



City of Burlington
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Chapin Spencer
Director of Public Works

MEMORANDUM

TO: Transportation, Energy & Utilities Committee

FROM: Robert Goulding, Public Information Manager, Public Works
Nicole Losch, Senior Planner, Public Works

DATE: January 30, 2020

CC: Chapin Spencer, Director of Public Works

RE: Shared Mobility Update

We have been eager to transition the existing traditional bikeshare program ('Greenride Bikeshare') currently operating in Chittenden County to an all-electric fleet. We continue to believe that this will be a significant change to our transportation ecosystem - contributing to core goals of choice, affordability and sustainability. We would like to share an update as to the status of the shared mobility system in Chittenden County, a recent timeline of activity and next steps below.

BACKGROUND

After City Council approval of the shared mobility contract in June, we expected to have this system operational by Fall 2019. By the middle of August, we learned of tariff issues that delayed the operator Gotcha's ability to procure and deliver the 200 bikes to our market. At this time, we also learned of software issues affecting the performance of their system in other cities followed by a merger with a larger shared mobility entity, OjO.

Here is a timeline indicating how we have continued to work through these issues.

- **Late August:** Chittenden County shared mobility partners (Burlington, South Burlington, Winooski, CATMA and Universities) had a call w/ CEO of Gotcha, Sean Flood and his team. During this meeting we spoke candidly of our disappointment about the delay and lack of early communication. CEO Flood and his team were transparent about the tariff and technology issues. They answered every question from our group. CEO Flood said the technology issues were fixed and then committed to a spring 2020 launch of a full suite of e-bikes in Chittenden County.

- **Early September:** We identified a former City of Burlington employee who currently works for municipal government in Syracuse - a Gotcha market. He put us in touch with municipal colleagues in charge of implementation of the e-bike system. CATMA had an in-depth conversation with them and confirmed that while there were significant technology issues early on, the Gotcha team had followed through on its commitment to address the app issues. The situation appears to be resolved.
- **Fall:** Working through the transition in the City Attorney's staff including the departure of the attorney who was directly involved in the Gotcha discussions, we began working on the inclusion of contractual milestones to hold Gotcha accountable to specific progress. These include:
 - Spring 2020 launch of e-bikes and all equipment
 - A Burlington specific clause that stipulates that escalated pricing is an important consideration for renewal and that the Operator shall provide a statement detailing its efforts to integrate escalated pricing into its fee structure
 - A Burlington specific clause that has Gotcha providing a sign to hang at their waterfront location indicating the motor will shut off beyond system limits and that for long rides, local bike shops are a much better option.
- **Late Fall:** We learned that Gotcha has merged with OjO - another shared mobility operator. Unrelated to that, we learned that the local Gotcha employee who was working on the Greenride to e-bike transition decided to move to New Hampshire for another opportunity.
- **Mid-December:** Chittenden County partners had a second call w/ Gotcha CEO Sean Flood. We ask for updates on the tariffs and merger and what it means for implementation. We were told that the tariff issue has been circumvented with a new supplier in a different country and that they are still committed to a spring launch. We are told candidly that the merger has taken most of their attention, but are close to re-engaging with e-bike system implementation.
- **Late December:** Shortly after this call we shared the new contractual milestones with Gotcha - approved by the City Attorney's Office and agreed to by our partners - which is currently "under review" by their legal team.
- **January 27:** We heard from CEO Flood that we should expect a schedule any day now with revisions/agreement to the contract.
- **Current:** CATMA continues to press Gotcha for contract feedback and a schedule.

NEXT STEPS

We remain cautiously optimistic that the operator, Gotcha, can have a fully functioning e-bike system implemented in spring. However, we share the frustration of our partners and our community that there has been a significant delay in implementation.

We have an upcoming partner-only meeting -- hopefully to discuss a proposed in-hand schedule and finalize the contract. However, we are all prepared to discuss options for a Plan B. Unfortunately, the shared-mobility industry is changing rapidly (as evinced by the Gotcha/OJO merger) and upon last analysis, was more e-scooter oriented. There does not appear to be a lot

of operators who offer the system flexibility, the price point and the accessibility of Gotcha - especially for a market of this size.

Our current analysis suggests working with Gotcha through this next schedule proposal and agreement to milestones is a prudent course. However, the interests of our community are paramount and we are ready to consider soliciting an RFP for possible operators who may be able to launch in Burlington in 2020 if we do not get clear commitments and a signed contract from Gotcha soon.

We appreciate your attention to this issue and the care you put into this discussion in 2019. We welcome any questions and feedback prior, during or anytime after the upcoming TEUC meeting.

Thank you.