CLICK HERE FOR THE CHIEF EXECUTIVE OFFICER’S REPORT DATED MARCH 8, 2019
CLICK HERE FOR THE CHIEF EXECUTIVE OFFICER’S REPORT DATED DECEMBER 20, 2019
March 8, 2019

To: Supervisor Janice Hahn, Chair
    Supervisor Hilda L. Solis
    Supervisor Mark Ridley-Thomass
    Supervisor Sheila Kuehl
    Supervisor Kathryn Barger

From: Sachi A. Hama
      Chief Executive Officer

REPORT BACK ON ESTABLISHING E-SCOOTER AND BICYCLE PILOT PROGRAM
(ITEM NO. 7, AGENDA OF JANUARY 15, 2019)

Since October 2018, the Board has passed three motions related to e-scooters and bicycles. The most recent motion directed the Chief Executive Office (CEO) in collaboration with County Counsel, the Departments of Public Works (PW), Beaches and Harbors (BH), Consumer and Business Affairs (CBA), Treasurer and Tax Collector (TTC), and others to develop and launch a set of regulations and a pilot permitting program and to deliver a status report in 45 days. The other departments engaged in this effort include Sheriff, Regional Planning, and Public Health (PH). The Chief Sustainability Office (CSO) has served as the lead for the CEO and convened a workgroup of the departments listed above.

This 45-day report back presents the framework for a set of regulations and a pilot program. To expediently deliver this framework, the workgroup evaluated best practices of other local governments within and outside the County, drawing on their work to create an approach that was best able to address the County’s priorities.

Communications with Operators

The County workgroup members and the e-scooter and bike operators have had several meetings since the Board’s motion. PW met with and had an on-site demonstration from Bird in February. The CSO had several informal communications with Bird and held a meeting with Lime in February. BH has communicated with multiple operators on issues specific to Marina del Rey both before and after the Board’s motions. BH has also received meeting requests from Lyft and Spin; members of the workgroup will be conducting those meetings. The workgroup also anticipates holding joint meetings with e-scooter and bike companies prior to issuing the application for the pilot program.
Draft Pilot Program

PW is serving as the lead on the development of the pilot program. The draft pilot program is largely based on the regulations of nearby local governments and reflects the 10 key issue areas highlighted in the Board's January 15, 2019 motion. PW, with input of the workgroup, has developed a working draft of an Operator Pilot Application (OPA) and a draft Statement of Requirements (SOR), which are attached to this report for your information. The draft SOR identifies the areas where the workgroup has determined are the necessary terms and conditions for any operators seeking a permit. By applying, applicants will acknowledge that they will abide by those terms and conditions which include strict indemnification and insurance requirements. The draft OPA is made up of a series of prompts and questions for operators to describe how they would abide by the SOR and address the County's priority issues during the pilot.

The draft OPA and SOR are largely consistent with neighboring jurisdictions, but also add relevant strategies from local governments around the state and County specific areas of interest, such as ensuring geographic equity in the distribution of these vehicles. These documents are not final but instead represent the progress of the workgroup to expeditiously develop and implement the overall pilot program. As such, they are subject to change before the pilot program is launched.

The format of the draft OPA and SOR mirrors the approach taken by the San Francisco Municipal Transportation Agency (SFMTA) in which SFMTA staff used a set of criteria to evaluate the pilot applications to identify operators that could best achieve SFMTA's established priorities. Following this approach, permits will be allocated to the operators who have both met the SOR and whose applications the County rates most highly with regard to their ability to satisfy the County criteria such as safety, sustainability, and equity.

To establish regulatory authority to develop the pilot and issue permits, the Board must first adopt an ordinance. County Counsel estimates that drafting a proposed ordinance to authorize and establish the pilot program in Title 16 would require approximately 60 days. The ordinance would go into effect 30 days after the conclusion of the adoption process. After the completion of that process, the pilot program would be implemented.

The launch and implementation of the pilot program would require County staffing unique to the pilot. Considering those needs, the draft pilot program identifies proposed fee types and amounts to be charged to the operators for County cost recovery. The specific staffing plan and cost-recovery details will be refined prior to the launch of the program. The workgroup reviewed fees used by other comparable pilot programs when preparing the fees proposed in the draft OPA.

PW anticipates that the pilot will be fully launched in summer 2019 and will run for a period of 12 to 18 months before a final permanent permitting and business license program is developed and proposed to the Board for approval.
Business License

In general, the County's regulatory framework requires that a business seeking to conduct activities that may impact the public's health, safety, and welfare obtain a County business license as well as any applicable permits from County departments related to that business activity. The distinction between a business license and a permit is subtle but important. Licenses are more general and address the administrative infrastructure that the County requires a business to maintain and the County ordinances with which a business must comply.

For example, a business license may require a background check of the business owners, compliance with the County's living wage ordinance, and restricted business hours. Permits are more specific and are related to the actual business activities conducted. In the case of e-scooters and bikes, the pilot permit program would inform the types of elements to be included into a County's business license, separate from any operating permit requirements. For the pilot program, the County will not require a business license. Instead, TTC believes it is prudent to allow the pilot permit program to be implemented as expeditiously as possible, in accordance with Board direction, prior to preparing and seeking Board adoption of a final business license ordinance. In this way, the lessons learned in the pilot can be incorporated into the business license ordinance.

Website

CBA, in collaboration with the CEO and PW, will develop a consumer-focused website to bring public awareness of the County's pilot program to regulate e-scooters and bikes. This website will provide information regarding the pilot program and will address consumer safety and frequently asked questions. CBA will also explore the feasibility of developing additional outreach opportunities such as, but not limited to, online educational videos, flyers, and social media.

Conclusion

In accordance with the Board direction, the workgroup is developing the pilot permit program as expeditiously as possible to address the Board's key priorities. We anticipate the launch of the program in summer 2019, following the Board adoption of an authorizing ordinance.

SAH:JJ:GG
KP:jg

Attachments

c: Executive Office, Board of Supervisors
    County Counsel
    Sheriff
    Beaches and Harbors
    Consumer and Business Affairs

Health Agency
Public Health
Public Works
Treasurer and Tax Collector
ON-DEMAND PERSONAL MOBILITY DEVICES
OPERATOR PILOT APPLICATION

The County of Los Angeles (County) will conduct a one-year On-Demand Personal Mobility Devices Pilot Program (Pilot Program), effective __________, 2019. The On-Demand Personal Mobility Devices Pilot Program Permit allows permitted Operators to participate in the Pilot Program in County Unincorporated Areas. The County will review submitted applications and determine whether each applicant is in conformity with the requirements listed in the Statement of Requirements, and evaluate which applicants appear best able to operate the On-Demand Personal Mobility Devices consistent with the County’s requirements and priorities.

After evaluating an operator’s pilot application, the County shall either grant the Permit as requested, grant the Permit with modifications, or deny the Permit. Where the Permit is granted with modifications or denied, the County shall explain the basis for the decision. Additional information may be requested of the applicant at that time.

The Applicant may request a meeting to discuss the County’s decision. The County shall have sole discretion to decide on the total number of permits issued, with a not-to-exceed total of four permits.

Applicant Information

<table>
<thead>
<tr>
<th>Please Print Clearly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Name:</td>
</tr>
<tr>
<td>Contact Person:</td>
</tr>
<tr>
<td>Mailing Address:</td>
</tr>
<tr>
<td>Street Address if different than above:</td>
</tr>
<tr>
<td>Email Address:</td>
</tr>
</tbody>
</table>

Application Agreement

By signing this application, the applicant verifies on behalf of the On-Demand Personal Mobility Devices Operator that all the information provided is true, and that if issued a permit, the applicant agrees to comply with the requirements of the On-Demand Personal Mobility Devices Pilot Program Permit.

<table>
<thead>
<tr>
<th>Name of Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Signature</td>
</tr>
<tr>
<td>Printed Name, Title and Date</td>
</tr>
</tbody>
</table>
1. General Information

The County supports innovative solutions that complement the County's transportation network. On-Demand Personal Mobility Devices provide a new transportation option for all members of the public making short trips or as a First-Last Mile solution when paired with public transit. The application includes several open-ended specifications, setting forth general criteria, yet looking to applicants to propose innovative approaches for their operations. The County will evaluate applications based on, among other things, their proposed strategies or processes regarding safety, Americans with Disabilities Act access, equitable access, community outreach, labor, and sustainability.

Submittal of an application for a Pilot Program Permit does not guarantee issuance of a Pilot Program Permit.

2. Submission Instructions

All applications must be addressed and submitted to the Los Angeles County Public Works, 900 South Fremont Avenue, Alhambra, California 91803, CASHIER'S OFFICE, located on the Mezzanine Level, on/or before 4 p.m., May 23, 2019. Proposals should be marked: "On-Demand Personal Mobility Devices Pilot Program." All applications received by this time will be evaluated concurrently. If fewer than four permits are issued based on the applications received by this date, the County, in its sole discretion, may consider additional applications on a rolling basis. The County shall have sole discretion to decide on the total number of permits issued, with a not-to-exceed total of four permits.

The County shall only consider completed applications. A completed application shall include the following components:

- Check for $5,000 made out to the Los Angeles County Public Works.
  - This non-refundable application fee covers the cost to evaluate the Application.
- Signed Application.
  - 1 copy mailed or delivered to the Los Angeles County Public Works; or
  - PDF sent by email.
- Application Materials.
  - 2 hard copies mailed or delivered to the Los Angeles County Public Works; or
  - PDF sent by email.

Email: ekunitake@dpw.lacounty.gov
Mail: Los Angeles County Public Works
      On-Demand Personal Mobility Devices Pilot Program
      Attn: Elaine Kunitake (TPP)
      900 South Fremont Avenue
      Alhambra, CA 91803-1460
In Person  Los Angeles County Public Works
Delivery:  On-Demand Personal Mobility Devices Pilot Program
CASHIER'S OFFICE (Attn: Elaine Kunitake)
900 South Fremont Avenue, 11th Floor
Alhambra, CA 91803-1460

3. General Requirements

Pilot Program Permit applications shall be succinct and all pages shall be numbered. Boilerplate and glossy promotional materials are discouraged. Any such materials deemed necessary should be included as a separate appendix and may or may not be considered as part of the evaluation. All components of the Pilot Program Permit application shall be on 8.5" x 11" pages with the exception of two to three pages depicting imagery, mapping, etc., which may be on 11" x 17" pages. Font size shall be limited to 10-point font or larger with single line spacing.

Required Attachments include, without limitation:

- Completed ON-DEMAND PERSONAL MOBILITY DEVICES PILOT PROGRAM PERMIT APPLICATION with signatures.
- Application agreement.
- Schedule for implementation, including the size of fleet and service area at launch.
- Explanation of how Customers will be notified and the type of information that will be conveyed related to safety and proper usage of devices.
- Statement of Compliance with the Mobility Data Specification.
- Permit application fee of $5,000.

4. Specific Requirements

A. Pricing Structure
   - Description of pricing structure and payment options.
   - Description of how rates will be communicated to Customers.

B. Scooter Availability and Service Area
   - Hours of operation.
   - Proposed fleet size and service areas. Specify information for disadvantaged communities.
   - Describe methods for deploying and redistributing scooters.
   - Parking Plan on educating Customers on proper parking.
   - Size and service area of any planned fleet expansions (optional).

C. Plan for Safe Riding and Storage of Scooters
   - Proposed approach to ensure compliance with laws – The County will monitor the degree to which Customers comply with applicable laws, particularly related to riding on sidewalks and safe parking of scooters. If the County, in its sole discretion, determines that the Operator's Customers are not
sufficiently compliant with applicable laws, the County may require that the Operator implement additional measures or may revoke the permit.

- Plan to ensure Customers are at least 18 years old and have a valid drivers' license.
- Plan for storage of scooters during non-operational hours.
- Strategies for encouraging and facilitating other safety best practices beyond applicable laws, such as the use of helmets.

D. Scooter Recharging Plan
- Describe how scooters will be recharged.

E. Maintenance, Cleaning and Sustainability Plan
- Describe the notification process when a device needs maintenance.
- Describe approach to maintenance, cleaning, and repair of devices, including device and battery lifespan.
- Describe sustainability and device life cycle management plan.
- Maintenance staffing plan.
- Maintenance schedule and maintenance log sample.
- 24-Hour Contact Information.

F. Hiring and Labor Plan
- Describe the staffing plan, including hired staff and contractors, for operation and maintenance.
- Describe skills training to be provided for staff and contractors.

G. Equity Plan
- Describe plan for providing equitable service, especially considering low-income, minority, non-English speaking, non-smart phone, and populations without credit cards.
- Describe strategies the Operator will use to promote gender equity in the use of the devices.

H. Community Outreach Plan
- Describe the community outreach completed or planned to be done in the neighborhoods being considered for deployment.

I. Privacy Policy, User Agreements, and Terms of Service
- Provide applicable privacy policies, user agreements, and/or terms of service in plain text for review.
- Provide screen shots of all locations where this language would be shared with Customers including method for obtaining user acknowledgement/agreement.
ON-DEMAND PERSONAL MOBILITY DEVICES PILOT PROGRAM
STATEMENT OF REQUIREMENTS

Section 1 Pilot Program Overview

1.1 Introduction

Over the past year, cities throughout the greater Los Angeles region have been responding in different ways to the deployment of new shared on-demand personal mobility devices within their respective jurisdictions. New mobility options offer transportation alternatives to support greenhouse reduction goals and first-last mile connectivity to existing transit services; however, various regulatory issues arise which this program attempts to address. By allowing the on-demand shared personal mobility companies to operate within a defined yet adaptive framework, the County of Los Angeles (County) can evaluate and learn how to best manage the changes impacting its transportation network.

1.2 Pilot Program Goals and Objectives

The purpose of the On-Demand Personal Mobility Devices (Devices) Pilot Program is to temporarily test rules of deployment and use of the Devices within the County Unincorporated Areas. If determined to be successful, the County may take the lessons learned during the Pilot Program to make an informed, data-driven decision to ensure that the Devices provide safe and equitable transportation options.

The Pilot Program will be governed by the Statement of Requirements, which give the County the flexibility to adapt quickly to changing environments, business models, and other management issues.

The primary objectives of the Pilot Program include, without limitation:

- Protect public health and safety;
- Provide additional mobility options for residents, employees, and visitors of County Unincorporated Areas;
- Maintain the proper Americans with Disabilities Act (ADA) path of travel in the applicable public right-of-way;
- Reduce emissions from motorized vehicles’ short trips;
- Provide connections to transit;
- Maximize Customer awareness of safe and legal behaviors for operating the Devices;
- Create an enforceable regulatory framework for allowing and managing shared mobility services;
- Ensure the equitable use of Public Right-of-Way benefits public mobility; and
- Ensure Operators respond quickly and appropriately to issues and service complaints.
1.3 Eligibility and Expectations

In order to be eligible for participation in the Pilot Program, each applicant must submit a completed Operator Pilot Application and all supporting information and documentation as required or requested by the County for review and evaluation. In addition to the foregoing, applicants must also comply with all applicable federal, state, and local laws and regulations, and take all further actions and execute all other documents required by the County before any Pilot Program Permit can be issued. This may include the execution of an operating or licensing agreement and procurement of required insurance.

In the event an Operator fails to meet the conditions of its Pilot Program Permit, and its permission to operate is suspended, such suspension shall not result in any extension of time for the Operator to operate beyond the end date specified in the Pilot Program Permit, unless agreed to in writing by the County.

Section 2 Definitions

2.1 Terms

Application Programming Interface (API) refers to the data interface.

County means the County of Los Angeles.

Customer means a person or organization that pays for use of an On-Demand Personal Mobility Device from an Operator.

Docked refers to a Device that is stored in an upright orderly manner at a designated pick-up and drop-off location with racks or docks.

Dockless refers to a Device for which there is not a designated drop-off location for the devices, so the Device may be left wherever the Customer ends a trip.

Electric Bicycle means a bicycle with an integrated electric motor which can be used for propulsion, as defined by California Vehicle Code (CVC) Section 312.5.

Electric Scooter means a motorized scooter propelled by an electric motor or by a combination of human power and an electric motor as defined by CVC Section 407.5.

Flood Control District (FCD) refers to the County Flood Control District, which has varying levels of land ownership and rights to operate and/or maintain flood control infrastructure, channels, and rights-of-way that include regional Class I bike paths such as portions of those found along the Ballona Creek, Coyote Creek, Dominguez Channel, Los Angeles River, Ric Hondo, and San Gabriel River.

Operators means a company that has a valid Pilot Program Permit to operate a Device company within the County Unincorporated Areas.
Pilot Program means the On-Demand Personal Mobility Devices Pilot Program for the County Unincorporated Areas.

On-Demand Personal Mobility Devices (Devices) refers to dockless or docked, electric or non-electric bicycles, electric-assist bicycles, or electric scooters. Devices fall within the definition of “Vehicle” under the CVC.

Section 3 Pilot Program Structure

3.1 Schedule

The Pilot Program is intended to last 12 months from the date of issuance of the first Pilot Program Permit. The County may modify the Pilot Program in duration or scope based on the information it collects from the Program.

Request for Applications published May 1, 2019
Applications due May 23, 2019
First Pilot Permit issued June 17, 2019
Pilot Program launch July 1, 2019
Pilot Program end June 30, 2020

The County shall have sole discretion to decide whether to extend the end date of the Pilot Program Permit for any Operators.

3.2 Fleet Size

a) There is no minimum or maximum fleet size, except for within certain designated unincorporated County communities.

b) The Director of Public Works or his Designee may, at his or her sole discretion, reduce the permitted number of Devices in the case of demonstrated noncompliance and/or nonperformance by Operators.

3.3 Permit Information

3.3.1 Fees

<p>| Application Fee | $5,000 | Non-refundable; used to cover the cost of processing the Pilot Program permit application. |
| Pilot Permit Fees | $35,000 | Used to cover the cost of Administration of the Pilot Permit Program. Fees shall be due prior to issuance of permit. |
| Pilot Device Fee | $130/Device | Device fee must be received by County prior to deployment by Operator. |</p>
<table>
<thead>
<tr>
<th><strong>Discounted Device Fee</strong></th>
<th>$65/Device</th>
<th>Discount applies to the number of Devices deployed and maintained in the County’s most disadvantaged communities, as defined by the California Healthy Places Index (HPI) score in the 25th percentile or lower. The discount represents a 50 percent reduction. Device fee must be received by County prior to deployment by Operators.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Right-of-Way Fee</strong></td>
<td>$1/Device/day</td>
<td>Public Right-of-Way use fee, to fund safety enhancements and/or traffic safety education, in support of the Pilot Program.</td>
</tr>
</tbody>
</table>

If permanent docking stations or other structures are proposed within public right-of-way, each site shall require additional review deposits and permitting.

a) Permit fees are assessed to recover costs incurred to implement the Pilot Program.
b) Applicants shall pay $5,000 for a Permit Application Fee for the Pilot Program.
c) Applicants shall pay $35,000 for a Pilot Permit for the Pilot Program.
d) Applicants shall pay a program administrative fee of $130/Device to the County or $65/Device in the County’s most disadvantaged communities.
e) Applicants shall pay a Public Right-of-Way fee of $1/Device each day.
f) Any fees arising from the need for County crews to relocate or remove a Device from any location where a Device is prohibited under this permit shall equal the Los Angeles County Public Works Maintenance Laborer hourly rate plus any additional storage/impound fees.

3.3.2 Duration

Pilot Program permits are valid for the 12-month duration of the Pilot Program. If the Pilot Program duration is extended, then additional permit fees must be paid at a pro-rated amount for the extended duration. The County may, in its sole discretion, modify the Pilot Program in duration, scope, and requirements based on the information it collects from the Pilot Program.

Operators must renew their Pilot Program permits annually. The County may, in its sole discretion, adjust Permit requirements to accommodate changing technology, needs, and priorities.

3.3.3 Modifications

The County may, in its sole discretion, amend, modify, or change the terms and conditions, in part or in whole, of the Pilot Program. The changes may be necessary to adjust to changing technologies, needs, priorities, and Operators compliance issues. Modifications may include additional permit or licensing requirements, regulations, or fees to be paid to the County in connection to the Pilot Program.
3.3.4 Non-transferability

a) An Operator may not transfer a Pilot Program Permit to another party or entity without the County’s prior written consent.

3.4 Device Specifications

a) All bicycles shall meet the safety standards outlined in International Standards Organization 43.150 – Cycles, as well as the standards outlined in Code of Federal Regulations Title 16, Chapter II, Subchapter C, Part 1512 – Requirements for Bicycles. In addition, all bicycles shall meet the standards established in CVC Section 21201, including for lighting during operation in darkness.

b) Electric Bicycles shall be “Class I” or “Class II” Electric Bicycles only, as defined in CVC Section 312.5. Additionally, the County may, in its sole discretion, temporarily revoke or terminate any permit issued under this Pilot Program if the County determines the battery or motor on an electric-assist bicycle is unsafe for public use.

c) An Electric Scooter shall be any two-wheeled Device, as defined in CVC Section 407.5, that has handlebars, has a floorboard that is designed to be stood upon when riding, and is powered by an electric motor, as defined in CVC Section 407.5. This Device may also have a driver seat that does not interfere with the ability of the rider to stand and ride, and may also be designed to be powered by human propulsion.

d) Electric Scooters shall be incapable of reaching a top speed of greater than 15 mph. The County may, in its sole discretion, revise the maximum speed based on collision and injury data.

e) Electric Bicycles shall have visible language that notifies the Customer that:
   • Helmet use is encouraged while riding an Electric Bicycle;
   • Riders shall yield to pedestrians; and
   • When riding on the street, follow the rules of the road, and all motor vehicle laws and ordinances in the County. This includes scooters cannot be ridden on roads with a speed limit greater than 25 miles per hour, unless there’s a Class II or Class IV bike lane, at which point the motorized scooter can only be ridden within the bike lane, as defined in CVC Section 21235(b).

f) Electric Scooters shall have visible language that notifies the Customers that:
   • Customers are encouraged to wear helmets when operating an Electric Scooter;
   • Riders shall yield to pedestrians;
   • When riding on the street, follow the rules of the road, and all motor vehicle laws and ordinances in the County;
   • “No Riding On Sidewalks” (minimum 48-point font) located on the platform of every scooter; and
   • Customer must be a minimum of 18 years old with a valid Driver’s License to operate a Device.

g) Electric Scooters and electric bikes shall always have front and back lights that are visible from a distance of at least 300 feet under normal atmospheric conditions at
night. Front and rear lights shall stay illuminated for at least 150 seconds after the Device has stopped.

h) Every Device shall have a unique identifier that is readily visible to the Customer or any member of the public. Operators shall provide easily visible contact information, including the toll-free phone number and e-mail address, on each Device for the Customers or the members of the public to make relocation requests or to report other issues with the Devices.

i) Each Device shall be equipped with an onboard GPS device capable of providing real-time location data in accordance with the specifications described in the “Data Sharing Requirements” Section of this application.

j) Operators shall not display third-party advertising on its Devices.

3.5 System Design and Distribution

a) The County prefers a connected shared mobility system that increases the accessibility of other modes of transportation and builds upon a cohesive regional transportation network. Operators that provide a system which can interact with other modes of transportation, such as public transit, car-sharing services, ride-hailing services, and existing bike-sharing systems, are preferred.

b) Operators shall work in a cooperative manner with the existing and emerging multi-modal transportation systems, including, without limitation, car-sharing services, transit services, Metro, and other bike-sharing systems. Operators shall provide to Customers a map of the County, including existing bike infrastructure, for enhanced navigation.

c) Operators shall have a system operations strategy that provides an equitable distribution of Devices, to ensure Devices are available and accessible throughout neighborhoods, commercial areas, and key destinations throughout the County Unincorporated Areas. Operators shall limit the excessive concentration of Devices in congested areas. Operators shall provide adequate ground operations to ensure the safe, accessible, and responsible placement of Devices. Operators shall describe, in writing, to the County their strategy for the deployment of Devices prior to any issuance of Pilot Program Permit and shall continue to provide information and documentation regarding their strategy and efforts for the deployment of Devices with the County throughout the duration of the Pilot Program, or as requested by the County.

d) The System design must:
   • Identify equitable Device deployment locations that adequately distribute Devices and minimize over-concentrations in high demand locations.
   • Equitably distribute and rebalance, on a daily basis, Devices within each County Unincorporated Area subregion.

e) Operators shall implement parking confirmation and notification systems to reduce poor parking behavior through incentives or disincentive programs. Operators shall work with the County to create systems for Operators employees (permanent or contracted) and agents and Customers to utilize designated parking areas in the public right-of-way using geofence or equivalent technology.
f) Operators shall work with County and FCD to prevent Devices from parking within FCD right-of-way, through the use of geofencing or equivalent technology. Operators shall create and implement the limits in accordance with FCD direction.

g) At the sole discretion of the County or FCD, additional operating zones may be permitted and established including locations within County or FCD facilities, County or FCD-owned land, parks, publicly accessible plazas, on-street parking spaces, off-street parking lots/garages, or campuses. However, permission to do so shall require coordination with the appropriate department, agency, or property owner; and shall be communicated to the Customer through signage approved by the respective entity and/or through the Operators mobile and web application.

h) Operators shall inform, direct, and incentivize Customers to return equipment to predesignated deployment locations or drop zones.

i) Operators shall properly manage end-of-life disposal of hazardous components including batteries, reducing the need for new scooters through repair, redistributing for reuse, and recycling or otherwise properly disposing of all component parts.

j) Operators shall implement system-wide, location-based speed reduction strategies in designated areas of the County and for special events. Areas that require location-based speed reduction shall include public parks and shall be created to notify Customers of the prohibition of use in those areas and increase compliance with the prohibition. Speed reduction, immobilization, and geofenced no parking areas might be required for special events.

3.6 Parking

Parking of Devices on public sidewalks must not a) adversely affect the streets or sidewalks; b) inhibit pedestrian movement, including people with disabilities; c) create conditions that threaten public safety and security; or d) block access to properties.

a) Operators shall ensure their Devices are walked on the sidewalk and parked in the landscape/furniture zone of the sidewalk, preferably attached to a bicycle rack or in another area specifically designated for bicycle parking. Operators shall inform Customers on how to properly park a Device.

b) Every Device shall be equipped with either a locking mechanism to lock to a fixed object preferably a bicycle rack, but not any street sign posts; or, alternatively, smart technology equipment to prevent theft, technology identifying that Device is upright and properly parked, and GPS tracking. However, the County may require Operators to include a locking mechanism.

c) Operators shall remove Devices from the County right-of-way or waterbody (harbor, flood control channel, ocean, etc.) within 24 hours of GPS indication that the Device is not properly parked or is in a water body.

d) Operators shall remedy Devices which are parked incorrectly or are inoperable within two (2) hours from when a request was made from 7am to 10pm daily.

e) All dockless Devices shall be equipped with technology that prevents customers from ending a ride if the Device is not standing upright.

f) Operators shall ensure their Devices are not parked in a manner that impedes the regular flow of travel in the County right-of-way, or in a manner that impedes the
clearance on sidewalks needed for ADA compliance. Legal parking includes the landscape/furniture zone and any bicycle rack located in the County right-of-way. In addition, Operators should ensure their devices are not placed in any manner that would impede emergency, County, Flood Control District or utility vehicle access, or obstruct any designated fire lanes.

g) Restrictions to eligible parking zones on sidewalks shall be as follows:

- Devices shall not be parked at the corners of sidewalks or at any crosswalk, curb ramp, or within any feature that serves as an accessible element such as landings, areas of refuge, detectable warning surfaces, or any other physical feature that may be required for mobility;
- Devices shall not be parked on blocks where the landscape/furniture zone is less than three feet wide, or where there is no landscape/furniture zone;
- On blocks without sidewalks, Devices may be parked if the travel lane(s) and six foot pedestrian clear zone are not impeded;
- The County may designate certain areas where dockless parking is prohibited;
- The County may remove any Device parked in one location for more than five consecutive days without moving, and store the Device at a County facility at the expense of the Operators. The County shall invoice the violating Operators for fees incurred;
- Devices shall not be parked in the landscape/furniture zone adjacent to or within:
  - Parklets;
  - Transit zones, including bus stops, shelters, passenger waiting areas and bus layover and staging zones, except at existing bicycle racks;
  - Loading zones;
  - Disabled parking zone, or any other accessible route that would otherwise create a barrier to accessibility;
  - Permitted construction zones;
  - Locked to street furniture that requires pedestrian access (for example - benches, parking pay stations, bus shelters, transit information signs, etc.);
  - Curb ramps;
  - Red curb zones;
  - Entryways; or
  - Driveways.

h) Devices shall be upright when parked.

i) Devices shall not be parked within 25 feet of curb ramps.

3.7 Maintenance and Operations

Operators shall ensure that all Devices in their fleet are in good working order, clean, and safe to operate for a wide range of Customers. Operators shall share their system maintenance strategy and process with the County prior to the approval of permits, and upon further request by the County. Maintenance by Operators shall include:
- Regular Device inspection for wear and tear, and stress-based damage that could lead to failure.
- Maintenance and repair consistent with, or exceeding, manufacturer’s recommendations.
- Immediate replacement of worn or damaged parts.
- A strategy for maintaining electric batteries, both for daily use and for long-term replacement.

Operators shall keep organized written records of all maintenance performed for each Device, which the Operators shall promptly make available to the County upon written request.

Operators shall remove inoperable and/or unsafe Devices from the County right-of-way within 24 hours, including in instances in which the Device is inoperable due to insufficient battery power, communications failure, or other systems and software failures. Operators shall remove or make unavailable all Devices that are inoperable and/or not safe to operate, via Device lockdown. Operators shall be responsible for reimbursing the County for fees incurred for County crews to relocate or remove the Device. The fees shall equal the County Public Works Maintenance Laborer hourly rate plus any additional storage/impound fees. An Operators failure to remit fees to the County shall constitute grounds for suspension or revocation of permits at the sole discretion of the County.

Operators shall reimburse the County for any and all costs the County incurs for addressing or abating Operators violations of the Pilot Program permit, or repairing or maintaining public property relative to conditions created by the Operators and/or its users. Operators shall reimburse the County for such costs within 30 days of receipt of an invoice describing the County’s costs.

No Device maintenance activities shall occur in the public and/or the County right-of-way.

3.8 Events and Emergencies

Operators shall be prepared to work with the County in the case of emergencies or special events to prioritize the safety of Customers and respond to the County’s concerns. Operators may be asked to participate in a plan for special event operations. For example, Operators shall be prepared to work with the County on modified operations during County identified special events by adjusting deployment plans, providing additional field and/or operations staff, relocating Device parking, modifying Customer access, and informing Customers about system changes. At large events, such as in Marina Del Rey, Operators will attend the start and end of events to direct Device traffic, assist riders with where to park, and pick up vehicles post event.

Operators shall assign a program liaison for the duration of the Pilot Program and supply the County with that person’s contact information a week before the pilot launch. An organizational chart of the Operators team, including contact information, must also be provided during this time. The assigned liaison shall be available at all times to promptly
respond to County staff's requests. The liaison may identify an off-hours alternate, or reassignment with at least five (5) days notice to the County.

Operators shall cooperate with public safety personnel in case of emergencies and comply with agreed upon operation plans for special events. Operators are expected to proactively communicate with Customers during events and emergencies. Operators shall provide County public safety personnel with prompt access to real time Device data during emergencies and requested events. Operators must actively engage with County staff to resolve issues and to develop solutions to improve service performance throughout the duration of the Pilot Program.

For Devices on public property, the County may require Operators to temporarily move Devices to a nearby location if the approved location needs to be used for an emergency, an event, construction, or public purposes. The County may, at its sole discretion, move Devices for these purposes.

3.9 Customer Engagement

Operators shall engage with Customers to protect the safety of Customers and all roadway users. Engagements should include virtual (online, video, and other digital media), physical, and in-person methods. Regular, repeated, and interactive engagement is strongly encouraged, as well as the use of effective and creative methods of reaching people. Engagements should consider the needs and concerns of Customers as well as non-Customers of the system. Engagements should reflect values consistent with the community, including but not limited to, safety, civic/civil engagement, mobility options, sustainability and well-being, and encourage behaviors consistent with those values.

Operators of shared scooter systems shall implement a driver's license validation system to ensure compliance with California State law. The system shall include periodic re-validation, and a method for performing driver's license validation on any Customers who signed up prior to the validation system being in operation.

3.10 Education and Outreach

Operators shall conduct education and outreach, which shall be oriented to the community at large to reach both Customers and non-Customers of the system. Education and outreach should include virtual (online, video, and other digital media), physical and in-person methods, and must commence within seven (7) days of deployment of Devices by Operators. Regular, repeated, and interactive education and outreach are strongly encouraged, as well as the use of effective and creative methods of reaching people. Education and outreach should consider the needs and concerns of customers as well as non-Customers of the system.

At the time of rental, Operators shall educate Customers about safety rules and regulations. Operators shall provide information to Customers regarding how to operate the Device safely and informing Customers that they are required to:
• Obey all applicable CVC and Los Angeles County Code requirements;
• Stay off sidewalks;
• Ride in a manner that is safe and courteous to others;
• Park in appropriate locations;
• Park in an appropriate manner; and
• Pay associated penalties for violation of any of the above.

Operators shall provide prompt and responsive customer service enabling Customers and members of the public to ask questions, report damaged devices, improper parking, or noise, request refunds, or otherwise receive support.

Operators must prominently display customer service contact information on the Device, including, without limitation, telephone number, email address, and website location on each Device. Prominent display must include easily visible placement and a text size that is easily readable from a distance of at least three feet.

3.11 Equitable Access

In addition to equitable Device distribution, it is desirable that the Operators offer a means of accessing Devices that do not require the use of a smartphone and/or access to a credit or debit card, to better serve the County’s disadvantaged communities.

The County’s most disadvantaged communities are identified by the California HPI tool (https://healthyplacesindex.org/) by having a HPI score in the 25th percentile or lower.

3.12 Data Sharing & Reporting

Operators shall provide accurate data through a publicly accessible API that meets the requirements of the General Bikeshare Feed Specification (https://github.com/NABSA/gbfs). It is desirable that Operators make the API endpoint available to the public for viewing data, querying data, and mapping. Operators shall not change the API URL without notifying the County with at least 30 days prior notice in writing.

County reserves the right to share data collected with third parties to process and analyze data and to use it for County program planning and operations purposes.

3.12.1 Mobility Data Specification (Specification)

Operator shall provide a County-accessible API that provides the data outlined within, and meets the Specification of the County as published online at http://github.com/CityOfLosAngeles/mobility-data-specification.

Any Specification compatible API must expose data where:

• The trip starts in the County Unincorporated Areas; or
• The trip ends in the County Unincorporated Areas; or
- GPS telemetry data shows the trip passing through the County Unincorporated Areas; or
- A direct path between trip start and trip end intersects the County Unincorporated Areas.

The County may, in its sole discretion, release subsequent versions and/or updated versions of the Specification and require Operators to use the most current version by releasing an automatic update and/or disabling support for the previous version.

The County may, in its sole discretion, use all data Operators provides in accordance with the Specification, including, but not limited to, displaying real-time data and real-time Device availability data to the public.

Operators shall not change the API URL without notifying the County with at least 30 days prior notice in writing. Operators shall provide a standardized dashboard interface to support the County in viewing data, querying data, and mapping.

Operators shall protect Customer personal information and anonymize data regarding Customer personal information. Summarized program performance information in memos or updates may be shared with the public. Operators shall protect detailed data to the full extent required by applicable law.

Notwithstanding the returned results of any of the Mobility Data APIs, Operators shall comply with the County's Pilot Program requirements listed herein.

3.12.2 Reporting

Operators shall assist and participate in the formal evaluation of the Pilot Program, including provision of data and information to inform subsequent County ordinances and programs.

Raw data supplied by Operators shall be held confidentially between the County and Operators in such a manner as may be required by applicable law. However, summaries, program utilization data, and trend data may be made public as permitted by applicable law.

Personally Identifiable Information on Customers collected by Operators may not be transmitted to, processed, or stored at a destination outside of the United States.

The County may use all data Operators provide in accordance with the Specification including, without limitation, displaying real-time data and real-time Device availability data to the public. Third parties may republish any data the County publishes in accordance with applicable law.

During the Pilot Program, Operators shall distribute to their Customers a County-provided Customer survey at a maximum frequency of quarterly.
Operators shall provide a publicly accessible API that meets the requirements of the General Bikeshare Feed Specification (https://github.com/NABSA/gbfs). Operators may not change the API URL without notifying the County in writing at least 30 days in advance. Operators shall make the API endpoint available for public consumption.

Operators shall be responsible for closing out the County’s The Works Service Request tickets within 24 hours, or sooner from receipt of complaint.

Operators failure to respond to open Service Requests shall be grounds for the County, at its sole discretion, reducing the Operators existing fleet size and/or revoking its Pilot Program Permit.

3.12.3 System Reports

Operators shall provide weekly anonymized data reports to the County for the following County-level data in the Unincorporated Areas:
- Total users in system by day, week and month;
- Trip number by day, week and month;
- Detailed, aggregate trip origin/destination information;
- Trip length and time;
- Hourly fleet utilization with trip origin or destination in the County Unincorporated Areas;
- Hourly Device quantities within County Unincorporated Areas;
- Weekly summaries of trip numbers by County Unincorporated Areas;
- Maps showing locations of origin and destination trips;
- Weekly summaries of all complaints received by the Operators in the County Unincorporated Areas;
- Weekly status and summaries of how and when the complaints were resolved;
- Maintenance schedules and logs; and
- Collision data.

The County, in its sole discretion, may elect to adjust the reporting time frames.

3.12.4 Surveys

Operators shall survey Customers within the first three months, and every six months subsequently, to provide information to the County for future planning. Survey questions shall include asking Customers what mode of transportation was replaced for the use of an On-Demand Personal Mobility Device. Survey questions shall be consistent among Operators and determined in coordination with the County.

3.12.5 Use of Data

Operators shall follow all applicable local, state, and federal laws with respect to personally identifiable information and credit card information. It is strongly preferred that Operators do not resell or monetize Customers' personally identifiable information. If Operators engage in such a practice, then Operators shall ensure that: a) the Operators clearly and transparently communicates this practice to Customers before
Customers provide any personally identifiable information to Operators, and b) Operators provide Customers with a clear and easy means of opting out if they do not want Operators to sell or otherwise monetize their data. Auto renewal billing procedures should comply with all applicable local, state, and federal laws.

3.12.6 Data Security

Operators shall provide a Privacy Policy that firmly safeguards Customers’ personal, financial, and travel information and usage including, without limitation, trip origination and destination data. Operators shall employ an electronic payment system that is compliant with the Payment Card Industry (PCI) Data Security Standards (DSS). Each transaction shall include the Device’s identification number. Operators shall provide their most recent third-party PCI audits to the County on a quarterly basis.

On at least a monthly basis, Operators shall provide the County with aggregate Customer demographic data gathered by the system application using an anonymized key that does not identify individual Customers, payment methods, or their individual trip history. The County may, at its sole discretion, use a third-party researcher to evaluate this program. Data will be shared confidentially with the third-party researcher only for purposes of the evaluating or enforcing the requirements in this permit.

Operators shall protect personal data using industry accepted encryption. Operators shall obtain Customer permission in writing or electronically before sharing personal data regarding the Customer with a third party.

3.12.7 User Protections

Operators shall employ an electronic payment system that is compliant with the PCI DSS.

Operators shall provide a Privacy Policy that firmly safeguards Customers’ personal, financial, and travel information and usage including, but not limited to, trip origination and destination data. Operators shall promptly make its policies, procedures, and practices regarding data security available to the County, upon request. The County may, at its sole discretion, retain a third party to perform a security audit midway through the Pilot Program Permit term, or at any time the County determines, in its sole discretion, that an audit is warranted.

Operators shall provide Customers with an opportunity to explicitly assent to Operators privacy policy, terms of service, and user agreements. Separately, Operators shall provide Customers with the ability to decline sharing any data not required to enable Operators to process and complete the transaction. Operators shall clearly state in a manner easily accessible by customers, the customer’s options in regard to these customer data requirements.

Operators shall produce a Privacy Policy that fully complies with all applicable requirements of the California Online Privacy Protection Act (CalOPPA) and any applicable data protection laws applicable to minors. Operators shall collect, store, and use personally identifiable information only to the extent absolutely required to provide a powered Device transportation service and always in compliance with applicable law. For purposes of this Pilot Program
Permit, "personally identifiable information" and "personal data" shall be defined in the same manner as by CalOPPA. Without limitation to other permitting provisions requiring anonymized origin/destination and route data for solely public purposes set forth by the County, Operators shall not make any personal data of program participants in the County available to any third-party advertiser or other private entities, including any another entity that may be affiliated with or jointly owned by the entity that owns Operators.

Operators shall not claim any legal right in its Terms of Use, Privacy Policy, or elsewhere to institute retroactive changes to its Privacy Policy. Operators shall provide a reasonable opportunity for Customers to explicitly assent prior to any changes to its data practices, including uses of data Operators collected under a prior policy.

Operators shall not collect or sort Personal Data according to race, gender, religion, national origin, age, or sexual orientation except for survey data collected on an opt-in basis and for a public purpose expressly required by the County. Operators may not deny service to any user on the basis of their refusal to provide any such Personal Data.

Operators shall disclose to the County any and all existing data sharing agreements. Operators shall notify the County in advance of any prospective partnership, acquisition, or other data sharing agreement. Operators shall not engage in, or facilitate, any inter-app operability or other form of private partnership that includes data acquisition or other data sharing model with any entity if the entity does not meet the standards set forth herein.

Section 4 General Requirements

4.1 Operators Responsibilities

a) Operators seeking to participate in the Pilot Program shall comply with all applicable Federal, State, and local laws, rules, regulations, and policies. Noncompliance may result in cancellation, suspension, or revocation of Pilot Program Permit, at the County’s sole discretion.

b) Operators shall be in compliance and in good standing with tax payments to all applicable taxing agencies. Operators failure to do so may constitute grounds for revocation or nonrenewal of the Pilot Program Permit, at the County’s sole discretion.

c) In rendering service hereunder, Operators shall be, and remain, an Independent Contractor. Any amounts payable hereunder shall be paid by Operators in gross amount, without reduction for penalties, taxes, or charges. Operators shall be responsible for assuming any and all applicable federal or state withholding taxes, estimated tax payments, or any other fees or expenses whatsoever that may be required by law.

d) The County may monitor the degree to which Customers comply with applicable laws, particularly related to riding on sidewalks and safe parking of on-demand mobility. If the County, in its sole discretion, determines that Operators is not sufficiently compliant with applicable laws, the County may require that Operators implement additional measures, or, alternatively, the County may revoke the permit.
4.2 Indemnification

Operators shall defend, indemnify, and hold harmless the County, the FCD, its Supervisors, directors, officers, elected or appointed officials, employees, agents, and volunteers from, and against, any and all claims, damages, losses, expenses, fines, penalties, judgments, demands, and defense costs (including, without limitation, actual, direct, out-of-pocket costs and expenses, and amounts paid in compromise, settlement, or judgment, and reasonable legal fees arising from any claim or litigation of every kind, nature, or liability of any kind or nature including civil, criminal, administrative, or investigative) arising out of, in connection with, or which are in any way related to, the County’s issuance of, or decision to approve, the Operators Permit, the process used by the County in making decisions related to the Operators Permit, the Operators participation in the Pilot Program, the Operators (including its officers, managers, employees, contractors, subcontractors, agents, and volunteers) business conduct and operations, any violation of any laws by the Operators (including its officers, managers, employees, contractors, subcontractors, agents, and volunteers) or its Customers, or any bodily injury, including death, or property damage arising out of, or in connection with, any use, misuse, placement or misplacement, including, without limitation, placement or misplacement resulting in alleged violations of the ADA, of Operators Device, of property or equipment by any person, any unauthorized use or disclosure of Customer data, and any violation or infringement of intellectual property rights, except for such loss or damage which was proximately caused by the sole negligence and willful misconduct of the County. Operators shall conduct all defenses pursuant to this section at Operators sole cost and expense, and County shall reasonably approve selection of the counsel to represent County as proposed by Operators. Operators obligations under this section shall apply to all claims and liability regardless of whether any insurance of Operators, its affiliates or other parties provides coverage applicable thereto. The policy limits of any insurance of Operators, its affiliates, or other parties shall not limit the obligations of Operators herein, including, without limitation, the amount of indemnification to be provided by Operators. The existence of any indemnification agreements, expressed or implied, between Operators, contractors, subcontractors, affiliates, and other third parties, shall not limit or delay the obligations of Operators herein, including, without limitation, Operators indemnification obligations under the Pilot Program. The provisions of this section shall survive the termination of the Pilot Program Permit.

SEVERABILITY AND GOVERNING LAW. If any provision or portion of this Pilot Program Permit shall be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. This Pilot Program Permit shall be construed and enforced in accordance with the laws of the State of California.

AMENDMENT/INTERPRETATION OF THIS PERMIT. This Pilot Program Permit represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. The County, at its sole discretion, may amend any term or condition of this Pilot Program Permit during the Pilot Program. This Pilot Program Permit
shall not be interpreted for or against any party by reason of the fact that such party may have drafted this Pilot Program Permit or any of its provisions.

CALIFORNIA PUBLIC RECORDS ACT (PRA) INDEMNITY LANGUAGE. Operators shall defend, indemnify, and hold harmless the County, the FCD, its Supervisors, directors, officers, elected or appointed officials, employees, agents, and volunteers from, and against, any and all claims, damages, losses, expenses, fines, penalties, judgments, demands, and defense costs (including, without limitation, actual, direct, out-of-pocket costs and expenses, and amounts paid in compromise, settlement, or judgment, and reasonable legal fees arising from any claim or litigation of every kind, nature, or liability of any kind or nature including civil, criminal, administrative, or investigative) arising out of, in connection with, or which are in any way related to, the County's refusal to disclose Company's trade secrets, other technical or financial information, or Company's personally identifiable customer data, to any person making a request pursuant to the State of California PRA (California Government Code Section 6250 et seq.). The County shall notify Operators of any 1) communication to the County challenging the County's refusal to disclose Operators information, and 2) any complaint or petition to the court challenging the County's refusal to disclose Operators information. Further, should Operators choose to intervene in any court action relating to the County's refusal to disclose Operators information, the County shall not oppose Operators motion to intervene. Operators shall be discharged of its obligations to the County under this provision in any circumstance where Operators provide written confirmation to the County that 1) all of the requested records at issue are not Operators trade secrets, technical, financial, or other similar information or personally identifiable customer data, and 2) the County may release said records to the requester.

4.3 Insurance Requirements

a) Operators shall have commercial general liability insurance, including contractual liability and property damage insurance written by an insurance company authorized to do business in the State of California, or approved by the California Department of Insurance as a surplus lines insurer eligible to do business in California, rated VII, A or better in Best's Insurance Guide (or an alternate guide acceptable to the County and the Department if a Best's Rating is not available) with Licensee's normal limits of liability, but not less than FIVE MILLION DOLLARS ($5,000,000) for injury or death to one or more persons out of each accident or occurrence and FIVE MILLION DOLLARS ($5,000,000) for bodily injury and property damage for each occurrence and TEN MILLION DOLLARS ($10,000,000) in aggregate limits. Each policy shall name the "County of Los Angeles, Los Angeles County Flood Control District, and their officers, agents, and employees" as primary additional insureds.

b) Workers' Compensation insurance as required by the State of California, with Statutory Limits and Employers' Liability Insurance with limits of no less than ONE MILLION DOLLARS ($1,000,000) per accident for bodily injury or disease.

c) Operators shall maintain an umbrella insurance policy providing coverage in excess of its primary general liability, employer's liability and automobile liability policies in an amount not less than FIVE MILLION DOLLARS ($5,000,000) per
occurrence. The umbrella insurance policy shall name the “County of Los Angeles, Los Angeles County Flood Control District, and their officers, agents, and employees” as additional insureds.

d) Operators shall maintain automobile insurance or automobile equivalent line of insurance for Devices, with limits of liability not less than ONE MILLION DOLLARS ($1,000,000) covering injuries or death resulting from each accident or claim arising out of any one claim or accident. This insurance shall cover all owned, non-owned, and/or hired automobiles. Each policy shall name the “County of Los Angeles, Los Angeles County Flood Control District, and their officers, agents, and employees” as primary additional insureds.

e) Operators shall maintain a privacy/network security/cyber security insurance providing coverage against liability for 1) privacy breaches (liability arising from the loss or disclosure of confidential information no matter how it occurs), 2) system breach, 3) denial or loss of service, 4) introduction, implantation, or spread of malicious software code, and 5) unauthorized access to or use of computer systems with limits not less than FIVE MILLION DOLLARS ($5,000,000). No exclusion/restriction for unencrypted portable devices/media may be on the policy. This policy shall name the “County of Los Angeles, Los Angeles County Flood Control District, and their officers, agents, and employees” as additional insureds.

f) Operators shall have a performance bond of $50/Device. The form of the bond shall be approved by the County, at its sole discretion. These funds shall be accessible to the County for costs that the County may incur for removing and storing improperly parked Devices, and/or if Operators fail to remove the Devices when its permit is terminated or expires. If Operators increase the size of their fleet, the performance bond shall be adjusted appropriately before deploying additional Devices.

4.4 Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

a) Additional Insured Status: The County, FCD, and their officers, officials, employees, and volunteers are to be covered as additional insureds on the Commercial General Liability (CGL) policy. CGL coverage can be provided in the form of an endorsement to the Contractor’s insurance (at least as broad as Insurance Services Office Form CG 20 10 11 85, or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38 and CG 20 37).

b) Primary Coverage: For any claims related to this Pilot Program Permit, the Operators insurance shall be primary coverage at least as broad as Insurance Service Office Form CG 20 01 13 as respects the County, FCD, and their officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, FCD, and their officers, officials, employees, and volunteers shall be in excess of Operators insurance and shall not contribute with it.

c) Notice of Cancellation: Each insurance policy required herein shall show that coverage shall not be canceled except after notice has been given to the County.
d) Waiver of Subrogation: Operators hereby grant the County a waiver of any right of subrogation which any insurer of said Operators may acquire against the County by virtue of payment of any loss. Operators agree to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by Operators, its employees, agents and subcontractors.

4.5 Self-Insured Retentions

Self-insured retentions shall be declared to and approved by the County. The County may, in its sole discretion, require Operators to purchase coverage with a lower retention or provide satisfactory proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or the County.

4.6 Verification of Coverage

Operators shall furnish the County with original certificates and amendatory endorsements (or copies of the applicable policy language effecting coverage provided by this clause). All certificates and endorsements shall be received and approved by the County before the permit is issued. Failure to obtain required documents prior to the permit issuance shall not waive the Operators' obligation to provide them. The County may, in its sole discretion, require complete, certified copies of all required insurance policies, including the endorsements required herein, at any time.

4.7 Failure to Maintain Insurance Coverage

Operators failure, for any reason, to maintain insurance coverage which is required by this Pilot Program Permit shall be deemed a material breach of all Permit. The County may, in its sole discretion, revoke the Pilot Program Permit and obtain damages from Operators resulting from said breach in accordance with applicable law.

4.8 Enforcement and Termination Grounds

The enforcement program will include an escalated enforcement strategy which, in most cases, will begin with the County issuing a written warning/advisement to comply to the Operator without being subjected to fines/penalties. In some cases, depending on the nature of the violation, enforcement could begin with the imposition of fines/penalties in accordance with local law. However, the enforcement program will seek to obtain voluntary compliance by the responsible party(ies). Enforcement will be balanced and fairly applied.

In the event that the County revokes, suspends, or denies a Pilot Program Permit, Operators shall remove all Devices and any associated equipment from the County
right-of-way, FCD property, and participating private properties within 72 hours from notification by the County. Pilot Program and Permit related fees will not be refunded.

If Operators falsify data or the County determines an Operator is dishonest in its reporting, the County, in its sole discretion, may revoke the Pilot Program Permit. If the County revokes a Pilot Program Permit in such a manner, Operators shall not have an opportunity to reapply for another Permit during the duration of the Pilot Program.

   a) If Operators fail to meet Device parking standards on a monthly basis, the County, in its sole discretion, may revoke the Pilot Program Permit.

   b) Grounds for terminating Pilot Program Permits include, without limitation:
      - Failure to meet the terms and conditions set forth in the Pilot Program Permit and/or the Rules and Guidelines;
      - Failure to put Devices into service within 30 days;
      - Failure to share data;
      - Failure to abide by the Specification; and
      - Failure to move Devices located outside of the defined geofenced area.

   c) In the event an Operator is no longer willing or able to operate within the County, the Operator shall provide the County with written notice, at least 14 days in advance of the Operator ceasing operations in the County, unless the new operational end date is 14 days or less before the date in the Permit. Once an Operator voluntarily ceases operations, its Permit is voided, and the Operator must remove all of its Devices and associated equipment from County highways within 14 days. Pilot Program and Permit related fees will not be refunded.

   d) The County may, in its sole discretion, terminate a Pilot Program permit issued, with or without cause, in whole or in part, at any time, by written notice to the Operators.

4.9 Waiver

The County's decision not to insist upon strict performance by Operators of any provision of the Pilot Program Permit, in one or more instances, shall not constitute a waiver of such provision by the County, nor shall, as a result, the County relinquish any rights that it may have under the terms of the Pilot Program Permit.

4.10 Liquidated Damages – Forfeiture

As actual damages would be difficult, if not impossible to determine, the penalty for an Operators noncompliance with any provision of the Rules and Guidelines and other permit issuance requirements may result in termination of all or one Pilot Program Permits, at the sole discretion of the County, without refund, reimbursement, or adjustment of any and all fees paid to the County as of the date of forfeiture for the breach. Determination shall be a written notice from the County to Operator.
December 20, 2019

To: Supervisor Kathryn Barger, Chair
   Supervisor Hilda L. Solis
   Supervisor Mark Ridley-Thomas
   Supervisor Sheila Kuehl
   Supervisor Janice Hahn

From: Sachi A. Hamai
   Chief Executive Officer

REPORT BACK ON E-SCOOTER AND BICYCLE PILOT PROGRAM (ITEM NO. 7,
AGENDA OF JANUARY 15, 2019)

On March 8, 2019, the Chief Executive Officer submitted a 45-day report back to the Board responding to a January 15, 2019 motion to establish an e-scooter and bike pilot program. The March 8 report outlined the draft pilot program requirements and attached a draft application that would be made available to e-scooter and bike companies interested in participating in the County’s pilot program. The January 15, 2019 motion also directed the Chief Executive Office to submit a report on the pilot program by December 31, 2019. This report back summarizes the application period for the pilot program, discusses current conditions, and recommends extending the program by one year to end of June 30, 2021.

Permit Process
The same workgroup of County departments that advised the Department of Public Works (DPW) on the draft pilot program materials presented to the Board in the March 8 report also participated in the finalization of the application. They also participated in the review of received applications with the purpose of helping to ensure the pilot was consistent with the goals for the pilot outlined by the Board motion. After finalizing the requirements and application, DPW released both and began accepting permit applications on May 1, 2019. The application was posted on the newly established County e-scooter and bike website at http://dcba.lacounty.gov/eride/, which was developed by the Department of Consumer and Business Affairs. The website contains additional resources for participating companies and the public on safety, service areas, and frequently asked questions.
At the close of the application period on May 23, 2019, three companies submitted application materials and signed the application agreeing to abide by its terms. DPW, in consultation with the workgroup, scored all applications and arrived at a preliminary set of scores in which none of the companies qualified for a permit. Applicants were then given an opportunity to revise their applications based on the County’s comments. Public Works rescored applications following receipt of the revised applications. After that process, Public Works found that all three companies met the qualifications for a permit. All applicants were then notified of their eligibility.

Since notification of eligibility, none of the applicants have completed all the steps required for Public Works to issue a permit. One company expressed concern about the pilot program deposit requirements but has notified the County that it will still be proceeding with obtaining the permit. However, they have been delayed in completing the final requirements. The company is anticipating finalizing its permit in mid-2020 and deploying its bicycles shortly thereafter.

The other two eligible companies communicated back and forth with County staff after learning of their eligibility but questioned the requirements of the program. Most of the communications centered around the fees, the $15 million liability insurance requirement, and the County’s enforcement approach. Ultimately, neither company submitted the required materials to proceed with the permitting process and communications tapered off. Additionally, neither company has formally declined to participate in the pilot. Notably, both of these companies currently have e-scooters operating in Marina del Rey.

On-the-ground Conditions
Without data which would have been provided through the pilot, the County is not fully aware of where e-scooters or bikes are currently operating within unincorporated areas. However, the County is aware that e-scooters and bikes are actively being deployed. E-scooters and bikes have intentionally been placed on County roads without permits by at least five companies in Marina del Rey and are in use by the public. The Department of Beaches and Harbors has observed that the number of e-scooters and bikes increases and decreases seasonally. Relatedly, the number of constituent complaints also fluctuates with the number of deployments. E-scooters and bikes are permitted by the adjacent cities of Los Angeles and Santa Monica. It is possible that some share of e-scooter and bike use in Marina del Rey include rides that were initiated within those jurisdictions, which would not require a County permit.

Extension of Pilot Application Period
One company has committed to completing the permitting process; however, deployment will likely not happen until mid-2020. If this time frame is accurate, there would not be enough time in the current pilot program for the company to economically deploy. In order for the pilot permittee to recover their costs and to allow the County to obtain more complete data, we intend to extend the pilot program by one year, ending on
June 30, 2021. The two companies whose applications have stalled will also be informed of the extension. The data obtained can be used to better guide the final recommendations at the conclusion of the pilot program.

**Conclusion**

Given the commitment of one company to continue with the permit process, it is our intention to extend the pilot program term by one year.

Regardless of permits issued, it is noted that e-scooters and bikes will continue to operate without permits in Marina del Rey unless and until enforcement actions are taken. Therefore, the County will begin issuing notices to any company that is deploying e-scooters or bikes without a permit in Marina del Rey, or any other unincorporated areas, of its intent to begin enforcement and that enforcement actions commence by no later than March 1, 2020.

Finally, the Board may choose to provide direction to staff to modify the pilot permit program requirements to address the key issues that prevented companies from completing the permit process; most notably, the liability insurance requirements and fees. However, staff are not recommending modifying the liability insurance requirements at this time. Should the Board provide direction to do so, County staff will revise the pilot permit requirements and re-open the application period to establish a new one-year pilot program.

SAH:FAD:TM
GG:KP:jg

c: Executive Office, Board of Supervisors
   County Counsel
   Beaches and Harbors
   Consumer and Business Affairs
   Health Agency
   Public Health
   Public Works
   Treasurer and Tax Collector