



## Legislation Text

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Recommendation to adopt Specifications No. RFP PW22-067 and award a contract to Circuit Transit, Inc., of West Palm Beach, FL, for the operation of a micro-transit shuttle program, in the amount of \$1,140,000, with a contingency in the amount of \$200,000, for a total contract amount not to exceed \$1,340,000, for a period of two years; and, authorize City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments;

Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$450,324, offset by Prop A revenue; and

Increase appropriations in the Capital Projects Fund Group in the Public Works Department by \$1,601,724, offset by transfer of \$1,151,400 from the General Fund and \$450,324 a transfer of Prop A revenue.

(Districts 1,2,3)

City Council approval is requested to execute a contract with Circuit Transit, Inc., for the operation of a micro-transit shuttle program and increase appropriations in the Capital Projects Fund Group.

### **Long Beach Recovery Act**

On March 16, 2021, the City Council adopted the Long Beach Recovery Act (LB Recovery Act), becoming one of the first major cities to approve COVID-19 recovery programs made possible through the federal American Rescue Plan Act (ARPA) and other federal and State funding sources. Additional funding adjustments to the LB Recovery Act were made as part of the Adopted Fiscal Year 2022 (FY 22) Budget and periodic adjustments have been brought to the City Council as needed. Since then, over 80 programs have been developed with collective impact and equity in mind focused on the three main funding categories: Healthy and Safe Community, Economic Recovery, and Securing Our City's Future. Additional information can be found on the LB Recovery Act website: <https://longbeach.gov/recovery>.

### **Micro-Transit Electric Shuttle Program**

One of the proposed LB Recovery Act Economic Recovery programs is the Micro-Transit Shuttle Program (Program) intended to service two areas in the City: Downtown-Alamitos Beach and Belmont Shore-Alamitos Bay Landing. The City of Long Beach (City) released Request for Proposals (RFP) PW22-067 for the Micro-Transit: Electric Shuttle Program on May 2, 2022 to seek a vendor to operate the Program. The RFP was advertised in the Long

Beach Press-Telegram on May 5, 2022, and 1,498 potential proposers specializing in micro-transit shuttle programs were notified of the RFP opportunity. Of those proposers, 23 downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing) <<http://www.longbeach.gov/purchasing>>. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 43 local, minority-owned, and women-owned business groups. There was one proposal received on May 25, 2022. The one proposer was not a Minority-owned Business Enterprise (MBE), Women-owned Business Enterprise (WBE), certified Small Business Enterprise (SBE), or Long Beach vendor (Local). The selection committee determined that Circuit Transit, Inc. (Circuit), of West Palm Beach, FL (none), was qualified to provide the services.

Circuit, formerly The Free Ride, operated a similar shuttle program in Downtown Long Beach during a pilot program in 2018. Established in 2011, Circuit has 11 years of experience operating electric shuttle services in over 40 communities across 9 states. The national company has operated in Southern California since 2013 within Los Angeles, Orange, and San Diego counties. Circuit has developed a mobile app to facilitate ride requests, provide customer service, and collect data related to service performance.

Circuit's six-passenger all-electric vehicles will ferry riders between businesses, points of interest, services, and public parking lots within each service area. The shuttles will initially be in operation within both service areas during the afternoon and evening each Thursday through Sunday, with the option to adjust service in the future at the City Manager's discretion. Each service area will have one ADA-accessible vehicle available during operating hours.

The goals of the Program include reducing short car trips, encouraging visitors to "park once" during their visit (e.g., minimize the use of private cars to drive within each service area), reducing the demand for on-street parking, promoting nearby underused public parking lots, improving connections to existing mass transit, and stimulating the local economy by better circulating visitors throughout the corridor. The City can expand the Program with additional funding as more areas are identified and included as part of the City's Economic Recovery efforts.

The contract will be for a period of two years for a total amount of \$1,140,000. The contingency amount of \$200,000 will be used to expand the Program with additional shuttle vehicles, days, and/or hours if demand is strong.

Circuit will be responsible for the operation and maintenance of its vehicles and the hiring and management of its staff. Circuit will provide City staff with a monthly report that summarizes ridership activity and Program performance to date. Circuit will provide its own vehicle storage and charging in the Belmont Shore-Alamitos Bay Landing service area, and the City will provide vehicle storage and charging within the Downtown-Alamitos Beach service area.

## Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. Through outreach, 142 micro-transit vendors were notified to submit proposals, of which 2 downloaded and none submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Lauren Misajon on August 31, 2022, and Business Services Bureau Manager Tara Mortensen and by Recovery Budget Officer Dee Okam on September 6, 2022.

City Council action to adopt Specifications RFP PW 22-067 is requested on September 13, 2022, to ensure the contract is in place expeditiously.

The total cost of the Project is estimated at \$1,601,724, which includes the contract award of \$1,140,000, a contingency of \$200,000, and additional funding set aside for staff time, LB Recovery Act administration costs, marketing, and project oversight. The LB Recovery Act has identified \$1,151,400 for the Micro and Public Transit Pilot Program under the Micro Transit Sub-Program. The LB Recovery Act funding currently budgeted in the General Fund Group in the Public Works Department. For administration efficiency and for reporting and auditing purposes, the LB Recovery Act funding source for this program is the General Fund Group based on funds made available as a result of the City's approval to using the majority of federal ARPA funds to maintain existing City Services in compliance with the U.S. Department of Treasury's Final Rule, thereby freeing up General Fund monies for the LB Recovery Act Programs. This project is also supported by Los Angeles County Proposition A Funding (Prop A). An appropriation increase in the amount of \$2,052,048 is requested in the Capital Projects Fund Group in the Public Works Department. Of this amount \$450,324 will be offset by Prop A funding. The remaining is a technical appropriation to allow for the transfer of \$450,324 of Prop A and \$1,151,400 of General Fund to the Capital Projects Fund Group in the Public Works Department. This recommendation is anticipated to have no staff impact beyond the normal budgeted scope of duties and is consistent with existing City Council Priorities. It is anticipated that there will be a positive impact on local jobs because the Program is expected to improve customer movement within each service area, and Circuit staff will likely be hired locally from the Long Beach area.

Approve recommendation.

ERIC LOPEZ  
DIRECTOR OF PUBLIC WORKS

APPROVED:

THOMAS B. MODICA  
CITY MANAGER