



SACOG Board of Directors

Item #13-1-9
Action

January 10, 2013

Connect Card Transit On-Board Passenger Survey Award

Issue: The Transit Coordinating Committee and Connect Card Program Management Committee, representing a Consortium of seven transit operators and SACOG, is recommending that a contract for on-board transit surveys for all seven systems be awarded to Transit Marketing, LLC.

Recommendation: The Strategic Planning Committee recommends that the Board award the on-board transit survey contract to Transit Marketing, LLC, and delegate authority to the Chief Executive Officer to negotiate and execute a final contract in an amount not to exceed \$350,000.

Committee Action/Discussion: The on-board transit survey project is funded separately from the Connect Card project budget and falls within the adopted Overall Work Program (OWP) budget total for this work. In August 2012, the Board approved the on-board passenger survey project for a total amount of \$450,000, using two streams of Federal Transit Administration (FTA) 5307 monies. Currently, the funding is pending FTA approval, and staff requests the Board approve the contract under the condition staff will wait to issue a Notice to Proceed until FTA has provided final authorization. Approval is anticipated by Board date or soon thereafter.

The project was recommended to the Board by the Transit Coordinating Committee (TCC) and SACOG staff. The project requires specialized consultants to develop and administer the surveys, and consultant costs were expected to be approximately 80 percent (\$360,000) of the total amount, with the remaining 20 percent (\$90,000) used for staffing coverage. This staff recommendation is to award the project contract to Transit Marketing, LLC in an amount not to exceed \$350,000, leaving approximately \$100,000 for staff work and related expenses.

Survey Project: The project involves conducting passenger surveys twice; the first survey is scheduled to be conducted in the spring of 2013 (prior to Connect Card implementation) and the second survey in the spring of 2014 (after the introduction). Each survey will be comprehensive in nature, including all participating bus and light rail lines throughout the region, and data will be collected from approximately 15,000 passengers during each of the two phases. The transit operators recommend the on-board survey as it will provide several benefits, including 1) a tool for guiding and evaluating the implementation of the Connect Card, 2) assisting with future fare policy changes, 3) addressing federal Title VI reporting requirements, and 4) providing each agency with market research data (demographics, usage characteristics, and satisfaction data) to guide their own additional planning, marketing and operations efforts.

Proposals: SACOG released a Request for Proposals (RFP) on October 1, 2012, that was advertised to companies locally and nationwide. On-board transit surveying is a unique, niche field, and SACOG received four proposals from the following companies: EMC Research (based in Oakland, CA), NuStats Research (based in Austin, TX), SDC Research (based in Farmington, UT), and Transit Marketing, LLC (based in Tucson, AZ). All contractors proposed hiring local residents to conduct on-board transit surveys.

Evaluation: The proposals were reviewed and evaluated by an evaluation committee made up of staff from Sacramento Regional Transit and SACOG. The SDC proposal was determined to be unqualified, and in November, the three remaining bidders were interviewed. The interviews were followed by formal proposal scoring. The proposal evaluation committee unanimously determined that Transit Marketing's proposal offers the best value for the Connect Card on-board transit survey project.

Recommendation: Transit Marketing is recommended to be awarded a contract to conduct two separate on-board transit surveys, pre- and post-Connect Card implementation, and will be responsible for all aspects of the survey planning, data collection and analysis effort. The Transit Marketing team has conducted similar market research studies for public transit agencies throughout the country, and has extensive experience in the local area, conducting an on-board survey for Sacramento Regional Transit in 2006, and working with El Dorado Transit, Yuba-Sutter Transit and e-tran on various projects, as well as with SACOG and the Consortium on the Connect Card branding effort. Transit Marketing specializes in this field and proposes to provide the Consortium with both top quality data collection services and a level of analysis and presentation that go well beyond the norm in the transit industry.

EMC is a public issue opinion research, marketing and strategy consulting agency and has experience working in the Bay Area and with SMUD. Although the firm proposed a significantly lower cost (\$273,098) than the other two competitive firms, EMC proposed an approach that does not adequately satisfy the needs of the project. NuStats is a full-service survey research consultancy firm whose experience in the Sacramento region includes conducting SACOG's 2006 regional on-board transit survey and using a subcontractor that participated in SACOG's universal fare card feasibility study. This firm's proposal (\$339,606) did not include nearly the customer service, project management, overall organization, data analysis, or data presentation offered by Transit Marketing. Overall, both EMC and Nustats have very limited experience in the Sacramento area, with the Connect Card project, and do not specialize in this unique, niche industry.

Project Background: The Connect Card is a regional electronic transit fare system that will allow patrons to conveniently purchase fares in advance, seamlessly pay onboard bus fare and light rail fare at stations, and easily transfer between transit systems using one smart card. The Connect Card is anticipated to increase transit ridership across the region. The implementation of the Connect Card is being completed through a Consortium that includes SACOG and seven different transit operators (Sacramento Regional Transit District, El Dorado Transit, Elk Grove Transit, Folsom Stage Lines, Roseville Transit, Yolo County Transportation District, and Yuba-Sutter Transit).

The following documents are attached: Transit Marketing, LLC company description (Attachment A); a summary of the procurement process (Attachment B); the on-board transit survey project description (Attachment C); the project budget (Attachment D); and work schedule (Attachment E). The final contract documents are subject to further refinements.

Approved by:

Mike McKeever
Chief Executive Officer
MM:gg
Attachments

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Company Profile

Transit Marketing, LLC

Selena Barlow, owner and manager of Transit Marketing, LLC works exclusively within the public transportation industry. She has more than 30 years' experience working with transportation agencies throughout the nation. The 27 year-old firm operates on a team model, working closely with an established network of independent contractors who provide market research, marketing and planning services to public transit agencies.

For this project, Ms. Barlow will contract with Dr. Hugh Clark, founder of CJI Research Corporations. Since the early 1990s, Transit Marketing and CJI Research Corporation have collaborated to conduct market research studies for transit agencies throughout the United States. This 36 year old firm specializes in market research for public and non-profit agencies, particularly in the fields of public transportation and healthcare. While the scope of work of their projects varies, many include onboard data collection and analysis similar to that desired by SACOG. Their project team is made up of a small group of highly experience transit research and planning specialists.

Knowledge of SACOG, the Consortium and the Connect Card

Transit Marketing has an in-depth knowledge of SACOG, the Connect Card program and all of the systems involved. Ms. Barlow and Dr. Clark have previously worked with SACOG and its member systems on the Connect Card branding efforts and on a long range regional transit plan. In addition, Transit Marketing has worked individually with Regional Transit, El Dorado Transit, Yuba-Sutter Transit and e-tran on various projects. In 2006, Transit Marketing conducted a comprehensive survey of Regional Transit riders.

Expertise in on-board passenger surveys

Over the past decade, the Transit Marketing team has conducted on-board passenger surveys for more than two dozen transit agencies. Many of these have been in major metropolitan areas such as Kansas City, Columbus, Westchester County (NY), and Sacramento. Others have been in smaller communities such as Eugene, Ann Arbor, Durham and Merced. This project will involve surveying in a variety of environments ranging from urban Sacramento, to suburban Elk Grove to small town Marysville. This team brings to the project an understanding of how to work seamlessly in all of these environments and how to insure that the resulting products meet the needs of each system and community.

Understanding of the transit environment, operations and consumer

The firm's work in transit market research, marketing and planning have given them an in-depth understanding of the information transit systems need to collect in order to inform the decisions that must be made.

Use of Local Temporary Agencies

In addition to collaborating with CJI Research Corporation, Transit Marketing will also work with one or more local temporary employment agencies with offices in Sacramento and throughout the region, to recruit surveyors who they will train to conduct the on-board data collection.

Qualifications

Following are project descriptions and references for a sampling of transit research projects completed in the last five years which include on-board data collection and analysis components similar to those required for this project. All of these projects were primed by either Transit Marketing LLC or CJI Research Corporation (with the other as a subcontractor). Each project involved all or most of the proposed team members, performing roles similar to those proposed for this project.

1. Lane Transit District (LTD) Passenger Surveys (1999, 2004, 2007, 2011)

Transit Marketing and CJI have been contracted by LTD in Eugene, Oregon to perform Passenger Surveys in 1999, 2004, 2007 and 2011. Each of the four system-wide surveys has collected detailed information from a sample of approximately 7000 riders. The questionnaires have included origin-destination data, transit usage characteristics, demographics, satisfaction and desired service improvements.

2. Ann Arbor Transportation Authority Passenger & Voter Surveys (2009, 2011)

CJI/Transit Marketing has conducted market research for AATA in Ann Arbor, Michigan in 2009 and 2011. Each study has included an onboard customer satisfaction and needs survey, plus telephone surveys of voters in the service area. The onboard surveys have collected data from more than 3,000 riders and been used to prioritize service improvements.

3. Triangle Transit Authority Passenger Survey (2003, 2010)

In 2009-10 CJI/Transit Marketing conducted a comprehensive on-board passenger survey for this commute-oriented regional transit system in the Raleigh/Durham area. This is a regional system that provides intercity travel by connecting several other systems (Raleigh, Durham, University of North Carolina, and Duke University). Data was collected from more than 2000 riders; the objective of the survey was to provide Triangle Transit with an updated profile of ridership.

**4. Central Ohio Transit Authority
(2010)**

On-board and Community Surveys

CJI Research/Transit Marketing conducted a major onboard passenger survey throughout the COTA system in Columbus, Ohio in 2010. This survey, conducted for COTA's marketing department, provided a comprehensive study of customer satisfaction and preferences for service improvement.

5. Intercity Transit

Multiple Market Research Surveys (2004, 2008)

In 2004 and again in 2008, Transit Marketing and CJI were contracted by Intercity Transit to conduct a market research study that would guide both their marketing and service planning decisions. Each study included three key components: on-board transit surveys, stratified telephone surveys, and employer based email and web surveys of commuters.

**6. Sacramento Regional Transit District
(2006-7)**

Customer & Community Surveys

For Sacramento Regional Transit, Transit Marketing/CJI conducted a multi-component segmentation study which included the following elements: on-board Survey of 2300 light rail and bus riders, survey of 200 RT paratransit users, and a community telephone survey of 2000 households within the RT service area. Transit Marketing has also conducted a number of focus group studies for Sacramento RT, specifically around the topics of security, paying for parking at rail stations and student ridership.

Other closely related expertise includes:

- Transit passenger surveys
- Transit branding, marketing, and market research
- SRTP and service development projects
- Strategic marketing plans, campaigns, and passenger information materials
- Community telephone surveys, focus groups, e-surveys

Summary of Procurement Process

Overview

The Sacramento Area Council of Governments (SACOG) is in the process of soliciting a vendor to develop and implement an on-board transit survey on all seven systems participating in the Connect Card project. SACOG released a Request for Proposals (RFP) on October 1, 2012 seeking an experienced vendor to provide these professional services. A Proposal Evaluation Committee made up of representatives of Regional Transit and SACOG staff recommended the selection of Transit Marketing to a) the Transit Coordinating Committee, who approved the contract on December 11, 2012. The proposed contract would run approximately two years at an estimated value of \$350,000.

Process

SACOG is seeking a professional services contract with a primary vendor through an RFP and public agency procurement process. The RFP design and the conduct of the ongoing selection are guided by SACOG policies. Transparency, consistency, and fairness were the principles that the Evaluation Committee were adhered to at all times.

SACOG received four proposals at the submittal deadline (October 30, 2012). The bidding firms were:

- EMC Research, based in Oakland, CA
- NuStats Research, based in Austin, TX
- SDC Research, based in Farmington, UT
- Transit Marketing LLC., based in Tucson, AZ

All firms except SDC Research propose hiring local residents to conduct on-board transit surveys.

Selection

A sub-committee of the Consortium comprised of staff from Regional Transit and SACOG reviewed and evaluated the submitted proposals. This evaluation panel subjected all proposals to thorough analysis, and unanimously determined SDC Research should not be interviewed. SDC Research did not propose to conduct an on-board transit survey as requested and instead proposed conducting a survey via text messages to a very limited number of residents within the Sacramento region. The review panel determined to interview the other three firms, and interviews were conducted at SACOG on Friday, November 16th.

Following the interviews, the evaluation panel formally scored the firms as follows:

Cumulative Score						
Firm	Understanding of the Tasks (20 points)	Knowledge of the Team (20 points)	Overall and Technical Approach (20 points)	Experience (20 points)	Cost (20 points)	Total Score (100)
EMC Research	15	15	14	14.5	17	75.5
NuStats	12.75	14	13.25	13.75	17.25	71
Transit Marketing	20	19.25	19	19.25	16.5	94

Recommended Firm

Transit Marketing demonstrated they have the best, most strategic and organized approach and the most relevant experience. The firm focuses on marketing and on-board transit surveys, and the team proposed for this project has conducted similar market research studies for public transit agencies throughout the country, including the Sacramento region. They offer SACOG both a proven and effective approach to passenger surveying and a high level of familiarity with SACOG, the Connect Card program and the Consortium member systems.

Conducting transit on-board passenger surveys is one of Transit Marketing's core services. In collaboration with CJI Research Corporation, they routinely conduct on-board surveys to support planning and marketing projects, as well as conducting stand-alone projects. The company's in depth understanding of transit's customer base, operational realities, political environment and planning needs will ensure that Transit Marketing develops, implements, and analyzes surveys that are not only technically sound, but provide the information needed to guide service, marketing and other decisions.

Project Description

During the coming year, SACOG and a consortium of transit agencies within the Sacramento region will be introducing a regional electronic fare card – the Connect Card – which will allow transit users to ride seven transit systems using a single fare instrument. The Connect Card will make using transit to travel throughout the region easier and more seamless. It has the potential to increase both transit ridership and rider satisfaction.

In preparation for the Connect Card introduction, SACOG wishes to contract with a consultant to conduct pre and post implementation surveys of transit users on the seven participating transit systems including El Dorado Transit commuter routes, e-tran, Folsom Stage Lines, Roseville Transit, Sacramento Regional Transit bus and light rail, Yolobus, and Yuba Sutter Transit.

The on-board passenger surveys are to be conducted in the spring of 2013 (prior to Connect Card implementation) and in the Spring of 2014 (after the introduction). Each survey will be comprehensive in nature, including all participating bus and light rail lines throughout the region.

The pre-survey will allow SACOG and the transit agencies to explore and understand a variety of issues relating to the conversion of passengers to the Connect Card.

- Profile the passengers on each system in terms of demographic make-up and transit usage characteristics.
- Explore how passengers currently pay their fare, and how fare payment varies by transit system, by mode (rail/bus), by demographic group and by travel characteristics.
- Understand the Title VI implications of the change – how will low income and minority populations be impacted.
- Understand passenger attitudes and preferences relating to fare payment.
- Provide insight to the communication effort required to convert the region's transit riders from the current array of fare products to the Connect Card.

Post survey will measure changes that have resulted from the Connect Card implementation.

- Duplicate the profile of passengers by system in order to identify changes that have occurred in the demographic make-up or the trip characteristics of the riders.
- Explore how passengers are paying their fares after the implementation, and how that varies by segment.
- Evaluate rider satisfaction with the new fare system.
- Provide data for Title VI reporting.

In addition to providing a tool for evaluating the Connect Card implementation, this project also offers the potential to provide each of the participating transit agencies with market research data to guide their other planning, marketing and operations efforts. The approach proposed for this project will provide SACOG and the Consortium with an accurate reflection of the region's ridership, while also providing each transit agency with a representative and fully-analyzed data set of their own ridership.

General Methodology

The methodology proposed for this project includes four key components:

- The basic methodology for the survey is a self-administered paper survey distributed and collected by well-trained survey staff on-board a representative sample of bus and light rail trips on each of the seven transit systems participating in the Connect Card program. Every passenger 12 or older who boards during a surveyor assignment will be asked to complete the questionnaire. Passengers will be asked to complete the questionnaire only once per transit system. However, if a passenger is surveyed on another system, they will be asked to complete a second questionnaire.
- Each transit system will be treated as a stand-alone sample, with a common questionnaire and approach, in order to insure that findings are representative of and relevant to the individual participants as well as to SACOG and the Consortium as a whole.
- A variety of proven strategies will be utilized to maximize participation among transit riders. The questionnaire will be available in English, Spanish, and any languages requested by transit operators who will pay for additional translations. Special provisions will be made for those with disabilities.
- Data will be analyzed at both the system and regional level to meet the needs of all participants. The complete data set, will be carefully weighted using route -level ridership data to create a composite sample that is representative of the region as a whole.

Transit Marketing will be responsible for all aspects of the survey planning, data collection and analysis effort. The transit agencies will be asked simply to provide operating data for use in creating the survey sample and to cooperate with their team in the data collection effort. SACOG and the Consortium will be asked to review and comment on interim and final products throughout the course of the project.

Connect Card Transit Survey Project Budget

Preliminary Contract Budget with Transit Marketing, LLC

<u>No.</u>	<u>Description</u>	<u>Task Reference</u>	<u>Cost</u>
1	Kick-off meeting to review Title VI requirements & develop survey	1, 2	\$24,150
2	Develop survey implementation procedures, surveying plan, staffing plan, and schedule	3, 4	\$18,592
3	Conduct survey (phase 1)	5	\$85,830
4	Data clean up, compilation, correction, entry	6, 7	\$29,280
5	Analysis and reporting	8, 9	\$26,048
6	Conduct survey (phase 2)	10	\$93,704
7	Data clean up, compilation, correction, entry	11, 12	\$28,200
8	Analysis and reporting	13, 14, 15	\$39,000
9	Contingency		\$5,000
TOTAL			\$349,804

Preliminary Project Schedule

No.	<u>Description</u>	<u>Task Reference</u>	<u>Schedule</u>
0	Kick-off meeting to review Title VI requirements & develop survey	1, 2	Jan – Mar 2013
1	Develop survey implementation procedures, surveying plan, staffing plan, and schedule	3, 4	Feb-Mar 2013
2	Conduct survey (phase 1)	5	Apr-May 2013
3	Data clean up, compilation, correction, entry	6, 7	April-July 2013
4	Analysis and reporting	8, 9	August-Oct 2013
5	Conduct survey (phase 2)	10	Mar-May 2014
6	Data clean up, compilation, correction, entry	11, 12	April-July 2014
7	Analysis and reporting	13, 14, 15	August- Nov 2014