



**July 15, 2024**

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

**From:** Jason Jewell, Managing Director 

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

### **Overview**

On March 31, 2023, the Board of Directors approved an agreement with Nansen LLC to provide website design and development services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency for a one-year initial term and two, two-year option terms. Board of Directors' approval is requested to exercise the first option term effective August 1, 2024, through May 15, 2026.

### **Recommendation**

Authorize the Managing Director to negotiate and execute Amendment No. 4 to Agreement No. L-2-0008 between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and Nansen LLC, to exercise the first option term of the agreement, effective August 1, 2024, through May 15, 2026, in the amount of \$596,300, to provide website design and development services. This will increase the maximum cumulative payment obligation to a total contract value of \$970,050.

### **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 March 31, 2023, the LOSSAN Agency's Board of Directors (Board) approved Agreement No. L-2-0008 with Nansen LLC to provide website design and development services to drive more traffic to PacificSurfliner.com, improve the overall online customer experience, and increase 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, Nansen LLC 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 Optimizely, 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.

In addition to the current scope of services, the LOSSAN Agency is requesting that Nansen assume the responsibilities of our Content Management System (CMS), currently provided by Optimizely. Although these services will continue to be executed by Optimizely, they will be managed by Nansen. This arrangement will be outlined as an Other Direct Cost (ODC) from Nansen to the LOSSAN Agency in the price schedule and is included in the proposed contract amendment increase.

Incorporating Optimizely's services into the existing contract with Nansen consolidates the management of essential services required to operate and maintain the Pacific Surfliner website. This change is proposed to enhance efficiency in handling our contracts and streamline operations, thereby potentially reducing overheads and simplifying project coordination.

Nansen LLC has performed its obligations, providing services under the scope of work to support LOSSAN Agency goals. In order to continue these services, and based on the consultant's performance, staff recommend the Board approve an amendment to exercise 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. The original agreement was awarded on a competitive basis and includes a one-year initial term in the amount of \$325,000 and two, two-year option terms. The initial term of the agreement was extended for three months through amendments and expires on July 31, 2024, as shown in Attachment A.

The proposed Amendment No. 4 is to exercise the first option term through May 15, 2026. The budget for this amendment is \$450,000, which is based on current and anticipated usage for continued website design and development services for the Pacific Surfliner marketing program. In accordance with the current agreement, the hourly rates for the first option term will remain the same as originally negotiated. Exercising the first option term will allow Nansen LLC to continue providing website design and development services for the Pacific Surfliner marketing program through May 15, 2026.

#### **Fiscal Impact**

Funding for the first option term of the agreement is included in the Fiscal Year (FY) 2024-25 and FY 2025-26 budgets. However, the actual marketing spend will be adjusted to be in alignment with the funding amounts approved by the California State Transportation Agency for the FY. Future option terms for this agreement will be submitted to the Board for approval in accordance with the LOSSAN Agency procurement policy and included in future FY budget proposals.

#### **Summary**

Staff recommends the Board of Directors authorize the Managing Director to negotiate and execute Amendment No. 4 to Agreement No. L-2-0008 with Nansen, LLC, to exercise the first option term, in the amount of \$596,300, for a total contract value of \$970,050, for continued website design and development services for the Pacific Surfliner marketing program.

#### **Attachment**

- A. Nansen LLC, Agreement No. L-2-0008 Fact Sheet