

S T A F F R E P O R T

SUBJECT: Go Tri-Valley Contract Amendments

FROM: Mike Tobin, Director of Operations

DATE: August 28, 2023

Action Requested

Recommend that the Board authorize the Executive Director to execute amendments to the Go Tri-Valley contracts with Lyft, Inc. and Uber Technologies, Inc. to extend the contract terms and to accommodate the increased ridership and subsequent annual program costs.

Background

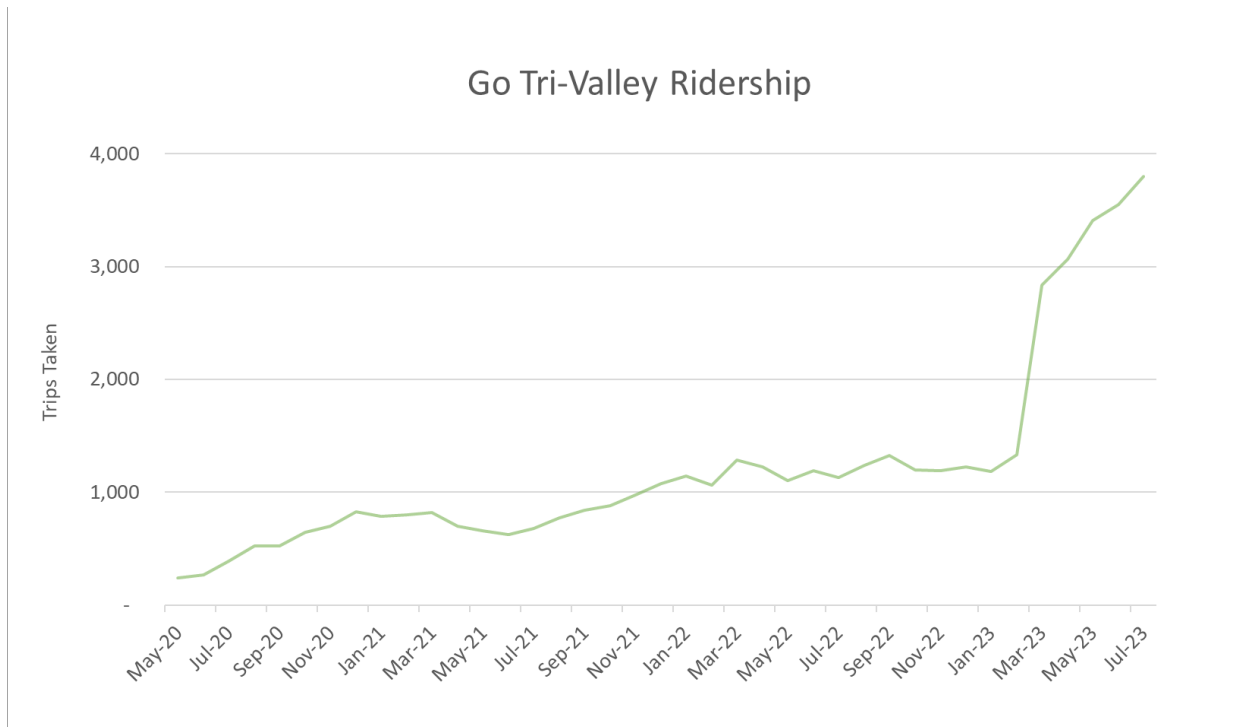
In May 2020, the Go Dublin shared-ride subsidy program was rebranded to Go Tri-Valley and the service area was expanded so that riders could travel throughout the Tri-Valley. The program offers a 50% subsidy up to five dollars for trips that both start and end in Dublin, Pleasanton, or Livermore. The goal of this program was to provide supplemental mobility services for areas with little to no fixed route coverage, as well as to provide first-mile/last-mile connectivity to Wheels' local service.

Due to the COVID-19 pandemic and shelter-in-place orders restricting non-essential travel, ridership started low and grew gradually over the next two years. There have been several amendments executed to the Lyft and Uber contracts to expand the service area to all the Tri-Valley as well as to renew the yearly terms. The current terms of the contracts expire on 10/31/2023 for Lyft and 11/3/2023 for Uber and may be renewed for additional twelve (12) month terms.

Discussion

Though ridership continued to grow in the beginning of CY 2023, many customers were still unaware of this supplemental transportation option. Therefore, at the end of February 2023, a social media marketing campaign was conducted to advertise the Go Tri-Valley program. As a result of this new marketing campaign, ridership more than doubled in March and continues to grow at an exponential rate. Due to increased costs, the program will need the not-to-exceed contract budgets increased.

The chart below shows the growth of the program since its inception in early 2020.



As can be seen from the graph, ridership rose precipitously following the media campaign in March, with the number of subsidized rides growing by an average of 8% month over month. At this rate, Staff projects that the not-to-exceed (NTE) amount for both contracts will be reached by the end of September 2023.

As a result of this increase in ridership, staff recommend that the contract with Uber be increased by \$170,000 for a total NTE amount of \$270,000 and that the contract with Lyft be increased by \$400,000 for a total NTE amount of \$600,000. The amendments will address the last annual term (for each Lyft and Uber contract) that started in November 2022, as well as future renewable terms.

Staff continues to monitor and analyze the Go Tri-Valley ridership closely. The granular data provided by LAVTA's program partners may provide useful insights into customer travel patterns that fall outside of LAVTA's current regular fixed-route coverage. Staff intends to evaluate the program and its utilization in summer 2024 and may make recommendations for program modifications as a result of the evaluation.

Recommendation

Staff requests that the Projects and Services Committee recommend the Board of Directors authorize the Executive Director to execute amendments to the Go Tri-Valley contracts with

Lyft, Inc. and Uber Technologies, Inc. to extend the contract terms and accommodate the increased ridership and subsequent annual program costs.

Attachments

1. Resolution 23-2023

RESOLUTION NO. 23-2023

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENTS TO GO TRI-VALLEY CONTRACTS WITH LYFT, INC AND UBER TECHNOLOGIES, INC.

WHEREAS, in 2017 the Livermore Amador Valley Transit Authority (LAVTA) launched the Go Dublin rideshare discount program with Lyft, Inc. (Lyft) and Uber Technologies, Inc. (Uber) that offered a discount of half the fare up to \$5 for rideshare trips taken in the City of Dublin; and

WHEREAS, in 2020, the program was rebranded as Go Tri-Valley and was expanded to cover rideshare trips that start and end throughout the Tri-Valley; and

WHEREAS, the current contracts with Lyft and Uber expire in Fall 2023 and each have included a not-to-exceed dollar amount; and

WHEREAS, due to significant increases in Go Tri-Valley ridership, the contracts with Lyft and Uber are nearing the not-to-exceed amount; and

WHEREAS, LAVTA wishes to amend the agreements with Lyft and Uber to extend the program by one year and increase the not-to-exceed amount to cover projected ridership.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority that the Executive Director is authorized to:

- 1) Execute contract amendments with both Lyft and Uber to extend the Go Tri-Valley contracts for 12-months; and
- 2) Increase the not-to-exceed amount to \$270,000 for Uber and to \$600,000 for Lyft for these respective contract amendments.

PASSED AND ADOPTED THIS 11th DAY OF SEPTEMBER 2023.

Melissa Hernandez, Chair

ATTEST

Christy Wegener, Executive Director