



Legislation Details (With Text)

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Title: Action on an Agreement with The Lew Edwards Group for Voter Research, Strategic Consulting, and Community Outreach Services Related to Potential Revenue Measures for the November 2022 Ballot and Related Budget Amendment

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Attachments: 1. Agreement with The Lew Edwards Group

Date	Ver.	Action By	Action	Result
12/7/2021	1	Council and Authorities Concurrent Meeting	Approved	

REPORT TO COUNCIL

SUBJECT

Action on an Agreement with The Lew Edwards Group for Voter Research, Strategic Consulting, and Community Outreach Services Related to Potential Revenue Measures for the November 2022 Ballot and Related Budget Amendment

COUNCIL PILLAR

Enhance Community Engagement and Transparency

BACKGROUND

At the 2021 Council Priority Setting Session, information was requested by Council on a potential business tax ballot measure which would update the City's current business tax structure. As part of the May 25, 2021 Budget Study Session and at the June 22, 2021 City Council meeting, staff presented information and a timeline to pursue a measure that could be placed on the November 2022 General Election ballot. At the June 22, 2021 Council meeting, Council directed staff to 1) begin work on a potential November 2022 ballot measure, including exploring other potential revenue measures, and 2) agendize a study session for Fall 2021. This direction was affirmed at the August Council Priority Setting check-in meeting.

On October 19, 2021, a Study Session was held to provide an update on the potential Business Tax ballot measure and other potential revenue measures for the November 2022 ballot. During that Study Session, staff provided an update on the procurement process for consultant services to 1) perform a comprehensive study on the current business tax structure and recommending alternative tax structures/methods in addition to exploring other tax measures; 2) professional polling/public opinion research services; and 3) corporate and community outreach. The recommended agreement with The Lew Edwards Group addresses the professional polling/public opinion research services and the corporate and community outreach components. The City has separately entered into an

agreement with Matrix Consulting Group for the comprehensive study of the business tax and other potential tax measures.

DISCUSSION

Pursuant to City Code Section 2.105.330, a formal request for Statement of Qualifications (SOQ) was conducted for this procurement, with the award recommendation based on “best value”. The factors considered in the award were quality/completeness of proposal, experience, qualifications, technical approach, and cost.

In September 2021, the City released a SOQ for Business Tax and Ballot Measure Consulting Services. The SOQ was published on Periscope S2G (formerly BidSync), the City’s e-procurement system. Firms were allowed to submit a proposal on any or all of the services. A total of 38 companies viewed the SOQ, and proposals were received as follows:

- Business Tax and Other Ballot Measure Evaluation - Two proposals from HdL Companies and Matrix Consulting Group were received, with contract award to Matrix Consulting Group in the amount of \$65,620. The award was pursuant to the evaluation process discussed below.
- Professional Polling/Public Opinion Research Services - Two proposals from Probolsky Research and The Lew Edward Groups were received.
- Corporate and Community Outreach - Three proposals from HdL Companies, Matrix Consulting Group, and The Lew Edward Groups were received.

Evaluation Process: The proposals were independently evaluated by a three-member evaluation team with representation from the Finance Department and the City Manager’s Office. The proposals were evaluated and ranked against the criteria published in the SOQ. Staff recommends contract award for the professional polling/public opinion research and the corporate and community outreach services to The Lew Edwards Group (LEG) based on receiving the highest overall score.

The selected team consists of the following three groups, with LEG as the primary consultant to execute a contract with the City and other members of the team as subconsultants.

- The Lew Edwards Group - a nationally-recognized, award-winning firm specializing in services to local governments, who will serve as Project Lead/Strategic Consultant.
- EMC Research - a full-service opinion research firm that has conducted thousands of highly regarded and cited quantitative research studies. EMC will be responsible for implementing the voter research survey.
- Public Dialogue Consortium (PDC) - a 501(c)3 nonprofit organization with extensive experience in cutting edge, qualitative community dialogue and collaboration. PDC will facilitate the virtual community meeting process.

Summary of Agreement: The maximum compensation under the proposed agreement with LEG is \$217,700, which includes a fee of \$81,600 for project management and strategic consulting services for a 12-month period (\$6,800 per month), a fixed fee of \$59,000 to conduct a public opinion research baseline survey, a not-to-exceed amount of \$25,000 for community and business outreach services,

a not-to-exceed amount of \$42,100 for an optional follow-up tracking survey, and a not-to-exceed amount of \$10,000 for graphic design and/or other services.

As with previous ballot measures, staff anticipates additional services may be needed, such as potentially increasing sample size and length of survey and employing other voter engagement activities. Therefore, staff is requesting authority to execute future amendments for additional services that may be required.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The maximum compensation under the agreement with LEG is \$217,700. It is recommended that the General Fund Budget Stabilization Reserve be used to cover this cost as shown below in the budget amendment.

Budget Amendment FY 2021/22

	Current	Increase/ (Decrease)	Revised
General Fund			
<u>Use of Funds</u>			
Finance Department	\$16,613,472	\$217,700	\$16,831,172
Budget Stabilization Reserve	\$53,840,631	(\$217,700)	\$53,622,931

COORDINATION

This report has been coordinated with the City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to execute an agreement with The Lew Edwards Group to provide voter research, strategic consulting, and community outreach services, with maximum compensation not-to-exceed \$217,700, subject to the appropriation of funds;
2. Authorize the City Manager to execute amendments to the Agreement with The Lew Edwards Group for additional related services that may be required, subject to the appropriation of funds;

and

3. Consistent with City Charter Section 1305, *“At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the **affirmative votes of at least five members** so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget,”* approve the FY 2021/22 budget amendment in the General Fund to allocate funds from the Budget Stabilization Reserve to the Finance Department appropriation in the amount of \$217,700 (**five affirmative Council votes required for the use of unused balances**).

Reviewed by: Kenn Lee, Director of Finance

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Agreement with The Lew Edwards Group