



**PILOT PROGRAM LICENSE AGREEMENT APPLICATION  
SHARED MOBILITY DEVICES (SMDs)**

For Transportation Office Use Only

License Number \_\_\_\_\_ Date issued/effective date \_\_\_\_\_

State Transaction Privilege License Number: \_\_\_\_\_

City Business Registration Number: \_\_\_\_\_

Name of Operating Company: \_\_\_\_\_

Address: \_\_\_\_\_

If Different, Address for Billing Purposes: \_\_\_\_\_

URL and Name of User App: \_\_\_\_\_

Project Manager's Name: \_\_\_\_\_ Title: \_\_\_\_\_

Project Manager's Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Narrative: On a separate sheet, please explain in 500 words or less the company's business model, plans for deployment in Chandler (including schedule, number of devices, planned location of devices), names & contact information for key staff located in Arizona, plan for staging, charging, rebalancing and relocating devices, and geofencing capabilities.

***By signing this application, the applicant and company agree to the terms and conditions of the license as attached.***

Applicant's Name: \_\_\_\_\_

Title: \_\_\_\_\_

Applicant's Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

Checklist of Required Documents:

1. Completed license application;
2. Insurance documentation;
3. Application fee.

Email application and documents to: [nancy.jackson@chandleraz.gov](mailto:nancy.jackson@chandleraz.gov), or mail to PO Box 4008, Mail Stop 412, Chandler, AZ 85244. All licenses expire on December 31, 2020. Any questions related to this license or the application should be directed to Jason Crampton 480-782-3402.

## Shared Mobility Device License Terms and Conditions

### Definitions -

Shared Mobility Device (SMD): A commercially-rented scooter, bike, skateboard, or any other mobile vehicle, excluding motor vehicles, with a self-containing locking mechanism that does not require locking to a bicycle rack, docking system or other structure.

Operator: The Operator is the entity requesting and issued the right-of-way use license for SMDs.

User: Operator's customer who is legally responsible for the rental and proper use of the SMD.

Staged: Placement of the SMD by the Operator at a location in the community.

Parking surface: Concrete, asphalt, bricks, pavers. A parking surface does not include a parking space utilized by motor vehicles or any area of the street between face of curb and face of curb unless otherwise designated.

Residential street: A street with a lawful speed limit of 25 mph or less.

Downtown Chandler Area: The area bounded by Chandler Boulevard on the north, Frye Road on the south, Dakota Street on the west, and Delaware Street on the east.

Rebalancing: Collecting all devices that are not in a designated parking area (within Downtown Chandler) or in an appropriate staging location and restaging devices in appropriate locations. Rebalancing also includes ensuring that all devices in appropriate staging locations and in designated parking areas are standing upright, all facing the same direction, and appearing in a neat and orderly fashion.

### Section 1 - Pilot Program

1.1 Pilot Program Purpose. The purpose of the Pilot Program is to enable private shared mobility companies to provide a service, while allowing the City to assess this new technology and business model, identify how the model does or does not meet City objectives, and make changes to the Program Rules based on an on-going evaluation of the findings. The rules and requirements that govern the Pilot Program are meant to ensure that Operators function in a manner that provides for the responsible management of the right of way and promotes the safety of all users of the right of way.

1.2 Program Non-exclusivity. All shared mobility companies who wish to operate in the City shall be permitted to apply for the Pilot Program. The City may execute a license agreement with multiple business entities at its sole discretion and no shared mobility company shall take any action to interfere with such agreements.

1.3 Pilot Program Duration. The Pilot Program shall commence on January 1, 2020, and shall continue for a period of one year, after which time, the City may elect to extend, amend, or terminate the program. The City has the discretion to terminate the Program and any License for any reason at any time without fault or penalty to City. Following termination of the Pilot Program, the City shall have no obligation to allow continued operations of any Operator within the City. Should the City exercise the rights described in this section, the City will provide prior notice to the Operator. Said notice may be provided by email. Should the City's notice require removal of the Fleet from Chandler, an Operator shall have no more than five (5) days from the date of City's notice to remove its entire Fleet unless the City Manager, or designee, specifically agrees to a longer period of time.

1.4 Pilot Program Subject to Change. The City of Chandler reserves the right to modify any component of the Pilot Program at any time without fault to the City. The City reserves the right to require an Operator to remove some or all of its Fleet from City limits at the sole cost to the Operator. Should the City exercise the rights described in this section, the City will provide prior notice to the Operator. Said notice may be provided by email. Operators have 30 calendar days from the date notice was given to comply with any program changes.

1.5 Pilot Program Eligibility. As a condition precedent to the License, and prior to commencement of operations, a shared mobility company shall: (a) apply, procure, and remit payment for a business registration from the City, and (b) submit a Pilot Program application together with all documentation and fees as required by the City.

1.6 Pilot Program Designee. Operator shall identify one or more designee(s) in the application who are legally authorized to sign on behalf of Operator and execute legal agreements.

1.7 Pilot Program Rules. It shall be the sole obligation of the Operator to identify, comply with, and inform all its Users and potential users of all rules. Operator shall also be responsible to ensure compliance with rules by all persons acting on behalf of Operator through or under a License. Operator shall take all measures to ensure that its shared mobility devices are operated in compliance with all rules. All Operators of the Pilot Program shall adhere strictly to these Terms herein and the following:

The Pilot Program Rules as may be amended by the City Manager or the City Council;

All federal, state and local laws, rules, and regulations;

The Chandler City Code, as amended, including but not limited to Chapter 12; and All applicable safety and manufacturer standards and guidelines, including but not limited to terms relating to the age of device users, device speeds, the safe operation of devices, suitable terrains, user warnings, and safety gear and clothing.

1.8 Pilot Program Disclaimer. Nothing in these Terms shall be interpreted to mean that, by licensing areas within the City for operations, the City is deeming such areas as suitable or safe for any particular shared mobility device. No shared mobility device shall be structurally altered from the original manufacturer's design. It shall be Operator's sole responsibility to ensure that each of its shared mobility devices is used in a manner that is

suitable and safe for that particular type, model, and condition of the shared mobility device. This responsibility includes, but is not limited to, ensuring that all shared mobility devices are operated at safe speeds, operated on suitable terrain, equipped with functioning brakes, and have sufficient lighting and safety features to be operated at night or at other times of limited visibility. This responsibility also includes ensuring that all shared mobility devices can be safely operated by users in all weather conditions, including in rain and extreme heat conditions.

1.9 Pilot Program Conditions. By agreeing to participate in the Pilot Program, Operator agrees to assume all risk, costs, and expenses for any and all damages and injuries that may occur due to damage, destruction or collapse of any public property or due to any incompatibility of the operation of the shared mobility with the public property. By agreeing to participate in the Pilot Program, the Operator warrants that all shared mobility devices deployed by it in Chandler shall be designed, constructed and maintained so as to be free of any defects in materials or workmanship and shall at all times be safe for members of the public to use in the ordinary course of usage. Operator may terminate its operations within the City at any time with prior written notice to City. Terminating its operations within the City shall not relieve Operator from its obligations under this License regarding indemnification, payment obligations, data sharing and protection obligations, and obligations to repair or restore damage to public property.

1.10 Pilot Program License. A License that is executed by Operator and the City Manager shall grant said Operator a revocable license to use License Property within the scope of the Pilot Program on a temporary and non-exclusive basis, provided said Operator adheres strictly to Pilot Program Rules. The term of each License shall commence on its date of execution and shall continue until December 31, 2020 or until terminated by the City Manager or the Chandler City Council, whichever is first.

1.11. Termination. The City and/or Operator reserve the right to terminate this license at any time. Upon termination, the Operator's entire fleet of SMDs shall be removed from City right-of-way. Decommissioning shall be completed within 5 calendar days unless the City agrees to a different time period.

1.12. Maximum Fleet Size. A company with an approved license may stage up to 150 shared mobility devices in Chandler during the first three months of having an approved license. After three months, the City may authorize additional SMD's up to a maximum of 300 total SMD's. City authorization for additional fleet will consider the following:

- Operator's overall compliance with license agreement
- Number of complaints against Operator
- Number of rides per staged scooter
- Innovative approaches by company to promote user compliance with program rules

1.13. Minimum Fleet Size. Within the first 90 days of having an approved license to operate in Chandler, the Operator must maintain an average daily fleet of at least 75 shared mobility devices in Chandler.

## Section 2 – Parking and Staging

2.1. All shared mobility devices, whether staged by the Operator or parked by a customer after use, must be parked in accordance with City of Chandler Code, Chapter 12.

2.2. Operator shall stage all shared mobility devices upright on a parking surface and facing the same direction. Users shall park shared mobility devices upright on a parking surface.

2.3. No more than five scooters or three bicycles, regardless of Operator, shall be staged in a grouping.

2.4. Groups of two or more shared mobility devices shall be separated by a distance of at least 150 feet, regardless of Operator.

2.5. Within the downtown Chandler area, Operators shall only stage SMDs and Users shall only park SMDs within designated SMD parking areas.

2.6. Operator shall stage, and Users shall park, shared mobility devices so as not to block or impede pedestrian and wheelchair use in compliance with the Americans with Disabilities Act (ADA), including but not limited to the following restrictions:

- A minimum clear width of 48 inches on a walking surface must be accessible at all times. SMD's may not be parked on sidewalk narrower than 6'.
- SMD's may not be parked within 10' of traffic signal push buttons and may not block access to traffic signal push buttons.
- SMD's may not be parked within 10' of any curb ramp, and may not block access to curb ramps.
- At bus stops, a minimum clear space of 8' x 5' for wheelchair ramp deployment and wheelchair boardings must be maintained at all times. Additionally, space underneath bus shelters must be kept clear. SMD's may not impede either of these spaces nor may they impede access to these required clear spaces.

2.7. At bus stops, SMDs shall be staged or parked only at designated bicycle parking locations when available.

2.8. Operator shall not stage SMDs in front of single-family residential properties, or on residential streets, or within 100' of any K-12 school.

2.9. Operator shall inform Users how to properly park a SMD by using effective strategies.

2.10. Operator shall collect all SMDs each night by 10 p.m. for charging and rebalancing the next morning. Exceptions may be made if Operator can demonstrate successful nightly rebalancing and/or docking/ charging mechanism that can be applied in the right-of-way.

2.11. In order to safely conduct the process of staging, rebalancing, recharging or other process that requires a person to interact with the SMD, the Operator shall not cause any obstruction, for any amount of time, on the roadway, bike lane, nearby driveway, or sidewalk with the motor vehicle used to transport the employee and/or devices.

2.12. Operators shall be required to relocate or remove any SMD that is causing an obstruction within 2 hours if notified between 7am and 7pm (excluding holidays) and within 4 hours at all other times. If the device(s) is not causing an obstruction but the City requests it be relocated for other reasons set forth in this agreement, the Participant shall move the device within 24 hours. Upon removing or relocating SMD, Operator must submit photographic proof that scooter has been removed or relocated. Failure to comply will result in the Operator being charged a penalty fee, as described in 5.2.

2.13. Any SMD parked in a location which causes a safety hazard, causes a nuisance for a business owner or resident, or is parked in any other non-approved staging area for more than 24 hours, may be relocated by City staff, and Operator will be charged a penalty fee, as described in 5.2.

2.14. This license agreement with Chandler only authorizes SMD staging and parking in City-owned rights of way and does not allow parking and staging of SMDs on private property without consent from property owner.

### **Section 3 - Operations**

3.1. Users of SMDs must comply with Chandler City Code, including Chapter 12. Outside of the downtown Chandler area, SMDs are permitted to be ridden on sidewalks, in bike lanes, and on low speed streets. Within the downtown Chandler area, SMDs are not permitted to be ridden on sidewalks.

3.2. Operators must limit the maximum speed of all SMDs to no more than 15 miles per hour.

3.3. Within the downtown Chandler area, SMD Operators must apply geofencing technology to restrict the maximum speed within the historic downtown square and within the City Hall campus to 5 miles per hour.

3.4. Every SMD shall have a serial number clearly displayed.

3.5. All SMDs shall be equipped with an on-board GPS device capable of providing real-time location data in accordance with the specifications described in Section 4 and may be subject to an audit by the City.

3.6. If the City incurs any costs for repair or maintenance of damaged public property caused by the User, Operator or Operator's representatives, the Operator shall reimburse the City for such costs within 30 calendar days upon receiving written notice of the costs.

3.7. Any SMD rendered inoperable or unsafe shall not be put into service. Every SMD must have functioning brakes, headlight, rear light and reflector. Any SMD deemed inoperable or unsafe shall be removed from the right-of-way within two hours and shall be repaired before returning to revenue service.

3.8. Operator shall be solely responsible for all maintenance of the SMD.

3.9. Subcontracting, subleasing, sublicensing or any type of assignment of the rights granted in this license is strictly prohibited. Any subcontracting, subleasing, sublicensing or any type of assignment of the rights granted in this license shall be by operation of law, null and void and shall immediately terminate this license.

3.10. SMDs must be equipped with technology that allows for geo-fencing. Companies must demonstrate functioning geo-fencing technology to City staff before license agreement will be approved. Operator shall geo-fence to restrict SMDs from being ridden in and from being parked in certain areas as directed by City. Additionally, geofencing and removal of devices from downtown Chandler may be required prior to and during certain events such as the Tumbleweed Tree Lighting Parade in December.

#### **Section 4 - Data Sharing**

4.1 During the term of the License, Operator shall make available to City the real-time and archival information for the entire Fleet ("Data"). Data will ensure the City can successfully manage the Pilot Program and execute related planning efforts in support of the City's strategic goals. Data provided may include, but is not limited to include: real-time location, event, and status information provided by on-board GPS devices placed on all devices, anonymized data for each trip record, historic/archival data, and key system information.

4.2 Prior to execution of the License, all Operators shall meet with the City to discuss specific data needs and requirements. Data reports must be submitted to the City monthly by the 20<sup>th</sup> of the following month for which the data pertains.

4.3 Examples of datasets that may be required, but are not limited to:

- (a) User demographic data gathered by the system application that does not identify individual users, payment methods or individual trip history,
- (b) Origin and destination data in heat map form (submitted quarterly);
- (c) Trip details including total number of trips conducted, average trip length, average number of trips per staged device, and average dwell time per staged device;
- (d) Total number of devices in service in the month and total number of devices needing repair or replacement; A point-map of the location of all shared mobility devices at some designated time point in the past month;
- (e) Report on any crashes occurring involving shared mobility devices in the past month;

- (f) Report on any instances of fleet rebalancing due to customer or City request in the past month;
- (g) Summary report of vandalism or theft, and the information needed to access any police reports filed in the past month;
- (h) Report showing all maintenance and repair activities, including but not limited to device identification numbers and maintenance performed;
- (i) Report of all calls and emails received, including telephone wait times, email response times, and the nature of the User inquiry; and
- (j) Report on monthly push notifications and or User surveys that are provided through the Operator's app platform.

4.4 Throughout the duration of the Pilot Program, the City may modify the data requirements and will provide notice to the Operator detailing such requested changes.

4.5 The City has the authority to publish the data publicly, and may also share the data with other pilot program Operators. Operator agrees that the City may use a third-party researcher to evaluate data from the Pilot Program. Operator shall share all data with the third-party researcher necessary for purposes of evaluating or enforcing the requirements in the Pilot Program.

4.6 Except as specifically required by the City, Operator will not share personally identifiable information with the City. Operator shall share personally identifiable information in Operator's possession about a device user with the City where there is an injury alleged to be related to a device, or a claim or lawsuit against the City and the device user may have information about, or responsibility for, the claim.

4.7 Operator shall not claim any legal right in its terms of use, privacy policy, or elsewhere to institute retroactive changes to its privacy policy and shall provide an opportunity for the User to explicitly assent prior to any changes to its data practices, including uses of data Operator collected under a prior policy.

## **Section 5 - Fees and Reporting**

5.1. Operator shall pay an application fee of \$3,000 to cover application review, license issuance and monitoring, and data analysis and planning.

5.2. Operator shall pay a \$50/ \$250/ \$500 penalty fee per device for the first/ second/ third and subsequent violations. Payment of these fees shall be included in the monthly payment, as described in 5.4.

5.3. Operator shall pay a right-of-way use fee of \$0.10 per ride, to be paid monthly as described in 5.4.

5.4. Operator shall submit monthly payments to City within 20 calendar days of the end of each month. Failure to submit monthly payment on time will result in Operator being charged a \$50 late fee, unless waived by City staff. Payments shall be mailed to:



City of Chandler Transportation Policy Division  
Mail Stop 412  
P.O. Box 4008  
Chandler, AZ 85244

*5.5. Operator shall also provide monthly data reports as described in Section 4 within 15 calendar days of each month.*

#### **Section 6 – Insurance Requirement**

6.1. At the same time as execution of this Agreement, the Operator shall furnish the City a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to City. Provided, however, the A.M. Best rating requirement shall not be deemed to apply to required Workers' Compensation coverage.

6.2. The Operator and any of its subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.

6.3. The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

6.4. The City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect Operator from liabilities that might arise out of the performance of the License services under this agreement by Operator, its agents, representatives, employees, subcontractors, and the Operator is free to purchase any additional insurance as may be determined necessary.

6.5. Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve the Operator from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.

6.6. Commercial General Liability-Occurrence Form. Operator must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$2,000,000 for each occurrence, \$4,000,000 aggregate. Said insurance must also include coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

6.7. Operator must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on Operator owned, hired, and non-owned vehicles assigned to or used in the performance of the Operator's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph,

the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

6.8. Operator must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Operator employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than \$1,000,000 for each accident and \$1,000,000 disease for each employee.

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

A. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, the Contractor including the City's general supervision of the Contractor; Products and Completed operations of the Contractor; and automobiles owned, leased, hired, or borrowed by the Contractor.

B. The City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Agreement.

6.10. All insurance required herein shall be maintained in full force and effect until the work or service performed under the terms of this license is satisfactorily completed and accepted by the City. Failure shall constitute a material breach of this license.

6.11. Operator's insurance shall be primary insurance to the City, and any insurance or self-insurance maintained by the City shall be excess of the Operator's insurance and shall not contribute to it.

## **Section 7 - Indemnification**

The Operator (Indemnitor) must indemnify, defend, save and hold harmless the City and its officers, officials, agents and employees (collectively "Indemnitee") from any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees and costs of claim processing, investigation and litigation) (Claims) caused or alleged to be caused, in whole or in part, by the wrongful, negligent or willful acts, or errors or omissions of the Contractor or any of its owners, officers, directors, agents, employees, or subcontractors in connection with this Agreement. This indemnity includes any claim or amount arising out of or recovered under workers' compensation law or on account of the failure of the Operator to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Operator must indemnify Indemnitee from and against any and all Claims, except those arising solely from Indemnitee's own negligent or willful acts or omissions. The Operator is responsible for primary loss investigation, defense and judgment costs where this indemnification applies. In consideration of the award of this Agreement, the Operator agrees to waive all rights of subrogation against Indemnitee for losses arising from or related to this license. The obligations of the Operator under this provision survive the termination or expiration of this Agreement.