



City of Culver City

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Staff Report

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Item #: A-4.

CC - Approval of an Agreement with moovel North America to Enter into a Public-Private Partnership to Plan, Design, Implement, and Manage the MicroTransit Pilot Project.

Meeting Date: October 8, 2018

Contact Person/Dept: Diana Chang/Transportation Department

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Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☐ No ☒

Public Hearing: ☐

Action Item: ☒

Attachments: ☒

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (10/02/18)

Department Approval: Art Ida, Transportation Director (09/27/18)

RECOMMENDATION

Staff recommends the City Council approve an agreement with moovel North America (moovel) to enter into a public-private partnership to plan, design, implement, and manage the MicroTransit Pilot Project.

BACKGROUND

Microtransit service is an on-demand service that offers dynamic routing and pre-defined stops, operates with smaller vehicles than traditional bus service, and leverages the smart phone technology to provide a convenient and customized mobility service. This service utilizes new innovations in transportation technology to determine the best routes to pick-up and drop-off passengers and to achieve the most efficient possible shared trips. Similar to Uber/Lyft, a rider can book a ride, pay, and track the ride easily using a smart phone app.

The MicroTransit Pilot Project (Project) is part of the Transportation Department's Fiscal Year 2018-2019 (FY2019) work plan. This Project is also one of the strategies the Transportation Department proposed as part of its Mobility Action Plan to manage and enhance mobility, help reduce congestion,

improve air quality, stimulate economy, and create a great community for all to live and work. This Project will also assist in achieving Goal Three of Council's Strategic Plan: Improve Transportation Circulation and Reduce Traffic Congestion. The Project, as currently planned, would be a weekday-only peak hour service connecting Expo Culver City Station and Hayden Tract.

As part of its FY2019 Work Plan, the Transportation Department has been working on implementing the Project as a first-and-last-mile strategy to improve mobility and complement existing public transportation services. Staff has been conducting research, marketing, planning, and coordination works on the Project with relevant departments in preparation of a Request for Proposal. In September, moovel submitted an unsolicited proposal to partner with the City to implement the Project.

DISCUSSION

Moovel is a Portland, Oregon based LLC of 120+ employees that specializes in mobile application development for transit agencies. It is part of the Daimler Mobility Services. 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. Its mission is to help transform urban areas by providing innovative and sustainable mobility solutions. Moovel launched microtransit service in Stuttgart, Germany, in 2017 and is part of the Los Angeles Department of Transportation's FlexLA Pilot Project (scheduled to launch in November) that offers late night microtransit service in downtown Los Angeles.

Moovel has offered to co-invest with the City to develop, implement, operate and manage an on-demand microtransit service in partnership with Culver CityBus. Moovel's investment is a dollar to dollar match of the City's \$1 million budget. Through this partnership, moovel would provide a full turnkey operation of microtransit service for a period of 18-24 months, which would include the following:

- On-demand software (rider app, driver app, dashboard and control panel)
- Preplanning launch support: demand simulation, virtual stop aggregation, etc.
- 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
- Operations manager
- Mobile ticketing for Culver CityBus

- Developing the app toward a Mobility-as-a-Service Platform (integrated multi-modal mobility services platform) to integrate other mobility service providers such as bike share and scooter share.

The City would provide:

- Operational funding (up to \$1 million)
- Pre-planning support
- Approval to operate the service
- Access to transit, traffic and related data for service planning
- Outreach/marketing support (joint effort between City and moovel)
- Access to City's marketing channels, such as bus advertising, local cable channel advertisement, etc.

After the submittal of the proposal from moovel, staff met with the Traffic and Parking Subcommittee to discuss the unsolicited proposal and obtain feedback. The Subcommittee recommended that staff bring this item to the full City Council for consideration.

In accordance with Culver City Municipal Code (CCMC) Section 3.07.065.A, because the scope of the work moovel would be providing would constitute professional services, there is no requirement for formal competitive bidding, provided competitive quotes are obtained, whenever practical, as determined by the City Manager. Although the CCMC provides the City Manager with the authority to determine competitive bidding procedures are not required for these services, due to the nature of the contract and, in particular, the significant amount of funds involved, staff is seeking authorization from the City Council to approve an agreement with moovel for these services without obtaining competitive quotes. This partnership with moovel would enable the City to launch the service sooner, and it would significantly extend the service period. Staff estimated that the City's budget alone would only provide service for this Project for approximately one year. With moovel's investment, this would extend the service period from one year to 18-24 months.

If the City Council approves the agreement, it will take approximately five months, from execution of the agreement, to go through service planning, operations planning, software customization, testing, and marketing before launching the service. The target date for service launch is around March 2019.

FISCAL ANALYSIS

Transit funds and development funds were appropriated in Transportation account 20370200.346595 in the FY2018-19 budget.

No General Fund monies are necessary to implement this project.

ATTACHMENTS

1. Moovel Proposal

RECOMMENDED MOTIONS

That the City Council:

1. Approve an agreement with moovel North America to enter into a public-private partnership to plan, design, implement, and manage the MicroTransit Pilot Project;
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.