

# Fare Integration Task Force

February 24, 2020

Agenda Item 4a

## Contract – Project Technical Support – Fare Coordination / Integration Study and Business Case – Steer (Not to Exceed \$888,231)

**Subject:** A request for recommendation that the MTC Administration Committee approve a contract award with Steer to provide professional planning and analytical support, and to conduct user experience research for the Fare Coordination/Integration Study and Business Case in an amount not to exceed \$888,231.

**Background:** In October 2019 the Commission approved an allocation of \$599,839 in Regional Measure 2 (RM2) funds from the RM2 Integrated Fare Structure Program (RM2 project #34) to support the development of a Bay Area transit Fare Coordination/Integration Study and Business Case. The study seeks to propose changes to the Bay Area’s transit fare policies as a way to improve the passenger experience and grow transit ridership across the Bay Area. The study is being managed jointly by MTC and BART.

### Procurement Process

Between November 20, 2019 and January 8, 2020 MTC conducted a Request for Proposals (RFP) for consultant technical support as well as to conduct user experience research as a part of the study. The RFP was posted on MTC’s website and an e-mail advertising the opportunity was sent to 2,730 individuals and firms. The RFP materials were download from MTC’s online procurement portal by 61 firms. On December 4, 2019 MTC hosted a Proposers’ Conference which was attended by 15 firms.

MTC received three qualified proposals, led by Cambridge Systematics, LTK Engineering Services, and Steer. Each of these firms’ proposals were supported by a team of sub-consultants which included for Cambridge Systematics: Jacobs, Urban Labs LLC, and Corey, Canapary & Galanis; for LTK Engineering Services: EMC Research, Inc, George Naylor, and TMD; and for Steer: Arup, BMI, Deutsche Bahn Engineering & Consulting USA, Martin Powell, OXD, and Rebel Group.

A panel of 12 members comprised of staff from MTC, BART, AC Transit, Caltrain, Golden Gate Transit/Ferry, SamTrans, San Francisco Municipal Transportation Agency, Santa Clara Valley Transportation Authority, Solano County Transit, and the Napa Valley Transportation Authority performed an initial evaluation and then held an interview to score the proposals based on the evaluation criteria below:

<b>Evaluation Criteria</b>	<b>Steer</b>	<b>Cambridge Systematics</b>	<b>LTK Engineering Services</b>
Qualification and Experience 40 points	34.42	34.25	27.00
Approach and Work Plan 40 points	34.67	31.33	22.42
Cost Effectiveness 15 points	12.42	10.67	10.08
Price 5 points	4.92	4.93	5.00
Small Business Enterprise 5 bonus points	0	0	0
<b>Total</b>	<b>86.42</b>	<b>81.18</b>	<b>64.5</b>

Based on its evaluation, the panel recommends the team led by Steer. A number of identified strengths led to the panel's recommendation, including:

- A highly qualified team with demonstrated experience and qualifications in the areas of expertise in fare policy as sought in the RFP;
- Extensive experience conducting user experience research and translating that research into meaningful insights to guide fare policy development and evaluation;
- A project director with proven fare policy experience and a project management plan to manage risk; and
- A team with a depth of knowledge and appropriate staff expertise about fare policy in both the Bay Area and internationally.

Neither Steer, Cambridge Systematics, nor LTK Engineering Services claimed any points as registered small business enterprises. As a result all firms were awarded zero points through MTC's Small Business Enterprise Pilot Program.

**Issues:**

**User Experience Research**

When the Commission approved the allocation of RM2 funds for the study in October 2019 it placed a condition on the allocation directing staff to report back to the Commission on the proposed "user research approach and additional resources that may be needed to expand the breadth of that work at the time of contract award action in early 2020."

Steer's proposed user research approach relies on OXD, a Vancouver, Canada based firm specializing in design-based policy research, as the lead sub-consultant for user experience research in the study. OXD has done similar work for TransLink, Vancouver's transit operator, for TransLink's Fare Review project over the last several years.

The user research tasks in the RFP include both a required task which focuses on understanding how users would react to proposed alternative fare policies/structures as well as how fare policy creates barriers to transit usage, plus an optional task to allow proposers to describe additional user research tasks which they believe would help the project achieve its overall objectives. This scoping approach intends to both supplement key study findings and ensure effective competitive bidding for this component of the project. Given the limited budget for the study, constrained by the RM2 allocation, staff felt it was important to allow firms the option of proposing more extensive user research, beyond the constraints of an approximately \$600,000 study budget. All proposers were evaluated by the selection panel based on their responses to both the required and optional user research tasks.

Steer and OXD's proposed user research within the study budget includes extensive transit user and non-user interviews at various locations around the region. Their approach would use the feedback from the interviews to help guide the development of alternative fare policies which will be examined through the study.

Should an additional \$288,234 be made available for the project OXD would dramatically expand the breadth of user research to include a variety of innovative methods including experience mapping, customer personas, co-creation of fare products with customers, testing and prototyping, workshops, etc.

Based on the Steer proposal and the creative and novel approach proposed by OXD, staff are recommending that the study proceed with the optional user research tasks and will be recommending the use of \$288,234 in RM2 marketing funds, subject to the MTC budget process, to support the additional user research tasks proposed by Steer, bringing the total study budget to an amount not to exceed \$888,231.

**Recommendation:** Staff recommends that the Fare Integration Task Force recommend that the MTC Administration Committee authorize the Executive Director or designee to negotiate and enter into a contract with Steer not to exceed \$888,231 for professional planning and analytical support, and to conduct user experience research for the Fare Coordination/Integration Study and Business Case, subject to the agency's operating budget approval process for future fiscal years beyond Fiscal Year 2019-20.

**Attachment:** None



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Michael Eiseman, Director of Financial Planning, BART



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William Bacon, Policy and Financial Analyst, MTC