

July 8, 2022

Mayor and Council  
Resort Municipality of Whistler  
4325 Blackcomb Way  
Whistler, BC V8E 0X5

Dear Mayor and Council,

Thank you for the discussion at the July 5, 2022, Council meeting regarding the RMOW's Evo-Bike Program.

Many of Whistler's existing bike rental operators continue to believe that, as currently designed, the Evo-Bike Program will result in direct competition with local bike rental providers. The consequences of this direct competition could have negative impacts on the environment, Whistler employees and small businesses. In appendix A we have included a more detailed example of exactly how we believe the RMOW's Evo-Bike program, as currently designed, will compete with and significantly underprice a typical valley bike rental from the independent operators in Whistler. Appendix A also includes some examples of the possible implications of this direct competition.

Bike rental operators and the RMOW are aligned in that we would like to see more people on bikes in Whistler. However, RMOW's program needs to be complementary to the products and services already offered by local businesses, not competitive. As a result, we have provided some suggestions on how we believe the program can be improved so it can be a win for the environment, a win for Whistler residents and less detrimental for the existing rental providers.

Additionally, virtually all of the questions from our June 29, 2022, letter and the other questions posed by the councilors and local bike rental operators are still unanswered. These are important questions to carefully consider and answer before experimenting with jobs, livelihoods and the environment. We have included an expanded list of questions in Appendix B to this letter. We would urge the RMOW to provide answers to these questions and collaborate with local rental operators before entering/disrupting the bike rental market, implementing trials or RFPs.

Suggestions to improve the RMOW's E-Bike program include:

- 1) Allow Whistler's independent bike rental operators to contribute to key decisions related to the RMOW's E-Bike rental program. Key decisions should include the following: determining the Bike pick-up and drop-off locations, determining the total number and type of bikes, advising on safety and maintenance policies/programs, pricing and fees, who has access to the bikes and how the program is marketed. This can be achieved through an oversight committee comprised of representatives from the bike rental community.
- 2) Restrict the program to sea to sky residents and adjust locations to focus on Whistler neighbourhoods and staff housing as opposed to visitor destinations. For example, replace the Olympic plaza and Lost Lake locations with Cheakamus, Function Junction or Staff Housing locations. Maintain no more than one village location that is an appropriate distance from existing rental operators and where guests would otherwise drive (perhaps day lot 4 or 5). This will reduce the competitive impact on local bike

rental providers and enhance the access and benefits of the program for Whistler residents.

- 3) Develop clear, fair and measurable objectives and metrics that will be used evaluate the success or failure of the program before starting.
- 4) Evaluate and initiate partnership opportunities with local businesses such as a locally run maintenance program so the bikes are not being shipped to Vancouver for maintenance (which is presumably not environmentally friendly).
- 5) Involve experts to carefully review the RFP process and help negotiate key agreement terms between the RMOW and third-party providers (like BCAA) to help ensure the environmental benefits are maximized and economic benefits remain in Whistler.

The common goal that is shared by the RMOW and local bike rental operators is to get more people on bikes and out of cars. We urge the RMOW to engage with local bike rental operators like partners in achieving this objective, not competitors. Please consider allowing local bike rental operators to contribute to and participate in the RMOW's bike rental program so it can be a win for the environment and a win for the entire Whistler community.

We look forward to discussing this further.

**Signatures:**

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Will Naylor - Gateway Bikes ([will@whistlersports.com](mailto:will@whistlersports.com))  
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## **APPENDIX A – EXAMPLE OF THE COMPETITIVE PRICE UNDERCUT**

Based on the proposed RMOW Evo-Bike Program, a RMOW Evo-Bike rental user can pick-up a bike in the village and ride to and from Lost Lake to a total cost of \$11 to \$22 (depending on the Evo user's ride time).

In order cover the costs of commercial rent, wages, insurance, bike purchases and maintenance most existing rental providers rent valley bikes usually for a minimum of 4 hours at a cost of approximately \$50 per bike. The village to Lost Lake trip is a very common route for guests renting valley bikes or e-valley bikes from existing rental operators in Whistler. It is important to note that rental guests on a 4 hour or full day rental are often not riding for the entire time. In many cases guests will pick up their bikes from one of the rental providers in the village, ride to lost lake for a swim or picnic and return to the village during the rental period. As a result, the RMOW's Evo-Bike share program, as currently designed, could displace this rental transaction at a price that is 78% lower than the prices offered by existing rental providers. The price undercut is even larger when compared to 4-hour E-Bike rental prices offered to the local rental operators.

The possible implications of undercutting the prices on Whistler's existing valley and valley e-bike rentals could include a significant reduction in the purchases/supply of valley and e-bikes by private operators, staffing and wage reductions, reduced investment by local businesses to grow Whistler's local bike rental offering and economy, and bankruptcy or closure of local rental providers.

These unintended negative consequences can be partly mitigated by restricting who has access to the Evo-Bike rental program (for example, Whistler residents) and by being thoughtful about the selection of the RMOW's bike rental pick-up and drop-off locations so as not to compete directly with common routes used by existing rental guests.

## **APPENDIX B – EXPANDED LIST OF QUESTIONS:**

- 1) What key metrics is the RMOW using to evaluate the success or failure of this program? How will they be calculated? and can the metrics be shared with bike rental operators?
- 2) At the council presentation on July 5, 2022, the RMOW noted that it expects that approximately 16% of the Evo bikes (10 of 60 bikes) will be down for maintenance at any given time and that these bikes will be driven to Vancouver for maintenance. What is the environmental impact of transporting bikes to/from Vancouver for maintenance? How many car trips between the village and lost lake need to reduce to offset the environmental impact of the maintenance trips between Whistler and Vancouver?
- 3) Does the RMOW believe it is equitable and financially responsible to provide the bike drop-off and pick-up locations to BCAA for free while local small business pays some of the highest commercial rents in the country to have a presence in Whistler?
- 4) Does the RMOW intend to design the RFP process for a permanent E-bike program to allow for realistic submissions from local small businesses? The current lead time for an e-bike order of sufficient size is currently at least 1.5 years.

- 5) How will guest safety be ensured including management of drinking alcohol and riding at night, bike and helmet safety inspections etc.?
- 6) How will the RMOW help ensure the Evo-BCAA program is not competitive with existing rental providers?
- 7) What are the pros and cons of restricting the RMOW's bike rental program to Whistler residents and employees?
- 8) BCAA has over \$500 million in assets and is capable of funding its start-up research and development costs unilaterally. Why does the RMOW feel that it needs to support BCAA in launching this program by providing rent free locations and other services in-kind?
- 9) Why is the RMOW partnering with a non-Whistler organization like BCAA on this program? And is the RMOW interested in providing local rental providers with the opportunity to address the program's environmental objectives as opposed to BCAA?
- 10) Is it appropriate for the RMOW to move forward with this decision with no consultation with Whistler's existing rental providers? And should the RMOW be competing with existing rental providers?
- 11) Does the RMOW have good understanding of the possible impacts of this program on the existing rental providers?
- 12) What are the environmental impacts of manufacturing BCAA's e-bikes and possibility of over-supplying Whistler with bikes? How does this impact compare to possible benefits of the RMOW's bike rental program?
- 13) How will the RMOW and BCAA support small local rental operators and their employees if there are material financial hardships as a result of this program?
- 14) What is the current and normal supply of rental bikes in Whistler? What is the rental utilization (occupancy) of this supply from mid-April to Mid-October? Does the RMOW believe that Whistler's bike rental market is under-supplied?
- 15) Does the RMOW know how many valley and e-bike rentals there are in Whistler that are at risk of being shifted from local Whistler operators to BCAA as a result of this program?
- 16) Does the RMOW have a good understanding of a typical valley or e-bike rental guests in Whistler? Does the RMOW understand what these guests use the rental bikes for to appropriately assess whether BCAA will inadvertently competing with local rental operators?
- 17) Does the RMOW know how many employees work in Whistler's bike rental, retail economy?
- 18) Whistler's bike market is already well supplied local operators, why will adding more bikes result in fewer cars?
- 19) Is the RMOW aware of the legal liabilities and maintenance and safety obligations associated with renting bikes? Is there adequate insurance, liability waivers, maintenance staff, renter education to protect the RMOW against these risks?

- 20) Does the RMOW understand when bike purchase orders need to be made by existing rental operators and should programs like this be communicated to local rental providers before these purchase orders are made?
- 21) What are the capital and operating costs and RMOW staff time required to implement this program? Are there better uses of these resources considering the bike market is well supplied by local operators?
- 22) What is the useful life of BCAA's bikes? how are they disposed? And what is the environmental impact of disposing the bikes?
- 23) Why is this decision being rushed mid-summer? Can the RMOW consider taking sufficient time to properly consult with local businesses to assess the impacts of the program?
- 24) Would the RMOW consider shifting the demonstration program start date to a later date to properly target whistler residents and help mitigate the negative impacts on local rental operators?
- 25) Summer bike rental guests often rent bikes for a 4 hour period. However, the rental guests are often not riding the bikes for the full 4 hours. A typical guest will rent for 4 hours, ride to one of the lakes or parks, picnic or swim and return to the village. Why does the RMOW believe that if there are BCAA drop-off and pick-up locations in the village and at the parks, BCAA will not be competing with existing operators?