

CITY OF OAKLAND

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OFFICE OF THE CITY CLERK  
OAKLAND

2015 OCT -1 PM 12:35

# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Brooke A. Levin  
Director, Public Works

**SUBJECT:** Services Agreement With eLock  
Technologies, LLC

**DATE:** September 17, 2015

City Administrator Approval

Date:

9/30/15

## RECOMMENDATION

**Staff Recommends That The City Council Adopt:**

**A Resolution Authorizing The City Administrator To Waive The Advertising And Bidding Requirements And Execute A Professional Services Agreement With eLock Technologies, LLC, In An Amount Not-To-Exceed Thirty Thousand Dollars (\$30,000.00) For Five Years For: (1) Service Plans For City-Owned Bicycle eLockers; And (2) As-Needed Repairs to City-Owned Bicycle eLockers Due To Vandalism And Other Causes Not Covered By The Service Plans.**

## EXECUTIVE SUMMARY

Approval of this resolution will waive Oakland's competitive bidding requirements and authorize the City Administrator to execute a professional services agreement with eLock Technologies, LLC ("eLock"), a small business in Berkeley, CA. The agreement will allow for maintenance of Oakland's bicycle eLockers (20 in two locations) for a period of five years. These services cannot be provided by other companies due to proprietary hardware and software. The City's Purchasing Ordinance requires competitive bidding unless waived by the City Council.

## BACKGROUND / LEGISLATIVE HISTORY

Oakland Municipal Code ("O.M.C.") § 2.04.040.B.2 requires staff to conduct an informal advertising and competitive bid process for purchase orders or contracts for supplies, services or combination involving expenditures between \$500.00 and \$50,000.01 in any single transaction or term agreement. However, O.M.C. § 2.04.050.I.5 permits the Council to waive such advertising and competitive bidding upon a finding that it is in the best interest of the City to do so. Additionally, OMC Section 2.04.051.A requires the City to conduct an Request for Proposals/Qualifications (RFP/Q) prior to the purchases of professional services unless this requirement is waived under OMC Section 2.04.051.B, upon a finding by the City Council that it is in the best interests of the City to do so.

Item: \_\_\_\_\_  
Public Works Committee)  
October 13, 2015

The City currently owns 20 eLockers, all manufactured by eLock Technologies and accessible by use of a BikeLink card, also manufactured, distributed, and supported by eLock. The first 16 were installed in 2007, as a result of an informal, competitive bidding process that netted one responsive bid. On January 7, 2014, the City Council adopted Resolution No. 84782 C.M.S. allowing the City to waive competitive bidding and purchase four additional bicycle lockers from eLock Technologies.

## **ANALYSIS AND POLICY ALTERNATIVES**

Oakland's eLockers are situated to serve bike commuters traveling to and from Oakland's two downtown BART stations. Throughout the BART system, there are another 1,154 eLockers, including 254 that serve the rest of the Oakland stations. BART has plans to add another 276 lockers in 2016, 124 of them in Oakland. BART's original contract for approximately 800 electronic lockers was the result of a competitive selection process that resulted in the selection of eLock Technologies. There are no other brands of electronic bike lockers in the BART system.

Oakland has purchased eLockers to maintain compatibility with BART's system, both for maintenance purposes and customer experience. The lockers controlling software and hardware are proprietary designs that are not available from other vendors.

New eLockers are warranted for one year. After that time, facility owners have the option of purchasing a Comprehensive Service Plan (CSP), which the City of Oakland has done, most recently in 2012. The CSP includes service and operations, preventative maintenance, limited parts replacement, and software license renewal. The CSP does not cover repair of damages or malfunctions related to vandalism, but does establish hourly rates and the cost of replacement parts for such work.

The 2012 CSP was approved relying on a cooperative agreement based on a service plan with the City of Walnut Creek, and is in place through the end of 2015 at a cost \$154/space. Oakland's first 16 eLockers are "Generation 3" models. The models now sold, including the four installed by the City in 2014, are "Generation 5." Due to this mix of locker types, the City can no longer find a comparable contract from another jurisdiction on which to base a cooperative agreement. The waiver requested will now enable Oakland to accept CSP services now being offered by eLock at \$120 per space per year for newer lockers, and \$150 per space per year for older lockers, which tend to have more issues due to age and costs associated with continuing to support older technology. Despite these issues, the lockers function well and staff is not recommending replacement.

To facilitate ongoing maintenance of the eLockers, staff requests approval for a services agreement with eLock Technologies to include a five-year CSP and payment for repairs due to vandalism and other causes not covered by the service plan.

Justifications for the requested waivers include:

- Proprietary BikeLink software and components can only be maintained and supported by eLock Technologies, LLC.

- The eLockers are affordable, well-used, and, with the service plan in place, easy to maintain.
- The City has no plans to replace existing bike lockers, or to purchase other types of bike lockers in the foreseeable future.

Because it is not possible for another firm to operate the proprietary technology, alternatives to the requested waivers include:

- Requesting bids from firms that cannot provide the service for the lockers we own.
- Letting the CSP lapse, making it necessary to go out for a round of bidding for a contract of \$30,000.00 to firms, all but one them unable to provide the service due the proprietary nature of the eLockers.
- Removing the eLockers.

Therefore, it is in the City's best interest to waive the O.M.C. Section 2.04.040.B.2 and Section 2.04.051.A requirements and execute a professional services agreement with eLock Technologies, LLC.

### **FISCAL IMPACT**

The total cost to maintain and operate the lockers is anticipated to be \$239 per locker per year. This includes: (1) \$144 per locker per year for a new, five-year CSP covering the City's 20 eLockers; and (2) \$95 per locker per year to address vandalism and perform related upgrades.

Costs associated with bike locker maintenance are covered by the City's Capital Improvement Program for Bicycle Master Plan Implementation (Measure B Fund 2212, Capital Improvement Project C428410, Miscellaneous Services Account 53719).

### **PUBLIC OUTREACH / INTEREST**

According to eLock Technologies, the eLockers in downtown Oakland are the most actively used in the entire eLock system, which spans five states. From January-June 2014, the facilities were used by 385 different individuals, who parked their bikes for over 27,000 hours. Staff receives regular requests to install additional eLockers which led to the expansion of the installation in Frank Ogawa Plaza in late 2014.

### **COORDINATION**

The Office of City Attorney and the Controller's Bureau were consulted in preparation of this report and resolution.

### **PAST PERFORMANCE, EVALUATION AND FOLLOW-UP**

eLock Technologies, LLC, has provided exemplary service since Oakland's lockers were first installed in 2007. They have communicated any problems to staff promptly and clearly. After the

lockers were vandalized most recently, eLock removed the damaged lockers and installed replacement lockers until the repairs can be made.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** Bicycling is a low-cost form of transportation. eLockers provide affordable, secure parking for Oakland's bicycle commuters. The proposed service agreement will allow the City to maintain assets cost effectively.

**Environmental:** Bicycling is one of the most environmentally friendly modes of transportation.

**Social Equity:** Bicycling is accessible to a wide segment of the population, including those who cannot, or have chosen not to, drive a car.

### **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt:

A Resolution Authorizing The City Administrator To Waive The Advertising And Bidding Requirements And Execute A Professional Services Agreement With elock Technologies, LLC, In An Amount Not-To-Exceed Thirty Thousand Dollars (\$30,000.00) For Five Years For: (1) Service Plans For City-Owned Bicycle elockers; And (2) As-Needed Repairs To City-Owned Bicycle elockers Due To Vandalism And Other Causes Not Covered By The Service Plans.

For questions regarding this report, please contact Iris Starr, AICP, Division Manager, at (510) 238-6229.

Respectfully submitted,

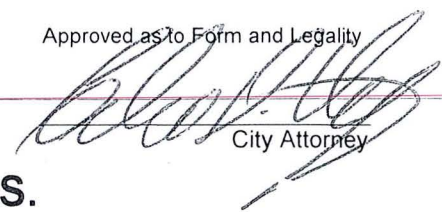


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BROOKE A. LEVIN  
Director, Oakland Public Works

Reviewed by:  
Michael J. Neary, P.E., Assistant Director  
Bureau of Engineering and Construction

Prepared by:  
Jason Patton, Bicycle & Pedestrian Program  
Manager, Transportation Planning & Funding

Item: \_\_\_\_\_  
Public Works Committee)  
October 13, 2015



City Attorney

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

2015 OCT -1 PM 12:38 Resolution No. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

**ADOPT A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO WAIVE THE ADVERTISING AND BIDDING REQUIREMENTS AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH ELOCK TECHNOLOGIES, LLC, IN AN AMOUNT NOT-TO-EXCEED THIRTY THOUSAND DOLLARS (\$30,000.00) FOR FIVE YEARS FOR: (1) SERVICE PLANS FOR CITY-OWNED BICYCLE ELOCKERS; AND (2) AS-NEEDED REPAIRS TO CITY-OWNED BICYCLE ELOCKERS DUE TO VANDALISM AND OTHER CAUSES NOT COVERED BY THE SERVICE PLANS**

**WHEREAS**, O.M.C. § 2.04.040.B.2 requires staff to conduct an informal advertising and competitive bid process for the purchase of products when the expenditure ranges from \$500.00 to \$50,000.01; and

**WHEREAS**, O.M.C. § 2.04.051.A requires the City to conduct an RFP/Q prior to the purchases of professional services; and

**WHEREAS**, O.M.C. § 2.04.050.I.5 permits the Council to waive such advertising and competitive bidding upon a finding that it is in the best interest of the City to do so; and

**WHEREAS**, the City owns 20 bicycle eLockers, proprietary products manufactured and operated by eLock Technologies, LLC, in Berkeley, CA; and

**WHEREAS**, the current Comprehensive Service Plan for the eLockers covering routine maintenance activities and providing a cost basis for repairs resulting from vandalism expires at the end of 2015; and

**WHEREAS**, staff would like to enter into another Comprehensive Service Plan for a period of five years; and

**WHEREAS**, the City has no plans to replace existing bike lockers, or to purchase other types of bike lockers in the foreseeable future; and

**WHEREAS**, staff recommends that the Council waive advertising and competitive bidding in this instance because there are no plans to remove or replace the eLockers and only eLock Technologies, LLC, can provide the requested services; now, therefore be it

**RESOLVED**, That the City Council finds and determines that, pursuant to O.M.C. § 2.04.050.I.5 and O.M.C. § 2.04.051.B, for the reasons stated above and in the accompanying report, it is in the best interests of the City to waive advertising and the competitive bidding requirements of the O.M.C. for service of Oakland’s bicycle eLockers by eLock Technologies, LLC, and so waives the requirements; and be it

**FURTHER RESOLVED**, That the City Administrator or her designee is hereby authorized to award a professional services agreement to eLock Technologies, LLC, in an amount not-to-exceed thirty thousand dollars (\$30,000); and be it

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**FURTHER RESOLVED**, That the City Administrator, or her designee, is hereby authorized to complete all required negotiations, certifications, assurances, and documentation required to accept, modify, extend and/or amend the maintenance agreement, except for any increase in the contract cost; and be it

**FURTHER RESOLVED**, That the agreement will be funded by Measure B Bicycle/Pedestrian Pass Through Fund (2212); Capital Project – Transportation Planning and Funding Organization (92260); Miscellaneous Services Account (53719); Bicycle Facility Design & Implementation Project (C428410); and be it

**FURTHER RESOLVED**, That the City Attorney shall review and approve the proposed agreement and any and all other vendor service agreements as to form and legality, and copies of the agreement(s) shall be filed with the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California