



## **CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL**

### **AGENDA ITEM**

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Report: Shared Mobility Pilot Program – Award of Vendor Contract

1. Motion to modify the Shared Mobility Pilot Program to a total of 750 devices upon deployment;
2. Motion authorizing the Interim City Manager to execute Agreements with Wheels Labs, Inc. and Lime Professional Corporations for Shared Mobility Pilot Program.

### **COUNCIL ACTION**

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**Item Type:** Action Item

**Approved for** \_\_\_\_\_ **March 2, 2021** \_\_\_\_\_ **Calendar**

### **ADMINISTRATIVE ACTION**

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**Submitted by:**

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**Reviewed by:**

Michele Flynn, Director of Finance

Michael J. Garcia, City Attorney

**Approved by:**

Roubik R. Golanian, P.E., Interim City Manager

## **RECOMMENDATION**

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Staff recommends that Council approve two motions: one to modify the Shared Mobility Pilot Program to allow up to 750 total devices upon deployment; and the second to authorize the Interim City Manager to execute agreements with Wheels Labs, Inc. and Lime Professional Corporations for the Shared Mobility Pilot Program.

## **BACKGROUND/ANALYSIS**

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### **Summary**

On September 22, 2020, City Council reviewed and authorized staff to release a Request for Proposals (RFP) for the Shared Mobility Pilot Program. The RFP was to identify qualified vendors to provide shared mobility devices. Per the direction of Council, staff was to consider a minimum of two vendors to provide electric bicycles, standard bicycles, and scooters as part of a shared mobility fleet. Council recommended a fleet size of 500 total devices, with a minimum of 250 bicycles. As part of the Council session, staff outlined the standards and regulations of the future program. These details will be further developed as part of updated ordinances, that will be brought forward to Council, and the final terms of the selected vendors.

### **Objective**

The program is to be structured as a 12-month pilot program to evaluate whether a shared mobility program can be implemented as an alternative mode of transportation in Glendale on a permanent basis in the future. Evaluation findings will be based on the demonstrated ability by the vendors to operate and maintain a shared mobility system throughout the city under compliance with the rules and regulations developed for the program. The pilot program will inform the development of long-term policy solutions to expand sustainable mobility options equitably, while protecting public safety on city streets and sidewalks.

A pilot program of bicycles, e-bicycles and e-scooters would allow the City to further examine and understand:

- The impacts of shared mobility on reduction of automobile trips;
- The impacts of shared mobility on Glendale's parks, streets, sidewalks, public spaces, and privately-owned property;
- Public perception of the program;
- The role of shared mobility devices in expanding range and connectivity for those with limited mobility options; and
- The relationship of shared mobility options to other transportation options such as cycling, walking, and transit.

Establishing a pilot program will allow the City to collaboratively and flexibly develop an effective model to regulate these new transportation options to ensure effective

compliance with applicable laws and to promote a healthy integration into the City's existing transportation infrastructure. Preliminary standards and regulations have been developed, with final regulations to be presented to Council at a future date, along with any ordinances that will need to be changed.

These standards and regulations were initially proposed by staff and were criteria to which proposers responded as part of the RFP. These standards and regulations address key elements such as:

- *Service Area*

Staff recommended that devices be distributed to a limited geographic area. The deployment and use of the devices will be in accordance with state and local laws and regulations. This service area will include Downtown Glendale and Tropic Center in order to provide connectivity between Glendale's commercial activity and employment node and the Larry Zarian Transportation Center. This will assist in providing a solution to the first/last mile connectivity challenge while diversifying mobility options for residents, employees and visitors to Glendale. Significant locations such as Central Park and the Americana at Brand will not be included as service or parking areas. Scooters will be limited to this geographic region (Exhibit 2) based on existing operating regulations and rules established by the state to ensure safety of scooter users. There is opportunity to expand the geographic area to other significant locations such as Glendale Community College, but would only be applicable to bicycles and e-bicycles.

- *Schedule*

Staff recommended a pilot program duration of 12 months. This will allow time for users of all modes to become familiar with the devices and their integration with the transportation network, and to develop a series of measureable habits and behavior. Staff also recommended an early termination option in the event of unforeseen circumstances or if the program is not as successful as anticipated. Formal evaluation of the pilot program will begin at 9 months, and conclude with a report to City Council to determine if a permanent program should be established. Council updates will also be provided prior to the formal evaluation.

- *Operating Hours*

Staff recommended that operating hours be established during the pilot program. This will ensure that vendors will have the opportunity to collect, repair, recharge, and redistribute the devices prior to each day. Staff recommended that the service start at 6:00 am and terminate at 11:00 pm each night, and could be adjusted during the pilot program.

- *Fleet and Vendor Size*

Staff initially recommended the size of the device fleet to be approximately 500 devices, with a minimum of 250 bicycles at the launch of the program. Staff is recommending an adjustment to this initial deployment, to 750 devices. Justification is in response to market condition changes in the shared mobility market. More detail on this recommendation is provided later in the report. Staff has also recommended that adjustments to the fleet size that may be allowed after 90 days, to accommodate higher levels of ridership, or to curb unforeseen negative consequences.

- *Incentive or Penalty System*

Staff recommended that vendors provide information for a reward or penalty system to encourage good behavior, and penalize improper behavior. This could be established as fines to users who violate rules and codes of conduct, or through discounted or free usage for positive behavior.

- *Parking Hubs*

Staff recommended that parking hubs be established to ensure proper parking of devices. This could include fixed locations, virtual locations, or docked stations.

- *Clean Up, Redistribution, and Recalibration*

Staff recommended that there be an established response time to clean-up, redistribute and recalibrate the shared mobility fleet. This includes the speed and type of response for devices found to be in violation of parking standards or geographic limitations. This will also include a means to report and a defined response time by the vendor.

- *Engagement*

Staff recommended that public engagement be used to provide information related to education and safety, regarding applicable local and state laws, as well as to prepare the public for the deployment of devices.

- *Data*

Staff will work with vendors to collect data of ridership, and ensure the data will be accessible and visible to the City, including data availability, specifications, and content. The shared data will secure the privacy and rights of the individual users while providing information that allows staff to evaluate frequently used routes, distribution of devices, and potential improvements to infrastructure.

- *Insurance*

Vendors will be required to provide their insurance coverage to protect the City from liabilities related to injury, property damage, and any other potential liabilities from a shared mobility program.

Additionally, all pilot program operators must actively engage with city staff to resolve issues and to develop solutions to improve service performance throughout the duration of the pilot program. Operators shall be responsible for clearly communicating operational adjustments to the city, promptly responding to city inquiries and requests, addressing public complaints, and resolving any operational issues that may arise.

## **CONSULTANT SELECTION PROCESS**

The RFP was advertised on December 7, 2020; (Exhibit 1) and proposals were due on January 11, 2021. Per Council direction, staff requested vendors to submit a separate proposal for providing bicycle services and scooter services. Eight total proposals were received, with several companies submitting proposals for both bicycles and scooters. These companies included:

- Wheels (sit down scooters),
- Lime (bicycles and scooters)
- Bird (scooters),
- Blue Duck (bicycles and scooters) and;
- ANIV (bicycles and scooters).

A panel consisting of representatives from the Community Development, Public Works, and Police Departments reviewed the submittals.

Proposers were evaluated on written submittals as detailed in the RFP and listed below.

1. Experience operating shared mobility device systems.
2. Proposed operations plan appropriate to the Glendale environment.
3. Ability to launch operations in a timely manner.
4. Public education and engagement strategies.
5. Compliance record with Federal, State or local law, or rules and regulations.
6. Financial viability and stability, and adequacy of insurance.
7. Proposed methods to address regulatory and safety elements outlined in the RFP.

On January 26, 2021 the panel met to discuss the RFP scoring and identified Lime and Wheels as consensus favorites to provide service for the shared mobility pilot program. As professional shared mobility companies, Wheels Labs and Lime were chosen primarily for their demonstrated competence and professional qualifications. While all five of the responsive vendors' submitted proposals demonstrated the minimum qualifications and experience to undertake the tasks required for the pilot program, the panel's evaluation of the scope of services resulted in a unanimous agreement of the panel to recommend Lime and Wheels. The committee believed that Lime exhibited an exemplary service for both bicycles and scooters, demonstrating responsiveness to city needs as well as the resources and reliability to operate a successful program. Wheels offered a unique alternative with their sit-down scooter that provided a superior safety record. Both companies are deployed in Los Angeles which also offers interoperability of devices between Glendale and Los Angeles.

#### Bicycle RFP Scoring

	Lime	Blue duck	ANIV
Total	<b>391</b>	<b>339</b>	<b>315</b>
Rank	1	2	3

#### Scooter RFP Scoring

	Wheels	Lime	Bird	Blue duck	ANIV
Total	<b>394</b>	<b>387</b>	<b>371</b>	<b>331</b>	<b>300</b>
Rank	1	2	3	4	5

The following criteria, features, and information highlights the reasoning for recommending Wheels and Lime as the preferred vendors.

### *Parking, Geofencing, and Service Area*

Both Lime and Wheels use superior technology to build out all of the City's desired parking, ride and no ride zones. Riders can be notified of the City's preferred parking zones when ending their ride and hubs will be programmed for those locations so regular riders will always know where they can start or end their rides. These locations will be identified prior to the launch of the program, in coordination with and using criteria established by various city departments. Additionally, they use geofencing technology which allows the ability to safely lower speeds to 0 mph within designated geofenced areas or facilities that are identified by the City. After a device's speed has been safely reduced to 0 mph when nearing a geospeed protected zone, the device locks.

The vendors employ an app that features specific instructions on how many dockless vehicles are permitted to be parked in each hub, GPS navigation to each location, real-time data to prevent overflow at hubs that are no longer available, and education on how to properly park the vehicles according to City rules and guidelines. The app also requires that users submit reviewable photos each time a device is parked to ensure it is correctly parked and not left in prohibited areas or blocking the right-of-way.

### *Safety*

Wheels offers a smart helmet system that is directly integrated into their device. By using the app, riders can unlock the helmet from the device and peel off a new biodegradable headliner for every use.

Wheels offers a seated scooter to make micro mobility safer, as an alternative to more traditional scooters. The intent is to provide a variation from a traditional stand-up scooter by providing larger wheels, a lower center of gravity, and a seat for more points of contact with the rider. Wheels is the only vendor that exclusively uses a seated device.

Wheels devices also offer Bluetooth speakers. These speakers mitigate the risks of distracted riding by enabling riders to use hands-free navigation when pairing their phone through the Wheels app.

### *Incentives and Penalty Systems*

Lime offers cash and/or credit incentives to encourage proper parking and riding. Riders who park in preferred parking zones can be entered into a weekly drawing to win up to \$150 in Lime credit. Riders can also be assessed fines for poor parking or failing to adhere to the City's rules and regulations or for violations of the terms of service, up to the full

cost of any municipal fine. Lime also offers educational reminders or deactivation of accounts for repeated poor parking and behavior.

To incentivize compliance, Wheels offers free ride credits, discounts, and other incentives. To disincentive riders who display poor behavior, Wheels issues penalties including mandatory parking and riding education classes, suspension of device use for a period of time, or removal from the platform for those who consistently display poor compliance.

### Pricing

Lime's proposed e-scooter price is \$1.00 to unlock and \$0.39 per minute, and their standard e-bike price is \$1.00 to unlock and \$0.32 per minute. Wheels' devices are priced at \$1.00 to unlock and \$0.38 per minute.

In addition to the standard pricing structure and payment procedures, Wheels also offers a low-income plan, which includes cash payment options and a 50% discount on rides to any customer with an income level at or below federal poverty guidelines. The Lime Access discount program is available to recipients of Federal, state, or local subsidy programs, including those receiving unemployment benefits. Lime Access participants receive a 70% discount on standard fares on all rides taken. The Lime Access rate in Glendale is \$.50 to unlock and \$.07 per minute. Both companies offer rates comparable to other companies for standard and assistance-based pricing.

Lime offers Home delivery of seated adaptive e-scooters and adaptive bikes to those with physical disabilities and a public service announcement focused on how to keep clear rights-of-way in partnership with the Los Angeles County Commission on Disabilities.

### Additional Features

In addition to making trips more affordable, Lime is making it easier for riders to plan and pay for multimodal trips. Public transit agencies and private organizations use Lime's API to integrate their vehicle information into their trip planning applications and fare payment platforms. They have integration with LA Metro, Google maps and Uber.

Wheels is uniquely situated to address the challenges of the COVID-19 pandemic. They began a partnership with NanoSeptic. Through this partnership, Wheels are providing custom-made NanoSeptic surfaces on the handlebars and brake levers so that the riders only touch self-cleaning surfaces. NanoSeptic surfaces contain mineral nanocrystals that are powered by visible light to continuously break down any organic contaminants at the microscopic level without the use of poisons, traditional heavy metals or dangerous chemicals.

Wheels has entered into a partnership with Lime in which Wheels devices will be available through the Lime app. This would be a unique way for the two operators in the City to integrate their offerings, resulting in a more streamlined and convenient user experience. The same partnerships were not presented by other proposers.

## **Modification of Device Count Total**

During the selection process and discussions with the recommended vendors, staff was informed of changes in the financial dynamics of shared mobility services: that it was not economically feasible to provide bicycles only, and that scooters worked to subsidize the provision of bicycles, as described by Lime. To ensure that the City contracts with the highest rated vendor to provide bicycles, staff is recommending that the total device count be increased to 750. This would allow for 250 bicycles, 250 scooters, and 250 Wheels devices. Staff believes that this will provide an opportunity to fairly evaluate all devices as part of the pilot program, including Wheels, which has demonstrated a highly successful safety record with their unique devices. It will also ensure that the highest rated vendor will provide bicycles as part of the shared mobility fleet.

As part of this increased device count, staff recommends requiring that Lime guarantee bicycles and scooters are provided at a one to one ratio. This will ensure an adequate number of bicycles and e-bicycles would be provided to meet the objectives of the shared mobility pilot program. The city would still retain the right to scale the total number of devices up or down based on the performance of the program. This would be established through a set of performance criteria that will be brought back to Council as part of the final rules, regulations, and ordinance changes to accommodate the program.

## **FISCAL IMPACT**

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Fiscal impact for the pilot program is anticipated to be limited to staff time to launch, monitor, and manage the program. The City will provide no initial financial investment in the program. If the program proves to be successful and advances to a permanent program there could be expenses incurred for permanent infrastructure or improvements to the program, which would be offset by an anticipated permitting fee that would be established by any permanent program. Revenue sharing is not a part of the pilot program, as this has largely been discontinued as part of shared mobility programs.

## **ALTERNATIVES**

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**Alternative 1:** Approve the motions to modify the Shared Mobility Pilot Program to a total of 750 devices upon deployment and authorize the execution of agreement(s) with Wheels Labs and Lime to provide shared mobility devices.

**Alternative 2:** Not approve the motion to increase to 750 total devices, direct staff to select an alternative consultant to provide bicycles as part of the shared mobility pilot program, and execute an agreement with Wheels Labs to provide 250 devices as part of the scooter element of the program.

**Alternative 3:** The City Council may consider any other alternative proposed by staff.



## **CAMPAIGN DISCLOSURE**

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In accordance with the City Campaign Finance Ordinance, the names and business addresses of the members of the board of directors, the chairperson, CEO, COO, CFO, Subcontractors and any person or entity with 10% interest or more in the company proposed for contract in this Agenda Item Report as applicable are included as Exhibit 3.

## **EXHIBITS**

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Exhibit 1: RFP

Exhibit 2: Service Area Map

Exhibit 3: Campaign Finance Disclosures

Exhibit 4: RFP Responses by Wheels and Lime

