



# Staff Report

Renewal of the On-Demand Rideshare Service Program, Bid Project 17-0132	
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City Council Meeting Date: 10-13-2020	Action Being Considered: Document
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## RECOMMENDATION

Consider a resolution authorizing the execution of the Third Renewal and Modification of On-Demand Rideshare Project Contract for an on-demand rideshare service with Via Transportation, Inc. of New York, New York, for an amount not to exceed \$10,817,468. Via Transportation, Inc. is not an MWBE firm.

## PRIOR BOARD OR COUNCIL ACTION

On June 13, 2017, City Council approved Resolution No. 17-134, authorizing the competitive sealed proposal procurement method for demand response rideshare service.

On November 7, 2017, City Council approved Minute Order No. 11072017-020, executing a contract for a demand response rideshare service with Via Transportation, Inc., of New York, New York "VIA" for an estimated amount of \$922,500.

On December 4, 2018, City Council approved Resolution No. 18-313, executing the first of four, one-year renewal options for an on-demand rideshare service with Via Transportation, Inc., of New York, New York ("VIA") for an amount not to exceed \$2,617,375.

On December 3, 2019, City Council approved Resolution No. 19-325, executing the second of four, one-year renewal options for an on-demand rideshare service with Via Transportation, Inc., of New York, New York ("VIA") for an amount not to exceed \$4,552,510.

On August 4, 2020, City Council approved Resolution No. 20-197, executing the first amendment to the second renewal and modification of the On-Demand Rideshare project contract with Via Transportation, Inc. of New York, New York relative to implementing a student ride program for TCC students and the Arlington Rideshare, Automation, and Payment Integration Demonstration Project.

## 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 for a second year by City Council on December 4, 2018 and for a third year on December 3, 2019.

The app-based rideshare service currently uses a fleet of 28 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 or need a cash option.

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 per person per trip. Riders can also purchase a ViaPass for a current cost of \$15 per week and ride up to four times per day all week long.

The current service area covers the majority of the eastern half of the City and includes major destinations such as Downtown, UT Arlington, major hospitals, the Entertainment District, the

Parks Mall, Arlington Highlands, Tarrant County College Southeast Campus, and the CentrePort TRE Station.

Due to the COVID-19 pandemic and the resulting Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Federal Transit Administration (FTA) has allocated additional funding to transit programs across the United States. Following approval by the U.S. Department of Transportation (“USDOT”) and the U.S. Department of Labor (“USDOL”), this FTA CARES funding will allow the City to accelerate expansion plans and begin offering citywide Via service in January 2021.

The fourth year contract will integrate advertising opportunities into the Via service as a potential way to generate additional revenue that can be used to fund the cost to run the service. Via estimates additional revenue could be as high as \$360,000 per year, depending on advertiser campaign demand in our specific geography as well as the impact of COVID-19 on Via ridership. There will be no upfront cost to the City and during the first year of advertising implementation, one hundred percent of the advertising revenue will go back into the Arlington Via service.

The total cost for the fourth year of standard service is \$9,239,801. \$8,300,000 of this cost will come from FTA CARES funding. The remaining \$939,801 will come from service revenue that will go directly back into the service. The fourth year contract includes a full twelve months of service with up to 68 six-passenger vehicles and citywide coverage.

In addition to the standard Via service costs listed above, two other related Via services were made possible through additional FTA funding. The City was awarded \$1,227,667 through the FTA Integrated Mobility Innovation (IMI) Demonstration Program for the Arlington Rideshare, Automation, and Payment Integration Demonstration (RAPID) pilot program. The North Central Texas Council of Governments also provided an additional \$350,000 in FTA funds for the Tarrant County College free student ride program. Both of these programs were established in fiscal year 2020 and will continue into fiscal year 2021.

#### FINANCIAL IMPACT

The Office of Strategic Initiatives and the Finance Department have determined that it is in the City’s best interest to renew the on-demand rideshare contract for an additional term. This contract term is for one year and will be reviewed to determine subsequent renewal terms.

#### Summary of Funding

Project/Service	Source of Funding	Amount
Via Standard Service	FTA CARES funds	\$8,300,000
Via Standard Service	Estimated Service Revenue	\$939,801
TCC Student Ride Program	FTA funds through North Central Texas Council of Governments	\$350,000
Arlington RAPID	FTA IMI Grant Funds	\$1,227,667
	<b>Total Funding</b>	<b>\$10,817,468</b>

The projected financial impact for this one-year contract is as follows:

FY 2021  
\$0

FY 2022  
\$0

FY 2023  
\$0

ADDITIONAL INFORMATION

Attachments:

Contract  
Resolution

Under separate cover:

None

Form 1295:

Yes

MWBE:

No

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