TRANSPORTATION, MOBILITY & INFASTRUCTURE COMMISSION **AGENDA REPORT**

MEETING DATE: August 15, 2017 **ITEM # 3**

SUBJECT:

REQUEST FOR APPROVAL OF A SHORTLIST FOR ADVANCEMENT IN THE PILOT FLEXIBLE TRANSPORTATION SERVICE PROCUREMENT PROCESS

INITIATED OR REQUESTED BY:

[ ] Council [X] Staff

[ ] Other

REPORT COORDINATED OR PREPARED BY:

Sarah Strand, Assistant Transportation Planner

Denix Anbiah, Director
Department of Public Works

ATTACHMENT [X] Yes [ ] No **[ ] Information [x] Direction [ ] Action**

OBJECTIVE

The purpose of this report is to provide adequate information for the Commission to provide feedback on the recommended shortlist for advancement in the Pilot Flexible Transportation Service procurement process.

RECOMMENDED ACTION

It is respectfully recommended that the Commission receive staff's presentation, provide input and recommend Council approval of a shortlist of qualified proposals to be advanced to the evaluation and selection phase.

BACKGROUND

The Pilot Flexible Transportation Service (the Pilot) seeks to improve mobility citywide by providing an innovative transit alternative that competes in cost and convenience with driving and traditional transit. The one (1) year pilot will collect travel data to inform the broader Mobility Action Plan (MAP) and other strategic planning efforts.

Staff first presented to the Commission on the Pilot on March 6, 2017, alongside the MAP. On April 19, Council authorized a request for proposals (RFP) to support deploy and evaluate the Pilot, which was opened and broadly advertised from May 26 to June 23. Per Council direction on July 26, staff is presenting additional details on all proposals received in response to this solicitation to ensure a sufficient opportunity for Commission and Council input before proceeding with evaluation and selection. A summary of all proposals is included as Attachment 1.

Following the receipt of all proposals, staff conducted preliminary screening to identify a subset of proposals for advancement, wherein a selection panel will individually score the written proposals and a supplemental interview using the Proposal Evaluation Criteria included with the RFP (see Attachment 2). This report provides additional details on all proposals received, and presents staff's recommendation for five (5) proposals to be advanced to the evaluation and selection process.

Pending Board approval, the SACOG Transportation Committee has recommended an award of $150,000 in federal CMAQ funding through the TDM Innovations Grant program to support this project, requiring adherence to state procurement policies that ensure a fair, competitive, and transparent process. A clear selection process and evaluation criteria (Attachment 2) were preemptively included in the RFP to ensure the City's compliance, should an award be made.

To ensure continued compliance, staff requests the Commission not single out any proposal for selection, as that determination will be made by the selection panel using the stated evaluation criteria. The Commission is asked to provide feedback on the proposed shortlist for recommendation to Council.

ANALYSIS

Per the RFP, qualified firms were invited to propose an innovative transit model aimed at improving mobility, encouraging rideshare and alternative transportation, and reducing vehicle miles travelled (VMT). The RFP emphasized that the City desired turnkey proposals providing all components necessary to deploy the Pilot by late spring 2018. The solicitation also stated the City's desire for full access to and ownership of all data associated with the Pilot to support performance monitoring and evaluation, MAP development, and other strategic transportation planning efforts.

All proposals are briefly summarized in Attachment 1 in no meaningful order, except to distinguish those being recommended for advancement. Proposals not recommended for advancement are accompanied by a rationale. Generally, proposals were not recommended for advancement due to concerns for misalignment with the goals and scope of the Pilot and broader City objectives. Key concerns relate to data sharing, VMT production, scalability, or proposals requiring additional contracting for service or supportive infrastructure to deploy. However, the City could consider further exploring one or more of these other models outside of the scope of this pilot, should Council express such an interest.

At this time, the Commission is requested to provide feedback on the shortlist for recommendation to Council.

Staff Recommendation
All of the five (5) proposals recommended for advancement submitted a turn-key solution to provide a microtransit/ridesharing service wherein right-sized vehicles would provide real-time, on-demand rides while maximizing the occupancy of vehicles. Whereas ridesharing seeks to balance optimizing vehicle occupancy with travel time and quality of service, ride hailing is purely service oriented and books individual ride requests one at a time rather than picking up multiple riders en route. Early evidence indicates that ride hailing may in fact increase VMT production due to cruising.

Each recommended proposal includes co-branded vehicles, a smartphone application for users to book and monitor rides in real-time, and could be deployed citywide to serve the general population. Additional customization or reconfiguration is available at varying degrees. Pending Council approval, staff will coordinate with the top-ranked firm to develop multiple service alternatives and cost estimates to present alongside a request for award of contract in October. At that time, Council may select a service model and associated cost to proceed with, or may ask staff to return with a modified alternative before awarding a contract.

(RECOMMENDED SHORTLIST)	*(NOT RECOMMENDED)*	
Microtransit/Ridesharing	**Subsidized Ride hailing**	**Other**
DemandTrans	Lyft	The Free Ride Inc.
Chariot	Uber Technologies Inc.	Green Commuter
Via		TransLoc
TransDev		
RideCo		

Strategic Plan Integration
This project advances the 2017 Strategic Plan Management Agenda item, "Mobility Action Plan."

Alternatives
As an alternative to the recommended action, the Commission could:
1) Decline to hear the presentation; or
2) Direct the presentation to be moved to a later meeting.

Coordination and Review
This report was developed in coordination with the City Attorney's office and consultation with Caltrans as it relates to procurement policies for federally funded projects.

Budget/Cost Impact
While no immediate costs or budget impacts relate to this presentation, implementation of the proposed recommendations will have cost impacts contingent on Council direction(s) to staff.

ATTACHMENT
1) Summary of Proposals
2) Proposal Evaluation Criteria

ATTACHMENT 1

SUMMARY OF PROPOSALS

RECOMMENDED SHORTLIST

Demand Trans

Service Model: Hub-to-hub, wherein flexible route segments and pre-determined "checkpoints" are served on a semi-scheduled basis by a blend of dedicated and non-dedicated vehicles to align capacity with demand. User would be asked to walk a short distance to/from origin/destination, but curb-to-curb service could be provided if no alternative is possible. Walk-on service could be made available at major checkpoints and transit hubs.

Vehicles: 4 to 6 dedicated, branded cutaway vehicles operated by Paratransit Inc. during peak-demand, supplemented by non-dedicated vehicles operated by Yellow Cab during off-peak.

Drivers: Subcontracting Paratransit Inc. and Yellow Cab.

ADA/Unbanked/Non-Smartphone Users : Yes/Yes/Yes.

Other: Mobility as a Service (MaaS) front-end platform for multi-modal trip booking and mobile ticketing.

Chariot

Service Model: Hub-to-hub, 4 to 6 adaptive fixed-route commuter shuttle service that customizes routes based on demand (crowdsourced or heat map analysis). Develops partnerships with major employers to fund private commuter shuttles and proposes a City subsidy for free or discounted rides on public routes.

Vehicles: New, dedicated, co-branded 14-passenger Ford Transit Shuttles. ADA accessible vehicle available, upon request.

Drivers: Full-time Contracted Drivers (W-2).

ADA/Unbanked/Non-Smartphone Users: Yes/Yes/Yes.

Other: Presents a menu of products including Guaranteed Ride Home, Charters, and "Late Night" service. Wi-Fi enabled vehicles available upon request, recommended for 30+ minute rides.

Via

Service Model: Curb-to-hub and/or curb-to-curb, fully dynamic, on-demand rideshare service. Offers use of price signals/incentives or eligibility programs to tailor the application of curb-to-curb service to optimize operations, at the City's discretion. Aims to balance maximizing vehicle occupancy with quality of service (ETAs).

Vehicles: Uniform fleet of new, dedicated, donated and co-branded 7-passenger Mercedes Metris vans. ADA accessible vehicle available, upon request.

Drivers: Independent civilian contractors (TNC Drivers); subcontracting Yellow Cab for ADA accessible rides.

ADA/Unbanked/Non-Smartphone Users: Yes/Yes/Yes.

Other: Performance evaluation in partnership with UC Berkeley Transportation Sustainability Research Center (TSRC). First entrance into CA as a TNC.

Transdev

Service Model: Point-to-point, on-demand rideshare service with vehicles stationed at key hubs (Southport and Civic Center). Offers discount incentives or promo codes for rides to specific hubs, such as transit stations. Aims to maximize vehicle occupancy.

Vehicles: 2 to 4 branded CNG Ford E-350 Vans. 1 paratransit vehicle would serve ADA accessible rides, upon request.

Drivers: Partnership with YoloBus using contracted drivers (W-2). Offers use of promos and incentives to encourage transfer to fixed route, such as free or discounted trips to or from the Civic Center Transit Station.

ADA/Unbanked/Non-Smartphone Users: Yes/Yes/Yes.

Other: Proposes to use Harbor Yard for vehicle storage. Offers to explore mobile fare app. Existing YCTD contract operator.

RideCo

Service Model: Curb-to-hub on-demand rideshare service with a blend of 2 dedicated vehicles supplemented by a fleet of TNC drivers. Utilizes "promised arrive by times" and price signals and incentives, or eligibility programs, to limit curb-to-curb service. Aims to balance maximizing vehicle occupancy with quality of service, targeting 15 min ETAs during peak hours, 30 min ETAs in off-peak.

Vehicles: 2 dedicated, leased and co-branded 5-passenger vehicles (type TBD), with remaining fleet dependent on non-dedicated civilian fleet.

Drivers: 2 Full-time Drivers (W-2) supplemented by fleet of Independent Civilian Contractors (TNC Drivers).

ADA/Unbanked/Non-Smartphone Users: No/Maybe*/No.

Other: Alternative proposal to lease 4 to 5 12-passenger vans at additional cost. First entrance into CA as a TNC.

NOT RECOMMENDED FOR ADVANCEMENT

The Free Ride Inc.

Service Model: Curb-to-curb, on-demand and flag-down electric vehicle rideshare service connecting key locations in Riverfront District. Potential for additional revenues from advertising on vehicles to offset costs.

Vehicles: 8 6-passenger GEM (Global Electric Motors) E6 vehicles.

Drivers: Dedicated staff of 14 drivers including 3 driver/shift managers (W-2).

ADA/Unbanked/Non-Smartphone Users: Yes/Yes/Yes.

Other: Riders can "take a selfie" with a mounted iPad on their trip, which also allows the rider to view commercials.

Rationale: *The small size of the GEM vehicles, while potentially a good fit for the Riverfront District, would not be appropriate to expand to a citywide model.*

Green Commuter

Service Model: Proposes a membership-based electric vehicle car sharing service that would double as a rideshare shuttle during peak-commute hours connecting along predefined routes to predetermined locations on a semi-scheduled basis. Walk-on service would be available at peak hours to align with transfer to transit service.

Vehicles: 2 electric shuttle vans with ADA access, and 6 Class 1 electric vehicles. Fleet would be allocated between car share only vehicles, shuttle only vehicles, and mixed-use vehicles.

Drivers: Employee/contractor and civilian (carshare member) drivers.

ADA/Unbanked/Non-Smartphone Users: Yes/Yes/Yes.

Other: Requires significant investment in vehicle acquisition, siting and installation of EV Charging Infrastructure. Subcontracting Fehr & Peers for service planning and performance evaluation.

Rationale: *This Pilot is intended to fund operations of a microtransit/rideshare service. The significant investment in vehicle acquisition and installation of EV Charging infrastructure is not in alignment with the intent of the Pilot scope and budget.*

Lyft

Service Model: Lyft is a technology provider that enables independent civilian contractors to give rides in their personal vehicles using the Lyft ride hailing App. This service is currently available and widely used in the region. The proposal offers a custom subsidy program at the City's discretion to strategically provide free or discounted rides to all or a subset of the population to incentive desired travel behaviors using geo-fencing, promo codes, or eligibility programs.

Vehicles: Depends on non-dedicated civilian fleet.

Drivers: Independent civilian contractors (TNC Drivers).

ADA/Unbanked/Non-Smartphone Users: No*/Yes (addt'l cost)/Yes (pre-paid/gift cards only).

Other: Users hail a ride using the existing Lyft App available and a discount is applied to the existing fare structure.

Rationale: *Research suggests that ride hailing services may contribute to VMT production. Although Lyft offers a true ridesharing service (LyftLine) in a select few high density cities, this service is not being offered. Further, limited data sharing may hinder performance evaluation and strategic planning in the City's efforts to learn as much as possible from the Pilot. *Requires City to independently contract with Paratransit Inc. to provide ADA vehicles and operations utilizing the Lyft platform, and a separate on-call consultant contract to provide planning/design and performance evaluation services.*

Uber Technologies Inc.

Service Model: Uber is a technology provider that enables independent civilian contractors to give rides in their personal vehicles using the Uber ride hailing App. This service is currently available and widely used in the region. Uber proposes to offer a 50% discount (up to $10 per ride) to all riders who request an Uber ride starting or ending within 500 feet of an existing transit stop or other destination, at the City's discretions using geo-fencing or other discount technology.

Vehicles: Depends on non-dedicated civilian fleet.

Drivers: Independent civilian contractors (TNC Drivers).

ADA/Unbanked/Non-Smartphone Users: No/No/No

Other: Users hail a ride using the existing Lyft App available and a discount is applied to the existing fare structure.

Rationale: *Research suggests that ride hailing services may contribute to VMT production. Although Uber offers a true ridesharing service (UberPool) in a select few high density cities, this service is not being offered. Further, limited to data sharing may hinder performance evaluation and strategic planning in the City's efforts.*

TransLoc

Service Model: N/A - TransLoc is a technology platform provider proposing to provide only a limited subset of the full scope of services. TransLoc offers to conduct a microtransit demand simulation to support service planning, and would equip any vehicles acquired by the City or a subcontractor with their technology to dynamically route a ridesharing service.

Vehicles/Drivers: None (N/A).

ADA/Unbanked/Non-Smartphone Users: N/A.

Rationale: *The City would need to procure additional contracts to compile the remaining components necessary to deploy the Pilot. TransLoc would only provide the technology component and limited service design support.*

ATTACHMENT 2

PROPOSAL EVALUATION CRITERIA

WRITTEN PROPOSAL	PTS
Potential for VMT Reduction – Based on attributes of proposed Pilot model and basis for VMT reduction assumptions. Clearly states a methodology to estimate potential VMT reduction (both direct and indirect) resulting from the Pilot. A reasonable justification for methodology selection, including references to research or related/similar project performance, should be included explaining key assumptions informing the estimate. Demonstrates how the service will increase linked multi-modal trips. **Level of Innovation and Uniqueness** – Uniqueness of project/program, targeted geographic area, market population/demographics, proposed service model type (i.e., uses a new methodology, is more targeted to an underserved area or demographic, etc.), makes new connections to exiting transit network.	25
Data Collection/Reporting – Proposal describes plan for measuring Pilot performance, including indicators tied to project goals, such as ridership, origin/destination data, vehicle trip/mile reduction, cost savings compared to current service, influence of program on travel behavior, or other relevant metrics. Technology platform interface enables City to access all pilot related ridership and performance data and create reports with ease. **Agility of Pilot/ Quality Control** – Coupled with tracking performance of the program, proposal identifies plan to modify pilot if it is not performing as intended, to better serve demand, or resolve unanticipated issues. Contractor's internal controls, communications with City are adequate and timely, and provide assurance for complete delivery of services.	15
Project Approach – Proposal addresses full scope of services necessary to deploy Pilot Flexible Transportation Service, either independently or by identifying subcontractors to form a project team. In place of service(s) a firm/subcontractor does not propose to provide, points may be earned for making recommendations to accomplish each task deemed necessary in the scope of services to deploy the pilot. Less points will be awarded to proposals that do neither (i.e. – propose to provide technology platform only). Proposed pilot aligns with stated City goals.	15
Timing/Synergy of Project – Immediate benefits/link to major roadway/multi-modal or development project(s) within the City; addresses emerging existing transportation challenges in the City. **Leverages/Expands Partnerships** – Project leverages existing partnerships or proposes innovative public/private partnership to achieve VMT reductions or cost savings compared to current transit service.	10
References/Past Performance – Performance and Recommendations. Demonstrates successful past performance developing and implementing a demand responsive, ridesharing, microtransit or other transit projects, pilot projects, partnerships with a local government, and/or other relevant experience.	5
Introductory Letter/Project Understanding – Reflects project understanding and summarizes City's goals, critical issues, challenges, milestone tasks, and appropriate resourcing. **Workplan/Schedule** – Approach, understanding, and organization of tasks, understanding of interrelationship of critical tasks, time commitment to each task (in hours), deliverables, clearly identifies who is proposed to complete each task (proposing firm, subcontractor, recommendation/other). Adequacy and reasonableness of schedule and deadlines.	5
Project Cost/Participant – Total estimated pilot cost divided by number of estimated participants or number of people that will be reached by the project.	5
SUBTOTAL FOR WRITTEN PROPOSAL	**80**
INTERVIEW	**PTS**
Presentation – Project understanding, understanding of critical issues, expression of solutions-oriented approach; organization; expression of communication and management methodology. Demonstration of related experience and project understanding; expression of project roles and approach; and potential innovations/solutions.	15
Q&A – Response to panel questions.	5
SUBTOTAL FOR INTERVIEW	**20**
TOTAL POINTS POSSIBLE	**100**