



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Tom Manheim

SUBJECT: TELEPHONE SURVEY
CONTRACT AMENDMENT

DATE: June 3, 2011

Approved

Date

6/7/11

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Amend contract with Fairbanks, Maslin, Maulin, Metz and Associates to extend the term by three years, reduce per survey cost by 3.8%, and increase the contract amount by \$151,500 for a total contract amount of \$552,180 and amend the scope to add three additional surveys to be conducted during the extension.

OUTCOME

Amend contract with Fairbanks, Maslin, Maulin, Metz and Associates (FM3) to conduct three additional Budget Priorities surveys of residents.

BACKGROUND

In 2008 the City conducted a competitive process to select a firm to perform telephone survey work. The successful respondent was Fairbanks, Maslin, Maulin, Metz and Associates (FM3) and a contract was granted to conduct six surveys: 1) three *Budget Priorities* surveys; 2) two *Employee Surveys* to be conducted biennially; and, 3) one *Community Satisfaction Survey* to be conducted in the off-year between the two employee surveys. On June 8, 2010, the contract was amended to allow for additional surveys testing voter attitudes toward various potential revenue measures. The contract with FM3 will expire on June 30, 2011.

ANALYSIS

The current contract provides regular ongoing survey services for the City, including: 1) the annual Budget Priorities survey conducted every January; 2) the Community Satisfaction survey and Employee survey, which have been conducted in alternating years; and, 3) Ballot Measure Surveys as necessary.

On May 24, 2011, the City Council approved the Mayor's Fiscal Reforms recommendations which included direction to staff to "...prepare to survey voters to determine if implementation of these fiscal reforms increases the level of support for a potential tax increase." While the existing contract has sufficient funding to conduct an additional ballot measure survey, the contract term must be extended in order to conduct the survey and report findings at the August 2, 2011 meeting. In addition, while the City Council last year eliminated funding for future Community Satisfaction and Employee surveys, the Community Budget Priorities survey is expected to continue for an additional three years. As a result, the term of the existing contract would be extended three additional years through June 30, 2014.

Since February, 2010, the Administration has been working with all vendors to reduce costs. When the FM3 contract was first amended in 2010 to provide Ballot Measure survey services, the cost of that survey service was reduced. With this amendment, the cost of all other surveys is also reduced by \$2,000 (3.8%) per survey. Consistent with the reduced cost structure, the Budget Priorities survey costs will be:

Survey Length	Cost
15 minutes	\$38,500
20 minutes	\$44,500
25 minutes	\$50,500

Taking the new cost structure into account, the total amount of the FM3 contract would increase by up to \$151,500 to \$552,180. Consistent with past practice, all survey instrument(s) would poll "likely voters" and would be conducted in three languages (English, Spanish, and Vietnamese) and would include a subset of responders who use cell phones as their primary telephone. While the contract amount is being increased sufficient to accommodate three additional Budget Priorities surveys, the decision to conduct future extensions beyond FY2011-12 extensions are subject to annual appropriation. The Budget Priorities surveys are funded through the Council General budget.

EVALUATION AND FOLLOW-UP

A survey will be conducted in late June and July, and the results will be released publicly in time for consideration during the August 2 meeting so that the information is available to the City Council as it considers whether or not to place measures on the November ballot.

PUBLIC OUTREACH/INTEREST

As noted above, there has been much public discussion and debate over budget issues and potential ballot measures. The telephone survey(s) enabled by this action will provide additional information on voter sentiments regarding ballot potential measure(s), as well as future budget decisions. The agreement has been posted on the website for this Council Agenda.

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**

- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

This memorandum has been coordinated with the Office of the City Attorney.

CEQA

Not a project.



TOM MANHEIM
Communications Director

For questions please contact Tom Manheim, Communications Director, at 535-8170.