

COUNCIL REPORT

Report Date: May 15, 2024 Contact: Alexander Ralph Contact No.: 604.829.2092

RTS No.: 16384
VanRIMS No.: 08-2000-20
Meeting Date: July 10, 2024
Submit comments to Council

TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of Engineering Services and Chief Procurement Officer

SUBJECT: Contract Award for Shared E-Scooter System Operator

Recommendations

- A. THAT Council authorize City staff to negotiate an agreement for Shared E-Scooter System services with Lime Technology Inc. for an initial term of five (5) years, with the City's option to extend for three (3) additional five-year (5-year) terms, for a maximum total term of twenty (20) years. The contract is expected to be costneutral to the City. The City will not provide any financial contribution to the operator during the contract.
- B. THAT Council delegate its authority to execute the Agreement to the City's Director of Legal Services, Chief Procurement Officer, and General Manager of Engineering Services.
- C. THAT no legal rights or obligations will be created by Council's approval of Recommendations A and B unless and until the City executes and delivers the Agreement.

Purpose and Executive Summary

In response to Council direction to deliver a pilot shared e-scooter system in Vancouver, the City issued a Request for Proposals PS20230514-ENG-RFP on November 15, 2023 for Shared E-Scooter System Operator services. The City advertised the RFP on the City of Vancouver website in accordance with the City's Procurement Policy (ADMIN-008). City staff on the RFP evaluation committee and the Bid Committee have considered the responses received and recommend that the City negotiate an agreement with Lime Technology Inc.

Council Authority/Previous Decisions

Vancouver City Council declared a <u>Climate Emergency in 2019</u> and, in <u>November 2020</u>, approved the Climate Emergency Action Plan (CEAP). The CEAP included six big moves, including the goal that by 2030 two-thirds of trips in Vancouver will be made by active transportation and transit. To

support this goal, <u>Council approved a motion</u> that directed staff to explore opportunities to implement a Shared E-Scooter System. In response to this direction, staff issued an RFP to identify an operator to deliver the shared e-scooter system.

Pursuant to the City's Procurement Policy (ADMIN-008), Council has authority to approve the contract following review and recommendations by the City's Bid Committee. The Bid Committee has considered the responses to the RFP and recommends Lime Technology Inc. as the successful proponent.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

The City's Department of Engineering Services requires a shared E-Scooter system operator that will be licenced to design, implement, own, operate, maintain and manage a publicly accessible Shared E-Scooter System (SES). The system will provide a safe and reliable everyday transportation option for Vancouver residents and visitors, with lower barriers for identified equity-denied communities. The SES will help connect to transit hubs, supporting sustainable commuting practices, and play a role in reaching the City of Vancouver's <u>Climate Emergency Action Plan</u> and <u>Transportation 2040 goals</u>.

The City is currently participating in the Province of British Columbia's Electric Kick Scooter pilot project, which has allowed for the use of privately-owned electric kick scooters ("E-scooters") in streets since 2021. Building on the success of that pilot, the SES will make this mobility option more accessible and affordable for people living, working, and visiting the city. The system is expected to provide local living wage jobs and include an equity program to enable a wider range of the public to use this service.

The purpose of the RFP was to identify a shared micromobility operator to provide a Shared E-Scooter System with demonstrated capability to meet the City's requirements. The City will enter into a Licence and Operating Agreement with the successful proponent, subject to final negotiations, to deliver the system on an exclusive operator basis during the term of the Agreement.

Discussion

The RFP was issued in accordance with the City's Procurement Policy (ADMIN-008). The City received responses from Bird Rides Inc., Lime Technology Inc., Neuron Mobility Canada, Vancouver Bike Share Inc., and VeoRide Inc. The responses were evaluated, using both quantitative and qualitative factors, by an evaluation team comprised of representatives from Engineering Services, Technology Services, Finance and Supply Chain Management.

Some of the criteria considered in the evaluation process included:

- System Design and E-Scooter Specifications
- Operations and Public Engagement
- Sustainable & Ethical Procurement requirements
- Financial Plan

The evaluation team concluded that the proposal submitted by Lime Technology Inc. met the City's requirements as outlined in the RFP and provided the best overall value to the City.

Financial Implications

The system is expected to operate as a revenue-neutral or revenue-generating program for the City for the duration of the contract. The City will not compensate the successful proponent for the provision of the SES. Furthermore, City staff has determined that the contract will not have any material impact to the City's current revenue stream.

Financial Planning & Analysis (FP&A) has reviewed the financial aspects of Lime Technology Inc. proposal and concurs that the proposal demonstrates a viable financial model. It is estimated that no additional funding from the City will be required to support the implementation and operation of this proposed system

The Lime Technology Inc. proposal confirms paying the City required system fees to compensate the City for costs associated with use of public right-of-way, program administration, engineering/technical review, and compliance enforcement, and also includes potential revenue sharing opportunities for the City.

The recommended proposal demonstrates that Lime Technology Inc. can implement a viable Shared E-Scooter System at no direct cost to the City.

Legal Implications

The City's Procurement Policy (ADMIN-008) requires the Director of Legal Services to execute all contracts that have been awarded by the Bid Committee and Council.

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