

Tulare County Regional Transit Agency

AGENDA ITEM VIII-A

February 22, 2023

Prepared by Richard Tree, Executive Director

SUBJECT:

Action: Approve Conditions to Expand On-Demand Service

BACKGROUND:

On-Demand transportation has become a tool that has demonstrated great promise for many transit agencies across the country where there is a mix of urban and rural communities being served. TCRTA has direct experience with this service model as it has been provided in Porterville since 2020 under the service name transPORT which uses Uber's technology to schedule and dispatch trips to riders. transPORT has successfully provided residents of Porterville with significantly greater access to their community, employment, and healthcare, and TCRTA would like to make similar services available across the majority of Tulare County. In 2022, Uber provided notice that it would no longer be investing in the product that is being used to operate transPORT and has informed staff that the current agreement will expire on June 30, 2023.

TCRTA is currently in a position where we must either stop the operations of transPORT which will affect nearly 200 people per day who rely on this service or expedite the implementation of an On-Demand transit operations management software platform to replace what was provided by Uber.

DISCUSSION:

Because TCRTA has direct experience with technology to operate On-Demand transit services staff understands what is required to operate a service like transPORT. Over the course of the past six months, staff from both TCRTA and Visalia Transit have done extensive research on the On-Demand technology market. Through this process, we have determined that Via is uniquely positioned to provide the greatest value to TCRTA and our communities, more than any other vendor who provides similar technology.

In addition to providing TCRTA with a technology platform that is the most widely used around the world for On-Demand transportation, Via can provide a wide variety of services that no other On-Demand technology provider is capable of. Some of these unique offerings include:

- **Service Design Expertise** – Made up of professional transit consultants, the Via Strategies team is available to TCRTA to help design a transportation service that evolves with our goals. In addition to their subject matter expertise, Via's team uses many sophisticated tools integrated with data from over 600 partners to help make better educated decisions on service configuration.
- **Student Transportation** – As TCRTA looks to the future of our operations as it relates to transporting students, Via's experience in both providing technology for and consulting services for student transportation operations can be leveraged.

- **Transportation as a Service** – If labor and vehicle availability is disrupted, TCRTA can leverage Via to help launch services that supplement our operations very quickly in a turnkey approach. These services include everything needed to operate On-Demand transportation.
- **Ongoing Support** – Via provides ongoing support services over the life of the deployment, including 24/7 technical support, community engagement and rider growth advisory, and a dedicated Partner Success Manager.
- **Revenue Generation** – Via works with transit agencies to design and implement advertising solutions that are tailored to our unique goals at no additional cost, which help our partners save as much as 50% of the cost of the software by generating non-fare revenue.
- **Integration With Existing Services** – When integrating On-Demand into transit operations where fixed route service exists, a key factor for success is ensuring that riders are provided with multi-modal options. Via has grown an expertise in integrating the On-Demand services with transit operations that includes logic to ensure they are complementary and do not compete with one another by using automated anti-cannibalization logic.

TCRTA and Visalia staff have worked closely with Via to design a regional On-Demand service that maximizes the benefits to our communities across Tulare County. The proposed technology will be implemented in multiple phases to support On-Demand, ADA Paratransit, Dial-a-Ride, and NEMT services throughout the region which will be operated by TCRTA. The phases are described below:

1. Migrate Porterville Service Zone (Porterville, Strathmore, Lindsay) from Uber to Via.
2. Deploy services in Urban areas – Visalia, Tulare, Exeter, Farmersville, Dinuba, and Woodlake.
3. Deploy services in Rural areas.
4. Deploy concierge portal for healthcare organizations.
5. Deploy NEMT services.

Typical implementation schedules like TCRTA's planned service design average twelve weeks after the contract has been executed, beginning work upon award to optimize for success. However, Via is willing to adjust their standard implementation timeline based on TCRTA's preferred launch timeline. Below is a brief description of each stage of the recommended twelve-week implementation timeline:

- Stage 1** – Scoping & Branding Finalization and Vehicle Procurement
(Weeks 1-3)
- Stage 2** – System Setup and Marketing
(Weeks 4-7)
- Stage 3** – Operations Prep
(Weeks 8-9)
- Stage 4** – Pre-Launch
(Weeks 10-11)
- Stage 5** - Launch

Staff is seeking approval to negotiate a three-year agreement with Via Mobility, LLC to pilot the regional On-Demand service. At the conclusion of the second year, TCRTA and Visalia will evaluate the performance and collectively issue a request for proposals for a long-term agreement at the conclusion of the final year of the pilot (Year 3).

Since the procurement of the On-Demand software is funded with local transportation dollars, the Federal Transit Administration (FTA) procurement requirements do not apply to this procurement. Any future procurements of equipment that use FTA funds must be in accordance with the FTA Procurement Circular 4220.1F, by requesting competitive proposals.

The estimated cost of On-Demand software includes a one-time installation fee of \$100,000, a one-time purchase of tablets and mounting equipment of \$82,500, and a monthly service fee of \$400 per vehicle.

RECOMMENDATION:

That the Tulare County Regional Transit Agency Board of Directors:

1. Approve regional On-Demand services to include all TCRTA member agencies and the City of Visalia, pending Visalia City Council approval; and
2. Authorize the Executive Director to enter contract negotiations with Via Mobility, LLC; and
3. Approve the anticipated On-Demand software and equipment budget of \$422,530 for Year 1 and \$264,000 for Year 2 and Year 3.

FISCAL IMPACT:

On-Demand software services is funded with local transportation funds that have been budgeted in the 2022 Operating Budget. On-Demand operating, and capital expenses (vehicles) are partially funded from the Federal Transit Administration (FTA) and other state and local funds.

ATTACHMENT:

None