



REQUEST FOR ACTION

Contract Award: Management and Operations of Transit Services

MEETING DATE:

July 6, 2026

ORIGINATING DEPT:

Transit & Parking Services

AGENDA SECTION:

Reports and Recommendations

PRESENTER:

Rachel Fautsch

Action Requested:

Adopting a Resolution awarding a contract and facilities lease with Via Transit Twin Cities LLC for operating Rochester's public transportation system.

Report Narrative:

Five companies submitted responses for Management and Operations of the Transit Services Request for Proposal. The current contract with First Transit, Inc. (also known as TransDev) for operating the City's public transportation system and providing fleet maintenance will end on December 31, 2026.

Of the five companies evaluated, three were chosen to be interviewed by City teammates from multiple departments and one representative from Mayo Clinic resulting in Via Transit being chosen for negotiations. Via Transit operates fully integrated systems in more than 175 cities and transit agencies around the world. They specialize in fiscally responsible transit system innovation, including software development and planning services aimed at transforming legacy services into smart, responsive, and technology-enabled networks. Their interview demonstrated their conviction to restore reliable and cost effective service and leveraging their proven playbook that relies heavily on technology. Via has committed to meet the performance metrics outlined in the RFP and it is clear from several conversations with Via leadership that this will be a solid partnership.

During the negotiation process with both Via and TransDev, it was decided that it is in the best interest of all parties for the contract with Via to begin on Tuesday, September 1, 2026. The term of the initial contract is 64 months with an estimated value of \$77,863,386. Invoices for services is billed to the City based on the actual number of revenue vehicle hours each vehicle is in revenue service. At the City's option, the agreement can be extended in increments for up to an additional 60 months. These costs include pre-Link Bus Rapid Transit (BRT) mobilization (hiring, training, testing), and pre-Link non-revenue hours to maintain the buses prior to revenue start date. Included in the BRT mobilization fees are consulting fees, used at the City's discretion, that includes direct, proven BRT experts to ensure a successful launch and operation of BRT.

The RFP did include pricing considerations for bringing fleet maintenance in-house and the resulting analysis recommends that the option not be taken at this time. However; this option is available to the City at anytime during the initial term.

The services for this contract include the two existing modes, Fixed Route and Paratransit (ZIPS) and the addition of Link BRT mode.

As required, this contract has been reviewed and approved by the Minnesota Department of Transportation, Transit and Active Transportation Department.

Priorities & Foundational Principles:

Quality Services

Fiscal Responsibility and Sustainability

Policy Considerations & DEI Impact:

This contract with Via Transit Twin Cities LLC supports the foundational principle of Quality Services in providing reliable, efficient and affordable public transportation services.

Prior Legislative Actions & Community Engagement:

November 17, 2025: Council Meeting - Bid Advertisement - Management and Operations of Public Transit System

August 18, 2025: Council Meeting - Request for Proposals for Management and Operations of Transit Services

November 4, 2024: Council Meeting - Acceptance of the Transit Operational Scenarios Analysis and authorizing the Request for Proposal for Transit Services

October 14, 2024: Study Session - Transit Operations Study

Fiscal & Resource Impact:

As expected, the cost of services is increasing with the majority of these operational costs being funded by the Minnesota Department of Transportation and Federal Transit Administration. Via is also expected to positively influence City resources with commitment to bring operational efficiencies through the use of their proprietary transit technologies.

Alternative Action(s):

No alternative action is suggested at this time.

Prepared By:

Mona Hoeft

Attachments:

[Presentation - Contract Award - Management and Operations of Transit Services Presentation](#)

[Contract - Transit Operations and Management - Via Twin Cities](#)

[Facility Lease - Via Transit Twin Cities LLC](#)