



Broward County

Legislation Text

File #: 20-078, Version: 1

Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Operations

Information

Requested Action

A. MOTION TO APPROVE Operating Agreement between Broward County and RASIER-DC, LLC, for Transportation Network Company Services at Broward County's Fort Lauderdale-Hollywood International Airport and Port Everglades, for a five-year term; and authorize the Mayor and Clerk to execute same.

(Commissioner Bogen pulled this item.)

ACTION: (T-11:57 AM) Approved.

VOTE: 9-0.

B. MOTION TO APPROVE Operating Agreement between Broward County and Lyft, Inc., for Transportation Network Company Services at Broward County's Fort Lauderdale-Hollywood International Airport and Port Everglades, for a five-year term; and authorize the Mayor and Clerk to execute same.

ACTION: (T-11:57 AM) Approved.

VOTE: 9-0.

Why Action is Necessary

Motions A and B: Broward County Board of County Commissioners ("Board") approval is required for all agreements in accordance with the Broward County Administrative Code ("Administrative Code").

What Action Accomplishes

Motion A: Approves the Operating Agreement between Broward County ("County") and RASIER-DC, LLC ("Uber"), for Transportation Network Company ("TNC") Services at Broward County's Fort Lauderdale-Hollywood International Airport ("FLL") and Port Everglades.

Motion B: Approves the Operating Agreement between the County and Lyft, Inc. ("Lyft"), for TNC Services at FLL and Port Everglades.

Is this Action Goal Related

No

Previous Action Taken

None.

Summary Explanation/Background

THE AVIATION DEPARTMENT AND PORT EVERGLADES DEPARTMENT RECOMMEND APPROVAL OF THE ABOVE MOTIONS.

Motions A and B:

This action approves an Operating Agreement between the County and Uber, attached as Exhibit 2, and an Operating Agreement between the County and Lyft, attached as Exhibit 4, for TNC Services at FLL and Port Everglades (collectively, the "Agreements").

Section 627.748, Florida Statutes, states that "TNCs, TNC drivers, and TNC vehicles are governed exclusively by state law..." Section 627.748 then states that it does not "prohibit an airport or seaport from charging reasonable pickup fees consistent with any pickup fees charged to taxicab companies at that airport or seaport for their use of the airport's or seaport's facilities or prohibit the airport or seaport from designating locations for staging, pickup, and other similar operations at the airport or seaport." The Agreements were drafted in accordance with the statute.

The County's previous agreements with Uber and Lyft for TNC Services at FLL and Port Everglades, approved by the Board in 2015, expired on December 31, 2017, and the parties have been in negotiations since, prior to the expiration. Despite the expiration of the previous agreements, both Lyft and Uber have continued to pay pick-up fees to the County for their operations at FLL and Port Everglades as provided for in the expired agreements.

On January 29, 2019 (Item No. 76), the Board directed all TNC's to utilize an FLL implemented tracking system to accurately track and report pick-up fees at FLL. The County procured a technology-based system called GateKeeper for tracking TNC pick-ups and drop-offs of passengers at FLL. Through the Agreements, Uber and Lyft have agreed to implement Gatekeeper.

The Agreements grant Uber and Lyft a nonexclusive, revocable license to: (i) operate a transportation network business (subject to the Agreements and all applicable laws, rules, ordinances, and regulations) at FLL and Port Everglades utilizing smart phone mobile application technology to connect passengers with TNC drivers; (ii) permit TNC drivers to transport passengers and their personal baggage to or from FLL and Port Everglades in TNC vehicles; and (iii) permit TNC Drivers to use common-use FLL and Port Everglades roadways for ingress and egress to and from FLL and Port Everglades.

The term of the Agreements will commence upon approval by the Board and will terminate five years thereafter.

For the privilege of conducting their business pursuant to the nonexclusive Agreements, Uber and Lyft agree to pay the County \$3 for each pick-up at FLL, as required by Section 39.2 of the Administrative Code, and \$2 for each pick-up at Port Everglades, by all TNC drivers using their

respective company's digital platform. Such pick-up fees shall be subject to adjustment from time to time pursuant to a Board adopted resolution that establishes any new rate.

The Agreements require Uber and Lyft to provide a security deposit to the County for operations at FLL in an amount equal to at least three times the average monthly pick-up fees paid by such company for pick-ups at FLL over the 12-month period immediately preceding the effective date of the respective agreement, together with a security deposit to the County for operations at Port Everglades in the amount of \$12,000.

Pursuant to the Agreements, TNC drivers may accept requests for passenger pick-ups at FLL only as authorized by the Airport Operational Guidelines. These guidelines, which can be periodically amended by the Director of Aviation, currently require Uber and Lyft to establish and maintain a Geofence that prohibits each TNC driver from receiving any requests for any passenger pick-ups at FLL while the TNC vehicle is located within FLL or Port Everglades property, unless in a designated, approved area. The same concept applies at Port Everglades.

The indemnification clause in the Agreements deviates from the standard form used by the Office of the County Attorney in that, among other things, it does not require Uber and Lyft to pay for an attorney selected by the County Attorney to defend the County in the event of a lawsuit. However, it does require Uber and Lyft to defend the County by counsel satisfactory to the County.

The Agreements also give the County the right to audit, no more than two times per calendar year, the books, records, and accounts of Uber and Lyft that are directly related to the fees required by the Agreements, and require that a special audit be conducted by a third-party auditor pursuant to the terms of the Parties' Memorandum of Understanding attached as Exhibit C to the Agreements.

The proposed Agreements have been reviewed and approved as to form by the Office of the County Attorney.

Source of Additional Information

Mark E. Gale, A.A.E. CEO/Director Aviation, 954-359-6199

Glenn A. Wiltshire, Acting Chief Executive & Port Director, 954-468-3504

Fiscal Impact

Fiscal Impact/Cost Summary

The estimated annual revenue to FLL from these Agreements is approximately \$5.6 million and approximately \$280,000 for Port Everglades.