

City of Lathrop

REVIEW MICROTRANSIT REQUEST FOR PROPOSAL (RFP)
RESULTS AND PROVIDE DIRECTION ON TRANSIT SERVICES

JANUARY 13, 2025

ITEM #5.2





Background

- Currently, the City of Lathrop does not operate its own intercity transit system, transit has been a reoccurring topic brought forth by residents and amongst the Council during past Council meeting comments
- In October 2024, at Council's request, staff developed a student transportation survey that was distributed to parents of Lathrop High School students within the Manteca Unified School District (MUSD). The results of that survey were presented to the Council at the October 14th meeting, including the option of hiring a transportation consultant to assist with the RFP, results evaluation and overall needs of the project.
- The RFP was established to make public transit available, but should not be considered full scale transit operations, full scale transit will be developed based on the outcomes and recommendations in the Citywide transit study that is currently underway.



What is Microtransit?

- Agencies are implementing microtransit solutions that improve the rider's experience by operating small-scale, on-demand public transit services that can offer fixed routes and schedules, as well as flexible routes and on-demand scheduling.





Microtransit Operations RFP

- The RFP solicited proposals from qualified firms or individuals to provide a turnkey Microtransit service. The RFP requested that the Microtransit vehicles run a fixed route in the morning and afternoon, then run as an on-demand service during non-fixed route periods. The RFP requested that respondents play a key role in optimizing the best use to meet the demands of the ridership. The boundaries for the service were defined as the city limits of the City of Lathrop.
- The goals for the Microtransit Program were as follows:
 - Provide safe, reliable, and accessible on-demand transportation service
 - Connect areas poorly serviced by transit to key destinations/amenities
 - Increase awareness of and provide convenient connections to multi-modal and active transportation options
 - Close first- and last- mile gaps at and around key transit hubs to support regional trips
 - Maintain a productive, cost-effective, and sustainable Microtransit service
 - Gather data to complement, support, and advance existing and future transit options



Five Proposals Received

	VIA	Unified Transit	Escalon	Downtowner	Fitchburg
RFP Contents	Complete	Complete	Complete	Complete	Complete
Business Location	New York, NY	Lathrop, CA	Escalon, CA	West Palm Beach, FL	Lowell, MA
Sub-Contractors	3 rd Party Drivers	None	MTM Transit, LLC	None	None
Passenger Ride Time	30 Min	30 Min	30 Min to 1 Hour	30 Min	N/A
Job Creation with Local Hiring	No	Yes	Yes	No	No
# of Vehicles	On-Demand	4	5	3 or 4	2
Startup Cost	\$82,000	\$210,000	\$660,000	\$34,984 (3) \$40,753 (4)	N/A
1st Year Cost	\$754,805	\$915,161	\$666,073	\$831,370 (3) \$1,046,389 (4)	\$528,658
Startup + 1st Year Cost	\$836,805	\$1,125,161	\$1,326,073	\$866,354 (3) \$1,087,142 (4)	\$528,658

Staff is recommending the City contract with Unified Transit based on their proposed number (#) and type of vehicles being suitable to meet the demands of residents during both fixed route and on-demand portions of the service. Unified Transit's proposal did not include the use of sub-contractors, allowing the operator to have full discretion over the qualifications and specifications required for employment. The location within the City of Lathrop and the noted preference for local hiring are additional value adds.



Funding Proposed

- The City receives approximately \$500,000 annually in local transportation funding from SJCOG. Staff has also identified \$411,000 in one-time funding that is currently set aside in the Measure C Fund for transit. Some revenue is anticipated to be collected through fares charged to riders. These fares would be used to offset expenses associated with the operations of a transit system. The City currently has received approximately \$1,800,000 in transit funds from SJCOG from prior Fiscal Years and has been setting them aside in anticipation of establishing public transit within the City.
- The combination of these funds could operate the program through an initial one-year contract trial period. Staff proposes to include additional one-year extensions up to a maximum of five years ensuring performance and budget metrics are met. Staff will continue to seek out additional funding sources to sustain the program in future fiscal years.



Council Direction

- Potential Actions:
 - **Option A:** Council can direct staff to bring a fully executable agreement to the next regular Council meeting
 - **Option B:** Or in the interest of time, Council may direct staff to proceed with a contract authorizing the City Manager to enter into an agreement with the selected firm up to the amount authorized by Council
 - Approve a budget amendment for an amount not to exceed the option directed.