



**February 18, 2020**

**To:** Members of the Board of Directors

**From:** Jennifer L. Bergener, Managing Director

**Subject:** Amendment to Agreement for Website Design and Development Services

### **Overview**

On February 21, 2018, the Los Angeles – San Diego – San Luis Obispo Board of Directors approved an agreement with Nansen Inc., formerly known as Making Waves USA, Inc., to provide website design and development services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency for a two-year initial term and three, one-year option terms. An amendment is requested to exercise the first option term effective March 16, 2020 through March 15, 2021.

### **Recommendation**

Authorize the Managing Director to negotiate and execute Amendment No. 6 to Agreement No. L-7-1917 between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and Nansen Inc., to exercise the first option term of the agreement, in the amount of \$301,140, to provide continued website design and development services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency marketing program. This will increase the maximum obligation of the agreement to a total contract value of \$1,048,640.

### **Discussion**

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is responsible for marketing the Pacific Surfliner service to enhance public awareness of the service and increase ridership and revenue.

On February 21, 2018, the LOSSAN Agency's Board of Directors (Board) approved an agreement with Nansen Inc., formerly Making Waves USA, Inc., (Nansen) to provide website design and development services. These services are focused on driving more traffic to PacificSurfliner.com, improving the overall online customer experience, and increasing ridership and revenue. The PacificSurfliner.com website is the start of the online ticket booking journey for thousands of rail riders and refers millions of dollars in ticket sales to Amtrak for purchase.

Under the scope of the agreement, the consultant provides website and digital marketing services as needed for:

- Driving awareness of and consideration for the Pacific Surfliner train service within the online space
- Ongoing maintenance and support for Episerver DXC, the Content Management System (CMS) that powers PacificSurfliner.com
- Increasing ridership, positive brand associations, and visibility of the Pacific Surfliner
- Identifying opportunities and implementing solutions to improve the website user experience and overall customer satisfaction
- Improving the organic visibility of PacificSurfliner.com within key search engine platforms such as Google and Bing
- Referring qualified PacificSurfliner.com visitors to Amtrak.com for ticket purchase

Nansen has performed its obligations well, providing services under the scope of work to support and advance LOSSAN Agency's goals. In order to continue these efforts and based on contractor performance, staff recommends the Board approve an amendment to extend the first option term.

### ***Procurement Approach***

The procurement was originally handled in accordance with LOSSAN Agency's Board-approved policies and procedures for professional services. On February 21, 2018, the LOSSAN Agency's Board approved the award of the agreement with Nansen. The original agreement was awarded on a competitive basis and includes a two-year initial term and three, one-year options. The initial term of the agreement expires March 15, 2020, as described in Attachment A.

The proposed Amendment No. 6 is to exercise the first option term of the agreement through March 15, 2021. Amending this agreement will increase the maximum obligation by \$301,140, bringing the total contract value to \$1,048,640. The contract value projects an estimated \$301,140 in annual costs based on current and historic commitments. This includes additional budget to fund the direct costs of Episerver DXC license and other technology fees. The escalation of hourly rates will remain as originally negotiated. Exercising the first option term will allow Nansen to continue providing website design and development services for the Pacific Surfliner.com and Pacific Surfliner marketing efforts.

### **Fiscal Impact**

The LOSSAN Agency's Board adopted fiscal year (FY) 2019-20 Budget and FY 2019-20 and 2020-21 annual business plan approved by the California State

Transportation Agency (CalSTA) includes \$2,000,000 in state provided marketing funds and the use of \$1,450,000 in remaining marketing funds from prior FYs. The FY 2019-20 adopted marketing budget includes \$100,000 of the \$301,140 increase in contract value that is anticipated to be utilized during the remainder of FY19. The remaining \$201,140 of the increase in contract value is anticipated to be used in FY 2020-21 and is included in the LOSSAN Agency's proposed annual business plan for FY 2020-21 and FY 2021-22. The annual marketing spend will be adjusted to be in alignment with future budget allocations approved by the LOSSAN Agency Board and funded by CalSTA.

***Summary***

Staff recommends the Board of Directors authorize the Managing Director to negotiate and execute Amendment No. 6 to Agreement No. L-7-1917 with Nansen Inc., to exercise the first option term in the amount of \$301,140, for a total contract value of \$1,048,640, for continued website design and development services for the Pacific Surfliner.com and Pacific Surfliner marketing efforts.

***Attachment***

- A. Nansen, Inc., Agreement No. L-7-1917 Fact Sheet

**Prepared by:**



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