



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 4

Agenda Date: January 18, 2022

In Control: Transportation and Mobility Committee Meeting

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing on Dockless Vehicles

SUMMARY:

On December, 12, 2019, City Council authorized the negotiation and execution of contracts with Razor USA, LLC (Razor) and Bird Rides, Inc. (Bird), following the completion of a Request for Proposals (RFP). The effective date of the agreements was January 12, 2020, as other operators in the market were provided with a month to wind down services and exit the market. The agreements include a two-year term and a one-year extension, with Council approval. These companies were granted the exclusive right to offer dockless vehicle services within City Right-of-Way through these contracts. This briefing will provide an overview on the current status of dockless vehicles and staff's recommendation to approve the one-year contract extension while an RFP is developed.

BACKGROUND INFORMATION:

Dockless vehicles were introduced in San Antonio in the summer of 2018. Soon after, City Council directed staff to create an initial pilot permit program, the program was intended to have a light touch with no caps on the number of vendors or vehicles that could operate on City Right-of-Way. The six-month initial pilot program resulted in seven vendors and the issuance of 14,000 permits for individual vehicles. While this many vehicles were never deployed at any given time, resident feedback and complaints indicated that too many operators and permits were allowed into the market. Council then took a number of actions to curb issues related to “scooter clutter”, rider and pedestrian safety, and rider behavior; culminating in a moratorium on new permits and the release of a RFP to identify specific vendors to provide these services, while also reducing the total number of vehicles to be permitted.

The RFP outlined an opportunity for up to three operators to provide services on City right-of-way. Each company would be authorized to permit up to 1,000 dockless vehicles. Following the RFP, Council authorized the negotiation and execution of agreements with three operators - Lime, Razor, and Bird. However, Lime then withdrew from contracting as part of a broader withdrawal from a number of markets across the country. Contracts were then finalized with Razor and Bird with each company authorized to deploy up to 1,000 vehicles.

Limiting the number of vendors and vehicles has resulted in fewer complaints, and cleaner sidewalks. The contracts went into effect on January 12, 2020, and included an option for one additional year, with Council approval. Staff recommends that Council exercise this option within the contract to avoid an interruption in service and to provide time for the development and completion of an RFP.

ISSUE:

The term on the existing agreements with Razor and Bird expired on January, 12, 2022. The companies are operating under a permitted grace period while Council considers whether to approve the one-year extension within their contracts. Staff’s recommendation is to approve the extension to allow time for the development of an RFP, with input from members of the Committee and the broader Council. Approving the one-year extension will also prevent a gap in services. The RFP would result in new agreements that go into effect in January 2023.

FISCAL IMPACT:

This is a briefing item only.

ALTERNATIVES:

City Council could decide not to extend the contracts with Razor and Bird. This would result in a gap in services while an RFP is produced and completed for dockless vehicle services.

RECOMMENDATION:

Staff recommends that the Transportation and Mobility Committee endorse staff's recommendation to extend the contracts with Razor and Bird for one year.