April 2, 2018

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

SUBJECT:  Marin Transit Connect On-Demand Transit Pilot Program

Dear Board Members:

RECOMMENDATION:  Approve Marin Transit Connect pilot project with a soft launch and a twelve-month pilot period.

SUMMARY:  Marin Transit staff request authorization to move forward with Marin Transit Connect, a pilot shared-ride shuttle service that will be available on demand in northern San Rafael. The pilot is designed to increase same-day transportation options for riders with disabilities, increase first and last mile connections to fixed route transit for all riders, and help commuters traveling to jobs in Marin County reach their final destinations. This innovative pilot program will integrate a ride hailing service model with public transportation. Riders can request a ride using a smart phone application or make a simple phone call to request a ride within the service area. Riders will register with a name, phone number, and optional email, and request a ride in real-time along with an estimated pickup time. The Marin Transit Connect app will be powered by VIA’s scheduling technology. Riders can download this app from the app store on their smart phone or work with Marin Access Travel Navigators to request a ride.

BACKGROUND:

Planning and Analysis
Emerging mobility services are rapidly offering new opportunities to provide more efficient and attractive transportation services to a variety of markets. These include advances in scheduling and dispatch technology and vehicle design. Marin Transit staff have taken a proactive approach to understand the changing transportation landscape and determine how Marin Transit can best adapt to and leverage these changes. The following is a summary of
previous planning efforts that have identified needs where this technology could support mobility needs.

**2010 Senior Mobility Action & Implementation Plan.** The 2010 plan was the guiding framework for supporting senior mobility in Marin County and identified the need for “flexible transit services” for seniors who live too far from transit to walk. These needs are supported by the proposed on-demand Connect service.

**2013 Job Access Mobility Institute (JAMI) Summary Report.** Marin Transit participated in a countywide project that focused on improving access to employment opportunities for low-wage workers. One of the identified concepts is to develop transportation hubs served by high-frequency transit and connected to multi-modal transportation options. One of the primary locations for such a hub is in the Northgate Mall area, which is within the Marin Transit Connect service area.

**Marin Access 2016 Strategic Analysis and Recommendations.** This analysis provided guidance for developing new programs and improving current services for older adults and ADA consumers, and including more travel options. These include:

- Same-day rides, more direct service, and better time choices;
- More convenient short travel connections to local destinations and fixed route transit services;
- Safe and reliable service in the most challenging topography and roadway infrastructure in the county; and
- Options that provide new riders with attractive alternatives to driving.

Additionally, the study recognized that Marin Access riders are adopting technology and have expressed interest in the benefits technology has to offer for transportation. Advances in technology and increased rates of internet and smart phone use present the opportunity for more seamless experiences and new options for travel. As follow-up actions, the study suggested that staff develop and pilot a new transportation program with input from riders and contractors to address transportation gaps in convenience and coverage for seniors and persons with disabilities. The study also provided an example of working with outside transportation providers (for example, ride-hailing companies or employee shuttle programs) to support first and last mile connections where current services are not meeting these needs.

**Marin Transit 2016 and 2018 Short Range Transit Plan (SRTP).** The two most recent SRTPs recognize that mobility services are in the midst of radical changes and that transit needs to respond to these changes and take advantage of benefits for congestion relief and transportation for highly transit-dependent populations. There are opportunities for public transit to be part of the solution alongside private and non-profit partners and the District should evaluate partnerships with the private sector to increase and expand mobility. The 2018 SRTP anticipated a partnership to support on-demand mobility within the plan’s first year.

**Coordination and Funding**

In addition to these reports and studies, the District’s partnership with Via and the proposed Marin Transit Connect pilot has been informed by discussions with the private and non-profit sectors as well as peer agencies. Ongoing engagement over the past four years has helped staff to identify opportunities for successful partnerships that can leverage technology and policy changes to improve local transit offerings and serve the mobility needs of all Marin residents. The District has continuously sought out funding to support innovative mobility initiatives.
May 2013: Job Access and Reverse Commute (JARC)-Funded Mobility. Marin Transit received federal funding for a Mobility Management Technology Backbone Project in 2013. This project provided funding to develop an overall systems approach to Marin County’s mobility management technology needs and create comprehensive technology functions to facilitate coordination of transportation for low-income residents. From the time of award until recently, District staff searched for a vendor capable of providing suitable software. Following conversations with a variety of vendors, Marin Transit released a Request for Proposals for a comprehensive demand response scheduling software package and associated hardware for the operation of the Marin Access Paratransit program and all Marin Access mobility management programs in November 2016. In April 2017, your Board authorized a contract with TripSpark for Demand Response Scheduling Software and Hardware. As the incumbent vendor, TripSpark offered new features from the previous contract. These features provide Marin Access riders and their support teams more ways to view, schedule, or update existing reservations and increase the efficiency of the call and dispatch center. They consolidate the functionalities of three software suites utilized by Marin Access contractors into one central software package. However, the TripSpark software did not provide the tools to integrate emerging mobility services or dynamically schedule same-day transportation.

April 2015: On the Move Taxi Company closes. Traditionally, the District has relied on and subsidized local taxis to support short local trips and provide a same-day option for riders who are dependent on paratransit. Through the Marin Access Catch-A-Ride program, eligible riders receive either a $14 or $18 discount on up to eight one-way trips per month. The services provided are limited by the availability of taxis. Beginning in April 2015, there was a dramatic decrease in ridership when the county’s largest cab company, On the Move, went out of business. Following that closure, the one remaining taxi subcontractor instituted “blackout” periods during hours of peak demand. In addition to limited availability and capacity, the taxi industry has found it difficult to operate and maintain wheelchair accessible vehicles to adequately serve all Marin residents.

November 2015: Transportation Network Companies. In November 2015, Marin Transit met with Transportation Authority of Marin (TAM) staff to discuss potential partnership opportunities. These included partnering with Lyft to provide scheduled and on demand transportation service specifically for older adults and people with disabilities. Lyft approached Marin Transit about using their coupon codes to provide subsidized rides to our selected users and offered their Concierge tool that allows an agency’s representatives to book trips for riders up to seven days in advance through an online dashboard. Staff developed a list of potential benefits and risks to assess partnerships with TNCs such as Lyft and evaluated the opportunity based on those considerations. Considerations included: 1. Labor, insurance, and liability; 2. Data and transparency; 3. Integration with fixed route operations and payment; and 4. Accessibility and equity. In comparing the District’s needs and regulatory requirements to the partnership structure that Lyft offered, staff had key concerns that Lyft was unable to resolve.

April 2017: Marin Access Innovation Incubator. In 2017, Marin Transit staff revised the Measure B Gap Grant program and reintroduced it as a Mobility Innovation Incubator. The 2017-2018 call for proposals made available up to $100,000 over the period of two years, open to all interested parties. These included non-profits, community-based organizations, local government agencies, and private firms. The District was looking for projects and programs that required initial seed funding and technical support and addressed gaps in transportation for seniors and people with disabilities. The intent was to identify programs in areas where the District may have expertise though may not be the appropriate entity to operate, implement, or market a particular solution. Chariot, a micro transit company operating in the San Francisco Bay Area,
submitted the second highest scoring application. They proposed operating accessible on-demand transportation, and their proposal advanced to the next round for phone and in-person interviews. Through subsequent meetings, Marin Transit learned that Chariot’s proposal required more than seed funding, would be less cost-efficient to operate compared to existing District contracts, and that the service delivery model that Chariot was ready to implement did not meet the needs of the intended population of older adults and persons with disabilities.

April 2017: Section 5310 Formula Grant for the Enhanced Mobility of Seniors and Individuals with Disabilities

Section 5310 funding provides capital and operating support to private non-profit and public agencies for safe, efficient, and coordinated transportation services for seniors and individuals with disabilities for whom public transportation is otherwise unavailable, insufficient, or inappropriate. In 2017, Marin Transit staff applied for 5310 funding to operate accessible same-day service above and beyond ADA-mandated paratransit. Projects were evaluated by a panel consisting of representatives from the Metropolitan Transportation Commission (MTC) Policy Advisory Council, Congestion Management Agencies, Paratransit Coordinating Council, and MTC. Marin Transit’s application for operating assistance received the highest average score among all proposals, indicating strong regional support for the program. The grant funding provides a total of $700,000 over the course of three years.

August 2017: Golden Gate Introduction to Via.

Through ongoing meetings and discussions with our partner Golden Gate Transit, Marin Transit was introduced to Via as a potential partner to achieve the goals outlined in previous planning work. Via offered to provide Marin Transit with an opportunity to test the provision of accessible, on-demand service without making a significant investment in new software or having to contract with a new provider to operate the service. On November 20, 2017, your Board authorized the General Manager to enter into a no-fee agreement with NoMad Transit, LLC, a wholly-owned subsidiary of Via Transportation, Inc. to provide a cloud-based technology platform for scheduling and dispatch of on-demand transit service. This agreement enabled staff to work with Via to develop the most appropriate use of the technology for existing or new services within Marin County. On February 26, 2018, your Board authorized the General Manager to purchase four accessible vans to provide the service, through an agreement with Creative Bus Sales. At today’s meeting, staff recommends that your Board approve the pilot program to begin in late Spring 2018.

Proposed Pilot Project

The proposed pilot project will be the first on-demand service of its kind for Marin Transit. Developing the project has required significant collaboration with all partners including Via, Whistlestop, the Transportation Authority of Marin (TAM), and stakeholder groups who will benefit from the service (senior facilities, employers, retail centers, etc.). Staff continues to finalize many specifics of the service. These are the basic service parameters that will be incorporated into the pilot project:

Pilot Service Area: Marin Transit Connect will serve an area of Northern San Rafael stretching north to south from Smith Ranch Road/Lucas Valley Road to North San Pedro Road, and east to west from Venetia Valley School/Osher Marin to the western edge of Terra Linda. It includes the Marin County Civic Center, Northgate Mall, Kaiser Hospital, YMCA, and the McInnis Park Golf Center, among other key destinations for Marin residents and visitors. Most exciting for commuters who wish to leave their cars at home, it can serve riders going to and from the Civic Center SMART Station and anywhere in the service zone, including major employers like Kaiser, the County of Marin, and Autodesk. The map in the attached presentation displays the proposed boundaries.
Pilot Service Hours: The initial pilot program will be available weekdays between 7 am and 7 pm. Based on demand, the service could be expanded to weekends during the course of the pilot.

Pilot Fares: The proposed one-way fare for the service is $4.00. Discounted fares will be considered for certain riders including ADA eligible and low-income senior riders. Free ride incentives will provide incentives for riders to try the service while enabling staff to capture data and survey riders to identify improvements. The District is exploring additional fare incentives for frequent riders that may include transfer agreements to the fixed route network and integration with employer-sponsored programs.

Drivers and Vehicles: The pilot program will be operated under the existing terms and rates of the paratransit service contract with the Marin Senior Coordinating Council (Whistlestop). The program will use Marin Transit’s four new accessible vans that will accommodate any of the following configurations: seven ambulatory passengers; one wheelchair passenger and five ambulatory passengers; or two wheelchair passengers and three ambulatory passengers.

Implementation Timeline
Staff have been collaborating with Via and Whistlestop to meet the milestones necessary for a launch in late Spring. The service will be tested for an initial trial period so that the District and its partners can work out any initial issues and ensure delivery meets expectations before conducting an outreach and marketing campaign to potential riders. At full scale, the service will operate four vehicles during the peak and two vehicles during off-peak.

<table>
<thead>
<tr>
<th>Key Milestones</th>
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<tr>
<td><strong>May and June 2018</strong></td>
<td>Two-month pre-pilot soft launch (promotional period)</td>
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<tr>
<td></td>
<td>▪ Targeted marketing to key riders</td>
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<td></td>
<td>▪ Solicit initial feedback and make updates to app configurations</td>
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<td><strong>July 2018</strong></td>
<td>Full service launch</td>
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<tr>
<td></td>
<td>▪ Expanded marketing</td>
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<td></td>
<td>▪ Expanded service hours</td>
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<tr>
<td></td>
<td>▪ Introduce fares</td>
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<tr>
<td><strong>January 2019</strong></td>
<td>Six-month evaluation</td>
</tr>
<tr>
<td><strong>March 2019</strong></td>
<td>Board recommendation</td>
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Project Evaluation
The Marin Transit Connect pilot is an exciting opportunity for the District to test a transit service that could efficiently meet unmet needs of multiple markets and be more attractive for riders. The goal of the pilot is to gain experience with dynamic on-demand scheduling software and understand how it serves or does not serve the markets identified below. To achieve this, staff will monitor productivity (passengers per revenue hour) and cost-effectiveness (subsidy per passenger) as well as key service metrics (passengers per hour and subsidy per passenger)
and compare them to Marin Transit’s other services. In addition to evaluating the service’s performance, the District also plans to capture external measures such as customer satisfaction, the number of new transit riders, and the number of trips that would have been made using other Marin Transit services.

<table>
<thead>
<tr>
<th>Market</th>
<th>Objectives</th>
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| 1. Paratransit Riders | ▪ Better understand same day paratransit opportunities and service delivery model  
▪ Improve transit options for conditionally eligible paratransit riders |
| 2. Commuters traveling from outside of Marin | ▪ Reduce number of drive alone commuters |
| 3. Northern San Rafael residents and commuters | ▪ Improve first and last mile connectivity between Northern San Rafael residential neighborhoods and transit corridors  
▪ Test delivery method for more effective/productive neighborhood shuttle |

Via staff will assist in monitoring performance during the launch and throughout the pilot. They will be available to make changes to the configuration of both the rider and driver apps if necessary. As part of the proposed budget for the pilot, staff proposes to engage a consultant to develop benchmarks and data collection tools and to independently evaluate the service throughout the first year. Based on this evaluation, staff will provide a recommendation to your Board on whether to continue the service. If service is intended to continue beyond the initial year, staff will perform the required steps to formalize the service, including a Title VI assessment.

**FISCAL/STAFFING IMPACT:** The Marin Transit Connect pilot project consists of a soft launch of up to two months and a twelve-month pilot period. The District’s FY2017/18 budget included costs for launching this service in the Marin Access budget as “Same Day Accessible” service. The ongoing operation is in the District’s SRTP financial plan. If approved, the pilot service costs will be included in the FY 2018/19 Budget.

Operations costs for the service are based on the Whistlestop Contract service rates and estimated fuel prices. Other costs associated with service include: scheduling, marketing, technology fees, staff time, and consultant support for service evaluation. Via, the software partner, is waiving the software licensing fees for the pilot period. Estimates for the technology fees are included in the ongoing service operation costs. While scheduling will primarily be done with the Via smart phone app, Marin Transit will provide phone-based scheduling through schedulers under the District’s Travel Navigator program. Staff has estimated the costs for this service, and the full Travel Navigator contract is anticipated to come to your Board for approval in May 2018.
The table below shows estimated operating costs for the soft launch, the twelve-month pilot period, and ongoing annual operating costs. The total costs for the soft launch and the twelve-month pilot is $901,300.

### Estimated Operations Costs and Revenues

<table>
<thead>
<tr>
<th></th>
<th>Soft Launch (up to two months)</th>
<th>12 Month Pilot</th>
<th>Ongoing Annual Operating Costs (only if pilot is continued)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Paid Hours</strong></td>
<td>1,831</td>
<td>10,988</td>
<td>10,988</td>
</tr>
<tr>
<td><strong>Projected Ridership</strong></td>
<td>9,157</td>
<td>54,940</td>
<td>54,940</td>
</tr>
<tr>
<td><strong>Contract Service Costs</strong></td>
<td>$66,184</td>
<td>$719,115</td>
<td>$731,082</td>
</tr>
<tr>
<td><strong>Scheduling</strong></td>
<td>$0</td>
<td>$20,000</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>Evaluation Cost</strong></td>
<td>$0</td>
<td>$25,000</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td>$15,000</td>
<td>$8,000</td>
<td>$4,000</td>
</tr>
<tr>
<td><strong>Staff Time</strong></td>
<td>$16,000</td>
<td>$32,000</td>
<td>$32,000</td>
</tr>
<tr>
<td><strong>Software Licensing</strong></td>
<td>$0</td>
<td>$0</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>Total Estimated Cost</strong></td>
<td>$97,184</td>
<td>$804,115</td>
<td>$812,082</td>
</tr>
<tr>
<td><strong>Estimated Fares</strong></td>
<td>$0</td>
<td>$219,760</td>
<td>$219,760</td>
</tr>
<tr>
<td><strong>Federal Grant Funds</strong></td>
<td>$25,000</td>
<td>$337,500</td>
<td>$337,500</td>
</tr>
<tr>
<td><strong>Measure B Funds</strong></td>
<td>$72,184</td>
<td>$226,853</td>
<td>$234,822</td>
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<tr>
<td><strong>Subsidy per Passenger</strong></td>
<td>$10.61</td>
<td>$10.27</td>
<td>$10.42</td>
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</table>

The project will be funded with federal grants, fare revenue, and Marin County Vehicle Registration Fees (Measure B). Marin Transit received $700,000 Federal Transit Administration (FTA) Section 5310 grant for the operation of same day accessible service. These funds will be used for operations over a two to three-year period. Fares are anticipated to be $4 per trip and will offer discounts for passengers transferring to or from other transit services. Marin Transit will use promotions, such as free trips during the soft launch, to attract riders and market the new service.

Respectfully submitted,

Erin McAuliff  
Senior Transportation & Mobility Planner

Attachment: Marin Transit Connect Presentation
Marin Transit Connect

Marin Transit Board of Directors
April 2, 2018
Proposed Pilot Goals

- Provide more same day options for riders with disabilities
- Increase first and last mile connectivity to existing fixed route transit for all riders
- Help commuters traveling to jobs in Marin County reach their final destinations
Background

2010
Senior Mobility Action & Implementation Plan

2013
Job Access Mobility Institute Summary Report

2016
Marin Access Strategic Analysis and Recommendations

2016 and 2018
Short Range Transit Plans

2013
Job Access and Reverse Commute (JARC) Funded Mobility

2015
- On the Move Taxi Company Closes
- Conversations with Lyft and TAM

2017
- Marin Access Innovation Incubator
- 5310 Operating Assistance Funding
- Introduction to Via

Planning

Funding
Project Overview

- Cloud-based technology platform for scheduling & dispatch of shared ride on-demand transit service

- Riders can use a smartphone application or make a phone call to request a ride

- Travel Navigators will provide assistance to users who would like to set up an account without a smartphone and also assist with ride requests made over the phone
Convenient and Accessible

Request ride by phone call or smart phone app + Track your ride + Accessible to anyone
## Service Characteristics

<table>
<thead>
<tr>
<th></th>
<th>Paratransit</th>
<th>Fixed Route</th>
<th>Dial-A-Ride</th>
<th>TNCs (Uber, Lyft, Chariot)</th>
<th>Marin Transit Connect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drivers drug tested and trained to proficiency</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Wheelchair accessible</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Open to the general public</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Available without advance reservation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Subscription trips available</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Curbside pickup/dropoff</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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</tbody>
</table>
Proposed Service Area in Northern San Rafael
Draft App Screens

Hi, we’re Marin Transit Connect!
We make getting around your city affordable, easy and efficient.

Log In

Sign Up

Powered by VIA

Passengers: Just me

Pickup:
York Ave & 86th in 6min

Dropoff:
York Ave & 86th in 6min

Set Dropoff

Item 8
Implementation Timeline

Service Design
- December 2017 – April 2018

Operations Plan and Training
- April - May 2018

Marketing and Information
- Soft Launch: Late Spring 2018
- Full Launch: July 1, 2018

Monitoring and Evaluation
- Six-Month Evaluation: January 2019
- Recommendation to Board: March 2019
Questions?

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