



Pittsburgh Bike Share Board of Directors, Meeting, October 10, 2017 Minutes

1. **In attendance:** Andre Young, Michael Goldstein, Doug Donohoe, Ashlee Yingling, Kristin Ash, Kristen Saunders, Cathy Rogers, Jeremy Waldrup, David White, Craig Castor and Erin Potts, Barb Murock, Ray Lombardi, Adams Carroll
2. **Minutes:** August 8, 2017 minutes approved by vote
3. **Communications:** Erin and David reported on the recent media event announcing the partnership with the Port Authority for using the Port Authority Connect (fare) cards for bike rental. The Mayor and County Executive and Port Authority leadership attended and spoke resulting in positive local as well as national coverage. Further outreach will include flyers at outreach at events and organized rides. One hundred fifty people had signed up in a short time, with 130 rides already taken. Users will receive a 15-minute ride, no limit on frequency, but must register a payment method. A long-term goal is to have a shared account with the Port Authority. Pittsburgh is first in the country to establish such a relationship. After a 6-month pilot, revenue will be analyzed for impact.
4. **Dockless Bike Share:** In many cities, both with and without nonprofit bike share programs, for profit, dockless bike share systems are springing up. Most are Chinese, and do not have integrated locks, no stations or kiosks, low cost bikes, and often run with venture capital, allowing them to give free or charge less than non-profits and to run at a loss, thus saturating a city and threatening the existence of non-profits. The industry group for bike sharing has put out a statement not supporting the companies. Several board members with recent visits to other cities reported seeing the bikes and spoke to some of the problems they create, such as blocking walkways.
Threats to Pittsburgh: Four for-profit companies have already reached out to Pittsburgh. The City's view is that they are open to other bike share groups operating in the city. The city has deferred until a legislated permitting process is in place. Proposed regulations include posting a \$20,000 bond, sharing ridership data, locking only a bike racks, having a permit.
Other cities' strategies: Minneapolis, a standard-bearer in bike sharing with ten years of operations, has responded by stating that quality must be kept, but would sell all their equipment to a for-profit who can phase out their system to a dockless one.
Ideas for consideration: David suggests working harder with universities and downtown to demonstrate that we are a dockless company, get a jump on the movement to dockless and get to a tipping point. When asked when we will have numbers to show the viability of this plan, he noted that we need more bikes to make it work, requiring more capital investment.



Adams suggested contacting one of the for-profits and merge with them. Our Next Bike agreement goes through 2020, and we would need to get out of the non-compete clause. Competing bike share programs include Lime Bike, Mobike, Spin, Social Bicycle, and OFO, the largest, which is represented by Triad Strategies, a Harrisburg based lobbying firm. The board reaffirmed its commitment to being a mission-driven board in any decision making regarding future organizational structure or operations.

5. **Hardware Replacement Strategy Update:** David provided updates on expansion. All bikes in the system have now been converted with the new software.
6. **Finance:** David reviewed financial statements. We are significantly under goals on ridership revenue at \$70,000, and most categories are under performing. We are \$30,000 in the red, but net revenue is positive because of foundation commitment of \$115,000, which is all restricted for capital improvements. The Auditor's report will be sent to board members electronically. It was positive, with a few small suggestions, including updating the back account with the board officer signatures, obtaining a rental agreement with the building owner.
7. **Board Development Committee:** We will elect new board members in December and their terms will begin in January, as per our bylaws. Barb reported on a positive interview with Julie Klausner. We will invite her to join the Communications/marketing Committee until then.
All current board members: are asked to bring their thoughts on their board commitment for the next year to our November meetings.

Board meetings: Given the urgency of our situation regarding competing for-profit bike share programs and staff travel, we will meet in November. The agreed upon meeting time is **THURSDAY, November 16th , 8:00 AM – 10:00 AM**

8. Adjourn