



STAFF REPORT

To: Shayne Scott, County Manager
Summit County Council

From: Carl Miller, PMP, AICP CTP, Regional Transportation Planning Director

Date of Meeting: April 5, 2023

Subject: Resolution 2023-28 to amend the 2023 Transportation Division Budget

Type of Item: Regular Session

Background

Summit County is at a pivotal point with the operations of the bikeshare system. Summit County introduced the country's first all-electric bikeshare system in 2017 and has historically supported the bikeshare program with annual appropriations of \$250,000 from the Transportation Sales Tax (TST). However, the continued administration of the system by Bewegen Technologies Inc. (Bewegen) has not met expectations and the contract with Bewegen expired on February 16, 2023.

Bewegen has proposed a new contract that would enable Summit County to receive revenues from ridership and sponsorships. The cost for Bewegen to operate this service would be \$425,420 per year to provide full operations. Alternatively, Summit County can take operations of the bikeshare system and provide a much smaller contract to Bewegen for information technology and customer service. The expected revenues from the bikeshare should reduce the overall costs to the County (Attachment 1: Bikeshare Financial Analysis).

Staff recommends bringing bikeshare program operations in-house as it would enable us to continue the functionality of the proprietary bicycles, while providing greater control of the administration of the system and increasing customer satisfaction. This change would require the county to amend the 2023 Transportation Division budget and revise the chart of positions to enable the recruitment of an operations team (Attachment 2: Resolution 2023-28).

**A BUDGET RESOLUTION OF THE SUMMIT COUNTY COUNCIL
2023 BUDGET AMENDMENTS**

WHEREAS, pursuant to UCA §17-36-22 and §17-36-23, on March 29, 2023, the Summit County Council, acting as the governing body of the County, held a series of public hearings to amend the internal department accounts within the following 2023 budgetary funds: Bike Share Enterprise Fund; and,

WHEREAS, the amendments to these budgetary funds results in an increase to the budgets of these funds; and,

WHEREAS, the Summit County Council, acting as the governing body of the County, finds that it is in the best interests of the County to amend the 2023 budgetary funds of the following: Bike Share Enterprise Fund;

NOW THEREFORE, BE IT RESOLVED, pursuant to UCA §17-36-22 and §17-36-23, the Summit County Council, acting as the governing body of the County, hereby amends the 2023 budgetary funds, as shown in Exhibit A herein, of the following:

Bike Share Enterprise Fund.

APPROVED, ADOPTED, AND PASSED and ordered published by the Summit County Council, this 29th day of March, 2023.

COUNTY COUNCIL
SUMMIT COUNTY, STATE OF UTAH

ATTEST:

Roger Armstrong, Chair

Evelyn Furse
County Clerk

APPROVED AS TO FORM:

David L. Thomas
Chief Civil Deputy

EXHIBIT A

Attachment I: Bikeshare Financial Analysis

	Historical	2023	2024	2025	2026
Revenues					
Program sponsorship	\$ 106,800	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
User fees	118,000	126,400	151,000	151,000	151,000
Station sponsors	15,000	15,000	31,500	31,500	31,500
Contributions	250,000	250,000	250,000	250,000	250,000
Total revenues	489,800	511,400	552,500	552,500	552,500
Expenses					
Salaries		85,300	120,000	126,000	132,300
Benefits		41,000	57,600	60,500	63,600
Warehouse Lease		52,000	53,000	-	-
Maintenance		54,000	66,000	66,000	66,000
Professional/technical		112,000	112,000	112,000	112,000
Capital outlay		201,000	450,000		
Contractor	425,420				
Total expenses	425,420	545,300	858,600	364,500	373,900
Revenues less expenses		(33,900)	(306,100)	188,000	178,600
Fund balance		360,000	326,100	20,000	208,000
Number of bikes	178	192	233	233	233
Number of stations	22	24	27	27	27

Notes:

- * Historically, all revenues (sponsorships, user fees, and contributions) were assigned to Bewegen in exchange for operations of the system.
- * 2023 Staffing is comprised of 1/3 Transportation Demand Planning Manager (new FTE), Bicycle Mechanic II (new FTE), and Bicycle Mechanic I (new, seasonal)
- * 2023 capital outlay for purchase of fleet vehicle and equipment;
2024 capital outlay for potential purchase of warehouse
- * Targeted fund balances are between \$500,000-\$750,000 in order to respond to fluctuations in user participation and number of bikes available