



Memorandum

Date: September 11, 2024

To: Honorable Mayor and Councilmembers

From: Rey Valdes
City Manager

Department: Carlos Arroyo
Public Works Director

Subject: **Freebee Contract Agreement Extension**

Introduction

The Public Works Department (PWD) respectfully requests that the Mayor and City Councilmembers adopt a Resolution authorizing the City Manager to extend the existing Service Agreement between BeeFree, LLC. (better known as Freebee) and the City for a six-month period with a one-time optional six-month extension to provide last-mile door-to-door on-demand transit service at an amount not to exceed the Departmental budgeted funds while the City works on research, development and procure an advertising of a new Request for Proposals (RFP) for an On-Demand Transit Service. The Service Agreement will maintain the terms and conditions of the current contract.

Background

The Public Works Department (PWD) is continuously exploring ways to provide alternative modes of transportation options to its residents, employees, and visitors as a mean to improve mobility and reduce congestion. The PWD started coordinating with Freebee since July 2016 to explore the possibility of bringing this alternative mode of transit service to the City of Doral. On March 13, 2019, the Mayor and the City Councilmembers adopted Resolution No. 19-65 (approved 4-0, 1 absent) approving entering into a Master Service Agreement with Freebee for a six-month Pilot Program to operate at no cost to the City.

At the time of the Pilot Program, Freebee provided Global Electric Motorcars (GEM) which are low-speed, fully electric, open-air vehicles resembling oversized golf carts. Each vehicle can transport up to five passengers, plus the driver. Freebee provides free of charge door-to-door on demand transit service to predefined areas where the posted speed limit is 35 MPH or less. The GEM vehicles are only allowed to cross over roadways with a posted speed limit greater than 35 MPH. Each vehicle is outfitted with mini-HD televisions and audio systems. Freebee also provides a smart phone application to request the pick-up and drop-off service where riders are often offered discounts and promotions to local businesses. Freebee vehicles also light up, so they are easy to see and flag down during the evening.

With the highest density being mainly within the Downtown Doral area, as well with the major arterial roadways having a posted speed limit of 35 MPH or greater, the Downtown Doral area was selected for the Pilot Program coverage area with the hours of operation being Monday to Friday from 11:00 AM to 7:00 PM (40 hours per week) via two (2) Freebee vehicles. The Pilot Program also include a spare GEM vehicle which provided an ADA ramp. The six-month Pilot Program commenced on April 1, 2019, and expired on October 1, 2019.

With the success of the Freebee Pilot Program, at the September 2019 Council Meeting, the Mayor and City Councilmembers adopted Resolution No. 19-234 (approved 4-0, 1 absent) waiving the competitive bid process with Freebee and entering into a one-year contract with an optional one-year renewal. However, as to not have a lapse in service, Freebee agreed to extend the Pilot Program from October 1, 2019, through October 31, 2019, at no cost to the City. This contract agreement commenced on November 1, 2019, and expired on November 1, 2021. Due to the requests from the public for Freebee expansion service demands, on June 1, 2021, service was expanded to the Intercontinental Hotel, the Mirador Apartments, and surrounding areas.

Due to the uncertainty of the financial impacts to the City's PTP funding from the Pandemic, in September 2021, the Mayor and City Councilmembers approved Resolution No. 21-212 (approved 5-0) authorizing a one-year contract extension under the original contact agreement terms and conditions with Freebee. This one-year contract extension was to provide more time to have the Pandemic level off and allow the City time to evaluate the future of On-demand Transit Service. This contract agreement commenced on November 1, 2021, and expired on November 1, 2022.

During this period, the PWD continued to receive additional requests to expand service, however due to the restrictions of the GEM vehicles being able to travel on roadways 35 MPH or greater, the PWD had not been able to expand services. Upon discussions with Freebee, the

company provided the option of Tesla Model X vehicles that would allow greater coverage area and increase efficiency. The GEM vehicles have a 60–70-mile range per battery charge compared to 200 miles for the Tesla vehicles. The Tesla vehicles provide air conditioning and require less maintenance compared to the GEM vehicles.

At the October 2022 Council Meeting, the Mayor and City Councilmembers adopted Resolution No. 22-197 (approved 5-0) authorizing a one contract extension with Freebee for a one (1) year period. This new contract extension amended the Scope of Services and Rates respectively, to include the Tesla Model X vehicles. Additionally, the service coverage area was expanded to cover other commercial and residential areas along NW 87th Avenue and NW 79th Avenue between NW 58th Street and NW 25th Street. The service schedule remained the same as shown below:

- Monday – Thursday: 10:00 AM – 7:00 PM
- Friday – Saturday: 10:00 AM – 12:00 AM
- Sunday: 12:00 PM – 7:00 PM

On August 9, 2023, the Mayor and City Councilmembers adopted Resolution No. 23-138 (approved 5-0) approving to extend the Service Agreement with Freebee for the City's On-Demand Transit Service. The City's Contract with Freebee is set to expire on November 1, 2024.

The City inaugurated the Freebee service area expansion with the Tesla Model X vehicles on Monday, January 9, 2023. Since Freebee's Pilot Program launched on April 1, 2019, the ridership has increased from 902 riders in the month of April 2019 to an average of 4,400 riders monthly in 2024.

At this time, the PWD is requesting to extend the current Service Agreement with Freebee for a six-month period with a one-time optional six-month extension under the same terms and conditions as the contract extension letter dated October 6, 2022. This contract extension will allow the PWD along with the Procurement Division to work on research, development and procure an advertising of a new Request for Proposals (RFP) for an On-Demand Transit Service.

Procurement

On March 13, 2019, the Mayor and the City Councilmembers adopted Resolution No. 19-65 (approved 4-0, 1 absent) approving entering into a Master Service Agreement with Freebee for a six-month Pilot Program to operate at no cost to the City. The six-month Pilot Program commenced on April 1, 2019, and expired on October 1, 2019. At the September 2019 Council Meeting, the Mayor and City Councilmembers adopted Resolution No. 19-234 (approved 4-0, 1 absent) waiving the competitive bid process with Freebee. However, as to not have a lapse in service, Freebee agreed to extend the Pilot Program from October 1, 2019, through October

31, 2019, at no cost to the City. In September 2021, the Mayor and City Councilmembers adopted Resolution No. 21-212 (approved 5-0) authorizing the original contact agreement with Freebee for a one-year period due to the potential funding impacts from the Covid Pandemic. At the October 2022 Council Meeting, the Mayor and City Councilmembers adopted Resolution No. 22-197 (approved 5-0) authorizing a one contract extension with Freebee for a one (1) year period for the Tesla Model X vehicles. The current contract with Freebee is set to expire on November 1, 2024.

Funding for the Freebee is budgeted in the current Fiscal Year and will be budgeted in the next Fiscal Year, FY 2024-25, in the People's Transportation Plan Fund Account Num. 106.80005.500341.

Fiscal Impact

The fiscal impact associated with the 6-month contract extension is budgeted in FY 2024-25 and is estimated to total \$184,00.00. Funding for the Freebee is budgeted in the next Fiscal Year, FY 2024-25, in the People's Transportation Plan Fund Account Num. 106.80005.500341 (Contractual Services Account).

Strategic Plan Alignment

This item follows the Transportation strategic initiative of the City's Strategic Plan as it addresses public transportation.

Recommendation

The City Manager's Office respectfully requests that the Mayor and City Councilmembers authorize the City Manager to extend the existing Service Agreement with Freebee for a six-month period with a one-time optional six-month extension to provide last-mile door-to-door on-demand transit service at an amount not to exceed the Departmental budgeted funds while the City works on research, development and procure an advertising of a new Request for Proposals (RFP) for an On-Demand Transit Service. The Service Agreement will maintain the terms, conditions, and pricing of the current contract.