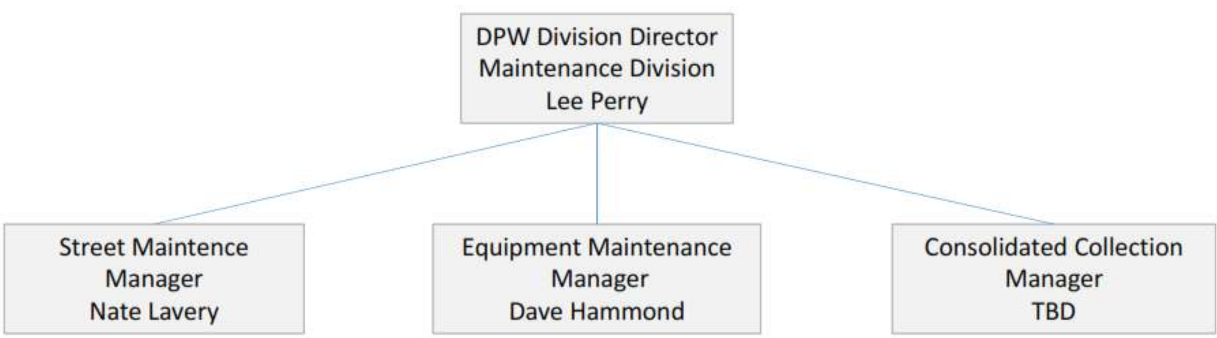
Here are key components we have evaluated in starting up and operating a municipally managed consolidated collection program for Burlington residents:

- Administration and supervision
- Direct personnel salaries and benefits
- Vehicle and equipment capital
- Cart procurement, replacement and repair
- One-time implementation costs
- Vehicle operating, maintenance and fuel
- Facility capital (office space, vehicle maintenance facility, cart storage, vehicle parking)
- Public education, outreach, and enforcement
- Processing and disposal
- Billing options
- Other operating and maintenance costs

The following is what we have identified as necessary, to operate an efficient collection system, as we have learned where we have had success, and where we have encountered short falls within our recycling program.

Organizational Structure:

If Public Works were to run a consolidated collection program, our recommendation is to establish the operation as a program within our Maintenance Division. This team has strong fieldwork experience and maintains the City's municipal fleet. Of our four divisions, the Maintenance Division is best suited to manage this projected $5M/year enterprise.



While the Consolidated Collection Manager would supervise the collection field crews, as you'll see in the next section, we are recommending four additional FTEs in other divisions if we were to launch this significant new enterprise.

Staff Resource:

To operate a consolidated collection program, we estimate needing 14 additional employees. These positions are broken down as follows:

- **<u>1 Consolidated Collection Manager</u>**: The position would oversee the day-to-day operations of the division. Similar to the Streets Maintenance Manager, and the Fleet Manager. The Manager will interface with the Customer Service team to address operational questions and service requests.
- **<u>9 Additional CDL Licensed Drivers</u>**: Based on a proposed service level of weekly trash, recycling and compost collection, we would propose increasing the recycling portion of the division by (3) CDL licensed drivers, and (6) total CDL licensed drivers for the trash, compost portion of the division. This would bring the total number of drivers for the division to (12). The added full time employees will give the division some redundancy, as employees request time off, are out sick, or are injured. Currently in our recycling program, when this occurs we have to substitute on a rotational basis, with an employee from our Street Maintenance team. This has not been a good practice, as it keeps Street Maintenance from operating at full staff, which disrupts work crews, and daily work schedules, as well as affecting our revenue lines. During winter months, it prohibits the department from effectively clearing the streets, and sidewalks of snow during snow events. We have had instances where we have to substitute for an injured driver for months at a time. The added help will also assist in efficiency, as this will not be a fully automated pick up operation. It will still require staff to get out of the truck to retrieve the carts, and place them back on the greenspace, or side of the road. In recent months we have seen an increase to our tons disposed increased by an average of ~40 tons per month. This is requiring our current recycling crews to work longer hours to compensate for the increase in material. We have on occasion given them seasonal help to try to make the process more efficient. In addition to increasing staff, we have proposed to increase the position from a Grade 12, to a Grade 13. We hope that this will help retain staff, as we have had a substantial amount of turnover in the recycling program over the past 6 years. Some turn over can be attributed to staff moving into other positions within the City, but equally as many can be attributed to staff leaving because this is a laborious position.
- **<u>2 Customer Service Members</u>**: We would supplement our Customer Service team by adding a Senior Customer Care Associate and Customer Care Associate. The team would handle billing, service changes, and operational issues for consolidated collection customers. While we pick up residential recycling currently, the haulers bill the customers.
- **<u>1 Public Outreach and Enforcement Position</u>**: This person would educate the public on proper disposal practices for trash, recycling, and food scraps – and monitor compliance in the field. This position would be similar to our Excavation Inspector.
- **<u>1 Additional Fleet Technician</u>**. Currently the recycling program requires one Fleet Technician to commit 953 labor hours annually, out of a possible 1500 available labor hours, or 63% of their annual labor hours to repair and maintain the recycling fleet's four trucks. Because of this, the remaining fleet suffers, as they do not get the proper attention needed to keep up with preventative maintenance and repairs. With a projected 9 vehicles for a municipally operated consolidated collection system, an additional technician would be needed.

Do note that this is a preliminary list and is likely to evolve. In addition to these new positions, the following existing positions would be significantly involved in the operation:

- Division Director – overseeing the Consolidated Collection Manager and field operations
- Finance & Customer Care Manager – overseeing the billing operations and Customer Care team members

Depending on the final structure of the program, we could consider reducing the number of permanent CDL drivers and have a seasonal or entry-level employees provide non-driving support on the collections vehicles. While this may provide more of a career ladder in the program, it may also limit our operational resiliency if a driver is out for whatever reason.

Capital Resources

We estimate needing to invest approximately $5.9M to $6.7M in capital funds to stand up this operation.

- **Facility $3.6M - $4.0M:** Unfortunately, our 645 Pine St. location is unable to accommodate a new operation of this size. The 645 Pine site is limited in vehicle storage, employee parking, and office/meeting space. The site is at its maximum lot coverage for zoning and covered under the Pine Street Barge Canal Institutional Controls so any effort to eke out additional space would be very expensive and have impacts on other municipal operations. Although the main functions of the program would occur off site, all repair and maintenance to the fleet would be conducted at Fleet Services located at 645 Pine St. Two possible locations to establish space to house the consolidated collection operations are:
    1. 195-201 Flynn Avenue – The City has an option to purchase this site from Chittenden Solid Waste District for ~$500,000 to establish a drop off center. The 3-acre parcel would have approximately 1 acre beyond the estimated 2 acres needed for CSWD's new drop off center. The remaining acre would likely be sufficient to accommodate the consolidated collection operations.
    2. 339 Pine Street – The former location of the Public Works Department. The site may involve historic renovation restrictions, Pine Street Barge Canal Institutional Controls, and soil remediation efforts – all factors that carry risk and would likely increase costs.

  This large facility investment makes a municipally operated system more challenging to establish.

- **Fleet $1.4M**: The new program will have to initially purchase (4) split body refuse trucks to pick up trash and compost, as well as at least one (1) replacement for the (4) existing, aging recycling trucks. Four trucks are required for both recycling, and trash/compost, so that we always have a spare truck in case of mechanical failure. Even with a spare truck, there is no guarantee that there will not be adequate trucks to complete the routes. Recently we had to rent a refuse truck from Myers for three months, as one of our newer trucks was out of service for a part that was not yet available for purchase, and one of the other older trucks needed repairs. A new pickup truck will be required for the Division Manager to deliver carts, and to respond to other issues that may arise.

- **Equipment $900K - $1.2M**: The program would have to purchase an estimated 13,000 65-gallon trash carts and 25-gallon compost carts for residents, and an estimated 6,000 65-gallon recycling carts for the 0% opt out scenario. The goal is to replace all existing blue bins with carts. The carts are safer for our operators and cut down on windblown litter.

Billing: While additional due diligence is required to come to a more conclusive recommendation on how to structure the billing, our initial concept is to utilize Water Resoures' Harris Flexibill software to manage the consolidated collection billing. Staff's experience with this platform would help in setting up the consolidated collection billing. It is important to note that based on our initial analysis, we are recommending a separate bill for consolidated collection and not merging it with the water bills. This is due to: 1) the existing complexity of Water Resources bills that include Water, Wastewater and Stormwater charges, 2) the difficulty when water and solid waste bills are paid by different people (landlords vs. tenants) at the same address, and 3) that there will likely be many options to manage under the consolidated collection billing (opt-out, back door service, seasonal service, various cart sizes, compost service, etc).

Financial Structure: If a municipally run system were established, our department is initially recommending it be set up as either a Special Revenue Fund or an Enterprise Fund and not including this operation in the City's General Fund budget. The reason is to ensure the sustainability of this $5M/year asset-heavy program, it should have a more independent budget separate from the broad interests and needs of the General Fund. The downside of this financial independence is that the fund would need to carry costs for audits and City indirect costs. If it were to be an Enterprise Fund, it would appear to require a charter change to 24 V.S.A. App. c. 3 § 65. A Special Revenue Fund may not require a Charter Change, but revisions to City Ordinance.

Legal Considerations: We worked with the City Attorney to evaluate the City's authority to institute a consolidated collection system – whether operated by the City or contractors. The rights detailed in the City Charter are quite broad. City Charter §48(6) states that City Council has the right to "require and provide for the collection, removal, and disposal of such materials, by the City at its expense by contract with some private individual or agency, or by some City officer, officers, or department either existing, or hereafter created and established by the City Council for that purpose". While these authorities appear broad, solid waste haulers could still seek to challenge the City's efforts to restrict private haulers in the market as it sets up a consolidated collection system.

Costs: DPW has created two operating budgets. One being a "0% Opt Out" scenario that is based off a collection scenario of weekly trash, recycling, and compost, with no option for residential customers to opt out of the service. The second is the "25% Opt Out" scenario, based off a weekly collection scenario, but with a 25% of residents opting out of curbside collection. Here is a summary of the total costs for each:

Options	Municipal Model 339 Pine St 0% Opt Out	Municipal Model 195-201 Flynn Ave 25% Opt Out	Franchise Model 0% Opt Out	Franchise Model 25% Opt Out
Households Served Weekly	13,005	9,754	13,005	9,754
Resident Annual Cost	$414.38	$494.92	$412.83	$422.93
Resident Monthly Cost	$34.53	$41.24	$34.40	$35.24

While the 25% opt out option does have lower operational costs, this is overshadowed by having fewer residents to cover the projected costs than in the 0% opt out option. This results in higher per customer bills under the 25% opt out scenarios.

The cost differences between DPW options and GBB's projections under a Franchise model vary because of certain costs incurred by DPW that are not accounted for if a private contractor were to be collecting trash, recycling, and compost in the City of Burlington.

- Capital Facility: DPW would have to build a facility to house staff, vehicles, and equipment for the enterprise because we do not have existing space to accommodate the operations. Private haulers may be able to accommodate this operation within their existing facilities.
- Billing: Unlike private haulers who already have billing systems tailored to curbside collection, DPW will be incurring billing costs due to the added staff and software.
- Labor: DPW took a conservative approach when projecting labor needs so that we have redundancy among the staff and are able to operate an efficient safe program. All field staff positions we modeled as full-time Unionized positions.

Considerations:

Advancing Municipally Run Model	Advancing Franchise Model
• Offers opportunity for more City / Union positions • Presents financial risk to the City (acquiring property, building facilities, managing another fund) • Absorbs a significant percentage of the department's 'innovation capacity' over the next 3-4 years • Once running, has potential to provide ongoing dependable, affordable, efficient service – balanced with risk of increased complexity and bigger operational footprint for department that can limit capacity in other areas • Still would have private haulers serving large residential and commercial customers in the City	• Doesn't provide opportunity to hire additional City / Union positions • Requires less of a financial investment for the City. • Requires less 'innovation capacity' over next 3-4 years. • Would require carefully drafted bid documents and ongoing oversight to protect City's and residents' interests • Offers opportunity for City to bid in first or any subsequent bidding periods should City want to consider a municipally run operation in the future • We understand that the City of South Burlington is interested in advancing this model after the pandemic

DPW Staff Insights: As we have undertaken this evaluation of a municipally run consolidated collection operation for the TEUC, the question DPW leadership keeps coming back to is "Is it a top priority for the Administration and the Council for DPW to run a consolidated collection enterprise?" We can do it if given the resources, time and space. If it is a priority, this department has proven again and again that we have the skills and fortitude to do great things. That said, we all know that this small City has big ambitions and often expects government to play a lead role. DPW's mission is broad and we are at the center of moving the needle on many pressing issues - water quality, sustainable transportation, green infrastructure, restructuring parking services, asset management, resource recovery, streetscape enhancements, etc. The challenge is that the priorities are many and resources are finite. If standing up and operating an ongoing $5M/year municipal consolidated collection enterprise is a priority, other initiatives will take a back seat.

Next Steps: DPW Staff is requesting TEUC members provide any questions or requests for additional information within ten days of the March meeting. Staff will work to respond to those questions and requests for the April TEUC meeting.

At the April TEUC meeting, we would request the committee put together a recommendation for City Council's consideration on:

1. Whether to advance consolidated collection or not
2. If so, whether to advance a franchise model with private haulers or a municipally run operation

Thank you for your interest in consolidated collection. We hope this briefing has been helpful. Do not hesitate to contact me at lperry@burlingtonvt.gov, or 802-316-7568.

Conceptual Operating Budget for Municipally Run Consolidated Collection	Current FY21 Recycling Budget	Municipal Consolidated Collection Alternative: 25% Opt Out	Municipal Consolidated Collection Alternative: 0% Opt Out
Personnel Services			
Salaries and Wages Regular, Full Time	$148,274	$781,668	$868,520
Salaries and Wages Seasonal/Temporary	$4,600	$0	$0
Overtime	$12,000	$122,015	$135,572
Other Personnel Services Other Compensation	$8,500	$52,881	$58,757
Other Personnel Services Allowance Taxable	1,500.00	$7,875	$8,750
Employee Benefits FICA	$13,378	$82,889	$92,099
Employee Benefits Workers Compensation	$96,502	$347,407	$386,008
Direct Benefits (Health, Dental, Life, Retirement)	$65,380	$438,519	$487,243
Personnel Service Subtotal	**$348,634**	**$1,833,255**	**$2,036,950**
General Operating			
Medical Fees And Supplies	$500	$1,800	$2,000
Small Tools and Equipment	$500	$1,350	$1,500
Clothing And Uniforms	$750	$1,800	$2,000
Legal Notice & Advertising	$1,500	$4,050	$4,500
Utilities Cellular Communications	$400	$720	$800
Prof and Consultant Svs Contractual Services	$230,400	$2,160,032	$2,400,035
Billing Costs	$0	$68,850	$76,500
Indirect Costs	$0	$24,300	$27,000
General Operating Subtotal	**$234,050**	**$2,262,902**	**$2,514,335**
Capital Outlay			
Property		$285,044	$319,075
Vehicles	$40,000	$228,837	$228,837
Equipment	$40,000	$217,368	$289,818
Capital Cost Subtotal	**$80,000**	**$731,249**	**$837,731**
Division 153 - Consolidated Collection Totals	**$662,684**	**$4,827,405**	**$5,389,015**

	MUNICIPAL OPERATION ESTIMATE	
	25% Opt Out	0% Opt Out
	339 Pine St site	195 Flynn Ave site
Households	9,754	13,005
Annually	$494.92	$414.38
Monthly	$41.24	$34.53

	FRANCHISED OPERATION ESTIMATE	
	25% Opt Out	0% Opt Out
Households	9,754	13,005
Annually	$422.93	$412.83
Monthly	$35.24	$34.40

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Councilor Jack Hanson, *East District*
Councilor Jane Stromberg, *East District*

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Transportation, Energy and Utilities Committee of the City Council

Tuesday, March 23, 2021 5:30 PM

–Minutes–

Councilor Attendees: Franklin Paulino, Jack Hanson, Jane Stromberg

Meeting called to order by Councilor Paulino and started at 5:34 PM.

1. **Agenda**
   - **FP** Motion to adopt agenda
   - **JH** Second to adopt
   - All in favor, agenda passes
2. **Minutes of 1/26/2021**
   - **FP** Motion to approve minutes
   - **JH** Second to approve
   - All in favor, passes
3. **Public Forum**
   - There was one public comment made.
     - **Michael Nedel –** Neighborhood greenway planters and quickbuild bumpouts look bad with wear and tear, peeling paint, graphite, accumulated garbage from lack of street cleaning. These require better maintenance or permanent build outs.
4. **Consolidated Collection**
   - **Director Chapin Spencer:** Staff is here to seek the committee's input and questions this month and the committee's recommendation at the April meeting for future City Council consideration. Maintenance Division Director Lee Perry will provide overview.
   - **Lee Perry** summarized key points from memorandum. Staff evaluated a municipally operated consolidated collection plan which includes staff resources increased to support program, new facility, new vehicles, equipment, billing structure.
   - **CS** our initial projections indicate that municipally operated model is relatively cost competitive to a franchised model (less so on the opt out scenario). Upfront capital costs for a new facility, expanded billing capacity and additional new full-time employees drive costs for this model. We need to determine if this is a priority for the City as establishing such a large and capital intensive enterprise would not be easy and would likely impact other City priorities. There continues to be a strong appetite for additional public services but the City struggles with constrained funding – especially these days. Today we are seeking your input and questions.
   - **FP** Sees as good news and not cost prohibitive. Great opportunity to control cost, provide jobs, increase staff flexibility. Unique program to Burlington.

- **JH** Appreciates analysis. Exciting opportunity. Seems feasible. What impact would it have on other operations such as negative impact on transportation initiatives? Hesitant to make decision today.
- **FP** only informative tonight. Decision in April. Just show support tonight and prioritize.
- **CS** looking to better understand TEUC's perspective to eventually make recommendation for full Council approval. No additional report will be provided.
- **FP** if there was money does DPW think realistically this could be done?
- **CS** Recognizing Burlingtonians will likely want option to opt out, this increases municipal cost to customers more than franchise model. Needs further public input, more detailed review and evaluation of different billing options if committee wants to seriously consider this model.
- **JS** what would option be if opt out?
- **LP** self drop off at a CSWD drop off center.
- **JS** where did 25% threshold come from?
- **LP** based on consultant GBB survey of City residents.
- **CS** 25% allows for conservative model.
- **JS** do we need to allow opt out?
- **CS** this is a policy decision by Council. Would lower cost without opt outs, but does not give option to residents.
- **JH** why not 15% comparison? Could the City easily run this model? It would be helpful.
- **LP** the 15% numbers from franchise were adjusted to show 25% comparison.
- **JH** Cost is worth it for benefits. Jobs going to unionized, well paid, local employees rather than large corporation.
- **JS** agrees with JH
- **Gene Bergman** Resident pleased with Councilors' comments and initial DPW work. In favor of municipal option.
    - Chart on page 5 shows Flynn option is within $0.13 of franchise option.
    - Even conservative plan shows it is feasible.
    - Comparing 15% to 15% for municipal and franchise would be good.
    - Significant benefits with municipal model. Strengthens City's middle class. City workers paid well and unionized. City's responsibility to ensure strong middle class.
    - There is revenue stream from this. Franchise puts profit in public hands.
    - Municipal option adds capacity to DPW staff.
    - No backing that private haulers could sue City.
    - No basis for private haulers not needing to expand facilities to take on Burlington market.
    - Skeptical that the municipal program would hinder other City operations.
    - Cost for monitoring franchise option is not considered.
    - S Burl considering franchise system could increase monopoly potential.
    - We are in good position to run this self-sufficient program proposed. More privatization of public services is not in public interest.
- **Kia Mikkel Forline** – 20 year Duplex owner in Burlington. Owner occupied and rented. In favor of municipal option.
    - Statewide monopoly potential if private.
    - Cost are up 20% over past 4 years for his private curbside service.
    - Bi monthly collection helps reduce cost. DPW should show this option.
    - Trash pickup is much less needed with composting and recycling in place. Could reduce cost this way.
    - Current waste hauler accesses backyard to get waste. This is a nice service and would like to see this continue.
    - Offer different volume containers as ways to reduce cost.

  - Separate concern with single collection of all recycling types. Separate recycling is done elsewhere in VT and would like to see this option here.
- **FP** moves that the City should prioritize running a consolidated collection system.
- **JS** Supportive of giving this direction, seconds motion.
- **JH** comfortable with this motion knowing there will be bigger conversation next month and that this is just a general motion indicating overall support of consolidated collection.
- Motion passes unanimously

5. Greenride Bikeshare Update (See Attachment)

- **Director Capin Spencer:** City is one of many partners developing this regional system. Close to launching.
- **Rob Goulding**: Last TEUC update about this was at the onset of pandemic, which disrupted this rollout.
  - E bikes highlighted in PlanBTV.
  - Wanted to make this as affordable as possible.
  - Local connection is built in with this agreement through things such as livable wage requirements.
  - Protections for City's interest built into this contract:
    - No financial cost to the City.
    - One year contract with option to not renew.
    - Key performance standards set.
    - Important community stake holder protections included.
  - GOTCHA is out of business and acquired by BOLT – a better capitalized company
    - They own and manage their own technology which addressed some concerns with GOTCHA
  - Staff sees this is a reasonable model. It is a very similar contract to the one we brought forward in 2019.
- **FP** would have been nice to have more E bikes during covid. In support of this. Drop off/Pick up options are great.
- **Brian Davis, CCRPC:** Here to support City and answer questions. RG provided overview of regional sysem.
- **Rick Sharp** – Burlington Segway's owner. Opposed to proposal with big out of state company. Would drain local bike stops. GOTCHA bikes were not used for point to point transportation but more for joy rides. Took rides out to Causeway and saw dozens of GOTCHA bikes out at the causeway. Buy local first. Suggestions:
  - Free vendor hub on the waterfront has to be removed and replaced with sign to direct users to local bike shops.
  - Geofence E bikes so that they can't be used on greenway or at a minimum beyond the Winooski bridge.
  - Personally rented out E bikes last summer showing a demand for use out to causeway.
  - Recommends keeping membership only model and eliminate pay as you go model.
  - Double the fee after one hour so it's more expensive to take E bikes out to Causeway so this business could still go to local bike shops.
- **JH** Concerns with pricing - previous contract didn't compete as directly with local bike shops by making first hour very cheap so it was attractive to take a point to point trip to displace trips not recreation. Do we have side by side of this pricing?
- **RG** Reference Attachment G – User Fees. Reported that City staff expressed strong desire to GOTCHA that we needed escalated pricing model to deter long rides. We have conveyed this message to BOLT. We don't yet have escalating pricing, but contract says this will be considered when partners consider contract renewal.

- **JH** concerned this was so much more affordable with previous proposal. This needs to be accessible and attractive to deter vehicle trips. Why has price increased?
- **RG** we want to strike right balance between not taking from local businesses and also making them accessible. We were disappointed in price increase but the industry has changed and GOTCHA went out of business. Is this the right system and price for Burlington? This could be determined after there is data to evaluate. BOLT is willing to work with us for equity concerns. Need to do a good job of attracting all types of riders for equity.
- **JH** short rides should be really affordable and we should press BOLT on this. No concerns with recreational use if this is made to be expensive to not compete with local businesses. Increase subsidies for low income. On membership access or pay as you go, subsidies need to be looked into or the issue of equity is not addressed.
- **JS** agrees. People will not use if expensive so this needs to be cheaper. Accessibility is number one. Don't want this to be an elite project. The more we promote cycling and other forms of transportation the more demand will increase so don't see it as competing with local businesses.
- **Zandy Wheeler** would love to see proposed rates. Interested in comments from JH and JS. Share the vision and desire to have connected and low emission community. Need to have escalated pricing. Promote this to the right groups in addition to price. Concerned about low monthly rate to then use as recreation.
- **JP Coseno** North Star worker. 90% of bikes aren't in areas where people are commuting from, they are downtown. Using E bikes on waterfront is concern. Tourists ask for rental price and then walk out and get E bike with no helmet. B Cycle reached out to ask me about what I knew about the local bike share and they expressed concerns about amount of trips used in one hub. They didn't see it as point to point system. JH was right by saying this should encourage people to do short point to point trips. Affordable long trips are the issue and takes single E bike out of commission for many other users. B Cycle didn't think it was viable as it was now, due to lack of people using hubs aside from waterfront. B Cycle said it needed more capital annually from other cities and more people using the system to work. I don't want it to be used as a rental system.
- **FP** agrees long term rentals should be higher price point. Next steps?
- **CS:** This item was meant as update today. 2019 Council approval enables our community to move forward with this contract. We have sought to respond to issues raised tonight. Limited to one year contract. No cost to regional partners. Escalated pricing is considered in contract renewal. College Street waterfront hub was removed. Doubled the number of bikes and increased hubs to make more accessible. Made clear to vendor that if they don't address these concerns in this first year of operation, we will find someone else. Input has been helpful. We are all trying to achieve the same goal of developing more sustainable transportation system. We hear your input about this system being transportation orientated and having escalating pricing. We will convey this to the vendor as we move forward.
- **JH** does not what to lose sight that this is exciting and amazing project. We need to push harder on these concerns. Recognize BOLT is for profit business so we need to negotiate on behalf of public. Next steps?
- **CS** we are less than 30 days from launch if all goes as planned. Bikes arrived in Burlington today. We will continue to push BOLT on the equity offerings and they have indicated a willingness to consider additional commitments on this front. Outside of this, we do not believe there is additional flexibility on the contract.
- **Brian Davis** – as FP said, adding bikes will change the dynamic for Burlington, So. Burl and Winooski and rebalance the system. Echoes concerns with equity and can push BOLT on this. We asked BOLT to consider escalated pricing and waiting to hear back.
- **FP** closes item.

7. **Director's Report**
   - **CS** Defer until next month. Thanks FP for his service as a City Councilor and TEUC member.

8. **Councilors' Update**
    - **FP** been an honor to see into DPW and all that's done. Hopes to continue input into these types of issues. Great to be a part of this.
    - **JS** thank you DPW for the work done and all that we do to keep things moving smoothly in a progressive healthy way for the City. Appreciation for FP and working with them.
    - **JH** thank you to FP and whole team here. Hope to return to this committee and will do what I can to get back on for next term. Riding on S Winooski and wondering where things are with that south of Main St. Thought plan was to remove parking and add another bike lane.
    - **CS** it was installed last fall but worn off by winter. Parking was removed on one side from S Winooski between Main and King. Once we restripe, hopefully in May, this bike lane will be restored.
9. **Next Meeting**
10. **Adjourn**
    - Councilor Paulino moved to adjourn the meeting. Seconded by Councilor Hanson.
    - All in favor passed unanimously.
    - Adjourned at 7:17 PM.