

MEETING DATE: November 14, 2007

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.

ATTACHMENTS

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TRAMUTOLA

THE DISCIPLINE OF WINNING

October 23rd, 2007

Nick Kimball
Sr. Management Analyst
Budget & Finance Division
City of Culver City

Via email: nick.kimball@culvercity.org

***RE: TRAMUTOLA Proposal for Strategic
Planning and Public Information Services***

Dear Nick:

Thank you for your interest in TRAMUTOLA and for taking the time to discuss how we may be able to assist in providing Public Information Services to Culver City regarding the need to update the City's Utility Users Tax.

Culver City is one of the more than 150 California cities that must bring their Utility Users Tax funding mechanism into compliance with current law. Despite the fact that the UUT provides indispensable funding for vital city services, it is our experience that this issue is not widely understood by residents.

After speaking to you last week, David and I discussed Culver City's unique situation and identified several key issues that make this project different from other UUT projects we have worked on. These points were taken into consideration as we developed this proposal.

- **City Council's desire to maintain a tax rate of 11%.** Most UUT update measures reduce the rate and broaden the scope of the tax. This keeps the measure "revenue neutral" and is a major positive for voters.
- **No opinion research.** Defeat of the UUT reduction measure in 2002 indicates there may be some support for maintaining a local UUT. However, a poll would help identify support for *this specific measure* as well as provide direction on messaging.
- **While there is no guarantee of organized opposition, we should plan on it.** Given that Culver City's UUT is the highest in the state, that you are not reducing the rate but still broadening the scope and that you've had "anti-UUT" sentiment in the past, we should build a plan that assumes some kind of organized opposition.
- **No advocacy campaign.** At this point, there is no "YES" campaign for the measure. The facts and benefits of the measure will have to be carried by the public information campaign.

To develop a public information program that accurately informs and educates Culver City voters on the UUT update measure, we believe a more in-depth level of service will be required. Accordingly, we have provided an overview of our proposed scope of services here and we would be happy to discuss any details or questions you may have.

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OVERVIEW OF THE TRAMUTOLA PROCESS

As you know, the City may provide factual information, presented in a fair, balance and unbiased way to voters.

TRAMUTOLA's role will be to help Culver City develop the appropriate UUT update measure, develop and execute a public information program, and to provide ongoing strategic guidance to the City.

Our scope of work will focus on two key phases — Phase I) *the Strategic Planning and Preparation phase*, and Phase II), the *Public Information and Community Engagement phase*.

Phase I – Strategic Planning and Preparation (November 2007 – December 2007)

First, we propose an assessment of the political and electoral environment as it relates to passing a UUT update in Culver City. Next, we will develop a public information plan and work with you and legal counsel to develop the ballot measure resolution. Our priority tasks in this phase could include:

- An analysis of the proposed measure including the specific services that are funded by the UUT and those that will be lost if it is not renewed.
- An analysis of recent ballot measures in Culver City, specifically the UUT recall measure in 2002
- A demographic analysis of projected April 2008 turnout.
- Develop internal communications tools including talking points and an FAQ to guide city staff in discussions with press, citizens, stakeholders, etc. and to ensure a *unified* message is being delivered.
- Review existing city communications channels to determine how they could be utilized in the larger public information program. These might include newsletters, regular newspaper columns, and printed materials distributed throughout the City.
- Develop a detailed public information plan laying out a communications strategy to inform residents on the UUT update measure, a budget and a timeline for Phase II – *Public Information and Community Engagement phase*.
- Develop a targeted list of community leaders and groups to include in the process and develop a communication and presentation strategy for these stakeholder events.
- A review and analysis of the results of the Los Angeles' UUT update measure on the February 5th, 2008 ballot to identify any impact it may have on Culver City's measure.

Working with your Financial Advisors and Legal Advisors we will also assist in:

- Preparing the official 75-word Ballot Statement and Ballot Argument.
- Reviewing resolutions prepared by legal counsel.

Phase II - Public Information and Community Engagement phase (January 2008 – April 8th, 2008)

During the *Public Information and Community Engagement* phase, our goal is to execute the public information plan developed in Phase I that will inform and educate the community on this issue and to work with identified community stakeholders to ensure community leaders are informed on the City's UUT update measure. At the same time we will provide strategic counsel and overall direction as you move towards Election Day. Specific objectives during this phase could include:

- Work with City staff to coordinate city communication efforts to ensure a *unified message* is delivered to voters.
- Work with City Staff to implement the City-funded public information program to inform and educate voters. TRAMUTOLA will help city staff write, design, develop and coordinate production and mailing (as appropriate) of the following public information items:
 - i) A FACT sheet to be handed out for public use.

- ii) Mail: 2-3 pieces of public information mail (depending on resources) to help educate and inform the community on the needs of the city and the benefits that the existing tax helps fund. Such mail may include a Q&A, a description of the impact on specific city services if measure is not approved, or a voter information packet.
- iii) A recorded phone message to be broadcast to Culver city residents informing them of the issue and the measure.
- Assist City Staff to execute a community outreach strategy that may include community meetings to ensure local residents are informed on the City's plan and have an opportunity to provide input and feedback.
- Advise city staff on engaging local stakeholders. Strategies may include direct mail and one-on-one meetings that engage opinion leaders and key community organizations to ensure they are informed of the City's plan and have the opportunity to provide input.
- Assist City Staff in communicating with local news outlets to ensure a unified message is presented to residents. Provide ongoing advice regarding communicating with reporters regarding controversial topics.

TRAMUTOLA CONSULTING FEES

We have organized our fee structure to reflect the two-phase approach outlined in the above scope of services. However, we strongly recommend the City move forward with both Phase I and Phase II in order to ensure that the measure's most critical points are communicated to Culver City residents.

A detailed, informed budget would be developed should we work with the City on this project. We build client projects and budgets collaboratively with our clients and exercise as much flexibility as we possibly can to address their unique needs and requirements

We propose the following professional fees:

Phase I - Strategic Planning and Preparation services

\$10,000
+ Approved expenses

Phase II - Public Information and community engagement services

\$10,000
+ Approved expenses

NEXT STEPS

Obviously time is of the essence. Very quickly we need to agree on the total budget for the project and then develop the necessary materials.

We are excited at the prospect of working with you on this important measure and look forward to getting started as quickly as possible.

In the meantime if you have any questions or need clarification on any aspect of our proposal, please don't hesitate to contact me. You can reach me at 510-658-7003 or by email at bonniem@tramutola.com. I shall look forward to following up with you early next week with a view to getting a contract in place so that we can get started.

Sincerely,

A handwritten signature in cursive script that reads "Bonnie J. Moss". The signature is written in black ink and is positioned above the printed name and title.

Bonnie J. Moss
Executive Vice President &
Chief Operating Officer