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October 7, 2019

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Recommended Next Steps for Marin Transit Connect**

**board of directors**

Dear Board Members:

damon connolly  
president  
supervisor district 1

**RECOMMENDATION:** 1. Approve a second amendment to extend Agreement #171837 with Nomad Transit, LLC (Via) until June 30, 2020; 2. Direct staff to release a Request for Proposals (RFP) for technology to support a modified on-demand micro transit program; and 3. Approve budget amendment 20-02.

dennis rodoni  
vice president  
supervisor district 4

**SUMMARY:** Marin Transit Connect is an on-demand public transit service in Northern San Rafael that began operations in May 2018. Staff is requesting your Board's approval to make changes that will enable the District to continue to offer the service and refocus Connect resources on senior/ADA trips, specifically those requiring wheelchair access.

kate colin  
2nd vice president  
city of san rafael

judy arnold  
director  
supervisor district 5

**BACKGROUND:** Marin Transit has been testing on-demand public transit service in Northern San Rafael since May 2018. Marin Transit Connect is a unique partnership between Marin Transit, Whistlestop (WSW), and Nomad (Via). WSW is under contract to operate and maintain the service and an agreement is in place with Via for a technology platform that: 1) enables passengers to request rides in real-time and 2) dispatches drivers to fulfill these requests.

stephanie moulton-peters  
director  
city of mill valley

katie rice  
director  
supervisor district 2

Your Board originally approved a no-fee agreement with Nomad (Via) in November 2017 for a pilot beginning the following May. In January 2019, staff presented a six-month assessment of that service. In the report, staff indicated that initial implementation of the service required extensive software testing and training for both drivers and passengers. Staff established a second pilot phase beginning in January 2019 and presented a one-year evaluation in July 2019. The evaluation discussed results from the initial seven-months from May to December 2018 and the first five months under the new pilot from January - May 2019. This evaluation focused on

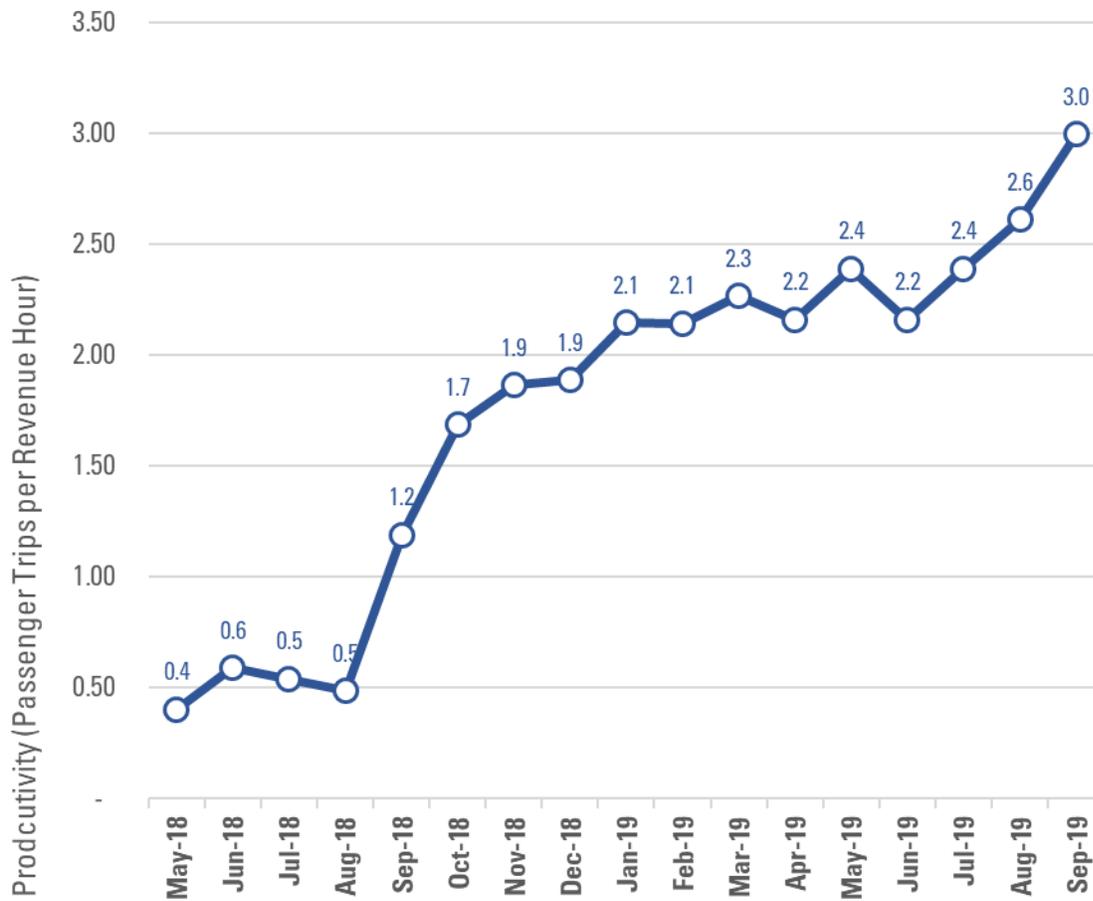
kathrin sears  
director  
supervisor district 3

eric lucan  
alternate  
city of novato

the performance of the program and identified considerations for staff to explore in advance of a formal recommendation, including:

- Evaluate consolidating the Connect and Catch-A-Ride services;
- Adjust fixed route services to target high demand origin/destination patterns;
- Examine the potential to increase fares and employer contributions to financially support the program and reduce the per public trip subsidy;
- Explore a new service delivery (operations & maintenance) option for the on-demand service; and
- Evaluate the potential for closer partnership with the Transportation Authority of Marin's (TAM) "GetSMART17" Lyft Partnership Program.

Since the July 2019 Board meeting, staff have continued to monitor the program, conduct analysis and discussions, and pursue actions related to these considerations. The figure below shows the continued progress in the program's productivity performance metrics, as measured in passengers per hour. While progress continues, the program significantly underperforms compared to the District-adopted targets of 4 passenger per hour and \$15.00 subsidy per passenger.



**NEXT STEPS:** Staff requests that your Board take a series of actions to continue testing of the service, extend the use of the current app technology until June 30, 2020, and pursue a longer-term technology partnership agreement through at least June 30, 2022.

To continue the current program beyond December 31, 2019, staff requests that your Board approve a second contract amendment with Nomad Transit LLC (Via) for use of the software technology through June 30, 2020. Extending the agreement will give staff time to complete a formal procurement and identify a long-term technological solution to support the service.

#### Extending the Existing Pilot Program to June 30, 2020

A six-month extension will allow staff to test another phase that will consider whether to adjust the fare policy and geographic boundaries. The intent of expanding the service area is to increase the number of senior/ADA trips, especially for those needing wheelchair access. Such changes will make the program more attractive for senior/ADA rides by extending service into Downtown San Rafael. This was the number one request from respondents to the user and non-user surveys conducted in Winter 2018/19. The new service area would include the San Rafael Transit Center and approximately three surrounding blocks.

Staff will also consider fare policy changes to maintain service quality and accommodate additional destinations without significantly increasing service supply (hours or vehicles). These changes may include moving from a flat rate fare structure to a distance-based fare structure and removing discounts for trips to/from transit stops as well as the monthly pass option. Staff expect that senior/ADA riders will continue to receive a discounted fare.

These changes will make the fare prices more comparable to other shared ride on-demand services in the county, such as Uber and Lyft, and taxi options. Staff anticipates that the changes will potentially shift some general public ridership demand from Connect to these other services. As a result, the District estimates limited program expansion will be needed (i.e., add vehicles, drivers, and more service). Connect service will focus primarily on providing senior/ADA trips. The Connect will remain an option for the general public for first/last mile commuters and others with transportation needs in the service area. Staff will return to your Board for approval before advancing any changes to the Connect fare policy.

#### Service Concept for Next Phase (After July 1, 2020)

To continue the service beyond the pilot phases, the District will conduct a competitive procurement for the technology. This will require one of two outcomes: 1. Your Board adopts the program after a public hearing process and a Title VI analysis; or 2. Your Board approves another pilot program. Staff proposes to release an RFP this October to identify available technology solutions to support Connect operations and serve the targeted ridership markets. The District will continue to contract separately for Connect operations and vehicle maintenance and Call Center and Dispatch support. As requested in the RFP, the technology will facilitate trip requests, booking, and delivery between the rider and drivers. It is anticipated that the selected technology will continue to provide similar features to the current service through a smartphone app, integrated payment, real-time alerts, and user trip tracking.

Staff will strive to refocus resources and subsidies towards seniors and persons with disabilities in the current and future Connect-type program. Staff will refine the exact service area limits during a procurement and negotiation process. However, the District plans to significantly expand the geographic coverage to meet the travel needs of senior/ADA riders.

Staff recognize that many current riders are SMART commuter rail passengers who use the service as a first or last mile connection to their employment sites in Terra Linda. Near-term pricing proposals will likely require these riders to pay higher fares compared to current rates. They will continue to have equal access to the service. The RFP process will evaluate whether a future technology solution can leverage other on-demand mobility options to support these first and last mile connections provide them as a service option within the app. These may include other shared mobility services such as taxis, TNCs, or bikeshare. Marin Transit is also in ongoing discussions with TAM to identify opportunities to coordinate or consolidate the Connect program and TAM's Lyft \$5-off program for first and last mile connections to SMART stations - GETSMART17. TAM will join the RFP effort and evaluate whether to include their voucher program for travel to and from SMART stations in a future technology solution.

### Projected Timeline

The following is an estimated timeline for completing the actions requested above and transitioning the current program to a next phase.

- **October 2019:** Board considers request to extend current VIA agreement and release an RFP for an On-Demand Technology Solution to support future operations. If approved, staff will release the RFP in coordination with TAM and initiate stakeholder discussions on Connect fare policy changes.
- **November 2019:** RFP out to bid.
- **December 2019:** RFP responses due. Staff requests Board approval for fare policy changes to Connect. If approved, begin outreach to riders.
- **January 2020:** Marin Transit and TAM evaluate RFP responses. If approved by your Board, implement new Connect fare policy changes and geographic area changes.
- **February 2020:** Board considers approval of agreement for On-Demand Technology Solution.
- **March - June 2020:** Staff implement selected On-Demand Technology Solution.
- **July 1, 2020:** Next iteration of "Connect" service begins.

**FISCAL/STAFFING IMPACT:** Staff requests that your Board approve a second amendment to Agreement #171837 with Nomad Transit, LLC (Via) to continue use of the current technology until June 30, 2020, at a cost not to exceed \$29,000. Under this amendment, Via will conduct additional development work required to expand the service area and provide an additional six months of support service on the technology.

Via provided the technology free of charge in the initial agreement. The first amendment extended the agreement at a cost not to exceed \$25,000 for an additional six months from July-December 31, 2019. The first amendment was within the General Manager's approval authority. Combined, the two amendments will increase the total value of the contract with Via by \$54,000.

Budget amendment 20-02 will increase the Marin Access software budget by \$25,000. This expenditure is eligible for Measure B vehicle license fee funds.

There is no staffing impact associated with this item.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R. Betts". The signature is stylized and cursive.

Robert Betts  
Director of Operations and Planning

Attachment: Amendment #2 to Agreement with Nomad Transit, LLC (Via)

## MARIN DEPLOYMENT SERVICE ORDER<sup>1</sup>

### 1. Purpose; Scope

By this service order (the “**Order**”), NoMad Transit LLC, a Delaware company with its principal office located at 95 Morton Street, Floor 3, New York, New York 10014 (“**Via**”), and Marin Transit (“**Customer**”) agree to collaborate towards the operation by Customer of a deployment (the “**Deployment**”) in a geographic area in San Rafael for at least 6 months following launch thereof.

#### RECITALS

WHEREAS, the Customer and Via entered into an agreement on April 29, 2017, for Master Terms and Conditions for the License of the Via Solution and Support Services “Agreement” (#171837); and

WHEREAS, the Customer and Via executed a First Amendment to the Agreement extending the term for an additional six months from July 1, 2019 – December 31, 2019 and increased the amount of the agreement not to exceed \$25,000; and

WHEREAS, the Customer and Via now desire to amend the Agreement to extend the term for an additional six months from January 1, 2020 – June 30, 2020. After the initial six month period, the Customer and Via may elect to extend the agreement on a per month basis; and

NOW, THEREFORE, IT IS AGREED:

1) Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect; and

For purposes of the Deployment, Via will provide (in accordance with and subject to the Terms):

- (a) The use of the standard Via Solution, comprised of:
  - Via’s fully localized dynamic vehicle routing and real-time passenger aggregation system
  - Downloadable Marin Transit-branded (or such alternative brand as advised by the Marin Transit) rider iOS and Android apps, including a pre-booking option – co-branding as “powered by Via” in a prominently displayed banner headlined by the service name/logo elected by Marin Transit
  - iOS and Android driver apps
  - Backend administration tools
  - Ongoing technical, operational, and marketing support, as specified below
  - Analytics tools and reporting, as specified below
- (b) The following Support Services:
  - i. Ongoing Services following the fourth week after launch of the Deployment, which are included in the Fees up to the amounts set forth below:

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<sup>1</sup> All capitalized terms used but not defined herein shall have the meaning set forth in the Master Terms and Conditions for the license of the Via Solution signed by Via and Marin Transit (the “Terms”).

Ongoing Services	Description	Amount
Operational Support and System Adjustments	<ul style="list-style-type: none"> <li>● <b>Virtual bus stop architecture and map maintenance:</b> Maintenance and update of optimal pickup points, road closures, and algorithm adjustments</li> <li>● <b>Fleet optimization and essential service adjustments:</b> Dynamic and predictive routing, pricing changes</li> </ul>	Up to 10 hours/month
Expert Consulting Services	<ul style="list-style-type: none"> <li>● <b>Marketing and growth:</b> Including help setting up complex promotions, adjustment of existing flows, review and assistance for third-party marketing tools included in Via's marketing tech stack, as applicable</li> <li>● <b>Operations:</b> Including supply optimization analysis, payment &amp; fraud investigation, and business case/unit economics analysis</li> <li>● <b>Service expansion:</b> Including feasibility analysis for expansions in service or additional on-demand projects</li> </ul>	Up to 5 hours/month
Data Sharing	As set forth in Appendix 1	N/A
Automatic product upgrades	Receive regular software updates	N/A
Cloud hosting and third-party tools	Amazon Web Services, Twilio, analytics and communications software tools	N/A
Tech Support and Maintenance**	Dedicated customer success Via point of contact based in New York City will use commercially reasonable efforts to respond within one business day for non-critical issues (upon receipt of a detailed description of the issue as requested by Via) and to ensure that assistance is provided within a reasonable time frame. Via will also provide Customer with an appropriate channel for alerting Via to system outages or other critical issues, with respect to which Via will provide emergency assistance both during and outside of the normal hours set forth above.	No maximum

Via will use commercially reasonable efforts to notify Customer if Customer is within 1 hour of exceeding capped hourly limit on Product Maintenance and/or Consulting Services.

\*\* At the start of the project, Via will direct Customer towards the relevant CRM tools to log categories of requests. In order to trigger a Product Maintenance request, requests for product maintenance must contain detailed information about the nature of the request. Specific information regarding request type will be provided to Customer at commencement of project.

In accordance with the Terms, all fees set forth herein are exclusive of any applicable taxes, and are payable within thirty (30) days of receipt of invoice. All fees are shown in US dollars.

Customer will operate and manage the Deployment as set forth in the Terms, cooperate with Via in all respects and support Via's team by providing any useful local insights. Customer shall cooperate with Via as necessary for the purpose of setting up the Deployment and its specifications, including by providing prompt feedback to Via's inquiries, in order to meet mutually agreed upon deadlines.

## 2. Duration

The Deployment shall be for a duration of 6 months starting on January 1<sup>st</sup>, 2020, subject to extension by mutual agreement on a month-by-month basis on terms to be agreed (keeping the fees the same).

## 3. Fees

Customer shall pay to Via the following Fees:

Fee Category	Amount	Invoicing Terms
Installation Fee	\$0	
• First installment	50% (\$0)	Payable upon signing of this Order
• Second installment	50% (\$0)	Payable upon launch of the Deployment
Zone Expansion <sup>2</sup>		
• Deployment	<del>\$8,000</del> (discounted) \$4,000	Payable in the first billing month
Monthly Fees	\$3,750 (minimum for 6 months)	
• Vehicle Fees	\$3,750 per month for 5 vehicles maximum	Invoiced monthly by Via
• Per-Ride Fees	<ul style="list-style-type: none"> <li>○ \$0.20 per ride for to the first 1,000 rides; and</li> <li>○ \$0.15 per ride for rides 1,001 and above.</li> </ul>	Invoiced monthly by Via
<b>Total for 6 months</b>	\$22,500 (minimum excluding additional vehicles, new service zone, per ride fees, Fees for any Additional Services, and travel expenses) \$29,000 maximum	

For the avoidance of doubt, (i) the number of rides for purposes of the above fees shall be the number of riders for whom a ride is booked in the Via Solution, (ii) the number of vehicles per month for purposes of the above fees shall be the maximum number of distinct vehicles input by Customer that use the Via Solution on any given day over the course of the applicable calendar month and (iii) in the event the duration of the Deployment does not exactly match calendar months, monthly fees will be pro-rated for the first and/or last calendar months of the Deployment, as applicable, so that Customer will only be charged for the portion of such months during which the Via Solution was available to be used for the Deployment.

## 4. Branding

<sup>2</sup> Map included in Appendix 2

The Deployment will be branded as Marin Transit Connect powered by Via. The “powered by Via” banner must be used only in the exact format provided by Via, and will be prominent on all assets promoting the Deployment, including (but not limited to) printed collateral, digital materials, websites, and any vehicle wraps. The “powered by Via” banner will have equal prominence on all marketing materials to any additional partner logos or trademarks. Via may provide pre-approved brand assets and guidelines that must be complied with in all marketing communications distributed by the Customer.

**5. Marketing and Communications Planning and Execution**

Customer will maintain a high level of communication across its own Marketing and Communications/Public Relations teams, and the corresponding Via teams.

Customer and Via will work together in good faith on press announcements relating to the Deployment. This will include a joint press release to be reviewed and approved by both parties in advance of launch and/or service announcements. In the event it receives any inbound press reach out relating to the Deployment, Customer will notify Via if it has spoken to or will be speaking to media. The Partner will direct any questions specifically about Via or the Via Solution directly to the Via Press Office.

Customer shall work collaborate with Via in good faith toward the creation by Via of case study relating to the Deployment, including by providing relevant information and quotes from relevant personnel.

**6. Terms and Conditions**

This order shall be governed by the terms and conditions set forth in the Master Terms and Conditions for the license of the Via Solution signed by Via and Marin Transit (the “Terms”).

**7. Relationship Managers**

- Via: Zachary Wasserman; additional Expansion Team members designated by Via (the “**Via Manager**”)
- Customer: Nancy Whelan (the “**Customer Manager**”)

<p><b>VIA: <u>NOMAD TRANSIT LLC</u></b></p> <hr/> <p>AUTHORIZED SIGNATURE</p> <hr/> <p>PRINTED NAME</p> <hr/> <p>TITLE</p> <hr/> <p>DATE SIGNED</p>	<p><b>CUSTOMER: MARIN TRANSIT</b></p> <hr/> <p>AUTHORIZED SIGNATURE</p> <hr/> <p>PRINTED NAME</p> <hr/> <p>TITLE</p> <hr/> <p>DATE SIGNED</p>
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**Appendix 1 to Service Order**

**Data Sharing**

**Authorized Users - Contract**

The below exhibit sets forth the members of the Customer’s “Core Team” who are designated authorized users of the Via Solution and Deployment data. Any usage beyond the members of the Core Team would be in violation of the confidentiality provisions in the Terms.

**Exhibit 1.**

Core Team	
Title	Name
[Customer to fill out]	[Customer to fill out]

**Data Sharing Plan - Appendix**

As part of the Deployment, Via will make below data available to members of the Customer’s Core Team, for the purpose of research and program evaluation. The data to be shared will be uploaded to a Tableau server and protected by Via’s VPN. Each of the individuals listed as members of the Core Team will be provided their own Tableau and VPN credentials. Access to the Tableau server will be available through the VPN only and might require appropriate software to connect. Underlying data may not be shared through any other method. The data is considered trade secret by Via, and is subject to the confidentiality and other protective provisions set forth in the Terms.

To protect Via’s intellectual property and the privacy of riders, Via will provide the following data tables and dashboards in the form of aggregated Tableau reports that will be provided for Customer’s access. These reports will be refreshed daily. The reports are aggregated, deidentified and do not include any personal information of Riders.

Section A: STANDARD REPORTING SET		
Dashboard	Data Point	Level of Detail
Rides Data <i>Key data for each completed ride</i>	rider ID	completed ride; FUNC-SHA1 hashed
	request origin lat/long	completed ride; truncated to 3rd decimal place
	pickup date + time	completed ride; truncated to minute
	request destination lat/long	completed ride; truncated to 3rd decimal place
	dropoff date + time	completed ride; truncated to minute
	number of riders	completed ride

	ride distance (miles)	completed ride
	ride duration (minutes)	completed ride
	fare paid	completed ride
	WAV	completed ride
Mileage and Sharing <i>Aggregate vehicle mileage &amp; sharing data by week</i>	service time (hours)	week
	revenue time (hours)	week
	service distance (miles)	week
	revenue distance (miles)	week
	% of shared bookings	week
	bookings / loop	week
Quality of Service Trends <i>Summary of rides and quality of service</i>	completed rides	week
	avg. ride distance (miles)	week
	avg. ride duration (minutes)	week
	utilization	week
	active drivers	week
	driver hours	week
	ETA	week
	on-time pickup %	week
	completed ride %	week
	pickup request locations (by polygon)	week

	dropoff request locations (by polygon)	week
	top 5 pickup request intersections	week
	top 5 dropoff request intersections	week

In addition to the above data, Via provides the following dashboards as part of its SaaS offering to support Customer's operation of the Deployment:

<b>Section B: STANDARD SAAS REPORTING SET</b>		
<b>Dashboard</b>	<b>Data</b>	<b>Level of Detail</b>
City Operations Dashboard <i>Detailed ride and quality of service statistics per day and hour</i>	completed rides	day; hour
	cancelled rides	day; hour
	admin cancelled rides	day; hour
	no-showed rides	day; hour
	reassigned rides	day; hour
	utilization	day; hour
	aggregation	day; hour
	unsessionized FTTG	day; hour
	bookings by pax count	day
	% late / % very late	day
	ride duration	day
	ETA	day; hour
	ETA error	day; hour
	city vs. airport rides	day; hour
	requests	day; hour
unsessionized unmet demand	day; hour	

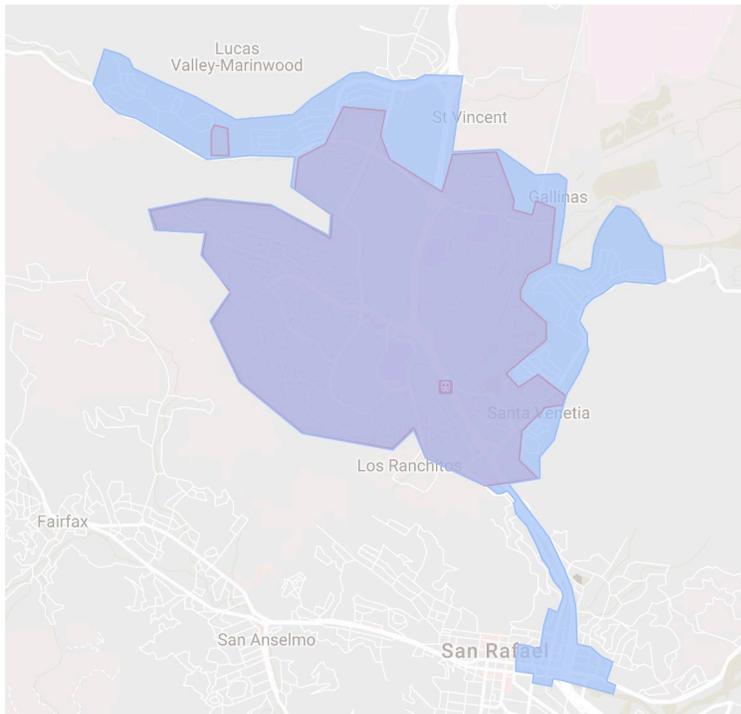
	sessionized unmet demand	day
	unique riders	day
	acceptance rate	day
	shifts	day
	unique drivers	day; hour
	supply hours	day
	"seat gones"	day
	avg. pickup walking distance	day
	rides w/pickup walking distance > 200m	day
	avg. dropoff walking distance	day
	rides w/dropoff walking distance > 200m	day
	rider app failures	day
	feedback rate	day
	rides with feedback	day
	unique riders with feedback	day
	rating stars distribution	day
	# of ratings by label	day
	payments by type	day
	rider signups	day
	avg. terminal wait time	day
	offroutes / ride hour	day
	drivers by app version	day

	driver signups	day
<b>Driver Report</b> <i>Ride-level data for driver monitoring</i>	rides	driver
	completed rides	driver
	completion %	driver
	ETA	driver
	actual duration	driver
	ETA error	driver
	offroute/hour	driver
	ride status	ride
	ride ID	ride
	accepted time	ride
	pickup ETA time	ride
	pickup time	ride
	dropoff time	ride
	offroute	ride
	planned duration	ride
actual duration	ride	
<b>Locations Dashboard</b> <i>Pickup/drop-off; app launch heat maps</i>	Pickup/drop-off request locations	Truncated to 3rd decimal place; categorized by request status
	Pickup/drop-off request locations	Truncated to 3rd decimal place; categorized by request status

Whitelist Point Dashboard <i>Whitelist point KPI's for monitoring  and highlight poor QoS</i>	WLP "Score"	WLP; hour; day
	no-show rate	WLP; hour; day
	cancel rate	WLP; hour; day
	ETA error	WLP; hour; day
	wait time	WLP; hour; day
	rides	WLP; previous week
Cumulative Passenger Count <i>Cumulative riders by hour, today  vs. previous days</i>	cumulative riders	hour; day; total

**Appendix 2 to Service Order**

**Zone Expansion**



New Zone

Existing Zone