



Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Elizabeth Shavelson, Deputy City Manager

Reviewed by: Joseph Toney, Assistant City Manager

Approved by: Steve McClary, Interim City Manager

Date prepared: May 26, 2022 Meeting date: June 13, 2022

Subject: Amendment to the Professional Services Agreement with FM3 Research

RECOMMENDED ACTION: Authorize the Mayor to execute Amendment No. 1 to the Professional Services Agreement with FM3 in an amount not to exceed \$25,000.

FISCAL IMPACT: Funding in the amount of \$25,000 for this amendment was included in the Adopted Budget for Fiscal Year 2021-2022 in Account No. 100-7003-5100-00 (City Manager Professional Services).

WORK PLAN: This item was included as Item No. 6.c. in the Adopted Work Plan for Fiscal Year 2021-2022.

DISCUSSION: On May 23, the City Council received a report on potential tax measures previously identified by the Council for consideration. The Council reviewed a potential transient occupancy tax increase, the introduction of transaction and use tax and the process to become a charter city in order to be able to impose a documentary transfer tax. At the meeting, Council indicated that it was interested in learning more about a potential TUT measure and, in particular, Council was interested in learning more about how residents feel about a potential TUT measure. One of the most effective ways to gather a wide range of community input in a relatively short amount of time, is through polling.

Given the fast-approaching deadlines to put a question on the ballot for voter consideration in the November 2022 General Election, there is not sufficient time to put out a request for proposal (RFP) for this work.

In November 2021, the City issued a request for proposals (RFP) for community research to gather data related to understanding the community identity of Malibu and Santa Monica area residents. This data was incorporated into the City's feasibility analysis of the proposed reorganization of the Santa Monica Malibu Unified School District into two separate districts that was submitted to the Los Angeles County Office of Education's County Committee on School District Organization in January 2022. The City received three proposals in response to the RFP and, after evaluating the proposals, selected FM3 Research to perform the work. A contract was executed with a cost of services not to exceed amount of \$20,000. This work was successfully completed, and payment has been rendered.

If Council is interested in gathering community interest on a potential TUT ballot measure, it could amend the City's contract with FM3 to conduct community research. FM3 Research is familiar with the City of Malibu and, at this time, bringing in different consultants for this work may cause unnecessary expense and delay. The process would not necessarily result in a lower price for these services if the City were to hire new consultants to perform this work.

FM3 Research submitted a proposal to conduct research to assess support for a potential 0.50% TUT measure. FM3 proposes to design the questionnaire, prepare the sample, reach out to potential respondents, conduct interviews online and via telephone, perform data analysis and reporting. The firm aims to reach 250 Malibu voters likely to cast a ballot in November 2022 and the total estimated cost is estimated to be \$24,750.

ATTACHMENTS: Amendment No. 1 to the Professional Services Agreement with FM3

AMENDMENT NO. 1 TO AGREEMENT

THIS AMENDMENT NO. 1 TO AGREEMENT is made and entered in the City of Malibu on June 13, 2022, by and between the CITY OF MALIBU, hereinafter referred to as City, and FM3 Research, hereinafter referred to as Consultant.

The City and the Consultant agree as follows:

RECITALS

- A. On January 21, 2022, the City entered into an Agreement with Consultant for consulting services for certain projects relating to conducting community research (the "Agreement").
- B. The City desires to amend the Agreement to increase the scope and budget, and Consultant has submitted a proposal for this purpose that is acceptable to the City.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

- 1. Section 1.0 – Scope of the Consultant’s Services, of the Agreement, is hereby amended as set forth in Exhibit B attached hereto.
- 2. Section 4.0 – Compensation for Services, of the Agreement, is hereby amended as set forth in Exhibit B attached hereto and amended to read as follows:

The City shall pay the Consultant for its professional services rendered and costs incurred pursuant to this Agreement in accordance Exhibit A and B. Compensation shall in no case exceed \$45,000.
- 3. The Parties agree that this Amendment will be considered signed when the signature of a party is delivered physically or by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.
- 4. All terms and conditions of the Agreement not amended by this Amendment No. 1 remain in full force and effect.

This Agreement is executed on _____, at Malibu, California, and effective as of June 13, 2022.

CITY OF MALIBU:

PAUL GRISANTI, Mayor

ATTEST:

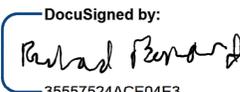
KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY’S OFFICE

JOHN COTTI, Interim City Attorney

CONSULTANT:

DocuSigned by:


By: Dr. Richard Bernard
Title: Partner



TO City of Malibu

FROM Richard Bernard and Lucia Del Puppo
FM3 Research

RE: City of Malibu Sales Tax Measure Research Scope of Work

DATE May 27, 2022

Fairbank, Maslin, Maullin, Metz & Associates (FM3) is pleased to submit this short scope of work to conduct research assessing support among Malibu voters for a half-cent sales tax. Given our extensive experience conducting ballot measure research in Los Angeles County and our recent research conducted on behalf of the City, we are well-positioned to assess the viability of the proposed measure. The balance of this memo describes our research approach and the associated costs.

Project Goals The survey research will assess the viability of a half-cent sales tax and determine voters' top spending priorities for the measure.

Research Methodology Dual-mode voter survey, with interviews conducted online and via telephone (landline and wireless) and respondents contacted via email, text message and phone call.

Research Population & Sample 150-250 Malibu voters likely to cast a ballot in November 2022

Margin of Sampling Error* $\pm 8.0\%$ for a sample of 150 interviews
 $\pm 6.9\%$ for a sample of 200 interviews
 $\pm 6.2\%$ for a sample of 250 interviews

*At the 95% confidence level (i.e., in 95 out of 100 cases)

Questionnaire 15 minutes in length (25-30 individual questions, including demographics)

Deliverables Following the completion of the survey, we will provide:

- A questionnaire for easy reference
- An analysis of survey results in PowerPoint
- A presentation of the survey results (if requested)



FM3 will also be available for ongoing consultation and any further analysis of the research.

Cost

Figure 1 contains the total estimated costs for this research. These prices are comprehensive and include all costs for questionnaire design; sample acquisition and preparation; programming; email and text invitations; survey hosting; telephone interviewing; data entry and analysis; and reporting.

Figure 1: Survey Costs

Sample Size	Cost
150	\$21,750
200	\$23,750
250	\$24,750

We would welcome the opportunity to work with you on this research, and if you have any questions or if there is any further information we can provide, please do not hesitate to contact us. Thank you for your consideration and you may reach us as follows:

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