



## Board Report

File #: 2023-0021, File Type: Contract

Agenda Number: 6.

### PLANNING AND PROGRAMMING COMMITTEE APRIL 19, 2023

**SUBJECT: SYSTEM-WIDE ON-BOARD ORIGIN-DESTINATION SURVEY**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a two-year, firm fixed price Contract No. PS91223-2000 to ETC Institute to conduct a system-wide on-board origin-destination survey, in an amount of \$1,495,180, subject to resolution of protest(s), if any; and
- B. EXECUTE a Memorandum of Understanding (MOU) with the Southern California Association of Governments (SCAG) to advance \$500,000 in local funding to complete the Los Angeles County portion of the Household Travel Survey for SCAG regional modeling validation purposes.

#### **ISSUE**

This systemwide on-board origin-destination survey (“OD Survey”) will be conducted to maintain Federal Transit Administration (FTA) compliance for the agency’s travel demand model. The FTA requires agencies in pursuit of Capital Investment Grants funding (New Starts and Small Starts) to conduct customer on-board origin-destination surveys every five years to provide accurate data for each agency’s in-house travel demand forecasting. Board approval of this professional services contract is needed to proceed with the surveying process.

During Metro’s scheduled OD Survey timeline, SCAG also plans on conducting their regional Household Travel Survey to update the information used in their activity-based model, used for their regional planning compliance with federal and state requirements. SCAG has asked Metro to provide a financial contribution for the Los Angeles County portion of their survey collection effort based on past contributions and collaboration.

#### **BACKGROUND**

##### **Metro Travel Demand Model**

Both Metro and SCAG maintain transportation models for forecasting future travel patterns, but they serve different purposes. Metro maintains a travel demand model that is specifically designed to

meet FTA requirements for evaluating current and future transit investments for purposes such as transit shares, project trips, station boardings, system connectivity, VMT reductions, cost benefit analyses, and travel times.

The OD Survey focuses on where the customers are coming from and going to, how they access/egress the system, what routes were taken throughout the trip, car ownership, income level, and purpose of the trip for transit users. Detailed geographic information about customer travel behavior is gathered as well.

### SCAG Model

SCAG's model focuses on household information and all other trip types, particularly vehicles. SCAG last conducted this household survey in 2012 (with State grant funds for surveying the entire SCAG region) to determine the share of auto and non-motorized trips across purposes, time periods, and household income markets. In 2001, the household survey effort was paid for by Metro local funds. SCAG is still in the process of procuring services, so the fixed price is not yet available. Any unspent funds will be refunded to Metro.

## **DISCUSSION**

### Findings

The last system-wide on-board survey was conducted in 2011. Since the last on-board survey, Metro has restructured its service and its fare payment system, as well as experienced a pandemic. These service changes and impacts require a new origin-destination survey. Additionally, results are useful for baseline data when doing the "before" portion of the "before and after" studies mandated by FTA to evaluate New Starts funded projects as they come into service.

### Considerations

Both surveys discussed in this report are needed to update the information available regarding regional transportation use trends, given the significant changes attributed to COVID. In the case of each survey, the existing data is more than a decade old. At least two years are needed to properly collect and evaluate the respective survey responses before the data can be used to recalibrate each model's assumptions for improved future forecasting.

## **DETERMINATION OF SAFETY IMPACT**

This action will not have any impact on the safety of our customers and/or employees because the purpose is only to gather additional data for the benefit of Metro and SCAG planning efforts.

## **FINANCIAL IMPACT**

Funds are available in the current budget for the requested activities.

### Impact to Budget

Funding of \$1,700,000 for professional services is included in the current fiscal year budget (FY23) in cost center 4230, project number 405542. The source of the funds is local (Prop A, C and TDA

Admin funds).

The OD Survey is a multi-year contract; it will be the responsibility of the cost center manager and the Chief Planning Officer to budget funds in subsequent years. Funding for the SCAG Household Survey is currently available in the Technical Services budget. Depending on budget availability and FY24 budget approval, SCAG funding will be advanced in two installments.

### **EQUITY PLATFORM**

The first pillar of the Equity Platform is to define and measure. The OD Survey will provide the data that defines the various trips being taken on the Metro system (including origin and destination information beyond the system). The updated data generated from this effort will help staff more accurately evaluate Equity Focus Communities' (EFCs) access and travel, as well as the travel patterns of riders representing marginalized groups. Specifically, the Metro travel demand model, which will be updated with the OD Survey data, provides analysis of travel times in EFCs, by various modes during different periods of the day.

The second pillar of the Metro Equity Platform framework is to listen and learn. To properly do this, the OD Survey responses collected must include diverse participation, with an emphasis on engaging those most in need of equity to learn as much as possible about how they travel. The scope of work for this contract will require the following actions to be taken to ensure the data is fully representative of transit users:

- The OD Survey will be fielded on all of the rail lines and more than 70 bus lines, each carrying 1,500+ riders a day to gather at least 32,000 responses;
- The contractor will be required to engage individuals not proficient in English by maintaining a field survey team where at least 50% of the members are bilingual in Spanish, plus provide translation services for nine other enumerated languages;
- The contractor will train the surveyors for conflict avoidance with the unhoused customers and proper reach-out skills to Metro customers with disabilities.
- The contractor will be required to properly train staff and incentivize responses (including cash prizes) to ensure meaningful participation, with a focus on engaging those typically facing access to opportunity barriers, the underrepresented, or those less likely to participate based on experiences or perception of institutional biases; and
- The collection and weighting plan will be designed to ensure accurate representation of Metro ridership (including gender, income, car ownership, ethnicity, and limited English proficiency) in how the results/responses are evaluated.

The third pillar of the Equity Platform is to focus and deliver, recognizing Metro's role in delivering equitable outcomes. In support of this goal, the OD Survey contract has a Small Business Enterprise (SBE) commitment of 30.69% participation and a Disabled Veterans Business Enterprise (DVBE) commitment of 3%.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The data that will be collected in the OD Survey will help staff better evaluate mobility options in

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support of Strategic Plan goal 1: Provide high-quality mobility options that enable people to spend less time traveling. Collaborating with FTA and SCAG on each survey effort supports Strategic Plan goal 4: Transform LA County through regional collaboration and national leadership. The updated data will be more reliable and therefore supports Strategic Plan goal # 5: Provide responsive, accountable, and trustworthy governance.

### **ALTERNATIVES CONSIDERED**

Compliance with the FTA requirement for an origin-destination survey every five (5) years was not recommended or feasible during the pandemic. FTA believes that resuming the survey practice this year is reasonable for model validation purposes. FTA has not been concerned about the “past due” nature of Metro’s existing origin-destination survey data because the Metro travel demand model continues to be the FTA’s national standard for evaluating modeling practices and developing innovative sensitivity tests. However, this OD Survey will help maintain Metro’s good standing.

### **NEXT STEPS**

Upon Board approval, staff will execute Contract No. PS91223-2000 with ETC Institute and initiate work for the OD Survey. The work will begin during the current fiscal year and will complete within two years. Staff will also execute an MOU with SCAG to advance funding for their survey efforts, which are scheduled to commence in the fall of 2023.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - DEOD Summary

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Stephanie N. Wiggins  
Chief Executive Officer

**PROCUREMENT SUMMARY**

**2023 ON-BOARD SYSTEM-WIDE ORIGIN-DESTINATION SURVEY/PS91223-2000**

|    |   |   |
|----|---|---|
| 1. | <b>Contract Number: PS91223-2000</b>  |   |
| 2. | <b>Recommended Vendor:</b> ETC Institute  |   |
| 3. | <b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E<br><input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order |   |
| 4. | <b>Procurement Dates:</b>   |   |
|    | <b>A. Issued:</b> November 17, 2022   |   |
|    | <b>B. Advertised/Publicized:</b> November 17, 2022  |   |
|    | <b>C. Pre-Proposal Conference:</b> November 30, 2022  |   |
|    | <b>D. Proposals Due:</b> December 27, 2022  |   |
|    | <b>E. Pre-Qualification Completed:</b> In Process   |   |
|    | <b>F. Conflict of Interest Form Submitted to Ethics:</b> January 3, 2023  |   |
|    | <b>G. Protest Period End Date:</b> April 25, 2023   |   |
| 5. | <b>Solicitations Picked up/Downloaded:</b><br><p style="text-align: center;">25</p>   | <b>Bids/Proposals Received:</b><br><p style="text-align: center;">2</p> |
| 6. | <b>Contract Administrator:</b><br>Yamil Ramirez Roman   | <b>Telephone Number:</b><br>(213) 922-1064                              |
| 7. | <b>Project Manager:</b><br>John Stesney   | <b>Telephone Number:</b><br>(213) 922-6893                              |

**A. Procurement Background**

This Board Action is to approve Contract No. PS91223-2000 issued in support of the collection of information on origin-destinations, trip purposes, and demographics of Metro’s customers. This data will enable Metro to understand the existing customer travel patterns and demographics. The data will also enable the creation of observed transit trip tables for use in calibrating and validating the Metro travel forecasting model. Board approval of contract awards are subject to resolution of any properly submitted protest(s).

The Request for Proposals (RFP) was issued in accordance with Metro’s Acquisition Policy and the contract type is a firm fixed price. The RFP was issued with a Small Business Enterprise (SBE) goal of 30 percent and a Disabled Veteran Business Enterprise (DVBE) goal of 3 percent. It was also subject to the Local Small Business Enterprise Preference program, which awards a bonus of 5 preference points for the utilization of local small business firms. This solicitation is a re-issue after an initial solicitation (RFP No. PS91223) under the Small Business Enterprise Set-Aside Program failed to produce any qualified, responsive proposals.

Two (2) amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on November 28, 2022 clarified the link to Metro’s Small Business Query website;
- Amendment No. 2, issued on December 9, 2022 revised Exhibit A – Scope of Services of the RFP to include an updated Milestone Schedule for the project.

The Amendment also updated Exhibit 7 – List of Completed Contracts, increasing the time requirement from 5 years to 7 years.

A total of 25 firms downloaded the RFP and were included in the plan holder’s list. A virtual pre-proposal conference was held on November 30, 2022, and was attended by 6 participants representing 4 firms. There were 15 questions asked, and responses were released prior to the proposal due date. Two (2) proposals were received on December 27, 2022 from the following firms listed below in alphabetical order:

1. Dikita Enterprises, Inc.
2. ETC Institute

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro’s Countywide Planning & Development Department was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- Experience and Qualifications of the Team and Proposed Personnel 40 percent
- Work Plan/Project Approach 40 percent
- Cost 20 percent
- Local Small Business Enterprise (LSBE) Preference Program 5 percent

The evaluation criteria are appropriate and consistent with criteria developed for other, similar on-board survey services procurements. Several factors were considered when developing these weights, giving the greatest importance to Experience and Qualifications of the Team and Proposed Personnel as well as Work Plan/Project Approach.

During the period of January 9, 2023 to January 17, 2023, the PET independently evaluated and scored the technical proposals. On February 2, 2023 both firms were invited for oral presentations which provided them the opportunity to present their qualifications, and to respond to questions from the PET. Following the oral presentations, the PET submitted final scores based on both the written proposals and input received during oral presentations. On February 13, 2023, the PET determined ETC Institute to be the highest ranked proposer.

## **Qualifications Summary of Firms:**

### **ETC Institute**

ETC Institute, Inc. is a Kansas-based market research firm that works to help local governmental organizations gather data from residents to enhance community planning. The firm demonstrated experience working with public agencies across the United States to administer on-board surveys. ETC has 40 years of experience and has administered surveys in over 1,000 cities since 2010.

ETC demonstrated their knowledge and competence in the technical areas as required in the scope of services and the proposal showcased their capabilities to administer the 2023 On-Board System-Wide Origin-Destination Survey.

ETC's proposal demonstrated extensive experience in fielding origin-destination surveys as well as in-depth knowledge of the Los Angeles County service area. The proposal also highlighted their years of experience working with their subcontractor, Anik Inc. in providing transit surveys. The organizational chart clearly identified the structure and task responsibilities of each team member.

### **Dikita Enterprises, Inc.**

Dikita Enterprises, Inc. (Dikita) is an Engineering and Consulting firm headquartered in Dallas, TX and has been the primary data collectors for Dallas Area Rapid Transit (DART) over the last 30 years. The company's president designed one of the transportation industry's first software applications to effectively capture boarding and alighting data via handheld computers. Dikita put together a team comprised of skilled transit modelers, transit data collection specialists, and software experts to address all key tasks.

Dikita's proposal demonstrated a good understanding of the human dynamics of interviewing respondents and the software used for the surveys would ensure the necessary rigor for data quality. Dikita's proposal did not demonstrate sufficient experience fielding origin-destination surveys and, while it identified a number of issues with this type of project, they did not propose possible appropriate solutions.



A summary of the PET scores is provided below:

| 1  | Firm   | Average Score | Factor Weight  | Weighted Average Score | Rank     |
|----|--|---------------|----------------|------------------------|----------|
| 2  | <b>ETC Institute</b>   |               |                |                        |          |
| 3  | Experience and Qualifications of the Team and Proposed Personnel     | 92.50         | 40.00%         | 37.00                  |          |
| 4  | Work Plan/Project Approach   | 82.50         | 40.00%         | 33.00                  |          |
| 5  | Cost   | 75.68         | 20.00%         | 15.14                  |          |
| 6  | Local Small Business Enterprise (LSBE) Preference Program (Bonus 5%) | 100.00        | 5.00%          | 5.00                   |          |
| 7  | <b>Total</b>   |               | <b>105.00%</b> | <b>90.14</b>           | <b>1</b> |
| 8  | <b>Dikita Enterprises, Inc.</b>                                      |               |                |                        |          |
| 9  | Experience and Qualifications of the Team and Proposed Personnel     | 73.33         | 40.00%         | 29.33                  |          |
| 10 | Work Plan/Project Approach   | 76.68         | 40.00%         | 30.67                  |          |
| 11 | Cost   | 100.00        | 20.00%         | 20.00                  |          |
| 12 | Local Small Business Enterprise (LSBE) Preference Program (Bonus 5%) | 100.00        | 5.00%          | 5.00                   |          |
| 13 | <b>Total</b>   |               | <b>105.00%</b> | <b>85.00</b>           | <b>2</b> |

### C. Price Analysis

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), cost analysis, technical analysis, and negotiations.

Metro staff successfully negotiated a cost savings of \$2,154 from reductions in the proposed overhead and profit.

|    | Proposer Name            | Proposal Amount | Metro ICE          | Negotiated Amount  |
|----|--------------------------|-----------------|--------------------|--------------------|
| 1. | ETC Institute            | \$1,497,334     | <b>\$1,408,085</b> | <b>\$1,495,180</b> |
| 2. | Dikita Enterprises, Inc. | \$1,133,247     |                    |                    |

The variance between the final negotiated price and the ICE is due to the level of effort being underestimated for the following tasks: Task 4 Data Processing and Analysis, Task 5 Provide Data Set, and Task 6 Final Report. The increased level of effort was determined acceptable.

#### **D. Background on Recommended Contractor**

ETC Institute (ETC) is a market research firm with experience fielding over 1,000,000 on-board origin-destination surveys for transit agencies in 41 U.S. states. ETC uses a proprietary survey application that was developed in-house specifically to ensure the highest quality data is collected. The proposed project principal, project manager, programming manager, data manager, and assistant project manager have worked together in their same roles on origin-destination surveys since 2015.

Subcontractor Anik Inc. is a Metro certified SBE national staffing firm based in Los Angeles that has served as a subcontractor to ETC since 2019 and have provided staff for more than twenty survey projects. Subcontractor Sam Scully Staffing is a DVBE staffing firm based in Los Angeles and will provide temporary staff to field the surveys. Subcontractor Insight Transportation Consulting is an SBE firm that will provide ETC with modeling, expansion and analysis support.

ETC has worked on several Metro surveys such as the 2021 Customer Experience Survey, 2020 Telephone Survey and Crenshaw Line Before Intercept Survey, the 2022-23 Customer Satisfaction Surveys, and has performed satisfactorily.

DEOD SUMMARY

SYSTEM-WIDE ON-BOARD ORIGIN-DESTINATION SURVEY/PS91223-2000

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 30% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. ETC Institute exceeded the goal by making a 30.69% SBE and a 3% DVBE commitment.

|                            |                            |                                  |                               |
|----------------------------|----------------------------|----------------------------------|-------------------------------|
| <b>Small Business Goal</b> | <b>30% SBE<br/>3% DVBE</b> | <b>Small Business Commitment</b> | <b>30.69% SBE<br/>3% DVBE</b> |
|----------------------------|----------------------------|----------------------------------|-------------------------------|

|                             | <b>SBE Subcontractor</b>          | <b>% Committed</b> | <b>LSBE</b> | <b>Non-LSBE</b> |
|-----------------------------|-----------------------------------|--------------------|-------------|-----------------|
| 1.                          | Anik, Inc.                        | 29.16%             | X           |                 |
| 2.                          | Insight Transportation Consulting | 1.53%              |             | X               |
| <b>Total SBE Commitment</b> |                                   | <b>30.69%</b>      |             |                 |

|                              | <b>DVBE Subcontractor</b>     | <b>% Committed</b> | <b>LSBE</b> | <b>Non-LSBE</b> |
|------------------------------|-------------------------------|--------------------|-------------|-----------------|
| 1.                           | Sam Scully Staffing Solutions | 3%                 | X           |                 |
| <b>Total DVBE Commitment</b> |                               | <b>3%</b>          |             |                 |

**Local Small Business Preference Program (LSBE)**

ETC Institute, a non-LSBE prime, subcontracted at least 30% of its contract value with LSBE firms and was eligible for the preference.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.