

Staff Report



Execute a Contract for On-Demand Rideshare Services, Project 22-0031

City Council Meeting Date: 11-29-2022 | Document Being Considered: Resolution

RECOMMENDATION

Approve a resolution authorizing the City Manager or his designee to execute a contract for an on-demand rideshare services contract with River North Transit, LLC., of New York, New York ("Via") for an amount not to exceed \$30,247,642. River North Transit, LLC. is not a MWBE firm.

PRIOR BOARD OR COUNCIL ACTION

Previous City Council action to approve the execution of agreements with Via Transportation, Inc., of New York took place as follows:

- Minute Order No. 11072017-020, for an estimated amount of \$922,500
- Resolution No. 18-313, first renewal, for an amount not to exceed \$2,617,375
- Resolution No. 19-325, second renewal, for an amount not to exceed \$4,552,510
- Resolution No. 20-197, first amendment to the second renewal to implement the TCC student ride program and the Arlington RAPID project
- Resolution No. 20-280, third renewal for an amount not to exceed \$10,817,468
- Resolution No. 21-293, fourth renewal for an amount not to exceed \$10,186,523
- Resolution No. 22-109, first amendment to the fourth renewal to continue the Arlington RAPID project, for an amount not to exceed \$10,336,523
- Resolution No. 22-277, second amendment to the fourth renewal to increase service revenue to be collected by \$600,000

On November 9, 2021, City Council approved Resolution No. 21-282, authorizing the competitive sealed proposal procurement method for demand response rideshare service.

ANALYSIS

In support of City Council's "Enhancing Regional Mobility" priority, the City partnered with Via Transportation, Inc., to launch an on-demand rideshare service on December 11, 2017 to offer an additional mobility option for residents, employees and visitors. The contract was renewed annually, and the current contract provides service through December 10, 2022.

The app-based rideshare service currently uses a fleet of up to 68 six-passenger vehicles, a smart phone application and dynamic routing to provide efficient on-demand trips and access to a wide range of destinations. Pick-ups and drop-offs take place within a one to two block walk. There are no fixed routes and no fixed schedules, allowing riders to experience a personalized transportation solution that fits their needs. Booking options are available for riders that do not have a smartphone, need a cash option, or need curb to curb service.

The current service area includes the Arlington city limits and the CentrePort TRE Station. The current rate structure allows riders to access any destination within the service area from 6am to 9pm, Monday through Friday and from 9am to 9pm on Saturdays for \$3.00 to \$5.00 per person per trip, depending on distance traveled. Riders can also purchase a weekly ViaPass for a current cost of \$25 for up to four rides per day for the week and a monthly ViaPass for a current cost of \$80 for unlimited rides for 30 days.

The proposed contract will use a fleet of six-passenger vehicles to continue to provide Via service throughout the city limits and to and from the CentrePort TRE Station and will add new service to the Trinity Metro bus stop located on Eastchase Parkway in Fort Worth. Under the proposed contract, at least fifty percent of the non-ADA fleet shall be hybrid or electric at contract start, and one hundred percent of the non-ADA fleet shall be hybrid or electric by the start of the second year of the contract term.

A Request for Proposals (RFP) was issued on January 19, 2022 to solicit responses from various firms experienced with providing transportation and demand response rideshare services, in order to continue the on-demand rideshare service. An evaluation team, comprised of City staff, evaluated and scored the submittals based on weighted criteria; including data collection and reporting requirements, vendors' experience, quality assurance, customer service, performance monitoring, innovative private/public partnership, and overall cost. The following firms were evaluated:

Vendor	MWBE	Operational Plan (50 points)	References/Qualification (40 points)	Price (10 points)	Score
River North Transit, LLC	N/A	37.16	36.50	7.67	81.33
Irving Holdings, Inc.	N/A	34.17	34.00	6.00	74.17
Laz Parking Texas	N/A	31.83	31.50	5.67	69.00

The total cost for two years of standard on-demand rideshare service is \$22,047,916. \$17,064,760 of this cost will come from a mix of Federal Transit Administration (FTA) funding (covering approximately 40 percent of the cost) and City funding (covering approximately 60 percent of the cost). The remaining \$4,983,156 will come from farebox and advertising revenue that will go directly back into the service.

In addition to the standard Via service costs listed above, three other related Via services are expected to be implemented through additional external and internal funding.

The North Central Texas Council of Governments (NCTCOG) provided an additional \$350,000 in FTA funds for the Arlington Student Transportation Program at no additional cost to the City. The program currently provides free Via rides for eligible Tarrant County College and Arlington Independent School District students. As of October 31, 2022, \$179,502 of the original \$350,000 was available to cover the cost of free Via rides for eligible students.

The City has also been awarded a \$4,560,000 grant from NCTCOG to continue and expand the RAPID project. The RAPID project was initially a one-year deployment, which operated from March 23, 2021, to March 18, 2022, funded in part by a grant from the Federal Transit Administration. This project integrated a fleet of autonomous vehicles on the Via rideshare platform for operation in a set area in Downtown Arlington and on the University of Texas at Arlington (UTA) campus. Via partnered with May Mobility to provide the autonomous vehicles (AV) for the project.

The forthcoming NCTCOG grant funding will continue the RAPID service for an additional two-year deployment, as well as add new autonomous vehicles to the service and test technologies related to safely removing the human operator from the AVs. During the term of this contract, the City will pay Via up to \$4,020,224 for services performed for deployment of the Arlington RAPID project. City funding in the amount of \$100,000 will be used to continue the RAPID

service prior to the availability of the NCTCOG funding. Once available and if accepted by City Council, the City will then use the NCTCOG grant funding to pay Via up to \$3,920,224 for the remaining costs. The City of Arlington and partners will contribute in-kind staff time and resources to the deployment, but no City funds are expected to be required for the NCTCOG funded project. The remainder of the NCTCOG grant funding (\$639,776) will be used to cover other non-Via expenses associated with deploying the RAPID service such as funding for UTA and the City.

The City is currently considering opportunities to provide on-demand rideshare service into neighboring municipalities to serve additional travel needs of our residents and visitors. A maximum cost of \$4,000,000 could be used during this contract term to provide some form of intercity service, if Council decides to move forward with intercity service.

The Texas Attorney General has previously ruled that certain information in the Via contract is confidential and cannot be disclosed to the public, and therefore a redacted copy of the contract is included in the agenda packet.

Proposals closed:	March 10, 2022 at 2:00 p.m.
Vendors notified through IonWave:	496
MWBE Vendors Notified through IonWave:	119
Vendors responding to bid request:	3
MWBE Vendors responding to bid request:	0
Original contract term:	Two year/four, two-year renewal options
Current term:	December 12, 2022 – December 31, 2024
MWBE:	No
Procurement Method:	Request for Proposals

Name of Prime Vendor	River North Transit, LLC
Total Contract Value	\$30,247,642
Prime Vendor's MWBE Status	None
Dollar Amount of Prime Vendor's Self-Performance	\$24,255,621
Percentage Amount of Prime Vendor's Self-Performance	80.19%
Name of Subcontractor (1)	ADA Guru
Subcontractor's MWBE Status	HI
Dollar Amount Subcontract	\$3,000
Percentage Amount of Subcontract	0.01%
Name of Subcontractor (2)	People's Transit, LTD*
Subcontractor's MWBE Status	BL
Dollar Amount Subcontract	\$3,406,949
Percentage Amount of Subcontract	11.26%
Name of Subcontractor (3)	Bubble
Subcontractor's MWBE Status	WO
Dollar Amount Subcontract	\$40,000
Percentage Amount of Subcontract	0.13%
Name of Subcontractor (4)	Holt Communications
Subcontractor's MWBE Status	BL
Dollar Amount Subcontract	\$100,000
Percentage Amount of Subcontract	0.33%
Name of Subcontractor (5)	RGTC Mobile Lab Services, LLC
Subcontractor's MWBE Status	BL
Dollar Amount Subcontract	\$30,000
Percentage Amount of Subcontract	0.10%
Name of Subcontractor (+)	Ricochet

Subcontractor's MWBE Status	WO
Dollar Amount Subcontract	\$2,412,072
Percentage Amount of Subcontract	7.98%
Total MWBE Participation	\$5,992,021 (19.81%)

*Subcontractor that is not a part of the current scope of work.

Office of Business Diversity placed a 18% Contract Specific Goal for this project. River North Transit, LLC, responded to the RFP with an MWBE Utilization Plan that included 19.81% subconsultant participation, exceeding the City's MWBE contract specific goal. The City, however, has decided not to utilize all the services in the Contractor's proposal at this time. With a smaller scope of work, River North Transit, LLC's MWBE participation will be 8.55%. The City is looking into increasing the scope of work at a later date, which will increase MWBE participation.

FINANCIAL IMPACT

The Transportation Department and the Finance Department have determined that it is in the City's best interest to execute the two-year on-demand rideshare contract, with four two-year renewal options. A summary of costs is included below. Funds are available in the Transportation Department Grant Account No. CC418604-61000-SC0533-GR000018. A maximum of \$4,000,000 may be used for intercity service if Council decides to move forward with intercity service at a later date.

Standard Via Service Costs

Source of Funding	Amount
City of Arlington (including Federal Transit Administration Funds)*	\$17,064,760
Estimated Revenue	\$4,983,156
Maximum Total Standard Via Service Costs	\$22,047,916

Related Service Costs

Maximum Funding for Arlington Student Transportation Program**	\$179,502
Maximum Funding from Arlington RAPID Funds***	\$4,020,224
Maximum Funding for Intercity Service****	\$4,000,000

All Costs

Maximum Expenditure Amount	\$30,247,642
-----------------------------------	---------------------

* City funds will cover approximately 60 percent of the cost while FTA funding will cover approximately 40 percent of the cost.

** No City funding is needed for the Arlington Student Transportation Program.

*** Includes \$100,000 in City funding and \$3,920,224 in NCTCOG grant funding, all of which will be paid to Via for the RAPID service. No additional City funding is needed.

**** Additional City Council approval required prior to expenditures related to Intercity Service.

ADDITIONAL INFORMATION

Attachments:

Under separate cover:
Form 1295:
MWBE:

Redacted Contract (per Attorney General
ruling)
Resolution
Unredacted Contract
Yes
No

STAFF CONTACT(S)

Ann Foss, Ph.D., AICP
Planning and Programming Manager
Transportation
817-459-6678
Ann.Foss@arlingtontx.gov

Alicia Winkelblech, AICP
Director
Transportation
817-459-6686
Alicia.Winkelblech@arlingtontx.gov

Jessica Santiago
Purchasing Agent
817-459-6305
Jessica.Santiago@arlingtontx.gov

April Nixon
Director of Finance
817-459-6345
April.Nixon@arlingtontx.gov