

PROFESSIONAL SERVICES AGREEMENT
[Budget Priority and Revenue Survey]

THIS PROFESSIONAL SERVICES AGREEMENT (the “Agreement”) is made at Orange, California, on this ___ day of _____, 2023 (the “Effective Date”) by and between the CITY OF ORANGE, a municipal corporation (“City”), and FAIRBANK, MASLIN, MAULLIN, METZ & ASSOCIATES, INC. (FM3), a California corporation (“Contractor”), who agree as follows:

1. Services. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to the reasonable satisfaction of City the services set forth in Exhibit “A,” which is attached hereto and incorporated herein by reference. As a material inducement to City to enter into this Agreement, Contractor represents and warrants that it has thoroughly investigated and considered the scope of services and fully understands the difficulties and restrictions in performing the work. The services which are the subject of this Agreement are not in the usual course of City’s business and City relies on Contractor’s representation that it is independently engaged in the business of providing such services and is experienced in performing the work. Contractor shall perform all services in a manner reasonably satisfactory to City and in a manner in conformance with the standards of quality normally observed by an entity providing such services to a municipal agency. All services provided shall conform to all federal, state and local laws, rules and regulations and to the best professional standards and practices. The terms and conditions set forth in this Agreement shall control over any terms and conditions in Exhibit "A" to the contrary.

Jack Morgan, Senior Assistant to the City Manager (“City’s Project Manager”), shall be the person to whom Contractor will report for the performance of services hereunder. It is understood that Contractor’s performance hereunder shall be under the supervision of City’s Project Manager (or his/her designee), that Contractor shall coordinate its services hereunder with City’s Project Manager to the extent required by City’s Project Manager, and that all performances required hereunder by Contractor shall be performed to the satisfaction of City’s Project Manager and the City Manager.

2. Compensation and Fees.

a. Contractor's total compensation for all services performed under this Agreement, shall not exceed SIXTY-FIVE THOUSAND SEVEN HUNDRED FIFTY DOLLARS and 00/100 (\$65,750.00) without the prior written authorization of City.

b. The above compensation shall include all costs, including, but not limited to, all clerical, administrative, overhead, insurance, reproduction, telephone, travel, auto rental, subsistence and all related expenses.

3. Payment.

a. As scheduled services are completed, Contractor shall submit to City an invoice for the services completed, authorized expenses and authorized extra work actually performed or incurred.

b. All such invoices shall state the basis for the amount invoiced, including services completed, the number of hours spent and any extra work performed.

c. Payment shall constitute payment in full for all services, authorized costs and authorized extra work covered by that invoice.

4. **Change Orders.** No payment for extra services caused by a change in the scope or complexity of work, or for any other reason, shall be made unless and until such extra services and a price therefor have been previously authorized in writing and approved by City as an amendment to this Agreement. City's Project Manager is authorized to approve a reduction in the services to be performed and compensation therefor. All amendments shall set forth the changes of work, extension of time, and/or adjustment of the compensation to be paid by City to Contractor and shall be signed by the City's Project Manager, City Manager or City Council, as applicable.

5. **Licenses.** Contractor represents that it and any subcontractors it may engage, possess any and all licenses which are required under state or federal law to perform the work contemplated by this Agreement and that Contractor and its subcontractors shall maintain all appropriate licenses, including a City of Orange business license, at its cost, during the performance of this Agreement.

6. **Independent Contractor.** At all times during the term of this Agreement, Contractor shall be an independent contractor and not an employee of City. City shall have the right to control Contractor only insofar as the result of Contractor's services rendered pursuant to this Agreement. City shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Agreement. Contractor shall, at its sole cost and expense, furnish all facilities, materials and equipment which may be required for furnishing services pursuant to this Agreement. Contractor shall be solely responsible for, and shall indemnify, defend and save City harmless from all matters relating to the payment of its subcontractors, agents and employees, including compliance with social security withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever. Contractor acknowledges that it and any subcontractors, agents or employees employed by Contractor shall not, under any circumstances, be considered employees of City, and that they shall not be entitled to any of the benefits or rights afforded employees of City, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits.

7. **Contractor Not Agent.** Except as City may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, to bind City to any obligation whatsoever.

8. **Designated Persons.** Only those qualified persons authorized by City's Project Manager, or as designated in Exhibit "A," shall perform work provided for under this Agreement. It is understood by the parties that clerical and other nonprofessional work may be performed by persons other than those designated.

9. Assignment or Subcontracting. No assignment or subcontracting by Contractor of any part of this Agreement or of funds to be received under this Agreement shall be of any force or effect unless the assignment has the prior written approval of City. City may terminate this Agreement rather than accept any proposed assignment or subcontracting. Such assignment or subcontracting may be approved by the City Manager or his/her designee.

10. Time of Completion. Except as otherwise specified in Exhibit "A," Contractor shall commence the work provided for in this Agreement within five (5) days of the Effective Date of this Agreement and diligently prosecute completion of the work in accordance with the time period set forth in Exhibit "A" hereto or as otherwise agreed to by and between the representatives of the parties.

11. Time Is of the Essence. Time is of the essence in this Agreement. Contractor shall do all things necessary and incidental to the prosecution of Contractor's work.

12. Reserved.

13. Delays and Extensions of Time. Contractor's sole remedy for delays outside its control, other than those delays caused by City, shall be an extension of time. No matter what the cause of the delay, Contractor must document any delay and request an extension of time in writing at the time of the delay to the satisfaction of City. Any extensions granted shall be limited to the length of the delay outside Contractor's control. If Contractor believes that delays caused by City will cause it to incur additional costs, it must specify, in writing, why the delay has caused additional costs to be incurred and the exact amount of such cost at the time the delay occurs. No additional costs can be paid that exceed the not to exceed amount stated in Section 2.a, above, absent a written amendment to this Agreement.

14. Products of Contractor. The documents, studies, evaluations, assessments, reports, plans, citations, materials, manuals, technical data, logs, files, designs and other products produced or provided by Contractor for this Agreement shall become the property of City upon receipt. Contractor shall deliver all such products to City prior to payment for same. City may use, reuse or otherwise utilize such products without restriction.

15. Equal Employment Opportunity. During the performance of this Agreement, Contractor agrees as follows:

a. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law. Contractor shall ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Contractor agrees to post in

conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

b. Contractor shall, in all solicitations and advertisements for employees placed by, or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law.

c. Contractor shall cause the foregoing paragraphs (a) and (b) to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

16. Conflicts of Interest. Contractor agrees that it shall not make, participate in the making, or in any way attempt to use its position as a consultant to influence any decision of City in which Contractor knows or has reason to know that Contractor, its officers, partners, or employees have a financial interest as defined in Section 87103 of the Government Code. [Contractor further agrees that it shall not be eligible to work as the design/build firm for the project that is the subject of this Agreement.]

17. Indemnity.

a. To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold City, its City Council and each member thereof, and the officers, officials, agents and employees of City (collectively the “Indemnitees”) entirely harmless from all liability arising out of:

(1) Any and all claims under workers’ compensation acts and other employee benefit acts with respect to Contractor’s employees or Contractor’s subcontractor’s employees arising out of Contractor’s work under this Agreement, including any and all claims under any law pertaining to Contractor or its employees’ status as an independent contractor and any and all claims under Labor Code section 1720 related to the payment of prevailing wages for public works projects; and

(2) Any claim, loss, injury to or death of persons or damage to property caused by any act, neglect, default, or omission other than a professional act or omission of Contractor, or person, firm or corporation employed by Contractor, either directly or by independent contract, including all damages due to loss or theft sustained by any person, firm or corporation including the Indemnitees, or any of them, arising out of, or in any way connected with the work or services which are the subject of this Agreement, including injury or damage either on or off City’s property; but not for any loss, injury, death or damage caused by the active negligence or willful misconduct of City. Contractor, at its own expense, cost and risk, shall indemnify any and all claims, actions, suits or other proceedings that may be brought or instituted against the Indemnitees on any such claim or liability covered by this subparagraph, and shall pay or satisfy any judgment that may be rendered against the Indemnitees, or any of them, in any action, suit or other proceedings as a result of coverage under this subparagraph.

b. To the fullest extent permitted by law, and as limited by California Civil Code 2782.8, Contractor agrees to indemnify and hold Indemnitees harmless from all liability arising out of any claim, loss, injury to or death of persons or damage to property to the extent caused by its negligent professional act or omission in the performance of professional services pursuant to this Agreement.

c. Except for the Indemnitees, the indemnifications provided in this Agreement shall not be construed to extend any third party indemnification rights of any kind to any person or entity which is not a signatory to this Agreement.

d. The indemnities set forth in this section shall survive any closing, rescission, or termination of this Agreement, and shall continue to be binding and in full force and effect in perpetuity with respect to Contractor and its successors.

18. Insurance.

a. Contractor shall carry workers' compensation insurance as required by law for the protection of its employees during the progress of the work. Contractor understands that it is an independent contractor and not entitled to any workers' compensation benefits under any City program.

b. Contractor shall maintain during the life of this Agreement the following minimum amount of comprehensive general liability insurance or commercial general liability insurance: the greater of (1) Million Dollars (\$1,000,000) per occurrence; or (2) all the insurance coverage and/or limits carried by or available to Contractor. Said insurance shall cover bodily injury, death and property damage and be written on an occurrence basis.

c. Contractor shall maintain during the life of this Agreement, the following minimum amount of automotive liability insurance: the greater of (1) a combined single limit of One Million Dollars (\$1,000,000); or (2) all the insurance coverage and/or limits carried by or available to Contractor. Said insurance shall cover bodily injury, death and property damage for all owned, non-owned and hired vehicles and be written on an occurrence basis.

d. Any insurance proceeds in excess of or broader than the minimum required coverage and/or minimum required limits which are applicable to a given loss shall be available to City. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of Contractor under this Agreement.

e. Each policy of general liability and automotive liability shall provide that City, its officers, officials, agents, and employees are declared to be additional insureds under the terms of the policy, but only with respect to the work performed by Contractor under this Agreement. A policy endorsement to that effect shall be provided to City along with the certificate of insurance. In lieu of an endorsement, City will accept a copy of the policy(ies) which evidences that City is an additional insured as a contracting party. The minimum coverage required by Subsection 18.b and c, above, shall apply to City as an additional insured. Any umbrella liability

insurance that is provided as part of the general or automobile liability minimums set forth herein shall be maintained for the duration of the Agreement.

f. Reserved.

g. The insurance policies maintained by Contractor shall be primary insurance and no insurance held or owned by City shall be called upon to cover any loss under the policy. Contractor will determine its own needs in procurement of insurance to cover liabilities other than as stated above.

h. Before Contractor performs any work or prepares or delivers any materials, Contractor shall furnish certificates of insurance and endorsements, as required by City, evidencing the aforementioned minimum insurance coverages on forms acceptable to City, which shall provide that the insurance in force will not be canceled or allowed to lapse without at least ten (10) days' prior written notice to City.

i. Except for professional liability insurance coverage that may be required by this Agreement, all insurance maintained by Contractor shall be issued by companies admitted to conduct the pertinent line of insurance business in California and having a rating of Grade A or better and Class VII or better by the latest edition of Best Key Rating Guide. In the case of professional liability insurance coverage, such coverage shall be issued by companies either licensed or admitted to conduct business in California so long as such insurer possesses the aforementioned Best rating.

j. Contractor shall immediately notify City if any required insurance lapses or is otherwise modified and cease performance of this Agreement unless otherwise directed by City. In such a case, City may procure insurance or self-insure the risk and charge Contractor for such costs and any and all damages resulting therefrom, by way of set-off from any sums owed Contractor.

k. Contractor agrees that in the event of loss due to any of the perils for which it has agreed to provide insurance, Contractor shall look solely to its insurance for recovery. Contractor hereby grants to City, on behalf of any insurer providing insurance to either Contractor or City with respect to the services of Contractor herein, a waiver of any right to subrogation which any such insurer may acquire against City by virtue of the payment of any loss under such insurance.

l. Contractor shall include all subcontractors, if any, as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor to City for review and approval. All coverages for subcontractors shall be subject to all of the requirements stated herein.

19. Termination. City may for any reason terminate this Agreement by giving Contractor not less than five (5) days' written notice of intent to terminate. Upon receipt of such notice, Contractor shall immediately cease work, unless the notice from City provides otherwise. Upon the termination of this Agreement, City shall pay Contractor for services satisfactorily

provided and all allowable reimbursements incurred to the date of termination in compliance with this Agreement, unless termination by City shall be for cause, in which event City may withhold any disputed compensation. City shall not be liable for any claim of lost profits.

20. Maintenance and Inspection of Records. In accordance with generally accepted accounting principles, Contractor and its subcontractors shall maintain reasonably full and complete books, documents, papers, accounting records, and other information (collectively, the “records”) pertaining to the costs of and completion of services performed under this Agreement. City and its authorized representatives shall have access to and the right to audit and reproduce any of Contractor’s records regarding the services provided under this Agreement. Contractor shall maintain all such records for a period of at least three (3) years after termination or completion of this Agreement. Contractor agrees to make available all such records for inspection or audit at its offices during normal business hours and upon three (3) days’ notice from City, and copies thereof shall be furnished if requested.

21. Compliance with all Laws/Immigration Laws.

a. Contractor shall be knowledgeable of and comply with all local, state and federal laws which may apply to the performance of this Agreement.

b. If the work provided for in this Agreement constitutes a “public works,” as that term is defined in Section 1720 of the California Labor Code, for which prevailing wages must be paid, to the extent Contractor’s employees will perform any work that falls within any of the classifications for which the Department of Labor Relations of the State of California promulgates prevailing wage determinations, Contractor hereby agrees that it, and any subcontractor under it, shall pay not less than the specified prevailing rates of wages to all such workers. The general prevailing wage determinations for crafts can be located on the website of the Department of Industrial Relations (www.dir.ca.gov/DLSR). Additionally, to perform work under this Contract, Contractor must meet all State registration requirements and criteria, including project compliance monitoring.

c. Contractor represents and warrants that it:

(1) Has complied and shall at all times during the term of this Agreement comply, in all respects, with all immigration laws, regulations, statutes, rules, codes, and orders, including, without limitation, the Immigration Reform and Control Act of 1986 (IRCA); and

(2) Has not and will not knowingly employ any individual to perform services under this Agreement who is ineligible to work in the United States or under the terms of this Agreement; and

(3) Has properly maintained, and shall at all times during the term of this Agreement properly maintain, all related employment documentation records including, without limitation, the completion and maintenance of the Form I-9 for each of Contractor’s employees; and

(4) Has responded, and shall at all times during the term of this Agreement respond, in a timely fashion to any government inspection requests relating to immigration law compliance and/or Form I-9 compliance and/or worksite enforcement by the Department of Homeland Security, the Department of Labor, or the Social Security Administration.

d. Contractor shall require all subcontractors or subconsultants to make the same representations and warranties as set forth in Subsection 21.c.

e. Contractor shall, upon request of City, provide a list of all employees working under this Agreement and shall provide, to the reasonable satisfaction of City, verification that all such employees are eligible to work in the United States. All costs associated with such verification shall be borne by Contractor. Once such request has been made, Contractor may not change employees working under this Agreement without written notice to City, accompanied by the verification required herein for such employees.

f. Contractor shall require all subcontractors or sub-consultants to make the same verification as set forth in Subsection 21.e.

g. If Contractor or subcontractor knowingly employs an employee providing work under this Agreement who is not authorized to work in the United States, and/or fails to follow federal laws to determine the status of such employee, that shall constitute a material breach of this Agreement and may be cause for immediate termination of this Agreement by City.

h. Contractor agrees to indemnify and hold City, its officers, officials, agents and employees harmless for, of and from any loss, including but not limited to fines, penalties and corrective measures City may sustain by reason of Contractor's failure to comply with said laws, rules and regulations in connection with the performance of this Agreement.

22. Governing Law and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California and Contractor agrees to submit to the jurisdiction of California courts. Venue for any dispute arising under this Agreement shall be in Orange County, California.

23. Integration. This Agreement constitutes the entire agreement of the parties. No other agreement, oral or written, pertaining to the work to be performed under this Agreement shall be of any force or effect unless it is in writing and signed by both parties. Any work performed which is inconsistent with or in violation of the provisions of this Agreement shall not be compensated.

24. Notice. Except as otherwise provided herein, all notices required under this Agreement shall be in writing and delivered personally, by e-mail, or by first class U.S. mail, postage prepaid, to each party at the address listed below. Either party may change the notice address by notifying the other party in writing. Notices shall be deemed received upon receipt of

same or within three (3) days of deposit in the U.S. Mail, whichever is earlier. Notices sent by e-mail shall be deemed received on the date of the e-mail transmission.

“CONTRACTOR”

FM3 Research
12100 Wilshire Blvd., Ste. 350
Los Angeles, CA 90025
Attn.: Richard Bernard

Telephone: 310-828-1183
E-Mail: Bernard@FM3Research.com

“CITY”

City of Orange
300 E. Chapman Avenue
Orange, CA 92866-1591
Attn.: Jack Morgan

Telephone: 714-744-2220
E-Mail: jmorgan@cityoforange.org

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures transmitted via facsimile and electronic mail shall have the same effect as original signatures.

[Remainder of page intentionally left blank; signatures on next page]

IN WITNESS of this Agreement, the parties have entered into this Agreement as of the year and day first above written.

“CONTRACTOR”

FAIRBANK, MASLIN, MAULLIN, METZ & ASSOCIATES, INC. (FM3), a California corporation

*By: _____
Printed Name: _____
Title: _____

*By: _____
Printed Name: _____
Title: _____

“CITY”

CITY OF ORANGE, a municipal corporation

By: _____
Daniel R. Slater, Mayor

ATTEST:

Pamela Coleman, City Clerk

APPROVED AS TO FORM:

Nathalie Adourian
Senior Assistant City Attorney

***NOTE:**
-- City requires the following signature(s) on behalf of the Contractor:
-- (1) the Chairman of the Board, the President or a Vice-President, AND (2) the Secretary, the Chief Financial Officer, the Treasurer, an Assistant Secretary or an Assistant Treasurer. If only one corporate officer exists or one corporate officer holds more than one corporate office, please so indicate. OR
-- The corporate officer named in a corporate resolution as authorized to enter into this Agreement. A copy of the corporate resolution, certified by the Secretary close in time to the execution of the Agreement, must be provided to City.

√

EXHIBIT “A”

SCOPE OF SERVICES

[Beneath this sheet.]



TO Tom Kisela, City Manager and Jack Morgan, Senior Assistant to the City Manager
City of Orange

FROM Dr. Richard Bernard, and Adam Sonenshein
FM3 Research

RE: Cost Estimate for City of Orange Resident Budget Priority Survey

DATE October 9, 2023

Fairbank, Maslin, Maullin, Metz & Associates (FM3) is happy to submit this survey research proposal including FM3's background, the firm's relevant experience, proposed summary of research scope and estimated costs to work on behalf of the City of Orange. FM3 understands that the City of Orange is looking for a public opinion research firm to primarily gauge your residents' budget priorities, as well as the viability of one of three possible revenue enhancement mechanisms (sales tax, transient occupancy tax, utility user tax) that could be placed on a future City ballot. Given our experience we believe we are well-suited for this role.

FM3 BACKGROUND

Fairbank, Maslin, Maullin, Metz & Associates (FM3 Research or FM3) has been conducting public policy-oriented opinion research since 1981 on issues of major economic and social concern. As a California-based company, we are a medium-sized research firm with 22 full-time employees working out of our Oakland and Los Angeles offices. The research FM3 conducts goes far beyond simply documenting the knowledge, views, and behaviors of various populations. Rather, our work produces actionable data that provides a strategic roadmap for policy makers and informs community outreach and communication efforts.

Each of the research projects we do is led by one of our six partners, all of whom are nationally respected authorities on public opinion research. As our client, you will have direct access to not only the partner working on your project, but also several other key staff members with advanced degrees in public policy, research methods, and/or extensive experience working in state and local government.

While our firm is not so big that you will wonder whom to call with your questions, we are big enough to have our own in-house data analysis/processing team and graphic design resources. This means we can provide our clients with a level of personal attention and service from firm partners and other senior staff more often associated with much smaller organizations, while also providing rapid project turnaround and more sophisticated data analysis and presentations tailored to client needs that one might expect from larger firms.

FM3 utilizes a variety of research tools designed to address each client's unique circumstances. Some of these tools are quantitative, such as surveys; some are qualitative, such as focus groups; and others fall somewhere in between. In any given year, FM3 conducts more than 300 surveys and 160 focus groups, in addition to providing ongoing consulting for key clients. We also actively monitor methodological developments through our industry's trade association—the American Association for Public Opinion Research (AAPOR)—and continually experiment with newly evolving online and digital research approaches.

FM3 offers a hands-on approach in which one of our partners is engaged in the research every step of the way.

When you work with us, an FM3 partner is always just a phone call away, happy to provide consultation to help keep your projects moving in the right direction.

RELEVANT EXPERIENCE

Local Experience

FM3 has ample experience working in Orange County on behalf of various government agencies to conduct opinion research related to strategic plans, budget priorities, ballot initiatives and/or resident satisfaction surveys, for such cities as Buena Park, Costa Mesa, Dana Point, Fountain Valley, Fullerton, Huntington Beach, Rancho Santa Margarita, San Clemente, San Juan Capistrano, Santa Ana, Westminster and Yorba Linda (see references below).

We have also conducted several projects for the Orange County Transportation Authority (OCTA), the Southern California Association of Governments (SCAG), as well as various community college districts, local school districts and water districts.

References:

Al Zelinka
City Manager
City of Huntington Beach
Phone: 714-536-5202
Al.Zelinka@surfcity-hb.org

Lori Ann Farrell Harrison
City Manager
City of Costa Mesa
Phone: 714-754-5328
LoriAnn@costamesaca.gov

Chet Simmons
City Manager
City of Los Alamitos
Phone: 562-431-3538, ext. 201
csimmons@cityoflosalamitos.org

Christine Cordon
City Manager
City of Westminster
Phone: 714-548-3237
ccordon@westminster-ca.gov

Michael Killebrew
City Manager
City of Dana Point
Phone: 949-248-3513
mkillbrew@danapoint.org

Experience Conducting City Government Surveys

For more than four decades, FM3 has conducted hundreds of resident satisfaction and strategic planning surveys for local governments throughout our home state of California. This research is designed to produce actionable outcomes for clients and inform critical decisions such as those involving resource allocation, public policy, and personnel management. In this work, we have designed questions on a broad and diverse set of issues and have a library of knowledge of how to effectively measure opinions and report what is significant in those findings. We explore awareness and attitudes toward a full range of local issues, including perceptions of overall quality of life; the performance of city government generally and of specific city departments, employees, and services; the management of public funds; how to enhance the public's trust in local government; the quality of city infrastructure; and any other important topics facing the city.

FM3's past clients for these services include the California municipalities of:

Agoura Hills	Dublin*	Irvine	Ontario*	San	Saratoga
Anaheim	El Monte	La Habra	Oakland*	Francisco*	Signal Hill
Bellflower* ¹	Fairfield	Lakewood*	Palo Alto	San Jose*	Southgate
Burbank	Folsom	Larkspur	Pasadena*	San Juan	Stanton*
Camarillo	Fremont*	Lomita	Pleasanton*	Capistrano	Sunnyvale
Capitola*	Grass Valley	Long Beach*	Rancho	San Luis	Torrance*
Carson*	Hawaiian	Los Angeles	Cordova	Obispo	Vallejo
Citrus Heights	Gardens	Manhattan	Rancho Palos	San Ramon*	Ventura
Concord	Healdsburg	Beach	Verdes	Santa	West
Coronado*	Hemet	Millbrae	Rancho Santa	Barbara*	Hollywood*
Chico	Hercules	Milpitas	Margarita	Santa	
Dana Point*	Huntington	Modesto*	Redondo	Monica*	
Del Mar	Beach	Moreno	Beach		
		Valley			

In addition to our work with local governments conducting resident community surveys, FM3 is a leading provider of research for successful public finance ballot measures for cities (and counties and special districts) throughout California. We have provided research and strategic advice for over 600 local finance measures dealing with issues relating to public safety, infrastructure, transportation, parks and open space, utilities, libraries, education, health care, and social services for cities, counties, school districts, and other local and state service providers. In each ballot measure survey, FM3 includes questions to gauge the context of the election, including impressions on quality of life, issue concerns, government performance, and priorities for city improvements. This experience has and will continue to further our understanding of the drivers and barriers to resident satisfaction that informs our research on resident community surveys.

We have worked with some cities over many years, tracking changes over time to questions asked in each year's research, as well as modifying past survey instruments to include questions that are more pertinent to the time. FM3 also compares findings to other data, including from national studies and other cities, where comparison is illustrative. Our vast library of research allows us to examine budget priorities, satisfaction ratings and other

¹ * Denotes agencies for whom FM3 has conducted two or more constituent satisfaction surveys.

resident opinions and compare them with similar communities. These comparisons can be particularly valuable when making policy decisions and studying the decisions made in other jurisdictions on similar issues.

Our city-related research is designed to produce actionable outcomes for clients which include quantitative measurements of current city performance, satisfaction with direct customer service, public support for policies under consideration, and residents' budgetary priorities, as well as a comprehensive analysis of how each of these have evolved over time.

Research Specifications

For this project, FM3 recommends conducting a 20-minute dual-mode (telephone and online) survey among a random sample of likely November 2024 voters within your community. There are approximately 73,320 registered voters in the city who are likely to vote in the November 2024 General Election. Given the size of the population of interest and the fact that the City would like to comparatively explore the viability of three different revenue enhancement measures (sales tax, transient occupancy tax, utility user tax), FM3 recommends a sample size of 900.

The margin of error (at the 95% confidence level) for a sample size of 900 is $\pm 3.3\%$. This means that, in 95 out of 100 cases, the outcome on election day will be within $\pm 3.3\%$ of what our survey data suggested it would be. Since the City would like to treat each measure equally, we would recommend that three random subsamples (each comprising one-third of the total sample) be asked a series of questions associated with one of the three respective ballot measures. The result is that each measure will be comparatively evaluated with a margin of error of $\pm 5.7\%$.

Given the size of the city's Latino population (approximately 26% of likely November 2024 voters), we recommend conducting online and telephone interviews in both English and Spanish. Furthermore, given the fact that approximately four percent of the city's likely November 2024 General Election voters are Vietnamese, we would recommend that the survey is offered on the telephone in Vietnamese as well.

We recommend utilizing three different contact methods (emails, text messages and telephone calls) to provide an array of ways for potential respondents to participate in the survey. Providing multiple forms of contact also helps us engage historically disadvantaged communities that may not have adequate broadband access and/or access to computers or smart phones. Additionally, different demographic groups often have varying communication preferences—some may be more likely to answer a phone call than open an email or text message, and vice versa.

Description of Methodology

The research process will begin with an initial kickoff meeting between FM3 and your project team. This meeting will provide an opportunity for an extensive review of relevant background information and context, as well as a detailed discussion of your objectives for the project.

In designing a survey questionnaire for your city, FM3 will draw from its knowledge of public opinion survey methodology; our comprehensive review of your city's past survey research (including tracking past questions

when appropriate); your current and future objectives and needs; and our own vast library of research on budgetary priority surveys. We will proceed through several drafts, incorporating feedback from your team before each revision, to develop a research instrument that will successfully obtain all the desired information.

FM3 will then pull a random list of voters from the voter file.

Because subsets of the sample will be invited to take the survey online, FM3 will also create initial drafts of emails, and text invitations for your review. All invitations will be tied to a specific address so that only one respondent per address can participate. Based upon the final sample specifications, FM3 will set a target number of interviews to be completed online.

Within several days of the initial invitation distribution, we will examine the demographic and geographic characteristics of the online completes and then begin conducting telephone interviews to balance out the sample and target underrepresented subgroups. Additionally, we will send out a number of text invitations to help reach the overall target number of online completes and complement the other contact methods.

Once the survey is complete, FM3 will generate a report of the survey results in a PowerPoint presentation, including summaries of key findings.

Upon conclusion of the survey project, the City will have received from FM3 each of the documents listed below. All documents can be provided in hard copy or electronic form (or both), depending on your preference.

- ✓ Final survey questionnaire
- ✓ PowerPoint presentation (including key findings, results, conclusions, and actionable recommendations)
- ✓ Presentations of results to staff, councilmembers, or other stakeholders (in person if desired)

Finally, after FM3's final deliverables have been completed, we will remain available to answer follow-up questions and to present results to additional key stakeholders. We view the responses to the survey as an ongoing data resource; if needed, FM3 can conduct further analysis to provide answers to any follow-up questions that may arise.

PROPOSED SUMMARY OF RESEARCH SCOPE AND ESTIMATED COSTS

Research Methodology	Dual-mode, telephone and online survey, with contact of respondents by telephone (cell phones and landlines), email invitations and text message invitations
Survey Universe	Likely November 2024 Voters in the City of Orange
Sample Size	900 respondents
Margin of Sampling Error	±3.3 percent in 95 out of 100 cases for a sample of 900 respondents ±4.5 percent in 95 out of 100 cases for a sample of 450 respondents ±5.7 percent in 95 out of 100 cases for a sample of 300 respondents

Questionnaire Length 20-minute survey, featuring between 55 and 70 unique questions (including battery question items and demographic questions)

Languages Based on an analysis of likely voters, we recommend English, Spanish and Vietnamese telephone interviews; online interviews in English and Spanish only.

Deliverables Following the completion of the survey, FM3 will provide:

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

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

Cost FM3 is prepared to conduct the survey for a not to exceed cost of \$65,750.

This cost is comprehensive, and includes questionnaire design, sample acquisition and preparation, programming, email and text message invitations, online survey hosting in English and Spanish, telephone interviewing in English, Spanish and Vietnamese, data entry and analysis, and reporting.

We are excited to work together on this project. 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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