



Agenda Item 8A

Approvals:

City Manager JM

Dept. Head WEC

Attorney _____

Finance JV

AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING

Meeting Date: October 4, 2016

Department: Public Works / Engineering
Prepared By: Tom Frank, Transportation Engineering Manager

Subject: *CONTRACT AWARD TO LYFT FOR THE RIDESHARE BETA TEST RIDER.*

Fiscal Impact: Yes. The total budgeted amount approved for the two year project is \$1,016,000. This request is for a contract in an amount not to exceed \$900,000 which is within the total budgeted amount. The program's rider fare will likely lessen the financial impact to the City. Staff anticipates that the City's share will not exceed the \$101,600 local match include in the supplemental appropriation approved for this project.

Summary: To expedite the Rideshare program implementation, staff recommends that the City Council authorize the City Manager to negotiate and approve a contract award to Lyft, for a two-year period, or the next ranked company that submitted a proposal if acceptable terms can not be met with Lyft, for the Rideshare Beta Test Rider Project, subject to City Attorney approval.

Discussion: On June 13, 2016, the Orange County Transportation Authority (OCTA) Board approved the grant for the first two years of the Rideshare Beta Test Rider. The Ridership Beta Test Rider (Rideshare) cooperative agreement was expedited in hopes of establishing the rideshare program prior to the termination of bus routes 191 and 193 (shown on Attachment 1) scheduled for October 9, 2016.

On August 2, 2016, the City Council approved the cooperative agreement for the Rideshare Beta Test Rider Project, accepted the \$914,400 OCTA grant, and approved a supplemental appropriation of \$1,016,000.

On August 30, 2016, staff issued a Request for Proposals (RFP) and advertised the RFP for qualified contractors to provide Rideshare Services for a period of two (2) years commencing October 9, 2016, with the option, at the City's sole discretion, to award up to five (5) additional years upon successful demonstration of exemplary contract performance and the City securing additional grant funding for the project.

On September 14, 2016, the City received proposals from four companies: Yellow Cab of Greater Orange County (YCOGOC), Uber, Via, and Lyft. The selection committee included three members from the City's Public Works Department and one member from OCTA. The Selection Criteria included:

- Approach to the work, staffing, and cost.
- Experience and technical competence of the firm and key personnel on similar projects.

- Check of references and the willingness to agree to all terms of the Contract Agreement.
- Proposed Fee Schedule

The YCOGOC submitted a cost proposal for \$15 rides throughout the City. While interesting, the concept didn't meet the program objectives and the costs were higher than other submitted proposals.

The Uber proposal, while competitive, had limitations on providing reporting information for rides which is needed for OCTA program requirements, and accident reporting timeframes. Additionally, the Uber proposal explained that at this time Uber is unable to accommodate riders with special needs. The average fare was estimated at \$7 per rider.

The Via proposal offers rides where a rideshare van may pickup multiple riders during an active call. Via operates a similar program in Ladera Ranch and Rancho Mission Viejo. The company is not as established as the larger rideshare companies. Via's cost proposal was for \$6 to \$8 dollars per ride for up to 150 rides per day with further discounts at ridership levels above 150 and 300 rides per day. For riders who use a call center, quoted ride fares would increase 20%.

The proposal submitted by Lyft was unanimously rated the highest by the selection committee based on the above criteria and received excellent references. The average fare is quoted at \$7 per ride with rates based on the type of ride requested, mileage, and time of ride. The two types of rides included in the program are Lyft Classic and Lyft Plus. Lyft Classic is the typical service with sedans that have four seats. Lyft Plus is a supersized ride for a bigger group. It has larger vehicles with six seats. Lyft Plus rates are slightly higher than the classic Lyft service.

The rates for the program include:

Lyft Classic	Lyft Plus
Base Fare: \$0.00	Base Fare: \$1.00
Cancel Penalty: \$5	Cancel Penalty: \$5
Cost per Mile: \$1.05	Cost per Mile: \$1.55
Cost per Minute: \$0.17	Cost per Minute: \$0.17
Minimum Fare: \$5.00	Minimum Fare: \$6.00
Trust and Service Fee: \$2.00	Trust and Service Fee: \$2.00

The scope of the program service will operate during similar hours to the existing 191 and 193 routes from 6 am to 8 pm every day of the year. The rideshare service requires riders to order rides through a computer application for users over 18 with a valid form of electronic payment. Riders will not have a call-in option for rides.

Constituents inquiring about ordering rideshare services without computer access will be provided information regarding obtaining government subsidized smart phones. Information brochures will be available at various City facilities.

The transit rideshare program will pickup riders at safe locations within 250 feet of existing 191 and 193 bus stop locations. Drop offs will be within a 500-foot envelope of the existing routes to provide more flexibility and convenience for riders. A schematic showing the tentative pickup and drop off areas and surrounding 500-foot limits is provided as Attachment 1. Lyft is able to create zones through geo-fencing technology. Geo-fencing is a capability that defines a service boundary or area where trips must occur within to be eligible for a subsidy. In addition to geographic parameters, Lyft programming can establish additional timeboxing restrictions that can set eligibility requirements around day of the week and time of day. Rides initiated or terminated outside the program's geo-fenced limits are not eligible for the discounted program fare.

The ride fare for passengers will be a minimum \$2 for rides within the geofenced program service area. The additional cost for the ride will be paid by the Project V funds up to maximum subsidy of \$9 per boarding. Typical ride program costs will range between \$5 to \$11. For single passenger rides, additional fare over \$11 rides will be charged to the rider in addition to the initial \$2 dollar minimum. The OCTA grant provides a 90% subsidy up to a maximum \$9 subsidy per boarding. The City is coordinating with Lyft to determine if additional passengers could be recorded and facilitate additional subsidies above the \$9 maximum.

The Joint Powers Insurance Authority staff reviewed the proposed indemnity and insurance contract provisions of a sample contract and had no exceptions. As of the completion of this agenda report, staff is continuing to coordinate with the City Attorney's office and Lyft regarding an Insurance and Indemnity clause in the contract. In addition, the City is coordinating with OCTA with regards to OCTA providing the paratransit plan for the program. The City has proposed that the rideshare program's paratransit plan include OCTA continuing to provide Wheelchair Accessible Rides through its Same Day Taxi service to ACCESS eligible customers. OCTA has acknowledged that its Same Day Taxi service will be available city-wide for ACCESS eligible users for trips up to five miles. Same Day Taxi service rides beyond five miles would pay the metered rate thereafter.

If the contract is awarded, staff will work closely with Lyft and OCTA with the objective of providing a smooth transition to the new service. The City has been coordinating with OCTA regarding the public outreach and marketing for the new program. If a contract is approved by the City Council, a press release will be issued informing the public of the new program. The proposed program name would be "SC Ride with Lyft" which was vetted through the Mobility Task Force at its September 21, 2016 meeting. Other marketing tasks to help with the transition include:

- OCTA is distributing OC Access Transportation Changes information provided in Attachment 3 via its webpage and placing covers on existing 191 and 193 bus route signs.
- OCTA Call center operators will be providing the new rideshare program information to inquiring callers, and will post the latest program information the OCTA website.

- OCTA will be sending Ambassadors to ride the 191 and 193 routes prior to October 8th to inform riders of the pending change on new program information.
- The City will initiate ordering new "SC Ride with Lyft" signs to be installed on the existing bus stop poles.

The total budget for the project is \$1,016,000. Staff is recommending a contract with Lyft with a not to exceed limit of \$900,000 for the two-year period. The remaining budget of \$116,000 would remain available for the installation of signs and addressing other unforeseen project costs that may arise.

Recommended

Action:

STAFF RECOMMENDS THAT the City Council: authorize the City Manager to negotiate the final terms of the contract and execute an agreement with Lyft in an amount not to exceed \$900,000 to provide rideshare services for a two year period or the next ranked company that submitted a proposal if acceptable terms can not be met with Lyft, subject to City Attorney approval.

Attachments:

1. Location Map of Service Area
2. OCTA Public Relations Information regarding San Clemente transportation changes coming in October.

Notification:

None.

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**Project V- Community-Based Transit/Circulators Application
 Rideshare Beta Test Project
 (Routes 191 and 193 Coverage Area)**

San Clemente Transportation Changes



Coming in October

SAME-DAY TAXI

OCTA offers the Same-Day Taxi Program to ACCESS eligible customers. You pay the ACCESS base fare of \$3.60 for a trip up to five miles; any additional costs above the five mile trip are paid by the ACCESS customer. This service is perfect for quick trips to locations such as shopping centers or the pharmacy.

For those traveling to or from a location outside of the ACCESS service area, Same-Day Taxi may be used to connect with regular ACCESS or OCTA fixed route service. Ask an ACCESS reservation representative for more information.

Contact: (877) 628-2232 ext. 7

Hours: 7:00 AM – 8:00 PM

Eligibility: ACCESS certified





San Clemente Transportation Changes

Coming in October

In March 2016, the Orange County Transportation Authority Board of Directors approved the 2016 Bus Service Plan, which is one component of OC Bus 360°, a strategy designed to optimize the efficiency and effectiveness of the overall bus system. Implemented in June 2016, the plan increases service in some high-demand areas, while decreasing or eliminating bus service with low demand and low ridership. This decrease in bus service will affect your ACCESS service in the city of San Clemente. Listed below is information describing possible service options. Included is a booklet describing the upcoming bus service change. For additional information please visit www.ocbus.com/2016BusPlan or call (714) 636-RIDE (7433). If you are a Regional Center service recipient, please contact your Regional Center Service Coordinator.

CITY OF SAN CLEMENTE SENIOR MOBILITY PROGRAM

The Shopper Shuttle Service provides curbside or door-to-door (upon request) fixed-route transportation four days per week (Monday – Thursday) to shopping destinations within the City of San Clemente (no service on holidays or weekends). Also available is daily round-trip transportation to the Dorothy Visser Senior Center where seniors can enjoy meals, activities and classes.

Contact: Laura Ferguson at (949) 361-8254

Cost: No cost for the transportation

Senior Non-Emergency Medical: (949) 855-9766

Non-emergency medical transportation for doctor's appointments.

Cost: Suggested donation: \$2.00



NOTICE: ROUTE 191 WILL BE DISCONTINUED EFFECTIVE SUNDAY, OCTOBER 9, 2016.

AVISO: LA RUTA 191 SERÁ DISCONTINUADA A PARTIR DEL DOMINGO, 9 DE OCTUBRE, 2016.

This route was removed as part of the 2016 OC Bus 360 Service Plan. For a full list of October service changes, please see Service Change Booklet on board the bus or visit OCbus.com/October2016.

Thanks to funding from Measure M, Orange County's half-cent sales tax for transportation improvements, OCTA is working with the City of San Clemente to design a new local rideshare service to assist former riders of discontinued OC Bus Routes 191 and 193. Details about this proposed service are being finalized. Visit OCbus.com/2016BusPlan for updates.

Esta parada ha sido eliminada como parte del 2016 Plan de Servicio de Autobús. Para una lista completa de los cambios de servicio de octubre, por favor vea las Mejoras al Servicio de Autobús a bordo o visita OCbus.com/October2016.

Gracias a la financiación de Measure M, el impuesto de medio centavo sobre las ventas del Condado de Orange para mejoras en el transporte, OCTA está colaborando con la ciudad de San Clemente para diseñar un nuevo servicio local de viaje compartido para ayudar a quienes se trasladaban por las rutas 191 y 193, ahora suspendidas. Se están finalizando los detalles sobre este servicio. Visite OCbus.com/2016BusPlan para obtener más información.

For more information, please visit / Para obtener más información, visite OCbus.com

