

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 11/14/07		Item Number: <u>A-5</u>	
AGENDA ITEM: Approval of a Professional Services Agreement with Tramutola LLC to Provide Public Education Advisory Services Relating to Proposed Modernization of the City's Utility Users' Tax, and approval of Additional Appropriation of \$20,000 for the Implementation of the Public Education Program			
Contact Person/Dept.: Nick Kimball, Budget & Finance		Phone Number: 310.253.6013	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List 11/07/07			
Department Approval: Marlee Chang (11/08/07)		City Attorney Approval: Carol Schwab (by H. Iker) (11/06/07)	
Fiscal Impact Review: Marlee Chang (11/08/07)		City Manager Approval: Jerry B. Fulwood (11/08/07)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: (1) approve a professional services agreement with Tramutola LLC to provide public education advisory services related to the proposed Utility Users' Tax ballot measure in an amount not-to-exceed \$23,000; (2) approve an appropriation in the amount of \$20,000 from unappropriated reserves to implement the public education program (This budget amendment requires a 4/5th vote of the City Council.); and (3) direct staff to work with the Budget and Finance Subcommittee to develop and implement a public education and information plan. <u>BACKGROUND:</u> On June 18, 2007, the City Council unanimously directed staff to proceed with drafting a proposed ordinance to modernize the communications provisions of the City's Utility Users' Tax (UUT). At that meeting, Council also unanimously approved \$50,000 to retain legal counsel to assist in drafting a modernized ordinance for the ballot and other professional consultants to assist with other related activities (e.g. public opinion research services, and/or public education advisory services). The City retained the legal services of Colantuono & Levin, PC to assist with the development of the draft ordinance. On September 24, 2007, staff presented a proposed draft UUT ordinance (Title 3, Chapter 3.08.200, et seq. of the Culver City Municipal Code) for Council's review. At that meeting, City Council again unanimously approved the proposed modernized ordinance with no additional changes.			

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On October 8, 2007, staff presented the City Council with proposals from public opinion research and education advisory firms to conduct a community poll related to the proposed Utility Users' Tax measure and subsequently develop recommendations for possible public education activities. The City Council approved staff's recommendation to forego a community poll and develop the public education activities in-house.

DISCUSSION:

Subsequent to the October 8th Council meeting, staff met internally and with the Budget and Finance subcommittee to discuss the public education program. As a result of the feedback received from those meetings, staff would like to develop a public education program that is comprehensive and includes not only issues related to the UUT, but also fiscal issues related to other areas such as: economic development and redevelopment; funding for capital projects and Other Post Employment Benefits; and how national, state, and local economic conditions impact General Fund operations. UUT revenue is one component of a larger financial picture and staff believes that the current UUT issue presents the opportunity to educate the public on a myriad of City fiscal issues.

The recommended public education program will expend the initial proposed in-house public education program to a broader program which will also include UUT issues. Staff realizes that an educational program adequately inform the public of the specifics related to the UUT issue should not get lost in this broader education effort. Therefore, staff recommends that a firm with UUT experience assists the City with that portion of the public education program. This will free up staff time to focus on preparing information for the overall public education program, which will include an update of the City's Comprehensive Financial Plan.

During the previous request for proposals for UUT related public opinion research and public education advisory services, Tramutola LLC was ranked by staff as the best choice for public education advisory services because of its positive references and experience working with other cities in a similar situation as Culver City. Tramutola worked with three of the eight cities that presented a modernized UUT ordinance to their voters on November 6th (Benicia, Los Altos, and Ventura). Staff contacted Tramutola to discuss some of Culver City's specific circumstances.

After speaking with Tramutola, staff was provided with a revised proposal to assist with developing a quality public education program (Attachment 1). This proposal suggests a two-phase approach:

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In Phase I of Tramutola's recommended approach (November 2007 – December 2007), they will work with city staff to:

- Assess the political and electoral environment as it relates to the proposed UUT ballot measure;
- Develop a public education plan; and
- Work with staff and legal counsel to develop the ballot measure resolution (which includes the actual ballot question).

In Phase II of Tramutola's recommended approach (January 2008 – April 2008), Tramutola will assist in the execution of the public education plan developed in Phase I.

Due to its experience and understanding of this issue, staff is recommending that City Council award a contract to Tramutola to provide public education advisory services to assist staff with developing the UUT portion of the public education program. Tramutola has structured its fee to reflect the City's ability to retain its services for only one phase, if desired. However, staff recommends that City Council award the contract to include both phases, which will provide staff with the flexibility to use Tramutola's services for both phases, if necessary.

Staff will work to update the Comprehensive Financial Plan and develop a broader public education program. Staff will also be the primary engine to implement all activities related to the public education program. Additionally, staff is requesting that the City Council appropriate an additional \$20,000 to implement the public education program. This includes printing and binding of education materials for distribution to the public, printing and mailing educational brochures and/or flyers, printing announcements and advertisements for meetings with the public, and other miscellaneous costs directly related to the implementation of the public education program. (This budget amendment requires a 4/5th vote of the City Council.)

Staff also recommends that City Council direct staff to work closely with the Budget & Finance Subcommittee to act in an advisory capacity to develop the public education and information plan.

Timeline

If Council authorizes the contract, staff will begin to work with Tramutola and the Budget and Finance Subcommittee immediately upon execution of the service contract. It is anticipated that a public education plan will be presented to City Council within 60 days.

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Pursuant to the recommendation by the Budget & Finance Subcommittee, staff plans to begin implementation of the activities in the public education plan in February 2008.

FISCAL ANALYSIS:

Tramutola LLC is offering its services for \$10,000 per phase, plus approved expenses (e.g. travel). Staff is recommending that City Council authorize funding for both phases, for a maximum total contract amount not-to-exceed \$23,000 (which includes a 15% contingency for approved expenses). On June 18, 2007, City Council approved \$50,000 for services related to drafting a proposed modernized UUT ordinance and placing the ordinance on the ballot. Therefore, there are sufficient funds to cover a professional services agreement for the recommended contract services (10120100.619800).

Legal Services	\$20,000
Public Education Advisory Services	\$23,000
Miscellaneous (e.g. Finance Services)	\$7,000
Total	\$50,000

In addition to the approved \$50,000 appropriation stated above, staff is requesting an additional \$20,000 to implement the public education program (i.e. printing and binding of education materials for distribution to the public, printing and mailing educational brochures and/or flyers, printing announcements and advertisements for meetings with the public, and other miscellaneous costs directly related to the implementation of the public education program). Upon City Council's approval, funding will be transferred from the unappropriated reserves. This budget amendment requires a 4/5th vote of the City Council.)

ATTACHMENT:

1. Tramutola LLC's Proposal

MOTIONS:

That the City Council:

1. Approve a budget amendment to appropriate \$20,000 from unappropriated reserves to implement the public education program. (A budget amendment requires a 4/5th vote of the City Council).; and

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2. Approve a professional services agreement with Tramutola LLC to provide public education advisory services related to the proposed utility users' tax ballot measure in an amount not-to-exceed \$23,000; and,
3. Authorize the City Attorney to review/prepare the necessary documents and authorize the City Manager to execute such documents on behalf of the City; and,
4. Direct staff to work with the Budget and Finance Subcommittee to develop and implement a public education and information plan.