



Date: May 23, 2023

Honorable Mayor and Council Members:

Alfred Knotts, Transportation Program Manager

Title: Approval of TART Connect Microtransit Contract Amendment with Truckee Downtowner, LLC  
For Yearlong Pilot and Budget Amendment **AK/DW**

Approved By: \_\_\_\_\_ Jen Callaway, Town Manager

**Recommended Action:** That Council:

- 1) Approve a contract amendment with Truckee Downtowner, LLC for continuation of the TART Connect Microtransit Pilot in the amount of Two Million Six Hundred Thousand Dollars (\$2,600,000) for a total not-to-exceed amount of Three Million Nine Hundred Seventy-Three Thousand, Seven Hundred and Eleven Dollars (\$3,973,711)
- 2) Approve a fiscal year (FY) 23/24 budget for C2313 (Microtransit program) in the amount of Two Million Six Hundred Thousand Dollars (\$2,600,000)

**Discussion:** At the March 14, 2023, Council meeting, Council directed staff to extend the TART Connect microtransit pilot program through June 30, 2024. Towards that end, staff is recommending Council approve a contract amendment with Truckee Downtowner, Inc to implement a yearlong TART Connect Pilot Program.

This amendment would extend the current end date from June 30, 2023, to June 30, 2024, and serve as the "FY 23/24 Year Long Pilot."

In addition to the amendment extending the operating period, the amendment would result in the following contract scope amendments:

**Scope of Services:**

- Increase vehicles in maximum operation from five (5) to nine (9)
- The service will operate from July 1, 2023 to June 30, 2024.
- All services will be operated 7 days a week from 6:30 AM to 10 PM during Spring and Fall and from 6:30 AM to 12 AM during Summer (July 24 through September 4) and Winter (December 15 through April 14), in alignment with the regional TART service schedules.

**Service Areas:**

- All properties within the Truckee Town Limits

This amendment would increase the Truckee Downtowner, Inc. current contract amount by \$2,600,000 from \$1,373,711 for a new Not to Exceed amount of \$3,973,711.

Funding for the July 1, 2023 – June 30, 2024 time period would come from General Fund. However, Staff is working with partners at Nevada County Transportation Commission, Visit Truckee Tahoe, Truckee Tahoe Airport District, and Tahoe Forest Hospital District to offset the cost to the General Fund to the maximum extent practicable.

While securing these additional funds is still in progress, this contract action is necessary in order to meet the summer launch date and provide Truckee Downtowner with adequate lead time to procure additional vehicles. hire additional drivers, update the app, and for Town staff to update and prepare outreach and marketing.

In closing, staff would like to highlight that with the inclusion of TART Connect into the Truckee Transit System, the system has carried in excess of 100,000 passengers in FY 22/23. Another important item of note is that in April the Town was notified by the California State Transportation Agency that we were awarded a grant of approximately \$4.437 million for the following:

- Nine (9) Electric Transit Vehicles
- Electric Public Charging Infrastructure
- On-Demand App based Ride Booking Software
- Construction of a portion of the Railyard Mobility Hub

Through the successful award of this grant, the Town has positioned itself to be a leader in sustainable and environmentally friendly transit operations that provide safe, efficient, and attractive mobility options for employees, residents, and visitors that reduce dependency on the private automobile.

**Priority:**

<input type="checkbox"/>	Enhanced Communication	<input checked="" type="checkbox"/>	Climate and Greenhouse Gas Reduction	<input checked="" type="checkbox"/>	Housing
<input checked="" type="checkbox"/>	Infrastructure Investment	<input type="checkbox"/>	Emergency and Wildfire Preparedness	<input checked="" type="checkbox"/>	Core Service

**Fiscal Impact:** The cost to continue TART Connect Microtransit for a yearlong pilot from June 30,2023 through June 30, 2024 would result in a maximum General Fund expenditure of \$2,600,000.

Staff have included \$2.6 million proposed additional General Fund contributions to this program into the draft budget model that will be brought to Council as a separate item at the Tuesday, June 13<sup>th</sup>, 2023 Council Meeting. There is sufficient budget capacity to absorb these costs due to higher than anticipated collections in taxes in fiscal year 2022/23.

By committing these revenues to the Microtransit pilot, they will not be available to meet other Council priorities. The Town has not included an ongoing General Fund contribution to a Microtransit program at this level in its budget model as there is not sufficient capacity on an ongoing basis.

**Public Communication:** In addition to the posting of the Council Agenda and this staff report, the following public communications have occurred:

Town Council Truckee TART Connect Program presentations on November 9<sup>th</sup>, 2021, March 8<sup>th</sup>, 2022, August 9, 2022, January 24, 2023, February 14, 2023, and March 14, 2023.

Additionally, continuation of the TART Connect program was discussed in detail as part of the January 26, 2023 FY 23/24 Work Plan and Priorities Council Workshop.

Presentation was also provided to and received by Visit Truckee Tahoe Board of Directors on February 23, 2023 and May 18<sup>th</sup>, 2023.

**Attachments:**

None