



City of San Antonio

Agenda Memorandum

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Agenda Date: 6/15/2016

In Control: City Council B Session

SUBJECT:

Briefing to discuss all rideshare agreements with the City of San Antonio

SUMMARY:

The City currently has operating agreements with Lyft, Uber, Get Me and Bid My Ride. The agreements are set to expire between July 2016 and October 2016. Staff will present to City Council an update on TNC operations as well as public feedback from two rideshare roundtables and a community survey. The B Session is an opportunity for the City Council to give direction to the staff on the issue of TNCs and other related ground transportation issues. Staff will be recommending to City Council that the City adjust the ending dates of the existing TNC operating agreements to end at the same time.

BACKGROUND:

On August 13, 2015, the San Antonio City Council passed an ordinance allowing the City Manager to approve an operating agreement with TNCs that would allow them to operate in San Antonio. The TNCs began operating in San Antonio on October 13, 2015 under a temporary nine-month operating agreement. Since that time, three companies have actively started working under the operating agreements - Uber, Lyft, and Get Me. A fourth company - Bid My Ride - has signed the agreement but hasn't yet started operations. The agreements for Uber, Lyft and Get Me expire on July 13, 2016, September 3, 2016, and October 14, 2016.

The operating agreements provide riders with the option to choose drivers that have voluntarily submitted to a 10-fingerprint identity verification criminal background checks. The agreement also allows individual drivers (who are in a sense, small business owners) to choose whether voluntary fingerprint checks make business sense for them. It is also designed to allow City Staff the opportunity to gather data on actual TNC operations in the City.

The operating agreement also:

- Requires TNCs to conduct initial and annual third-party criminal background and driver history checks.
- Requires training on, and compliance with, ADA requirements.
- Requires a zero-tolerance policy on drug/alcohol use, harassment (sexual or otherwise), and discrimination (on the basis of those categories outline in the City's Non-Discrimination Code).
- Requires TNCs, TNC drivers, or both to carry insurance as mandated by HB 1733 from the first day of the agreement.
- Requires a vehicle to be inspected before it begins operation as a TNC vehicle.

- Allows the City to conduct random visual inspections of drivers and vehicles active on the platform.
- Requires the TNC to provide certain operations data to City staff each quarter.
- Requires the TNC to pay \$1.00 for each trip originating at the airport.
- Allows either party to terminate the agreement with 30 days notice.
- Suspends provisions of Chapter 33 of the City of San Antonio Municipal Code applicable to TNCs, and Chapter 3, Division 4, and the rules and regulations developed pursuant to that chapter for a period of nine-months from the time the TNC begins operations in the City.

The TNC agreement provided for no-cost fingerprinting to any TNC driver that applied and 205 drivers requested an application. Of that, 138 completed the process and passed the background, and of that, 119 picked up their verification card. No applicant has failed the background but some have not completed the process. The SAPD process takes approximately 5-7 business days; 1-2 days for the driver to receive the application, 3 days to get the background returned to GTU, and 1-2 days for GTU to let the driver know they passed. The driver then works with each TNC to get their “T” number uploaded to the app. Each TNC places the “T” number on the same screen as the driver’s photo and car description, advising the rider of the driver’s additional screening.

Over the past eight months, the SAPD’s Ground Transportation Unit (GTU) has conducted 124 “secret shopper” rides with the TNCs and generally found the cars were clean, drivers were presentable and personable. Average wait times were 3-5 minutes and drivers took a direct route. GTU found, similar to other vehicles-for-hire, that there were some instances of minor speeding, cell phone use, and acceptance of cash tips (not permitted in the TNC ordinance) but those were minimal occurrences. During this time, there were no reports of TNC drivers driving while intoxicated or under the influence (DWI or DUI) nor is the SAPD aware of any drivers engaging in illegal activity.

As required by the TNC Operating Agreement, the City held two round table discussions with members of the public on May 18 and June 1, 2016, with approximately 175 members of the public in attendance. Staff also surveyed the public regarding their experience using Rideshare and traditional Vehicles-For-Hire. Over 2,700 surveys were complete as of June 1, 2016. Staff will present the results of the roundtables and survey at the B Session.

ISSUE:

TNCs are currently operating under a temporary nine-month operating agreement with the City and three companies have executed agreements - Uber, Lyft, Get Me - all with different expiration dates. A fourth company, Bid My Ride, has an executed agreement but has not yet started operations. Staff will present to City Council all relevant data from the operating agreement period as well as public input gathered from two roundtable discussions and a community survey. Staff is requesting City Council direction on the issue of TNCs and other related ground transportation industries.

RECOMMENDATION:

Based on the fact that the three executed TNC agreements expire between July 2016 and October 2016, staff is recommending adjusting the end date for all TNCs to October 2016. This will provide staff and the industry adequate time to implement City Council direction.

Briefing on TNC Operating data collected to date [Presented by William McManus, Chief of Police]