



Legislation Text

File #: 20-1370, Version: 1

Chief Administrative Office, Parks Division, is recommending the Commission make a recommendation for staff to move forward to the Board of Supervisors regarding Lime Scooters. The Board of Supervisors requested the Parks and Recreation Commission discuss and make a recommendation regarding the use of Lime Scooters in response to Board of Supervisors Agenda Item 19-1015. (Cont. 08/15/19, Item 2)

FUNDING: N/A

DISCUSSION / BACKGROUND

Staff will need to return to the board in November with a recommendation regarding this issue. Below are the answers staff has received to date on this issue.

The commission developed an adhoc group to discuss and make recommendations regarding Lime Scooter to the Board of Supervisors. On March 2, 2020, the adhoc chair Commissioner John Arenz had a list of questions that the commission requested staff to ask other county departments. The questions and answers staff has been able to gather are below:

1. SLT is charging \$75 per scooter. Should we charge? If so what amount? Would this be adequate?
If recommended this would be evaluated.
2. Who would administer the program? Discuss with Sheriff, the fee is to offset patrol costs. Will the Sheriff patrol?
3. Liability-What is the County's liability? Are the insurance thresholds high enough? There have been two accidents in SLT. Police Chief and Barton Hospital not in support.
*I received this response from Risk Management:
I reviewed the agreement and developed the following comments for your review and consideration (in the context that the expectation is that the County will assume the same terms and conditions):*

"This License Agreement (" Agreement") is made this 7 of April 2019, by and between the City of South Lake Tahoe (" City") and Neutron Holdings, Inc. DBA Lime (" Lime") for a shared scooter- only pilot program."

- *What is the definition of "a shared scooter-only pilot program"? Is EDC also considering a pilot program only? And what is the meaning of "shared"? Does this apply to shared risk? If the County is seriously considering this arrangement I recommend getting County Counsel input to these questions.*

"Customer Safety: Lime shall include images and texts within the Lime app and website of how to properly ride and park electric scooters, as well as the age limitation (18 year or older) for riding Lime electric scooters. Lime shall require a valid driver' s license per electric scooter

rented, in order to help prevent use of electric scooters by minors. Lime shall limit the motorized- assisted speed of electric scooters to no more than 15 miles per hour. Lime may coordinate with the City and local partners to encourage and promote helmet usage."

- *Wearing a helmet must be a requirement.*

"Fleet Size Limit: Lime shall maintain a fleet of no more than 550 electric scooters. Lime shall submit to the City a proposed schedule for gradually ramping up the fleet size over the term of the Agreement, for City Manager approval. Electric scooters shall be equipped with GPS technology or other installed software in order to track and manage the fleet's operations. Lime may request to increase the fleet limit, which the City Manager may grant based on Lime's performance under this Agreement."

- *If Lime proposes to provide its services to the entire County, I assume the fleet of scooters will increase accordingly. If so, realize that the risk to the County grows correspondingly as well.*

Indemnification Provision.

My recommendation should the County choose to go forward and engage Lime:

a. Lime will indemnify, defend, and hold harmless El Dorado County, members of the Board of Supervisors of El Dorado County, its officers, officials, agents and employees and assigns (collectively, the "Indemnified Parties") from and against any and all claims, including third party liability, actions, claims, demands, costs, losses or damages, including reasonable attorneys' fees (collectively, "Claims"), resulting from or arising out of this Agreement, or which are related to Lime's (including its officers, managers, employees, contractors, agents, and volunteers) business conduct and operations, any violation of any laws by Lime (including its officers, managers, employees, contractors, agents, and volunteers) or its customers, or any bodily injury including death or damage to property arising out of or in connection with any use, misuse, placement or mis-placement of any of Lime's electric scooters except as set forth in Section 8(b) hereof.

Insurance. Lime shall procure and maintain for the duration of this agreement insurance against claims for which Lime has indemnified the City pursuant to Section 9 of this Agreement. Each insurance policy shall name the City and its elected or appointed officers, officials, employees, agents, and volunteers as additional insured and it shall be endorsed to state that: (i) coverage shall not be suspended, voided, or cancelled by either party, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice by certified mail, return receipt requested, has been given to City; (ii) for any covered claims, Lime's insurance coverage shall be primary insurance as respects the City and any insurance or self-insurance maintained by the City shall be in excess of the Lime's insurance and shall not contribute with it; (iii) Lime waives all rights of subrogation against City, its elected or

appointed officers, officials, employees, or agents. The insurance required to be provided herein, shall be with insurers possessing an AM Best's rating of no less than A:VII.

a. Lime shall maintain General Liability limits no less than One Million and no/100 Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury and property damage, and with

an aggregate of no more than Two Million and no/100 Dollars (\$ 2,000,000.00).

b. Lime shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Lime shall require each subcontractor to similarly maintain Worker's Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees.

c. Lime shall maintain automobile liability insurance covering bodily injury and property damage for all activities of Lime arising out of this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount of not less than one million dollars (\$ 1,000,000) on a claims- made annual aggregate basis, or a combined single- limit per occurrence basis.

My main concern is about bodily injury and property damage arising out of the use of the scooters. Also, a Product Liability Insurance requirement may be appropriate. If we are seriously considering this, I would need to consult with our Alliant broker. As I previously mentioned, there is at least one insurance company that underwrites the risk arising out of the rental of e-bikes.

4. Environmental Responsibility-Units are picked up by a Suburban with a trailer. Units are charged and put back out. Get input from Environmental Management and AQMD.

This is the response from AQMD:

Well, it appears from recent studies that E. Scooters do not provide much benefit to the environment. I found some articles on recent studies that appear to agree on this conclusion.

There was a study performed at North Carolina State University that most articles cite. I'll go over some highlights of this study and provide the article links if you want to review them.

NCSU 'Life Cycle Assessment' looked at the making, shipping, charging, collection and disposing of the scooters - the aluminum that goes into the frame, the lithium-ion battery, the transport from China to the U.S., the independent contractors who are driving around in vehicles at night to pick up/charge/return and the emissions associated with these activities. This study's conclusion was that the scooters produced about half the emissions (200 grams/mile) of a standard automobile (415 grams/mile).

A survey of users in Raleigh NC found that 34% would have used a car or ridesharing service, 50% would have biked or walked, 11% would have taken the bus, 7% would have skipped the trip. With this taken into account, 2/3 of scooter rides generate more GHG than the alternative. Scooter lifetime (1-2 months) is a weighty factor on grams/mile reduced. Another statistic given stated 43% of emissions are from additional fleet vehicles driving around the city to search out and pick up the scooters.

The article reported the Portland Bureau of Transportation found that only 34% of the city's riders took an e-scooter instead of driving their own car, or using a ride-sharing service or taxi. In fact, [Lime itself found <https://www.li.me/second-street/lime-celebrates-50-million-rides-in-18-months>](https://www.li.me/second-street/lime-celebrates-50-million-rides-in-18-months) that about "1 out of every 3 trips" replaces a car ride, in surveys across 26 cities. This link is an MIT Technology Review that mostly focuses on the NCSU research:

<https://www.technologyreview.com/2019/08/02/646/electric-scooters-arent-so-climate-friendly->

Lime acknowledged the logistical issues and is looking at alternatives to the current program, like not picking up all scooters each night and using electric vehicles to do the pick up. I am apprehensive that one of the actions considered is the purchase of emissions offsets.

A more recent article (improving upon the author's earlier article) is found at:

<https://chesterenergyandpolicy.com/2019/01/28/its-a-bird-its-a-lime-its-dockless-scooters-but->

*This author's life cycle analysis (there is a downloadable spreadsheet shared in the article) used 100 overnight chargings as an assumption for a typical use term. But then he stated, "I did share my preliminary results with an industry insider who told me that anecdotally the lifetime for dockless scooters is very low and the typical approximation used within the industry is an average of 45 days, which can drop to as few as 23 days in particularly 'contentious' markets." Another interesting statement regarding the battery manufacture only, "After inputting the materials into my modified GREET Model, the manufacture of the scooter battery accounts for **19,824 grams of CO₂-equivalent (CO₂e)** of GHG emissions and the scooter body and tires account for **184,247 grams of CO₂e**, for a total manufacturing emissions of **204,071 grams of CO₂e**. Spread out over the 750 miles of the scooter's lifetime, these emissions come out to **272.1 grams of CO₂e per lifetime scooter-mile**. There are additional statements for assembly, transport, collection and charging, and disposal. The full life cycle is summed up thus:*

*Assembling all these figures together gives the following results: a dockless electric scooter, over the course of its 500 lifetime rides and 750 lifetime miles, can be expected to contribute between **240.1 kg of CO₂e** (using the best-case collection & redistribution) and **557.1 kg of CO₂e** (using the worst case). This author's conclusion: Scooters could be, and likely are, replacing options that are less carbon-intensive (biking, walking, public transit) just as often as they are replacing the more carbon-intensive act of driving. This seems to be the consensus. All articles I reviewed indicated that the scooters are very often abused, used for stunts, thrown in water bodies, vandalized or beat up, burned, torn apart... all largely influencing life cycle across the board.*

Below are links to more articles that appear to concur in the above article's conclusions, and predictably cite the NCSU study.

<https://www.cbsnews.com/news/scooters-are-worse-for-the-environment-than-many-think/>

<https://www.bbc.com/future/article/20200608-how-sustainable-are-electric-scooters>

http://www.kykernel.com/opinion/are-lime-scooters-worth-the-convenience/article_9926e522-

5. What benefit would it be for the other parts of El Dorado County?

You need to think about whether or not this would benefit the other areas of the county such as Cameron Park, El Dorado Hills, Placerville?

6. Speed what are they traveling?
The speed for bicycles is 15 mph.

ALTERNATIVES

N/A

PRIOR BOARD ACTION

03/02/2020 - 19-1324

06/25/19 - 19-1015

OTHER DEPARTMENT / AGENCY INVOLVEMENT

City of South Lake Tahoe

FINANCIAL IMPACT

Unknown

STRATEGIC PLAN COMPONENT

Infrastructure.

CONTACT

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