

**DATE:** January 13, 2009

**TO:** Mayor and City Council

**FROM:** City Manager

**SUBJECT:** Authorize the City Manager to amend the scope of the contract with Sidewalk Strategies; and appropriate the necessary funds.

### **RECOMMENDATION**

That Council adopts the attached Resolutions authorizing the City Manager to expand the scope of services with Sidewalk Strategies, a team of Godbe Research, Inc. and Larry Tramutola, LLC; and appropriating an additional \$120,000 to conduct another in the series of community surveys and to assist the City in implementing a budget communication strategy.

### **BACKGROUND**

Working with the Council Budget and Finance Committee, staff issued a Request for Proposals (RFP) on October 19, 2007 for a "Community Needs Survey & Communication Strategy". The RFP was sent to 25 possible firms. Based on a rigorous interview and selection process, Sidewalk Strategies, a team of Tramutola LLC and Godbe Research, was selected. Staff presented this recommendation to Council on December 19, 2007. Council approved award of the contract to Sidewalk Strategies (Consultant), and approved an appropriation for an amount not to exceed \$70,000. On May 13, 2008, Council approved an extension and change order to that contract, and approved an additional \$75,000 for completion of a Community Satisfaction Survey and related activities.

During the last year, in accordance with contract provisions, the Sidewalk Strategies partnership has completed three (3) items for the City of Hayward: (1) a Community Needs survey in January 2008; and (2) a Customer Satisfaction survey in September 2008. And, using the data provided by the surveys, Sidewalk Strategies has developed (3) a budget communication strategy for the City.

### **DISCUSSION**

Phase I of this contract was the implementation and completion of the Community Needs survey. Phase II of the contract, as approved by Council in May 2008, was to include:

1. A Customer Satisfaction survey to establish a baseline set of data. This survey was conducted in English and Spanish; covered a sample size of 600; and interviews were conducted by phone of a randomly selected slice of the total Hayward population. This survey was conducted in July 2008, with results delivered to the City Manager in September 2008. This

survey now guides the administration in making service delivery decisions and budget recommendations to Council.

2. Community communication and neighborhood engagement. Sidewalk Strategies has assisted staff in developing a communication strategy and identified tools to strengthen communication with the community to assist residents and businesses in Hayward to better understand and interact with their city government.
3. Strategic realignment of resources. The data and feedback received from both the Customer Satisfaction Survey and the community has already been used to refine the alignment of organizational resources to best support building neighborhood partnerships, address the concerns of all segments of the Hayward population, and confirm that Council's priorities are aligned with the community.
4. Reassessment of advisability of, and timing for, proceeding with a revenue-generating ballot measure. The May 2008 report stated, "The consultants will build on the information generated and analyzed through the previous three steps to assess the advisability of proceeding with any revenue-generating ballot measures in upcoming elections. Should this appear to be a possibility, a follow-up poll may be advisable, the cost of which will be in addition to the allocation recommended in this contract addendum."

This is where we are now in the process. As stated above, the consultants, working with staff and with the Council Budget & Finance Committee, are recommending that a follow-up poll is now critical to completing the data needed for taking the final steps in both community education and possible revenue generation. In addition, in order to continue to develop rich data on the needs and priorities of our community, it is imperative to hear from community leaders and key groups. Therefore, Phase IIA also provides for focus groups and two-way communication with a diverse range of residents throughout the community. Therefore, this Change Order is being recommended to Council for approval.

## FISCAL IMPACT

<b>Proposed Phase IIA</b>	Tramutola LLC	<sup>1</sup> \$3,500
	Godbe Research	<sup>2</sup> \$42,000
	Sidewalk Strategies (Tramutola LLC)	<sup>3</sup> \$70,000
	Total Phase IIA (Proposed)	\$115,500
	Contingency/Expense Amount	\$ 4,500
	<b>Total Not-to-Exceed (Proposed)</b>	<b><sup>4</sup>\$120,000</b>

<sup>1</sup> This is for the month of March 2009 only. January and February will be paid out of the previous (Phase II) approved allocation.

<sup>2</sup> This assumes a survey of N=1,000, and that the survey is asking about two separate possibilities between two sub populations both equaling N=500. The same thing may be accomplished with N=800 (400 and 400) at a cost of \$36,000. The Consultant will determine best approach in consultation with the Council Budget & Finance Committee and the City Manager.

<sup>3</sup> This assumes that at least three (3) pieces of communication will occur with the Hayward community. If only two are needed, the price will not exceed \$55,000. Again, the Consultant will determine best approach in consultation with the Council Budget & Finance Committee and the City Manager.

<sup>4</sup> If the lower cost alternatives identified in #3 and #4 above are selected, this total could be as low as \$99,000.

As can be seen from the above table, the total proposed maximum cost of this Phase IIA addendum is \$120,000. The cost of this second Community Needs survey is \$42,000 at N=1,000; the cost of preparing and distributing community communication materials is \$70,000, assuming at least three communication pieces are developed and sent to the community. This \$70,000 includes the cost of conducting additional focus groups and other data-gathering activities, and of analyzing and reporting on the information gleaned from all these activities.

Because Phase II has been built heavily on the information gleaned from the Customer Satisfaction Survey, the cost will continue to be spread across all "service delivery" funds (i.e., those funds that support direct delivery of services such as utilities, as well as the General Fund.)

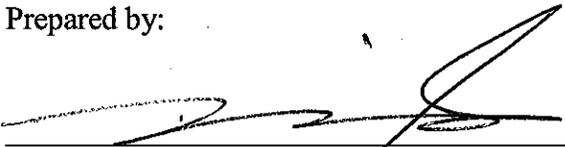
## **PUBLIC CONTACT**

N/A

## **SCHEDULE**

As we are heading into the FY 2010 budget cycle, and given the critical state of the City's finances, it is imperative that staff and Council have a clear understanding regarding the needs, priorities, of our residents and businesses. Therefore, if this amendment is approved, work will start immediately. The critical Council meeting by which decisions must be made related to pursuing any immediate revenue options is March 3, 2009.

Prepared by:



Fran David, Assistant City Manager

Approved by:



Gregory T. Jones, City Manager

Attachment: Draft Resolutions

# DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

*me*

Introduced by Council Member \_\_\_\_\_

*1/7/09*

RESOLUTION AMENDING RESOLUTION 08-097, THE BUDGET RESOLUTION FOR FISCAL YEAR 2008-09, RELATING TO AN APPROPRIATION OF FUNDS FROM THE GENERAL FUND, FUND 100, FOR CONSULTING SERVICES RELATING TO COMMUNITY SURVEYS AND TO ASSIST THE CITY IN DEVELOPING A REVENUE COMMUNICATION STRATEGY

BE IT RESOLVED by the City Council of the City of Hayward that Resolution No. 08-097, as amended, the Budget Resolution for Fiscal Year 2009, is hereby further amended by approving an appropriation of \$120,000, for consulting services relating to community surveys and to assist the City in developing a revenue communication strategy.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2009

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward

# DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

*msl*

Introduced by Council Member \_\_\_\_\_

*1/7/09*

**RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE ADDENDUM TO THE AGREEMENT FOR PROFESSIONAL SERVICES WITH SIDEWALK STRATEGIES**

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to negotiate and execute an addendum to the City's contract with Sidewalk Strategies to provide for the performance of Phase IIA services, more specifically described in the accompanying agenda report, for an amount not to exceed \$120,000, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2009

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward