



Legislation Text

File #: 2018-0033, **Version:** 1

DATE: April 10, 2018

SUBJECT:

RESOLUTION AUTHORIZING THREE TWO-YEAR AGREEMENTS WITH FAIRBANK, MASLIN, MAULLIN, METZ & ASSOCIATES, INC. (FM3); TRUE NORTH RESEARCH, INC.; AND LUTH RESEARCH, LLC TO CREATE AN ORGANIZATION-WIDE POOL OF QUALIFIED CONSULTANTS TO CONDUCT A VARIETY OF AS-NEEDED MARKET RESEARCH CONSULTING SERVICES SUCH AS INTERCEPT, TELEPHONE, OR ONLINE SURVEYS AND/OR OTHER TYPES OF MARKET AND PUBLIC PERCEPTION RESEARCH BEGINNING APRIL 11, 2018 TO APRIL 10, 2020 FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$450,000. FY 2018 EXPENDITURES, IF NEEDED, ARE BUDGETED. ALL FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET.

EXECUTIVE SUMMARY:

This action will authorize as-needed agreements for consumer research services.

In the past year the District has conducted consumer research in the form of intercept surveys, telephone surveys, online surveys, focus groups, and ethnographies in order to inform objectives related to Port branding / public perception and Destination Marketing Campaigns.

In executing these studies, the District has reached its direct negotiation threshold with multiple research firms. Hence, a cross-departmental team initiated the As-Needed Consumer Research Supplier RFQ in order to 1) expand the District's supplier bench and 2) ensure any future market research projects can be executed in a timely manner with vetted firms who understand the District's needs.

Each of the three agreements is for a two-year period. The aggregate total of all agreements will not exceed \$450,000. Fiscal Year 2018 expenditures, if needed, are budgeted. All funds required for future fiscal years will be budgeted in the appropriate fiscal year, subject to Board approval upon adoption of each fiscal year's budget.

Pursuant to Board of Port Commissioners (BPC) Policy No. 110, Procedure for the Administration of Contracts, the District issued a Request for Qualifications (RFQ) on October 26, 2017. The District received 15 submittals, of which 15 were deemed responsive and selected the number of firms for interviews as shown in the table below.

Category	No. of Submittals Received	No. of Firms Interviewed	Selected Firms
As-Needed Consumer Research Consulting Services	15	6	3

Based upon the firms' written statements of qualifications, their interviews and the subsequent decision analysis process, the firms determined to be the highest qualified for the services solicited based on the criteria in the RFQ are listed as follows: Fairbank, Maslin, Maullin, Metz & Associates, INC. (FM3); True North Research, INC.; and Luth Research, LLC.

Upon Board approval, Agreement No. 31-2018SN (Attachment A - FM3), and 32-2018SN (Attachment B - True North), and 33-2018SN (Attachment C - Luth) will be executed.

RECOMMENDATION:

Adopt a Resolution authorizing three two-year agreements with Fairbank, Maslin, Maullin, Metz & Associates, INC. (FM3); True North Research, INC.; and Luth Research, LLC to conduct a variety of as-needed market research consulting services beginning April 11, 2018 to April 10, 2020 for an aggregate amount not to exceed \$450,000. FY 2018 expenditures, if needed, are budgeted. All funds required for future fiscal years will be budgeted in the appropriate fiscal year, subject to Board approval upon adoption of each fiscal year's budget.

FISCAL IMPACT:

Funds for the first three months of this expenditure are included in the applicable project budget within the FY 2017-2018 Marketing & Communication Department budget. Funds required for future fiscal years will be budgeted in the appropriate fiscal year and cost account, subject to Board approval upon adoption of each fiscal year's budget.

COMPASS STRATEGIC GOALS:

The authorization of these as-needed agreements will help the Port further leverage data and insights from local residents and visitors to the tidelands in order to make informed decisions that benefit the people. This agenda item supports the following Strategic Goals:

- A Port that the public understands and trusts.
- A vibrant waterfront destination where residents and visitors converge.
- A Port with a comprehensive vision for Port land and water uses integrated to regional plans.

DISCUSSION:

In order to attain public input and direction on key initiatives, the Port supplements in-house staff with professional consumer research consulting firms that provide specific technical expertise. These consulting firms provide key metrics to better inform decisions for outreach campaigns and be more efficient and effective with these campaigns.

Staff has implemented the process for procurement of consultants in accordance with BPC Policy No. 110. The RFQ for As-Needed Consumer Research Consulting Services was issued on October 26, 2017 and an information exchange meeting was held on November 7, 2017. During the advertisement period, 1373 vendors were notified and 55 vendors registered for the opportunity.

Each agreement is for a two-year period. The aggregate agreement value was determined based on previous consumer research needs and expectation of future workloads. The details of the agreements are as follows:

Category	Initial 2-Year Amount	Optional Annual Extension	Maximum Contract Amount
As-Needed Consumer Research Consulting Services	\$450,000	None	None

Following is a description of the selection process, results and recommendation:

RFQ and Consultant Selection

On December 5, 2017, the District received responsive proposals from 15 firms. The firms are listed alphabetically in the following table.

Firm	Office Location
BBC Research & Consulting	Denver, CO
Beta Research Corp.	Syosset, NY
Competitive Edge Research & Communication, Inc.	San Diego, CA
EMC Research, Inc.	Oakland, CA
Fairbank, Maslin, Maullin, Metz & Associates, Inc. (FM3)	Los Angeles, CA
Fisheye Research, LLC	Santa Monica, CA
Ipsos SMX	Culver City, CA
Luth Research, LLC	San Diego, CA
Majid Khoury Holdings Inc.	Vancouver, BC
PCG Enterprises, Inc. dba Pacific Consulting Group	Redwood City, CA
Probe Research Inc.	San Diego, CA
Q2 Insights, Inc.	Encinitas, CA
Research America, Inc.	Sacramento, CA
Trendsource, Inc.	San Diego, CA
True North Research, Inc.	Encinitas, CA

Qualifications were reviewed by a cross-departmental panel of District staff. Of the 15 firms, 6 were selected for interviews based on their written submittals and interviews were conducted on January 18, 2018. The evaluation panel considered the written submittals, presentations, and responses to interview questions in order to rank the firms based on the criteria established in the RFQ. The three top-ranked firms are described below, along with all firms interviewed in the oral presentations, in the order in which they were ranked:

#1 - Fairbank, Maslin, Maullin, Metz, & Associates, Inc. (FM3) - FM3 and its proposed staff

demonstrated relevant experience and a full scope of methodologies and services working with public agencies including the District as well as numerous other Ports. Their approach was clear, concise, logical, and sophisticated and demonstrated via past project examples that they understood the needs of the District and its stakeholders. In particular, the panel noted that FM3 was the lead firm on a successful visitation study for Del Mar Racetrack that was similar to prospective District projects. With two principals dedicated to the account, in-house data processing, a statistics department, a graphics team for quick turn-around deliverables, and a deep bench of staff that understands the District's unique set of needs, FM3 clearly demonstrated their capability to perform as a full-service research firm.

#2 - True North Research, Inc. - True North Research, Inc. is a well-established full-service firm with recent District experience. Over the course of their 15-year history, they have specialized in public sector clients executing over 1,000 qualitative and quantitative research studies for public agencies. Their approach was thoughtful and well-defined, and included examples of their ability to design innovative studies and to consult through challenging objectives. Additionally, True North Research's projects are managed entirely by their two Principals; ensuring all research studies benefit from the experience of seasoned professionals and have consistency in project management. Their capability to perform was illustrated by their articulate interview presentation, their record and qualifications as a full-service research firm.

#3 - Luth Research, LLC - Luth Research has been in business for over 40 years and in that time has acquired a strong portfolio of clients including the District. Their approach was clear, focused and strategic; highlighting proprietary tools (ZQ Digital Intelligence) and unique expertise (sample panel / community). Luth conducts a range of methodologies, many with a marketing focus, and understands how to deliver actionable insights. Their capability to perform as a full-service research agency was demonstrated by their successful record across a number of diverse methodologies as well as their vast in-house capabilities.

#4 - Competitive Edge Research & Communications, Inc. - Competitive Edge and its proposed staff demonstrated research knowledge however, application to the District and its specific needs was not as clear. Additionally, while they have a mix of clients across various industries, their travel and tourism experience leaned toward economic analysis. Competitive Edge's business examples demonstrated successful experience executing qualitative projects, however there was limited explanation or relevant examples regarding their quantitative capabilities. Furthermore, their quantitative subject matter expert was not an active participant during the oral interview / presentation.

#5 - EMC Research, Inc. - For nearly 30 years, EMC Research has been successfully executing qualitative and quantitative research for a number of public agencies. However, while their experience is extensive, they did not clearly demonstrate a strong understanding of the District's needs. EMC Research's approach was not clear and concise and felt general in nature versus tailored to District. Additionally, while they outlined numerous innovative technologies (geo-fencing, online concepts, etc.), many seemed to still be in-development as opposed to readily available for immediate District applications. Finally, with regards to project management, it was unclear as to who would be dedicated to District projects and as such; did not instill confidence in the firm's abilities.

#6 - PCG Enterprises, Inc. dba Pacific Consulting Group. - While PCG has a long history with Federal agencies over the course of their nearly 40 year history, they lacked examples executing

research for public agencies similar to the District. Additionally, the study examples provided were basic and less complex versus others interviewed. PCG did not demonstrate a clear understanding of the District's needs; their approach was generic and lacked tailoring. While the team was knowledgeable in the various methodologies presented, some seemed out of date and technologies that were presented as unique are widely available in the industry. Finally, PCG did not provide clarity as to how study results and findings would be presented in an actionable manner.

The selection panel found that Fairbank, Maslin, Maullin, Metz & Associates, Inc. (FM3); True North Research, Inc.; and Luth Research, LLC were the highest qualified based on the relevant experience of their staff and firm, approach to the project, capability to perform, and fair and reasonable cost. Based on this analysis, staff concluded the proposed agreements will achieve the best value to the District. Staff recommends the Board adopt a resolution authorizing three two-year agreements with Fairbank, Maslin, Maullin, Metz & Associates, Inc. (FM3); True North Research, Inc.; and Luth Research, LLC for as-needed consumer research consulting services beginning April 11, 2018 to April 10, 2020 for an aggregate amount not to exceed \$450,000.

General Counsel's Comments:

The Office of the General Counsel has reviewed the issues set forth in this agenda and found no legal concerns as presented, and has reviewed and approved the proposed agreements as to form and legality.

Environmental Review:

The proposed Board direction or action, including without limitation, resolution to authorize agreements for as-needed market research consulting services, does not constitute a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because it will not have a potential to result in a direct or indirect physical change in the environment and is, therefore, not subject to CEQA. No further action under CEQA is required.

In addition, the proposed Board direction or action is consistent with Sections 30, 81, and 82 of the Port Act, which allow the Board to promote the maritime and commercial interests by proper advertisement of its advantages, including the use of funds for these purposes. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board direction or action does not allow for "development," as defined in Section 30106 of the California Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required.

Equal Opportunity Program:

Due to limited known sub opportunities, no SBE goal was established for this agreement.

PREPARED BY:

Revekka Balancier

Manager, Marketing & Communications

Attachment(s):

Attachment A: 31-2018SN (FM3 Signed Agreement)

Attachment B: 32-2018SN (True North Signed Agreement)

Attachment C: 33-2018SN (Luth Signed Agreement)