Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2023-0438, **File Type:** Contract **Agenda Number:** 19.

EXECUTIVE MANAGEMENT COMMITTEE
JULY 20, 2023

SUBJECT: ADVERTISING & COMMUNICATION SERVICES CONTRACT

ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute Modification No. 1 to Contract No.PS71009000 with Civilian, Inc. for advertising and communication services in the amount of $1,500,000, increasing the base contract value from $1,738,469 to a not-to-exceed amount of $3,238,469.

ISSUE

Metro's marketing communications team develops and implements campaigns to grow ridership and promote agency initiatives including those related to equity and safety. A current priority is to grow ridership to pre-pandemic levels, leveraging the growth of the rail system (including the K Line and Regional Connector station openings), continued service updates and improvements, fare program initiatives including the GoPass and LIFE programs, and sports and entertainment events that are so prevalent in Los Angeles. With this opportunity comes the need for expanded media purchasing and marketing services. Metro contracts with Civilian, Inc., for these services, however, a contract modification is required to fund the work that Metro requires through May 30, 2024, the end of the base term.

BACKGROUND

In April 2021, Civilian was awarded a multi-year contract for advertising & communications services in the not-to-exceed amount of $1,738,469 for the three-year base term, plus $614,064 for a one-year option, for a total not-to-exceed contract value of $2,353,073. This contract was awarded amidst the uncertainty of the Covid-19 pandemic during which the focus was on rider education about pandemic-related safety and related service changes.

Since then, the focus expanded to support Metro’s ridership and safety efforts, including the K Line and Regional Connector openings, LIFE and reduced fare programs, bus operator recruitment, Go 511 campaigns and Eat Shop Play.

Civilian currently supports Metro campaigns by developing paid media/advertising strategies, purchasing print, digital, and broadcast media/advertising, conducting CBO outreach, engaging social media influencers to amplify our social media efforts, optimizing marketing investments, and identifying new marketing communications channels to promote Metro and its priority initiatives.

One example of Civilian's effectiveness is their work on our Low-Income Fare is Easy (LIFE) program. Metro, in collaboration with Civilian-contracted CBOs, has enrolled more than 60,000 people in the LIFE program, increasing participation by 106 percent and significantly outpacing program goals two months ahead of project completion.

DISCUSSION

Now that the pandemic is behind us, the Metro Marketing team has expanded its work with the priority to recover and grow ridership by focusing on youth, lapsed returning office staff, and weekend and choice riders. This strategy requires new and innovative approaches to how we target and communicate to potential riders and deliver messaging in the way our individual riders expect.

The services provided by Civilian through this contract are essential for developing and implementing our marketing communications campaigns. Civilian serves as an extension of our in-house marketing and communications team and stays current on the latest trends, technologies, and audience behaviors which allows them to assist Metro's efforts to develop effective outreach strategies quickly.

Metro is currently working with Civilian on several high-profile marketing communications campaigns including the introduction of Fare Capping, the continued growth of adoption and use of the GoPass (including summer and back to school), and Summer Ridership (#METRO2DTLA) campaigns that will inspire and entice Angelenos and visitors to Go Metro for leisure and fun - in addition to work.

Campaigns will also educate our riders about our new fare structure and safety initiatives, build support for Metro projects and increase positive sentiment about Metro.

FINANCIAL IMPACT

The Marketing Department will reallocate $1,500,000 of its FY24 Budget from several operating projects to project number 306005, Public Affairs, under cost center number 7140, Marketing, to support this Modification.

Since this is a multi-year contract, the cost center manager and the Chief Customer Experience Officer will be accountable for budgeting the cost in future years, including any option exercised.

Impact to Budget

The funding sources for this action include Proposition A 35%, C 40%, C 5%, Measure R 20%, Measure M 20%. Transportation Development Act (TDA) 4%, State Transit Assistance (STA) and local grants. These funds are eligible for bus and/or rail operating expenses.

EQUITY PLATFORM

Metro currently contracts with Civilian, a woman-owned, DBE, and SBE, full-service marketing communications agency specializing in raising awareness and promoting action among diverse, hard -to-reach audiences, as well as the general public.

Civilian has prioritized Metro's commitment to reaching underserved and communities of color by employing culturally relevant marketing and communication materials. Our media strategy development process focuses on intentional engagement with these diverse communities by utilizing in-language community publications, social media platforms, radio, and streaming services, as well as utilizing Metro's own channels and printed materials.

Civilianis exceeding Metro's goals by actively contributing to the Diversity & Economic Opportunity Department's (DEOD) 22% Small Business Enterprise (SBE) goal and demonstrates the real-life, tangible economic opportunity created through the involvement of small businesses.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support all the following goals by ensuring our audiences are aware of our mobility options and affordable access options, as well as increasing trial and repeat ridership consideration by increasing self-efficacy and decreasing negative perceptions removing barriers to ridership. In addition, the current #METRO2DTLA campaign further enforces our regional collaboration with local partners.:

1. Provide high-quality mobility options that enable people to spend less time traveling
2. Deliver outstanding trip experiences for all users of the transportation system
3. Enhance communities and lives through mobility and access to opportunity
4. Transform LA County through regional collaboration and national leadership

ALTERNATIVES CONSIDERED

The Board may request staff procure a separate advertising & communication services contract. This alternative is not recommended as it would result in a lengthy pause and gap in our marketing efforts, which would be detrimental to our ability to meet our ridership, equity, and access to mobility goals. In this case, all the services would fall to the internal Metro team, which is not adequately staffed to handle the workload nor equipped with the specialized skills to perform the depth and breadth of services. In this scenario, this internal shortfall would create delays, overburden staff, and potentially jeopardize the timing affecting approximately a dozen programs for at least six to nine months.

Without this contract modification, Metro will not be able to purchase media/advertising in key publications, on digital platforms and broadcast channels that are vital to generating awareness and driving trial and/or repeat ridership. In addition, Metro will have to reduce CBO outreach that supports our LIFE and reduced fare programs.

NEXT STEPS

Upon Board approval, staff will execute Modification No. 1 to Contract No. PS71009000 with Civilian

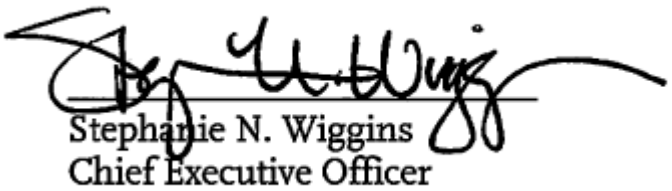
to continue to provide advertising and communication services through the base term.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by: Glen Becerra, Executive Officer, Marketing, 213-418-3264
Monica Bouldin, Deputy Chief, Customer Experience, 213-922-4081
Debra Avila, Deputy Chief Vendor/Contract Management, 213-418-3051

Reviewed by: Jennifer Vides, Chief Customer Experience Officer, 213-922-4060



Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY
ADVERTISING & COMMUNICATION SERVICES/PS71009000

1	**Contract Number:** PS71009000			
2	**Contractor:** Civilian, Inc.			
3	**Mod. Work Description:** Increase contract price for the base term			
4	**Contract Work Description:** Advertising and Communication Services			
5	**The following data is current as of:** 6/29/2023			
6	**Contract Completion Status**		**Financial Status**	
	Contract Awarded:	4/22/2021	**Contract Award Amount:**	$ 1,738,469
	Notice to Proceed (NTP):	N/A	**Total of Modifications Approved:**	$ 0
	Original Complete Date:	5/30/2024	**Pending Modifications (including this action):**	$ 1,500,000
	Current Est. Complete Date:	5/30/2024	**Current Contract Value (with this action):**	$ 3,238,469
7	**Contract Administrator:** Aielyn Dumaua		**Telephone Number:** (213) 922-7320	
8	**Project Manager:** Bunrort Em		**Telephone Number:** (213) 922-5246	

A. Procurement Background

This Board Action is to approve Modification No. 1 to Contract No. PS71009000 to continue to provide advertising and communication services.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate.

In April 2021, the Board awarded a four-year (inclusive of a one-year option) firm fixed unit rate Contract No. PS71009000 to Civilian, Inc. to provide advertising and communication services.

Refer to Attachment B – Contract Modification/Change Order Log for modifications issued to date.

B. Price Analysis

The recommended price has been determined to be fair and reasonable based on firm fixed unit rates that were established and evaluated as part of the competitive contract awarded in 2021.

Proposed Amount	Metro ICE	Recommended Amount
$1,500,000	$1,500,000	$1,500,000

ATTACHMENT B

CONTRACT MODIFICATION/CHANGE ORDER LOG
ADVERTISING & COMMUNICATION SERVICES/PS71009000

Mod. No.	Description	Status (Approved or Pending)	Date	$ Amount
1	Continuation of advertising and communication services during the base term	**Pending**	**Pending**	$ 1,500,000
	Modification Total:			**$ 1,500,000**
	Original Contract:		**4/22/21**	**$ 1,738,469**
	Total:			**$ 3,238,469**

DEOD SUMMARY

ADVERTISING & COMMUNICATION SERVICES/PS71009000

A. Small Business Participation

Civilian, Inc., a Small Business Enterprise (SBE) Prime, made a 100% SBE commitment on this Small Business Prime (Set-Aside) contract. Based on payments, the project is 76% complete and the current participation is 99% SBE.

Small Business Commitment	100% SBE	Small Business Participation	99% SBE

	SBE Subcontractors	% Committed	Current Participation[1]
1.	Civilian, Inc.	100%	99%
	Total	**100%**	**99%**

[1]Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

A review of the current service contract indicates that the Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) was not applicable at the time of award. Therefore, the LW/SCWRP is not applicable to this modification.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

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.

Examples of Multicultural Marketing Creative for Regional Connector and Fare Capping

Regional Connector
Pedestrian Safety ROS Banner Display Ads for Rafu Shimpo and Korea Times

Examples of Multicultural Marketing Creative for Regional Connector and Fare Capping

Metro simplifica sus tarifas

A partir del 1 de julio de 2023, la nueva política de tarifas de Metro simplificará la forma de pagar sus tarifas de autobús y tren de Metro. Obtenga más información sobre los cambios en las tarifas y cómo funciona el limite de tarifas en *metro.net/farecapping*.

Limite de tarifas

Metro introduce el limite de tarifas, una nueva forma de pagar las tarifas de autobús y tren de Metro.

> El limite de tarifas reemplazará a todos los pases de Metro. Con este programa, usted obtendrá los beneficios de un pase sin pagar el costo inicial.

> Cargue valor almacenado (dinero) en una tarjeta TAP para pagar por viaje. Cuando alcanza su límite de 1 o 7 días, puede viajar gratis por el resto de ese día o período de 7 días. Nunca gaste más de $5 en un día o $18 en 7 días. *Consulte la tabla de tarifas a la derecha para conocer los precios de tarifa reducida.*

> Estos cambios facilitarán que todos los que pagan con TAP ganen viajes gratis.

Cambios adicionales en las tarifas

> Una tarifa base para todos los pasajeros de tarifa reducida que reducirá la tarifa base para estudiantes K-12, universitarios o de programas vocacionales a 75¢.

> Una tarifa base para todos los niveles de servicio, por lo que no habrá más cargos adicionales en los servicios de la J Line de Metro ni en los servicios de autobús exprés.

> Los participantes de LIFE elegirán la opción de 20 viajes gratis (incluye 2 horas de transbordos gratis). Después de usar los 20 viajes gratis, se paga por viaje en Metro hasta que alcanze su límite de 1 o 7 días.

Otros beneficios clave

> Los pasajeros seguirán recibiendo 2 horas de transbordos de una ida gratis en Metro con cada viaje pagado con TAP.

> La tarifa base para pasajeros mayores/personas con discapacidades se mantiene en 75¢ en horas pico y 35¢ fuera de horas pico.

Preguntas frecuentes

¿Cuáles son los beneficios del limite de tarifas?

> Usted pagará la tarifa más baja y obtendrá viajes gratis.

> No pagará el costo inicial del pase, ¡solo pagará por viaje!

> Los pasajeros frecuentes tendrán más beneficios. Mientras más viaje, más ahorrará.

¿Quién es elegible?

Cualquier pasajero de Metro con una tarjeta TAP puede participa. Las tarjetas TAP no tienen que registrarse. Si usa efectivo para pagar sus tarifas, cambie a una tarjeta TAP y empiece a obtener viajes gratis.

¿Necesito comprar una nueva tarjeta TAP para obtener los beneficios de la limitación de tarifas?

Su tarjeta TAP actual funciona perfectamente.

¿Dónde puedo comprar y recargar una tarjeta TAP?

> En los autobuses de Metro, pídale al operador que cargue valor almacenado a su tarjeta TAP.

> En línea en *taptogo.net*.

> En la aplicación de TAP, disponible en App Store y en Google Play.

> Por teléfono al 866.827.8646.

> En cualquiera de las casi 1,900 ubicaciones de proveedores de TAP.

> En los centros de atención al cliente de Metro.

> En las máquinas expendedoras de TAP ubicadas en todas las estaciones de tren de Metro y estaciones de J Line y G Line.

¿Cómo sabré cuando haya alcanzado mi límite de 1 día o 7 días?

Cuando pase su tarjeta en la terminal de pago de los autobuses o en el lector de TAP de las estaciones de tren, la pantalla le mostrará cuánto valor almacenado (o efectivo) se deduce o si el viaje es gratis. Podrá encontrar información más detallada, incluido el estado de su limitación de tarifas, en las máquinas vendedoras de TAP, la app de TAP, *taptogo.net* o llamando al número de atención al cliente de TAP al 866.827.8646.

Cambios de tarifas a partir del 1 de julio de 2023

Categoría de pasajero y producto de tarifa	Tarifas actuales	Tarifas a partir del 1 de julio
Tarifa regular		
Tarifa base	$1.75	$1.75
Recargo	75¢	GRATIS
Pase diario o límite diario	$7	$5
Pase de 7 días o límite semanal	$25	$18
Pase de 30 días	$100	No disponible
Pase de 30 días + Zona 1	$122	No disponible
Personas mayores y personas con discapacidades		
Tarifa base	75¢ / 35¢	75¢ / 35¢
Recargo	60¢	GRATIS
Pase diario o límite diario	$2.50	$2.50
Pase de 7 días o límite semanal	No disponible	$5
Pase de 30 días	$20	No disponible
Estudiantes de K-12, universitarios o de programas vocacionales		
Tarifa base para estudiantes de K-12	$1	75¢
Recargo	60¢	GRATIS
Tarifa base para estudiantes universitarios y de programas vocacionales	$1.75	75¢
Recargo	60¢	GRATIS
Pase diario o límite diario	No disponible	$2.50
Pase de 7 días o límite semanal	No disponible	$6
Pase de 30 días para estudiantes de K-12	$24	No disponible
Pase de 30 días para estudiantes universitarios o de programas vocacionales	$43	No disponible
LIFE		
	20 viajes gratis	20 viajes gratis

¿Cuáles programas no se verán afectados por la limitación de tarifas?

GoPass, B-TAP (Pase para Pequeñas Empresas [Small Employer Pass, SEP]), U-Pass/ITAP, Pase para empleados (E-Pass), Access Services, Pase de EZ transit, Juventud en movimiento (Youth on the Move, YOTM), Pase de jurado (Jury Pass), Metro Micro, Metro Bike Share, "Metro 4-ride" para servicios sociales y personas sin hogar, Programa de reducción del condado.

Fare Capping Take-One