

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 12/17/07		Item Number: <u>A-2</u>	
AGENDA ITEM: Approval of the Development of a Public Education Program Relating to the Proposed Modernization of the City's Utility Users' Tax by: 1) Utilizing In-house Staff and Authorizing up to \$9,000 for a Consultant to Provide Graphic Design and Layout Services; 2) Utilizing In-house Staff only; or 3) Approving a Professional Services Agreement with Sidewalk Strategies, A Division of Tramutola LLC, to Provide Public Education Advisory Services			
Contact Person/Dept.: Jeff Muir, Budget & Finance		Phone Number: 310.253.6016	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List: 12/13/07			
Department Approval: Jeff Muir (12/12/07)		City Attorney Approval: Carol Schwab (by H. Baker) (12/11/07)	
Fiscal Impact Review: Jeff Muir (by M. Noller) (12/11/07)		City Manager Approval: Jerry B. Fulwood (12/12/07)	
<u>RECOMMENDATION:</u> Staff recommends the City Council direct staff to work with the Budget and Finance Subcommittee to develop and implement a public education and information plan related to the UUT ballot measure with in-house staff and authorize up to \$9,000 for the use of a consultant to provide graphic design and layout services. <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 professional services related to drafting a modernized ordinance for the ballot. Subsequently, 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. On October 8, 2007, the City Council approved staff's recommendation to forego a community poll and develop the public education activities for the UUT ballot measure in-house. At that time it was indicated that of the \$50,000 allocated for			

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professional services, \$20,000 would be required for legal services and \$30,000 was authorized for the public education program. It has subsequently been determined that the legal costs are closer to \$25,000, leaving \$25,000 available for the public education program.

On November 26, 2007, the City Council had a discussion of utilizing Sidewalk Strategies, a Division of Tramutola LLC, to provide public education advisory services for the UUT ballot measure. This occurred after further internal discussion among staff as well as the Budget and Finance Subcommittee, where it was determined that a more comprehensive educational program should take place. Due to the additional staff time and resources to develop a more comprehensive educational program, a professional firm to assist with the UUT portion would be advisable. Therefore staff changed its recommendation to suggest a professional consultant be engaged. City Council did not take an action on this item and it was requested the matter be brought back after staff had further analyzed the options.

DISCUSSION:

The UUT revenues are approximately 20% of the General Fund budget. The Telecommunications UUT amount is 6% of the General Fund budget. Staff feels it is important to conduct an effective educational program to ensure the public be aware of this information. Although the City staff feels it is capable to develop the program, other work programs will need to be set aside while staff works on this matter. Thus, supplementing staff time with a consultant would be beneficial to the flow of staff's work product. The table below provides some overview pro's and con's of developing the public education materials in-house or by using a professional consultant:

	In-house Staff	Professional Consultant
Pro's:	• Developed materials for 2004 UUT reduction measure.. • Understand Culver City and the relevant issues to residents.	• Significant experience with creating educational programs for UUT. • Decreases time commitment for staff, allowing them to focus on other important projects.
Con's:	• Committed to many other important projects which could create time allocation issues. • Could negatively impact other staff projects.	• Consulting costs in addition to printing and mailing costs for materials developed. • Will need to learn Culver City culture.

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| | <ul style="list-style-type: none">• Time constraints will limit ability to perform a broader fiscal educational program. | |
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Because of the demands of staff's current overall work program and the brief time period available to create and produce the educational program, the City Manager recommends utilizing in-house staff working with the Budget and Finance subcommittee to develop the program and authorize up to \$9,000 for the use of a consultant for graphic design and layout services.

However, the City Council may desire to consider the following two options:

Option 1. Based on (1) the City Council discussions that have taken place to date, the experience of Culver City staff in developing public educational materials gained during 2004, and (2) the access to materials used by other jurisdictions facing the same UUT issue on previous ballots, the City Manager recommends using in-house staff. If this is approved by the City Council, a committee of City staff will be formed to develop a variety of public education materials and activities in conjunction with the Budget and Finance subcommittee. A detailed report of suggested activities and materials will be brought back to City Council in late January or early February.

Option 2. Should the City Council decide to use a professional consultant to develop the public education program, staff will ensure the same deliverables are brought back to City Council in the same time frame. If Council chooses this option, it is recommended that a professional services agreement be authorized for a not-to-exceed amount of \$23,000 with Sidewalk Strategies, a Division of Tramutola LLC. The qualifications and experience of this firm have been discussed on previous reports.

FISCAL ANALYSIS:

On June 18, 2007, City Council approved \$50,000 for professional services related to drafting a proposed modernized UUT ordinance and placing the ordinance on the ballot. Of this amount, \$25,000 is required for legal services already rendered. Regardless of whether the Council elects to use in-house staff or a professional consultant, City Council has already approved a public education program (i.e. printing and binding of educational 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). If City Council

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authorizes the City Manager to use a consultant for graphic layout and design services of up to \$9,000, this amount would be in addition to the \$25,000 approved for the public education program.

If the Council elects to use a professional consultant, Sidewalk Strategies has structured the proposal in such a way that the City does not have to take advantage of all of the services offered in each phase. The City may choose the services that would be most beneficial to the City. If the staff does not utilize all of the services included in the scope of services, the City will not be invoiced the full amount. Sidewalk Strategies is offering their services for \$10,000 per phase, plus approved expenses (e.g. travel), for a maximum total contract amount not-to-exceed \$23,000.

ATTACHMENT:

1. Sidewalk Strategies' Proposal

MOTIONS:

That the City Council:

1. {Staff recommendation} Direct staff to work closely with the Budget and Finance subcommittee to develop and implement a public education program related to the Utility Users' Tax ballot measure with in-house staff and authorize up to \$9,000 for the use of a consultant to provide graphic design and layout services.

OR

2. (Option 1) Direct staff to work closely with the Budget and Finance subcommittee to develop and implement a public education program related to the Utility Users' Tax ballot measure with in-house staff only.

OR

3. (Option 2) a. Direct staff to work with the Budget and Finance subcommittee and a consultant to develop and implement a public education and information plan;

and

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3. b. Approve a professional services agreement with Sidewalk Strategies, a Division of 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. c. Authorize the City Attorney to review/prepare the necessary documents and authorize the City Manager to execute such documents on behalf of the City.