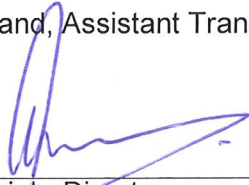


<b>MEETING DATE:</b> March 5, 2018	<b>ITEM # 6</b>
<b>SUBJECT:</b> <b>CONSIDERATION OF A WORKSHOP ON THE WEST SACRAMENTO/VIA ON-DEMAND RIDESHARE PILOT</b>	
<b>INITIATED OR REQUESTED BY:</b>  <input type="checkbox"/> Commission <input checked="" type="checkbox"/> Staff  <input type="checkbox"/> Other	<b>REPORT COORDINATED OR PREPARED BY:</b> Sarah Strand, Assistant Transportation Planner   <hr style="width: 20%; margin-left: auto; margin-right: 0;"/> Denix Anbiah, Director Public Works Department
<b>ATTACHMENT</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Information <input checked="" type="checkbox"/> Direction <input type="checkbox"/> Action	

**OBJECTIVE**

The purpose of this staff report is to provide an update to the Transportation, Mobility & Infrastructure Commission on the status of the pending deployment of the Pilot On-Demand Rideshare service in West Sacramento in partnership with Via Transportation, Inc., and to discuss key features of the Pilot service in advance of a City Council workshop.

**RECOMMENDED ACTION**

Staff respectfully recommends that the Transportation, Mobility & Infrastructure (“TMI”) Commission:

- 1) Receive staff’s presentation and conduct a workshop to discuss the proposed features of the pending West Sacramento/Via On-Demand Rideshare Pilot; and
- 2) Make a recommendation to the City Council in support of the service parameters presented by staff for implementation during the initial launch of the West Sacramento/Via On-Demand Rideshare Pilot.

**BACKGROUND**

Over the course of the past year, staff has made multiple reports to the TMI Commission and City Council to introduce and develop the concept for an on-demand, flexible transportation service aimed at enabling car free living and enhancing mobility for community members underserved by existing public transit. The Pilot Flexible Transportation Service concept, now referred to as the “West Sacramento/Via On-Demand Rideshare Pilot”, (“the Pilot”) was first presented as a component of the City’s broader Mobility Action Plan (MAP) to the TMI Commission on March 6, 2017, and to the City Council on April 19th, 2017. Since then, staff has taken actions to procure a service provider to enable the deployment of a citywide, on-demand rideshare service aimed at reducing vehicle miles travelled (VMT) by providing a viable alternative to driving, and improving access for residents by introducing more sustainable, affordable mode choices. Commission and City Council engagement completed to-date is summarized as follows:

Meeting	Report Topic/Action Taken
<b>March 6, 2017 TMI Commission</b>	Introduced Mobility Action Plan & Pilot On-Demand Flexible Transportation Service. Provided input on service accessibility and features to relay to City Council.
<b>April 19, 2017 City Council</b>	Introduced Mobility Action Plan & Pilot On-Demand Flexible Transportation Service. Directed staff to release a Request for Proposals.
<b>July 26, 2017 City Council</b>	Workshopped conceptual service designs for the Pilot service. Directed Pilot scope to be citywide, encourage pooling, and provide point-to-point service.
<b>August 15, 2017 TMI Commission</b>	Presented shortlist of proposals from RFP for the Pilot service. Supported staffs recommended shortlist to advance to evaluation and selection.
<b>August 16, 2017 City Council</b>	Presented shortlist of proposals from RFP for the Pilot service. Approved staff’s recommended shortlist to advance to evaluation and selection.
<b>November 1, 2017 City Council</b>	Presented the evaluation panel’s top-ranked, recommended firm, Via Transportation Inc. Approved the recommendation and directed staff to proceed to contract development.
<b>January 17, 2018 City Council</b>	Submitted request for Award of Contract and allocation of funding for contract expenses. Executed contract, approved funding and directed staff to give monthly Council updates.

Under the executed service contract, Via (contracted under the name NoMad Transit, LLC) will scale to deploy a city-wide, network-optimized, on-demand rideshare service using up to ten (10) donated Mercedes Metris vans driven by locally sourced Transportation Network Company (TNC) driver partners. Users will be able to hail a shared ride on the co-branded Via-West Sacramento service using a smartphone app, or by calling in to book a ride. In the event demand for the service exceeds the Metris fleet supply, Via will be permitted to invite TNC drivers onto the network using their personal vehicles to maintain a high quality of service.

The Pilot will be rolled out in three service phases: **Phase 1**, the preliminary service design, planning and preparation phase wherein the acquisition and customization of all labor, equipment, technology, and materials necessary to launch the service will occur (2-4 months); **Phase 2**, an Initial Launch period (4-6 weeks), wherein service parameters may be adjusted slightly more and scaled up over time alongside initial market analysis and promotions of the service; followed by **Phase 3**, the Full Launch period (~11 months), wherein changes to the service parameters would be more limited as the Pilot operated through the remaining term of the contract. Service performance will be continually monitored and reported quarterly; ultimately resulting in a comprehensive Final Performance Evaluation Report, which would be independently completed by the UC Berkeley Transportation Sustainability Research Center (TSRC).

The Pilot is currently in **Phase 1**. This phase is focused on establishing the new service on the ground in West Sacramento, including the localization and customization of Via's proprietary technology allowing it to operate on the local roadway network. Prior to the rollout of the Pilot service, Via is also working to grow the local operations through coordinated outreach to key businesses and stakeholders, driver acquisition, procurement of Wheelchair Accessible Vehicle (WAV) services, vehicle delivery and branding, and preliminary development of a marketing plan. Phase 1 includes targeted outreach to key stakeholders such as YCTD and the regional Bike Share vendor to identify any possible opportunities to encourage multi-modal linked trips in the City. At this time, a key step in Phase 1 is identifying the key service parameters that will define the Pilot on its first say of service (Initial Launch date).

Staff has been working closely with the Via deployment team to identify important trade-offs related to the service features in order to effectively communicate the rationale for the proposed service design to the TMI Commission and City Council, and in turn facilitate ample opportunities for both governing bodies to provide critical feedback on the potential policy implications of the service as a result. Key discussion topics will be presented by staff to the TMI Commission and will ultimately inform both the content of a planned March 21, 2018, City Council workshop, and will help shape the service model that will be deployed on the anticipated Initial Launch date of May 14, 2018.

## **ANALYSIS**

At this time, staff is recommending the following service features, as described below and in staff's presentation. The Commission's feedback is requested to inform both the upcoming City Council workshop in March, as well as the initial launch of the Pilot service in May.

**Phased Launch Plan Approach:** The Pilot is proposed to be scaled up in two phases, meaning that the Initial Launch will only cover a portion of the City and will operate on slightly more limited hours. This allows Via to more efficiently use limited resources while building a demand base, collecting early user feedback, and leveraging the branded vehicles as a highly effective marketing strategy. This also allows for iteration and learning through data collection and observations of how the Pilot is used in the first 4 to 6 weeks, after which service would be expanded to provide citywide service (Phase 2).

**Initial Coverage Area:** The phased approach would result in roughly half of the City receiving service coverage during Phase 2 (the initial 4-6 week Pilot launch period) to allow for scaling and iteration while a demand base builds. Staff recommends the areas East of Jefferson Boulevard (approximately) to serve as the Initial Coverage Area during the Initial Launch period due to the location of major hubs and destinations, and in order to get a more representative cross-section of the City's population. Staff does not recommend a north/south bisection of the City to develop the Initial Launch zone due to significant discrepancies in the demographics and land uses, which would skew the initial ridership data and feedback on the service and would be less useful in determining how best to modify service parameters in preparation for the Phase 3 Full Launch.

**Initial Hours of Operation:** The Initial Launch (Phase 2) is proposed to operate with slightly limited hours Monday through Friday, 7am to 7pm and Saturdays from 9am to 7pm to start. The service is not proposed to operate on Sundays and Holidays at this time. Based on experience in other cities, the Via team hypothesizes that demand will be greatest during weekday commuting hours, but will retain the flexibility to tweak hours of operation to be highly demand responsive. Phase 3 is anticipated to operate Monday through Friday from 7am to 10pm, and Saturday from 9am to 10pm, but may be modified based on actual demand and user feedback during the Initial Launch period, or to accommodate City direction. Additional opportunities will be brought to the Commission and Council as data and feedback is collected to discuss opportunities to provide special event service for major trip generators, such as River Cats baseball games at Raley Field, or whether there is sufficient demand to consider introducing weekend "Late-Night" service with slightly higher fares.

**Initial Fares:** Beginning on the Initial Launch date (May 14), Via proposes operating the Pilot, which will provide nearly door-to-door service for a flat fare anywhere within the City boundary, for \$3.50 per trip per person. In addition to purchasing rides on a per-trip basis, a subscription based "ViaPass" will also be considered to encourage consistent ridership, similar to a monthly transit pass. The price point for the service may be modified based on demand and customer feedback. Changes to the fare will be made conservatively to support a perception of consistency and reliability, however the Initial Launch phase will also allow the Via team to adjust fares within a range of \$2 to \$5 in order to identify the optimal rate that balances affordability and ridership with financial feasibility. The ultimate fare will be subject to Council approval. Special discounted fares may be developed for special populations, subject to Commission input and Council direction, as well (i.e. - \$2 rides for eligible low-income Seniors).

**Service Standards:** A critical component of the service which the City must consider is the standard for service, which includes the walk distance and wait time the City deems acceptable for users to access a Via ride after making a ride request. The Via team has proposed high quality service standards when compared with traditional transit, which staff fully endorses and recommends.

*Wait Times:* Via expects the average wait time for any user of the Pilot to be 6-8 minutes, with 80% of customers expected to be picked up in under 10 minutes and 90% of customers expected to be picked up in under 15 minutes. The Maximum ETA, or the absolute longest amount of time a customer would have to wait for a Via van to arrive after requesting a ride is expected to be 21 minutes, which is anticipated to occur for less than 10% or less of all customers.

*Walking Distance:* The longest distance the Via Pilot service would ask a customer to walk to meet the Via van is 1/10 mile, or approximately 500 feet, although most walking distances will be shorter than the maximum and some may even be door-to-door if it is optimal for the network. This distance has been identified as the "sweet spot" for maximum walking distance through experience in other locations. In addition, staff expects to work closely with the Via team, and with input from the Commission and City Council, to consider defining limited "door-to-door" service areas to serve specific use cases, such as locations where the typical use may have impaired mobility (i.e. – Senior facilities) or for places of business with large parking lots (i.e. – shopping centers, hotels).

**Vehicle & Smartphone App Branding:** In addition to extensive digital and traditional marketing and outreach strategies, the dedicated Metris van fleet will serve as a critical marketing strategy to spur interest in the Pilot service from the community. This will be achieved by creating a visually interesting vehicle brand that ignites community curiosity, then provides adequate information for community members to learn more about the service. Simultaneously, the team is seeking to cost effectively brand the ten (10) dedicated vehicles and is therefore limited to some extent in the elaborateness of the design. Multiple alternatives will be presented to the Commission for feedback, and staff will identify their recommendation at that time. Staff is requesting feedback from the Commissioners on the branding and service name, and welcomes additional suggestions at this time.

**Community Hubs & Partnerships:** Staff has been working closely with Via to begin identifying key community hubs and potential partnerships. Major hubs and destinations would be visually highlighted in the Smartphone Application, and a discounted fare promotion is currently being discussed in coordination with the Yolo County Transportation District (YCTD) which may provide a free/discounted Via or Yolobus ride for Via users transferring to the Yolobus Downtown Shuttle, or vice versa. To avoid conflicts with existing fixed route services, the Via vans will be directed to avoid stopping in dedicated bus turn outs during the initial service. Staff is exploring installation of dedicated wayfinding signs to direct passengers to designated Via pick-up/drop-off points at the Transit Center and potentially other locations to ease transit service and avoid conflicts. This promotional model has not been finalized as coordination with YCTD is continuing throughout the remainder of Phase 1 as feedback and alternative ideas are requested. In addition, staff is actively seeking coordination with JUMP, the incoming regional bike share provider, to explore similar co-promotional activities that would encourage linked and active multi-modal trips. Similarly, staff is currently exploring opportunities to equip some or all of the Via vans with 1-2 capacity bike racks.

Lastly, the Via team is interested in exploring various partnerships with local businesses and employers. Local businesses could participate by providing a discount on their goods/services for customers who arrive by Via to help alleviate parking demand challenges. Separately, Via is currently developing a corporate portal to allow for major employers to subsidize employees with free or discounted Via fares as part of their Commuter Benefit programs.

**Age Restrictions:** Per federal law, children between the ages of 13 and 18 will be legally able to use the Pilot service unaccompanied under two conditions: 1) they have the express consent of the parent or guardian and 2) they are signed up for their own, individual Via account in compliance with the Children's Online Privacy Protection Act (COPPA). Children under the age of 13 are not permitted without a parent or guardian accompanying them on their trip. Staff will be requesting feedback from the Commission and Council to determine the benefits of service of younger community members, or whether additional local restrictions should be applied to the service.

Subject to Commission and Council input, staff has identified preliminary opportunities for the Pilot Via Rideshare service to support community youth as transportation is a key barrier for many young people to access opportunities. Young community members may use the service to access River City High School, the Recreation Center, or jobs. Staff has been internally exploring the use of the service to support the transportation of Summer STEPS (Career Pathways) students to/from internships.

### **Planned Council & Commission Engagement**

**Attachment 1** provides a high level overview of the 2018 Council & Commission schedule for the Via On-Demand Rideshare Pilot, including key meetings and milestones. This schedule is subject to minor deviations. Per City Council direction, staff will be making monthly reports to City Council to provide project updates and allow for additional opportunities to workshop potential policy implications of the service in greater depths as data from the operational Pilot service is collected and analyzed. As such, staff also plans on returning regularly to the TMI Commission, as indicated in Attachment 1. Said regular reports will include information, as appropriate, on:

- Work Completed To-Date
- Overview of Ridership Trends & Customer Feedback
- Issues that have arisen/been resolved
- Proposed/Implemented Service Modifications
- Workshops/Discussions on key policy issues, such as performance evaluation
- Development of Ongoing Marketing/Partnerships
- Quarterly Performance Reports
- Other Topics/Issues, as directed by the TMI Commission or City Council

Staff is requesting that the Commission identify specific questions or topics related to the Pilot service that they would like for staff to present/report on at future Commission or Council meetings.



### Environmental Considerations

On January 17, 2018, the City Council approved a Categorical Exemption for this project under Class 6, Guidelines Section 15306 (Information Collection) of CEQA since the Pilot will focus on data collection, research and evaluation activities which do not result in a serious or major disturbance to an environmental resource and will inform the City's consideration of approving and funding the service for additional years. A Notice of Exemption has been submitted to the County Clerk's Office.

### Strategic Plan Integration

This project advances the Strategic Plan Management Agenda item, "Mobility Action Plan."

### Alternatives

The Commission's primary alternatives are summarized below:

- 1) Receive staff's presentation and conduct a workshop to discuss the proposed features of the West Sacramento/Via On-Demand Rideshare Pilot, and make a recommendation to the City Council in support of the service parameters presented by staff for implementation during the Initial Launch phase of the Pilot.
- 2) Receive staff's presentation and conduct a workshop to discuss the key features of the pending West Sacramento/Via On-Demand Rideshare Pilot, and make a recommendation to the City Council to approve staff's recommendation with specific alterations to the service parameters proposed by staff.
- 3) Receive staff's presentation and conduct a workshop to discuss the key features of the pending West Sacramento/Via On-Demand Rideshare Pilot, and decline to endorse staff's recommendations and/or decline to make a recommendation to City Council for specified reasons.
- 4) Decline to receive staff's presentation and request that this item be reschedule for a future meeting.

Alternative 1 is staff's recommended action. Staff is prepared to follow direction under Alternatives 2, subject to additional budgetary impact analysis that would need to accompany the Commission's recommendation to Council. Alternatives 3 or 4 would hinder staff's ability to incorporate TMI Commission feedback in advance of the March 21 City Council meeting and could result in a delay in the launch of the Pilot service.

### Coordination and Review

This report was prepared by the Traffic and Transportation Division of the Public Works Department in coordination with the Via Transportation, Inc. project team. Vehicle branding alternatives were developed in coordination with the Communications and Media Division of the City Manager's Office.

### Budget/Cost Impact

This project has an approved budget of \$749,000 funded by a \$149,999 SACOG TDM Innovation Grant and a Council allocation of \$599,001 from using local Transportation Development Act (TDA) funds [a combination of State Transit Assistance (STA) and Local Transportation Funds (LTF)].

Of the total project, roughly \$460,000 is obligated for purchased transportation services, which covers the subsidization of the cost to provide flat-rate rides anywhere in the City by paying for variable driver-partner wages, fuel and overhead for the hours the service it is in operation. Should the proposed service parameters be altered dramatically (i.e. – increasing to 24 hour service, or reducing fares to \$1), it would expend funds at a faster rate than planned, and could have ripple effects on the ability to: operate the Pilot for the full year, provide as many rides, or recoup revenues for reinvestment into additional service. Dependent upon proposed alterations to the recommended service parameters, staff will need to conduct a budget impact analysis in conjunction with the Via team to fully understand potential trade-offs.

### ATTACHMENT(S)

- 1) 2018 Council & Commission Schedule Overview – West Sacramento/Via On-Demand Rideshare Pilot

