



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 17

Agenda Date: August 10, 2023

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Contract Awards for Dockless Vehicle Operators

SUMMARY:

An ordinance approving two Professional Service Agreements with Veo and Bird Rides Inc. to provide dockless vehicle services in City right-of-way for two-years with one, one-year renewal option. The two-year contract will begin on October 1, 2023.

BACKGROUND INFORMATION:

In 2019, following an extended pilot program, the City chose to restructure the dockless vehicle program by completing a Request for Proposal (RFP). In January 2020, the current dockless vehicle program launched with two operators, permitted for 1,000 vehicles each on an initial contract term of two-years with one, one-year renewal option at option of the City. The contract awards were with Bird and Razor.

Prior to completion of the initial contract term, staff briefed the Transportation and Mobility Committee in January 2022 and sought direction on whether to execute the one-year contract extension and then issue an RFP for these services. The Transportation and Mobility Committee endorsed the one-year renewal option and endorsed issuing an RFP during the extension term for

these services. On May 5th, 2022, City Council approved the recommended one-year renewal option. Prior to issuing this RFP, staff briefed the Audit and Accountability Council Committee on the solicitation process.

The dockless vehicle program is staffed with three positions within Center City Development and Operations who oversee development, management, and monitoring activities related to these contracts.

ISSUE:

The RFP was released on September 30th and sought two dockless vehicle operators. The City received five responsive proposals that were sent to the evaluation committee for review and consideration. The evaluation committee included seven voting members, including two neighborhood representatives for downtown; a Tech Bloc representative; a VIA Metropolitan Transit representative; and staff from Center City Development and Operations and the Information Technology Services Department. A non-voting technical advisory committee included staff from the City Manager's Office, the Transportation Department, and the Center City Development and Operations Department.

The evaluation committee ranked both the 'Experience, Background, and Qualifications' and the 'Quality of Proposal' components of the RFP. Specific attention was paid to operational and staffing models, rider education efforts, equity programs, the type and quality of vehicles, anti-sidewalk riding technology and each respondent's concepts for maintaining an orderly dockless vehicle ecosystem. The points assigned by the evaluation committee were then combined with the points awarded for Economic Terms (evaluated separately by the Finance department), the Local Preference Program, and the Veteran Owned Small Business Preference Program.

The evaluation committee met for initial scoring and a technical demonstration with each vendor was also held. During the initial evaluation meeting, the committee decided to shortlist and interview three firms, which were Veo, Bird Rides, and Spin. The evaluation committee then interviewed the three operators and then met again for final scoring. The evaluation committee recommended contracts with Veo and Bird Rides. A post-solicitation briefing for the Audit and Accountability Council Committee for this high-profile RFP occurred on June 13th.

Veo proposed a blend of seated and stand-up dockless vehicles while Bird will offer stand-up scooters. The contracts for these companies will include commitments to geo-fence sidewalks to prevent sidewalk riding in priority areas, including slowing vehicles dramatically and giving audible warnings on sidewalks on important downtown streets. This anti-sidewalk geofencing technology is a new enhancement that had not previously been implemented here. Staff expects that the initial implementation of this anti-sidewalk riding technology will be within 90 days from contract commencement. Staff will continue to work with the companies on any additional priority areas that are identified. In addition, the companies will geofence the River Walk, Alamo Plaza, and the other parks and plazas where riding is prohibited.

Upon City Council approval of these contracts, Razor, one of two current operators in the

marketplace, will be provided with 30 days to wind down operations and remove their vehicles from the right-of-way.

ALTERNATIVES:

City Council may choose to direct staff to negotiate contracts with other providers, to expand or reduce the number of contracts to be awarded, or to augment the number of total authorized vehicles to begin the contract term.

FISCAL IMPACT:

This ordinance approves two Professional Service Agreements with Veo and Bird Rides Inc. to provide dockless vehicle services in City right-of-way for two-years with one, one-year renewal option. The two-year contract will begin on October 1, 2023.

The City will receive a \$10 per vehicle fee and a \$0.30 per ride revenue share. A one-time infrastructure fee in the amount of \$15,000 for parking infrastructure will also be paid by both companies in year one. Total revenue for the two contracts is estimated to be \$1,038,000 and will be deposited into the General Fund. A table outlining the forecasted revenue is below.

	Year 1	Year 2	Option Year
Infrastructure Fee	\$30,000	\$0	\$0
Annual Permit Fee	\$20,000	\$20,000	\$20,000
Revenue Share (\$0.30/trip)	\$316,000	\$316,000	\$316,000
Total	\$366,000	\$336,000	\$336,000

The program budget is approximately \$330,000 per year and includes 3 staff positions and education materials. The program is funded through the General Fund.

RECOMMENDATION:

Staff recommends that Council approves these contracts for dockless vehicle services with Veo and Bird Rides Inc.