



**City Council Meeting**

**Item #7. – 19-373 Council Consideration of Options for the Development of a Bicycle and Scooter Share Program for the Purpose of Establishing Regulations**

**June 4, 2019**



**City of Santa Clara**  
The Center of What's Possible

## Agenda

- Background
- Research
- Outreach and Meetings
- Draft Regulation Topics
- Next Steps
- Questions/Comments



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## Background

### December 2018 / January 2019 Council Discussion:

- **Moratorium** on Bike and Scooter Share in Santa Clara
  - Emergency and Regular Ordinance (expires 12/19/19)
- **Deployment Options:** City Wide Ordinance / Regulations for all Operators

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## Workplan

- *Research & Coordination*
- *Community Meetings*
- *Operator Meetings*
- *Bicycle and Pedestrian Advisory Committee*
- *Draft Regulations*
- *Council discussion*



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## State Law on Scooters

AB 2989 (Governor approved on 09-18-18)

- Helmet required if under 18 years of age
- Driver's license or instruction permit
- Maximum speed of 15 mph
- Allowed on 25 mph streets unless within a Class II or IV bikeway.
- No sidewalk riding or parking (if there is not adequate ped path)



AB 1112 (State Assembly approved, with State Senate for review)

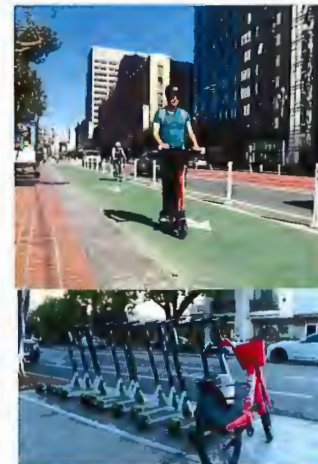
- Same restrictions for personal vs. shared devices (i.e. local authority)

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## Research (Other Cities)

- San Francisco
- Oakland
- Fremont
- San Jose
- Sunnyvale
- Mountain View
- Palo Alto
- Santa Monica
- San Diego



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## Research (Other Cities)

City	Pilot	Permanent	Bike Share	Scooter Share
San Francisco	X		X	X
Oakland		X	X	X
Fremont	X		X	X
San Jose		X	X	X
Sunnyvale	X		X	
Mountain View	X		X	
Palo Alto	X		X	X
Santa Monica	X		X	X
San Diego		X	X	X

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## Research (Other Cities)

### Common Issues/Concerns:

- Speeding
- Riding on / obstructing sidewalks
- Pedestrian / ADA conflicts (sidewalks, parks and trails)
- Improper parking (tripping hazards / interfering w/ transit stops)
- Accidents



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## **Research (typical topics)**

- Device requirements
- Device caps
- Parking
- Fleet Management
- Maintenance
- Education / Outreach
- Special Events
- Permit Fee
- Insurance and Indemnification
- Customer Service

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## **Outreach / Meetings**

- City Departments
- Community Meetings
- BPAC
- Operators
- Property Owners (i.e. Irvine)
- Cities (San Jose, Sunnyvale, Cupertino)
- Chamber of Commerce
- VTA and County of Santa Clara
- Santa Clara University and Mission College
- Levi's Stadium and Great America



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## Stakeholder Feedback

- Parking
- Speed
- Safety
- Regulation
- Data
- Coordination
- Enforcement
- Liability



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## Draft Regulation Areas

- Shared Device Requirements
- Parking
- Usage Areas within City
- Fleet Management and Balancing
- Customer Service
- Maintenance
- Education and Outreach
- Data Sharing
- Enforcement
- Insurance and Indemnification
- Permit Fees
- Special Event Requirements



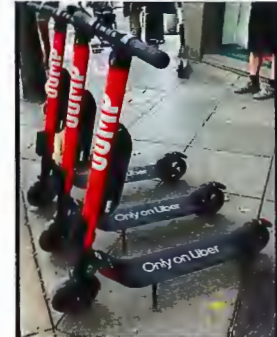
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## Share Device Requirements

- GPS for tracking location
- Permanent Device ID
- Display business name, customer service phone number and email address
- Comply with California Law, Vehicle Code and Industry standards
- Geofencing capabilities



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## Parking

- Operators to inform users and ensure compliance: State Laws/parking regulations
- Devices shall be parked upright
- Devices shall not obstruct:
  - sidewalks, fire hydrant, utility poles, transit facilities, ADA parking, loading zones, curb ramps, driveways and City's vision triangles
- Two hour response time for improperly parked devices
- Shared parking and Priority Parking Areas



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## Shared Parking

- Shared Parking Zones
  - Commercial and Institutional
- Operators - Infrastructure cost and maintenance
- Encroachment permit required
- Locations may be adjusted
- City review and approve designated parking locations



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## Priority Parking Areas

### Commercial zones

- City Place Project (future)
- AMC Mercado
- Santa Clara Square
- Rivermark
- Lawrence Station Area
- Great America Theme Park
- Levi's Stadium



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## Priority Parking Areas

### Institutional

- Central Park Library
- City Hall
- Great America Train Station
- Santa Clara Station
- Santa Clara University
- Mission College



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## Usage Areas within City

- Allowed on 25 mph public roadways
- Allowed on public roads > 25 mph if Class II or Class IV bikeway present
- No use on City Park property
- Adhere to speed limit on City trails
- No riding on sidewalks



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## Fleet Management and Balancing

- Minimum of 60 scooters and/or 60 bicycles per operator to ensure service availability.
- Maximum of 3,000 devices Citywide (2,000 scooters and 1,000 bicycles)
- Redistribution for daily compliance



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## Customer Service / Maintenance

- Multilingual website, call center and mobile app
- 24 hour customer service
- Email, Text and Phone options
- Parking issues and unsafe devices
  - Two hour response time
- Devices must be in working condition
- Maintenance information (as requested)



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## Education and Outreach

- Operators to ensure compliance with laws on helmets, parking, sidewalks, speed and bike lanes
- Four public outreach events annually
- First event prior to deployment
- State Laws visible on shared devices, websites and mobile apps



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## Data Sharing

- Data sharing monthly
- Data on trips, origins, destinations and travel times
- Maintenance
- Customer service records
- Survey data every six months
- City portal / dashboard



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## Enforcement

- Enforcement of State Laws related to helmets, licensure, sidewalk riding, riding on streets without bike lanes
- Impounding of unresolved parking or safety issues beyond 2 hrs
- Failure to comply or pattern of complaints
  - Annual Permit review
  - Permit revocation



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## Insurance / Indemnification & Permit Costs

- Insurance / Indemnification requirements (TBD)
- Annual Permit Program and Fees
  - Permit application + Per device fee (TBD)
- City Costs: permit administration, data analysis, public interaction, additional outreach



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## Special Events (Levi's Stadium)

- Minimum and maximum caps will not apply
- Operator compliance with TMOP
- Operators to provide support staff on-site
- Operators actively monitor device locations
  - 15 minutes response time to parking issues
- Geofencing
- Designated parking areas for ingress/egress

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## Next Steps

- **June 4, 2019: City Council study session**
- *Late June 2019: BPAC Meeting*
- *August 2019: City Council*
- *Late October 2019: Ordinance effective*
- *September to December 2019: Operator applications submitted/reviewed*
- *Early 2020: Operator permits approved, public event and scooter/bike share roll-out 2020*



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## **Questions/Comments**



6/4/2019

ITEM 7

Genevieve Yip

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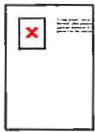
**From:** Sam Dreiman <sam@li.me>  
**Sent:** Tuesday, June 4, 2019 2:11 PM  
**To:** Mayor and Council  
**Subject:** Letter to Santa Clara Council on Item 7, June 4 Council Agenda  
**Attachments:** Lime - Letter to Santa Clara 6\_4\_2019.pdf

Dear Mayor Gillmor and City Councilmembers,

Please find attached a letter from Lime regarding Item 7 on today's Council Agenda.

Thank you for your consideration. Best,

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**Sam Dreiman**  
Director, Strategic Development  
707-234-5464  
[Your ride anytime](#)



June 4, 2019

City of Santa Clara City Council  
1500 Warburton Avenue  
Santa Clara, CA 95050

Re: Item 7 (19-373), Council Consideration of Options for the Development of a Bicycle and Scooter Share Program for the Purpose of Establishing Regulations

Dear Mayor Gillmor, Vice Mayor Mahan and City Councilmembers:

Thank you for the opportunity to submit comments regarding Item 7 (19-373) on the June 4, 2019 City Council Agenda, regarding Council Consideration of Options for the Development of a Bicycle and Scooter Share Program. Lime values the opportunity to collaborate with the City throughout this process and looks forward to the opportunity to serve Santa Clara residents and commuters to improve mobility and access around the community.

Overall, we are very supportive of establishing regulations that would allow for shared micromobility services to exist in Santa Clara. We believe an open and transparent regulatory system that clarifies the guidelines for how companies should operate is the best way to ensure the community and city are afforded the highest quality and most reliable service.

We would like to provide the following specific comments on Device Requirements and Fleet Size.

#### *Device Requirements*

Staff list a number of requirements that all shared devices must have in order to operate in Santa Clara. These include GPS capabilities, customer service information, and being able to meet geofencing requirements. **We would like to recommend requiring all shared scooters also be equipped with a speedometer.**

Speedometers increase safe riding by showing both new and experienced riders what their riding speed is. Also if speed reduction geofences are to be implemented, then a speedometer will be necessary not only for the City to properly test and

enforce its own regulations; it also is a communication tool to signal to riders that they are entering a geofence. In the same way that speedometers are on motorcycles, we believe shared electric scooters should also have a speedometer function.

#### *Fleet Size*

The staff report lists that the total fleet size for the City shall not exceed 3,000 devices - 2,000 e-scooters and 1,000 bikes. However, there is not much clarity or guidance on how staff plan to allocate that total amount among permitted operators. **We would like to see additional clarification on how the City plans to divide the total fleet size for the City amongst permitted companies.**

We hope you will incorporate these revisions and clarifications in the development of regulations for dockless mobility in Santa Clara. Thank you for your time and consideration.

Sincerely,

Sam Dreiman  
Director of Strategic Development



6/4/2019

ITEM 7

Genevieve Yip

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**From:** Marty Fatooh <mfatooh@bird.co>  
**Sent:** Tuesday, June 4, 2019 2:34 PM  
**To:** Mayor and Council  
**Cc:** Pratyush Bhatia; Michael Liw; Dennis Ng; Lys Mendez  
**Subject:** Letter from Bird  
**Attachments:** Bike Scooter Share Insurance Requirements (2).pdf; Letter to Santa Clara (3).pdf

Good Afternoon Mayor Gillmor and Members of the City Council,

I hope this message finds all of you well. Please see attached letter from Bird in regards to this afternoon's study session on the "E-scooter Pilot Program". I will be attending this afternoon's meeting and please do not hesitate to contact me if you have any questions or concerns.

Bird looks forward to continued participation and partnership.

Warmly,

Marty

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Marty Fatooh  
Community Manager- Northern California  
**BIRD**

**POST MEETING MATERIAL**

Mayor Lisa M. Gillmor and Members of the Santa Clara City Council  
Santa Clara City Hall  
1500 Warburton Ave.  
Santa Clara, Ca 95050



6/4/2019

Dear Mayor Gillmor and City Council:

Over the past six months, Bird has been proud to partner with the City of Santa Clara in developing a robust e-scooter pilot program which we believe will complement the city's transportation network to serve residents, businesses, and visitors. Bird has worked with cities all over the world to implement model operating and regulatory practices when it comes to first and last mile transportation solutions and we would like to offer feedback and suggestions on the current language included in the draft documents from the Public Works Department.

The current language requires operators to make a "Performance Deposit" to the City in an effort to remedy performance issues that may arise. Currently, there is not a single city in which Bird operates which includes a requirement to make a cash deposit in their regulatory framework. Instead, we would be happy to offer a "Performance Bond" as we have offered to other cities in California, which provides a similar guaranty to the City of Bird's obligations to perform under the permit.

Secondly, Bird has concerns relating to the proposed "\$20,000.00 Annual Application Fee" that is in addition to the annual "Per-vehicle" fee that is suggested by staff. High city fees force operators to pass along costs to riders and make it expensive to provide a level of service that is equitable, accessible, and something cities want and deserve. We are eager to discuss alternative pricing structures, which can include a per ride fee that would create a partnership between Bird and the city to make e-scooters an integral part of Santa Clara's transportation network.

Lastly, we have minor feedback on the indemnity and insurance requirements that staff has proposed. I have attached a separate document, which contains suggested amendments.

We have shared the above concerns with the Public Works staff and it is our hope that you would consider this feedback based on our experience in the development of your regulations for dockless mobility in Santa Clara.

Once again, we are very appreciative that Santa Clara has joined countless cities around California and across the world in working to create regulatory framework in the micro-mobility space. Bird looks forward to continue working alongside City Staff as Santa Clara makes more environmentally friendly transportation available in the city.

Sincerely,

Martin Fatooh  
Bird Rides Inc.

## Indemnification and Insurance

### Indemnification

Operator shall indemnify, defend, reimburse and hold harmless City, its officers, agents, employees and contractors, and each of them, from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages and liabilities of any kind ("Claims"), arising in any manner out of (a) any injury to or death of any person or damage to or destruction of any property, or any part thereof, whether the person or property of Operator, its officers, directors, members, employees, agents, consultants, contractors or subcontractors (collectively, "Agents"), its invitees, guests or business visitors (collectively, "Invitees"), or third persons, relating to any use or activity under this Permit, (b) any failure by Operator to faithfully observe or perform any of the terms or conditions of this Permit, (c) any activities conducted by Operator or its Agents in connection with this Permit, or (e) any failure by Operator to faithfully observe or perform any terms or conditions of the Permit; except solely to the extent of Claims resulting directly from the negligence or willful misconduct of City or City's authorized representatives. In addition to Operator's obligation to indemnify City, Operator specifically acknowledges and agrees that it has an immediate and independent obligation to defend the City from any claim that falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Operator by City and continues at all times thereafter. The foregoing indemnity shall include, without limitation, reasonable attorneys', experts' and consultants' fees and costs, investigation and remediation costs and all other reasonable costs and expenses incurred by the indemnified parties. Permittee's obligations under this Section shall survive the expiration or other termination of this Permit.

### Insurance

Without limiting the Operator's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Operator shall provide and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

#### A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

\$5,000,000 Each occurrence

\$5,000,000 General Aggregate

\$5,000,000 Products/Completed Operations Aggregate



\$5,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Operator; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Operator to comply with the insurance requirements of this Agreement:
  - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
  - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
  - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

#### B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than five million dollars (\$5,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos. **Exact structure and layering of the coverage shall be left to the discretion of Operator; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.**

#### C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Operator included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for

Operator under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D.

- 1.
- 2.
- 3.
- 4.
- 5.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Operator's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Operator shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. General Aggregate. The general aggregate limits shall apply separately to Operator's work under this Agreement providing coverage at least as broad as Insurance Services Office (ISO) Endorsement CG 2503, 1985 Edition, or insurer's equivalent (CGL);

4. Cancellation.

- a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
- b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

5. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Document 00820.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

1. Requirements of specific insurance coverage features described in this Agreement shall not be construed to be a limitation of liability on the part of Operator, nor to relieve any of them of any liability or responsibility under the Contract Documents, as a matter of law or otherwise. Such requirements are not intended by any Party to be limited to providing coverage for the vicarious liability of the City or to the supervisory role, if any, of City. All insurance coverage provided pursuant to this Agreement in any way relating to City is intended to apply to the full extent of the policies involved.
2. Operator shall maintain all required insurance policies in full force and effect during entire period of performance of the Services under this Agreement of Contract Documents. Contractor shall also keep such insurance in force during warranty and guarantee periods. At time of making application for extension of time, Operator shall submit evidence that insurance policies will be in effect during requested additional period of time.
3. City reserves the right, at any time during the term of this Agreement to change the amounts and types of insurance required by giving the



Operator thirty (30) days advance written notice of such change. If such change results in substantial additional cost to the Operator, the City will negotiate in good faith additional compensation proportional to the increased benefit to City.

4. Any type of insurance or any increase of limits of liability not described in this Exhibit which Operator requires for its own protection or in compliance with applicable statutes or regulations, shall be Operators' responsibility and at its own expense.
5. No liability insurance coverage provided by Operator to comply with the terms of this Agreement shall prohibit Operator, or Operator's employees, or agents, from waiving the right of subrogation prior to a loss. Operator waives its right of subrogation against Indemnitees. Any property insurance policies affected by Operator shall be endorsed to delete the subrogation condition as to indemnitees or shall specifically allow Operator to waive subrogation prior to a loss. Operator hereby waives any right of recovery against the indemnitees and agrees to require any subOperator to do so.
6. Operator agrees to ensure that subcontractors, and any other party involved with the Services who is brought onto or involved in the performance of the Services by Operator, provide the same minimum insurance coverage required of Operator, except as with respect to limits. Operator agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Operator agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
7. Operator shall cooperate fully with City and Operator's insurance companies in any safety and accident prevention program and claims handling procedures as established for the performance of Services under this Agreement.
8. All coverage types and limits required under this Agreement are subject to approval, modification and additional requirements by the City, as the need arises. Operator shall not make any reductions in scope of coverage which may affect City's protection without City's prior written consent.
9. For purposes of applying insurance coverage only, all contracts pertaining to the performance of services will be deemed to be executed when finalized and any activity commences in furtherance of performance under this agreement.
10. Operator acknowledges and agrees that any actual or alleged failure on the part of City to inform Operator of non-compliance with any of the

insurance requirements set forth in this Agreement in no way imposes any additional obligations on City nor does it waive any of the City's rights under this Agreement or any other regard.

11. Any provision in this Agreement dealing with the insurance coverage provided pursuant to these requirements, is subordinate to and superseded by the requirements contained herein. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the Parties here to be interpreted as such.
12. Operator agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Operator for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
13. Operator agrees to obtain and provide to City evidence of Professional Liability insurance for Architects or Engineers if engaged by Operator to perform any of the Services required under this Agreement. City shall determine the minimum coverage and policy limits required, after consultation with Operator.
14. The City acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Operator. The Operator's insurance obligations under this Agreement under may be satisfied in whole or in part by adequately funded self-insurance retention, but only after approval from the City Attorney's Office upon satisfactory evidence of financial capacity.
15. The City reserves the right to withhold payments from the Operator in the event of material noncompliance with the insurance requirements set forth in this Agreement.

#### G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Operator, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Operator shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

#### H. EVIDENCE OF COMPLIANCE

Operator or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Operator shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.

City of Santa Clara Public Works

P.O. Box 100085 – S2

or 1 Ebix Way

Duluth, GA 30096

John's Creek, GA 30097

Telephone number: 951-766-2280

Fax number: 770-325-0409

Email address: ctsantaclara@ebix.com

#### I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Operator shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.