



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: August 20, 2019

Subject

Agreement with Nomad Transit LLC (Via Transportation Inc.) for the 18-month On-Demand Community Shuttle Pilot Program.

Recommended Action

Authorize the City Manager to execute an agreement with Nomad Transit LLC (Via Transportation Inc.) for the 18-month On-Demand Community Shuttle Pilot Program with a not-to-exceed cost of \$1,750,000.

Discussion

On June 18, 2019, as part of the Fiscal Year 2019-2020 Operating Budget, the City Council approved a budget request for implementation of an 18-month on-demand community shuttle with Via. City Council approved elimination of the formal competitive bid process for this contract since Nomad Transit LLC is the only known provider of on-demand, turn-key community shuttle services (transit vehicles, staffing, and management by one vendor).

On June 18, 2019 three alternatives were presented to Council and Alternative A was approved, setting a base fare of \$5, and a not-to-exceed amount of \$1,750,000 for the 18-month pilot program. Alternative A includes the use of ten transit vehicles, with hours of operation from 6am to 8pm Monday through Friday, and 9am to 5pm Saturday.

Contract Negotiations

Contract negotiations were conducted with Via shortly after Council approval in June 2019. Primary negotiation points included indemnification language, limitation of liability, and City insurance requirements. The City's project-specific insurance requirements are included as Exhibit D of the agreement, Attachment A.

Next Steps

Upon authorization of the proposed agreement Via will order the transit vehicles, a process estimated to take between six to eight weeks. Via will also begin vetting and hiring local drivers, and working with City staff on system planning details. City staff will work

with Via to finalize the vehicle “wrap”, the vehicle branding that will display both the City of Cupertino and Via logos side-by-side.

During the planning phase prior to launch, City staff will work with the Via launch team to identify fare packages (weekly/monthly/student/senior), in addition to other promotional offers at the launch of the program. The data dashboard provided by Via during the pilot program will enable staff to access live ridership data. Monthly reporting will also show detail such as how promotional fares have changed ridership month-over-month. This will help determine the frequency of promotions and other fare products offered during the pilot program.

City Council Updates

Quarterly updates will be presented to Council with ridership reports in addition to making ridership data available to the public on the City website. Staff is working with the GIS Manager and Via to provide current Via Cupertino shuttle data on the City website. Staff will also provide frequent updates on the Cupertino shuttle webpage, www.cupertino.org/shuttle.

Community Outreach

The September 2019 issue of the mailed Citywide newsletter, The Scene, will feature an introductory article about the pending shuttle program. A second follow-up article is planned for the October issue which will include more detailed program information such as sign-up information, how to ride information, promotional fares, etc.

In the planning phase prior to the system launch, City staff and Via will coordinate with community stakeholders including:

- Cupertino Chamber of Commerce
- Apple, Inc.
- Mid-Peninsula Open Space
(Rancho San Antonio Preserve)
- De Anza College
- Cupertino Senior Center
- Caltrain
- Cupertino Union School District
- Kaiser Permanente Santa Clara
- Main Street Cupertino

City staff will engage residents and employees via social media, pop-up events, and all other means at its disposal. Via will also promote the system through its usual system launch protocols, engaging with all potential stakeholders, including those listed above as well as others. In addition, Via will promote the Cupertino-Via partnership with other media contacts to publicize the system regionally and nationally.

Grant Funding Update:

Staff will be soliciting grant funds from the Bay Area Air Quality Management District’s (BAAQMD) Vehicle Trip Reduction Grant Program. Approximately \$6 million in funding is available in Fiscal Year 2020 and applications are due September 10, 2019. In order to qualify for this grant, the City of Cupertino must enter into an agreement with the Santa Clara Valley Transportation Authority (VTA) and VTA must agree to submit the grant

application on the City's behalf. If awarded to Cupertino, reimbursement payments would be passed through VTA to Cupertino for the period of time or amount funded by the grant. VTA initially indicated a willingness to collaborate with the City and City staff is working towards securing an agreement for the project.

Sustainability Impact

An on-demand community shuttle service may lead to a reduction in Single Occupant Vehicle (SOV) miles traveled in Cupertino. A reduction in SOV miles traveled would reduce transportation-related greenhouse gas emissions (GHG), furthering the goals of the City's Climate Action Plan. A community shuttle will make it easier for residents and employees to access the growing Bay Area transportation network, enabling more commuters to access Cupertino by public transit. Via vans will feature bicycle racks to help bicyclists make connections and also provide an alternative mode of transportation during inclement weather. Some of the Via fleet will be ADA vans, making it easier for mobility-impaired individuals to travel freely, and improving their quality of life.

Fiscal Impact

A Budget Adjustment of \$1,750,000 for this program was approved with the Operating Budget for Fiscal Year 2019-2020. No additional funding is needed.

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Prepared by: David Stillman, Transportation Manager

Reviewed by: Roger Lee, Director of Public Works

Approved for Submission by: Deborah Feng, City Manager

Attachments:

A – Draft Agreement with Nomad Transit, LLC (Via Transportation Inc.)