



# Pilot Mobility On Demand Microtransit

## A Proposal for Public-Private Partnership for a Pilot Mobility On-Demand Microtransit

### Summary

Culver City Transportation Department staff, as part of its work program, has been working on implementing an on-demand microtransit pilot project as a first-last mile strategy connecting workers in the Hayden Tract Business District to the Exposition Line. moovel is submitting an unsolicited proposal to partner with the City to implement a Microtransit Pilot Project for 18-24 months.

### Growing Popularity of On-Demand Microtransit

The United States transit market has long been under the purview of public agencies responsible for designing routes, purchasing vehicles, operating these vehicles, and maintaining them as a public service. These agencies run the gamut from large transit providers in cities such as New York, Los Angeles, and Chicago to small agencies serving rural regions. The largest transit agencies operate thousands of vehicles on a daily basis. For example, the New York City bus system carries about 2.5 million daily passengers on over 5,000 buses (MTA, 2015). For millions of people in the United States, these public agencies serve as their primary, and perhaps only, means of daily travel.

A new entrant in the field of public transportation is on-demand microtransit, defined as either a privately or jointly public-private operated transit system, which in many cases mirrors the operations of public transit agencies in that they operate as a public service, but the service is accessed (booked and paid for) similar to ride hailing services by using a smart phone app. Numerous transit agencies have begun to plan for and/or implement on-demand pilot projects as a first/last mile service, zone-based service to augment and complement public transit service and/or a strategy to reduce the high costs of operating full-size buses. Locally, LADOT and LA Metro both have active on-demand pilot projects they are implementing, but there are transit agencies throughout the US that are implementing pilot programs.

### Public-Private Business Models

There are benefits of public-private partnerships to operate on-demand microtransit services. Private transit operators manage and invest in the ridehailing technology which typically includes:

- A rider facing app that allows the public to book the on-demand service
- An in-vehicle driver app that provides drivers with a way to receive, confirm and complete ride requests from a smart phone, eliminating the need for expensive onboard dispatching equipment and hardware
- An Operations dashboard that allows for dispatching staff to monitor and manage the fleet vehicles as well as support the customer service call center.

In addition to a suite of technologies to support on-demand services, many operators engage data scientists and transit planners to continuously review and analyze the service demand and recommend adjustments in service area, fleet size, operation hours and other demand-based decisions.



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As such, private on-demand microtransit operators have greater operational flexibility and the ability to quickly implement service changes without engaging in an extensive public decision-making process. Overall, on-demand microtransit operators can be highly flexible, tailoring their operations to match short-term or long-term changes in travel behavior.

There are private operators who actively seek to co-invest in pilot on-demand microtransit services because they too are interested in meeting the growing needs of public transit operators as well as demonstrate their technologies and services.

### Unsolicited Offer

moovel is submitting an unsolicited proposal to partner with the City to implement a Microtransit Pilot Project. moovel has presented a significant financial and operations offer to the City which would expand the pilot estimated pilot project period from 12 months to 18-24 months.

moovel North America is a Portland, Oregon based LLC of 120+ employees that specializes in mobile application development for transit agencies. Founded as GlobeSherpa in 2010, moovel was acquired by Daimler AG in 2016 and GlobeSherpa was absorbed into the existing Daimler Mobility Services as a member of moovel Group. moovel offers a secure technology platform and a suite of mobile applications that provides transit operators with open payments via mobile ticketing, open data for better service planning, mobile fare collection and validation, and on-demand microtransit operations.

Daimler Mobility invests in the future of mobility and transportation - providing innovative mobility services. With smartphone-based mobility concepts, Daimler Mobility Services optimizes the use of existing transportation infrastructure and develops flexible and eco-friendly mobility solutions of the future. Daimler Mobility services is one of several strategic business units within Daimler Financial Services (DFS). moovel has presented an offer to co-invest with the City to develop, implement, operate and manage an on-demand microtransit service in partnership with Culver CityBus.

moovel's offer will leverage its LADOT on-demand microtransit project called *Flex LA*. The offer includes a detailed overview of moovel's technical capabilities as well as supplemental information on our services and on-demand technology platform. moovel believes that the moovel investment, on-demand technology platform, planning process and operational approach is ideally suited for Culver City.

moovel's core on-demand product suite consists of a customer facing rider app, in-vehicle driver app and operations Dashboard. We also have other support tools such as a demand simulator to predict potential service demand and a virtual stop management tool to document pick-up and drop-off locations.

moovel's offer includes pre-planning support from their on-demand team. Their dedicated on-demand planning manager will assist Culver City in setting up the on-demand service and an operations manager will be in market supporting the service. moovel's team includes a staff of 25+ people working with Culver City Bus to set-up, market, operate and manage the service. Their proposal is to operate a full turnkey service with full transparency to Culver CityBus.



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moovel's investment includes the following elements:

- On-demand technology platform
- Preplanning launch support
- Marketing and Outreach
- Full-turnkey operations of the service including call center support
- Fleet of up to 10 Mercedes Benz Metris vans
- Data science analysis to right size fleet operations and service
- Willingness to scale the on-demand service based on market demand
- Mobile ticketing for Culver City Bus
- Developing the app toward a Mobility as a Service Platform

The moovel on-demand operations includes the following services:

- In market, Operations Manager
- Hiring, training and managing drivers
- Dispatch Center operations
- Customer Service Call Center operations
- Vehicles; branded Mercedes Benz Metris Vans
- Continued analysis of service demand with dynamic service adjustments

moovel's offer includes a high impact marketing package to help launch and quickly build awareness for the new on-demand service. This includes asset creation, a how-to video, extensive media and PR support, and creative support for out-of-home advertising campaigns. They also include a detailed on-going performance marketing program as a tool to increase app installations and ridership using social media.

The moovel team is dedicated to building a strong, lasting and dynamic partnership with Culver City. Our offer highlights moovel's unique strengths, focusing on our ability to deploy state-of-the-art mobility services and solutions for the Culver City community, delivered by a world-class mobile app experience for your customers. The approach is flexible and adaptable to accommodate the ever-evolving market changes, because no one can fully predict market acceptance and service utilization for on-demand services. Additionally, moovel will work with Culver City Transportation Department to develop a mobile ticketing solution for bus riders, and work to integrate mobility service providers such as bike share and scooter share so the app will serve as a Mobility-as-a-Service platform as part of the proposed partnership and pilot.



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