

Handout for Agenda Item 25

AGENDA: May 5, 2016

TO: Regional Transportation Commission
FROM: George Dondero, Executive Director
RE: Transportation Funding Poll Consultant Agreement

RECOMMENDATION

Staff recommends that the Regional Transportation Commission (RTC):

1. Approve a resolution (Attachment 1) authorizing the Executive Director to negotiate and execute a consultant agreement for a countywide poll of likely voters on local funding options for transportation projects with Fairbank, Maslin, Maullin, Metz & Associates (FM3) for an amount not to exceed \$33,000; and
 2. Direct the Expenditure Plan Ad-Hoc committee to work with staff to oversee development and implementation of the voter survey.
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BACKGROUND

Revenues available to preserve Santa Cruz County's multi-modal transportation system are insufficient to meet the community's needs. This underfunding has led to the deterioration of the local and regional transportation system. Existing transportation revenues make up less than 50% percent of what is required to maintain and improve roads, highways, bridges, sidewalks, bicycle facilities, and public transit to the levels necessary to sufficiently provide for a transportation system that is safe, reliable, and which moves people and goods efficiently.

The RTC has discussed the need for new reliable local revenues for transportation projects, including the maintenance of existing infrastructure and regionally significant projects. The RTC is currently evaluating whether to place a measure on the November 2016 ballot that would raise revenues for the local transportation system.

DISCUSSION

Based on the recommendation of the RTC's Ad Hoc ballot measure committee, the RTC issued a Request for Proposals for a Transportation Funding Survey of Likely Voters in Santa Cruz County. Proposals were due at noon on April 27, 2016. The RTC received responses from one firm. Based on criteria specified in the Request for Proposals (RFP), information from the written proposal and references, staff has found Fairbank, Maslin, Maullin, Metz & Associates (FM3) qualified to conduct the poll.

There are sufficient funds in the RTC planning budget to cover the cost of a poll. Depending on the length of the poll (in minutes) and number of surveys conducted, the cost proposal ranged from \$25,500 for a ten minute poll, to \$28,500 for a fifteen

minute poll of 600 likely voters, plus travel expenses. The larger the number of voters surveyed; the lower the margin of error.

Staff recommends that the RTC approve a resolution (Attachment 1) authorizing the Executive Director to negotiate and execute a consultant agreement with the polling firm Fairbank, Maslin, Maullin, Metz & Associates for an amount not to exceed \$33,000.

Poll Development

Given extremely constrained revenues for transportation projects, it is important to set clear priorities and identify payment strategies to address at least a portion of the significant backlog of transportation system needs. The poll will assist the RTC in determining voter support for a new half-cent sales tax and content of a possible local ballot measure and expenditure plan. The RTC's Expenditure Plan Ad-Hoc Committee has been working with staff and providing recommendations to the RTC associated with the expenditure plan for a potential sales tax measure. The polling results will inform the work of the Expenditure Plan Ad-Hoc Committee and their recommendations to the RTC. Therefore, **staff recommends that the RTC direct the Expenditure Plan Ad-Hoc Committee to work with staff to oversee the development and implementation of the voter survey.**

SUMMARY

The Regional Transportation Commission plans to conduct a poll of Santa Cruz County voters on priorities and local payment strategies to address at least a portion of the significant backlog of transportation system needs. Staff recommends that the RTC authorize the Executive Director to negotiate and execute a consultant agreement with the polling firm FM3 for an amount not to exceed \$33,000, direct the Expenditure Plan Ad-Hoc Committee to work with staff on development and implementation of the poll.

Attachments:

1. Resolution authorizing a consulting agreement
2. FM3 Demonstrated Knowledge and Experience from their proposal

RESOLUTION NO. 22-16

Adopted by the Santa Cruz County Regional Transportation Commission
on the date of May 5, 2016
on the motion of Commissioner
duly seconded by Commissioner

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE
A CONTRACT NOT TO EXCEED \$33,000 TO PERFORM A POLL OF LIKELY VOTERS ON
TRANSPORTATION FUNDING PLANS, PROJECTS AND FUNDING SOURCES

WHEREAS, existing local, state, and federal transportation revenues are insufficient
to address the backlog of transportation system needs;

WHEREAS, there are public opinion research firms who specialize in transportation
funding measures and can assist in crafting a poll that will determine the strength of
support by the voters of Santa Cruz County for various elements of a local transportation
ballot measure and expenditure plan,

BE IT RESOLVED BY THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION
COMMISSION:

1. The Executive Director is hereby authorized to negotiate and execute an agreement
with a Fairbank, Maslin, Maullin, Metz & Associates in an amount not to exceed
\$33,000, to conduct a county wide poll of likely voters to assess support for a local
transportation funding ballot measure.
2. The Executive Director is authorized to negotiate and execute amendments to the
agreement identified above provided that the amendments are within the intended
scope of duties to complete the poll and are consistent with the adopted RTC
budget.

AYES: COMMISSIONERS

NOES: COMMISSIONERS

ABSENT: COMMISSIONERS

ABSTAIN: COMMISSIONERS

ATTEST:

Don Lane, Chair

George Dondero, Secretary

Distribution: RTC Fiscal
RTC Planner

While FM3 maintains a full stable of clients, all staff members identified as project team members in this proposal will remain fully committed throughout the duration of the project and will continue to be available to SCCRTC after project completion to provide additional analysis and presentations of results on an as-needed basis. FM3 considers this opportunity (and, if we are fortunate enough to be selected, this project) to be an extremely high priority for our firm, both because of its size and scope, its high-profile nature and because we value our long-standing relationship providing the highest-quality public opinion research for the SCCRTC.

B. DEMONSTRATED KNOWLEDGE & EXPERIENCE

Experience Conducting Research for the Santa Cruz County Transportation Funding Committee

In May of 2015 FM3 conducted countywide survey research among Santa Cruz County voters for the Transportation Funding Committee, exploring the viability of a potential special transportation tax measure on the 2016 Presidential election ballot. The project was successful, identifying County voters' major priorities for local and regional transportation improvements and outlining a thematic framework for the ballot language of a future measure as well as associated public outreach efforts. In addition to gauging the viability of various special tax measures and Santa Cruz County voters' priorities for transportation improvements, the research also explored voters' personal transportation habits and behavior, and how these may change in the future depending on the availability of new transportation options and infrastructure.

Transportation Finance Measure Experience

FM3 research and consulting services have supported the passage of countless transportation-funding ballot measures at the county, regional, and state levels—in California and throughout the country. We have aided the passage of half-cent sales tax increases (and/or reauthorization measures) on one or more occasions in 14 counties, including several outside of California. The California counties where FM3's research has helped to successfully pass transportation sales tax measures include a majority (11) of the state's 19 existing "Self Help" counties: **Fresno, Imperial, Los Angeles (Measures C and R), Napa, Riverside, Sacramento, San Bernardino, San Mateo, Santa Barbara, Santa Clara, and Tulare.** In November 2010, FM3 helped **Santa Clara County's Valley Transportation Authority** win voter approval for a \$10 vehicle registration fee surcharge to fund transportation improvements. FM3 is currently conducting research to assess the viability of similar countywide and regional transportation finance measures in the counties of **Humboldt, Lake, Los Angeles, Placer, San Diego, San Francisco, Ventura and Yolo;** and for the **Bay Area Rapid Transit District (BART).**

FM3's research on behalf of transportation financing ballot measures goes far beyond gauging support and opposition for a ballot proposition; rather, it extends to evaluating a wide variety of transportation projects to ultimately determine where, and how, the public's interests and desires intersect with professional transportation agency analyses of local transportation needs. Data is further utilized in the development of transportation agencies' long-range plans. Our analyses have collectively determined the most critical aspect in the development of transportation sales tax

research: examining the area's unique needs and desired projects to address the question on every voter's mind: "What's in it for me?" In most California counties, one cannot assume that all areas are homogenous. While some transportation elements are universal (i.e. street maintenance), some major public transit projects or unique freeway improvements impact a smaller portion of the County on a daily basis. The following three FM3 projects on behalf of successful half-cent transportation sales tax measures, in Santa Barbara, Los Angeles and Mendocino counties, respectively, illustrate this point.

- ✓ ***Santa Barbara County:*** In 2008, FM3 conducted baseline survey research on behalf of the **Santa Barbara County Association of Governments** for the renewal of a one-half cent sales tax for transportation maintenance and enhancements throughout the County. The County's previous attempt to renew the dedicated sales tax failed two years prior (only receiving 54.47% support). FM3 came into the project and provided a fresh look at public opinion relating to the measure. The firm's research was used to develop the package of transit, freeway, and road improvements that satisfied both South and North County voters, as well as an educational outreach plan which helped secure passage of the measure with more than 79 percent of the vote in November 2008. FM3's research identified projects and services valued by North and South County voters. In many cases, there was universal support for certain specific activities such as repairing potholes and increasing public transit access for seniors and the disabled. However, there were also clear regional differences within the County; those in South County assigned much greater importance than North County voters to preventing polluted toxic runoff from entering storm drains and flowing into County waterways and onto beaches. Further, specific regional projects were tested exclusively in the area most affected in order to determine whether those voters would be willing to pay for such projects. In the case of the North, repairing and widening the Highway 101 Santa Maria River Bridge was one such highly-valued project. Similarly, large percentages of South County voters were willing to pay to improve safety on rural highways such as the 166 and 246.
- ✓ ***Los Angeles County:*** Between 2005 and 2008, FM3 was employed as the sole public opinion research and strategy firm on behalf of the Los Angeles County Metropolitan Transportation Authority (Metro)'s efforts to test the viability of a new one-half cent transportation sales tax measure. As part of an ongoing research program, three surveys (ranging in sample size from 1,200 to 1,400) and four focus groups were conducted. The research examined voters' reactions to a potential ballot title and summary, individual transportation projects and services the measure would fund, and helped determine whether informational statements would increase voters' inclination to support the measure. The surveys also assessed which upcoming election would be best suited to have Measure R on the ballot. Further, the research tested the credibility of various individuals and organizations that were expected to speak out on behalf of the measure. Finally, FM3 tested voter reaction to Metro's "Imagine" campaign (a future vision of the Los Angeles County Transportation System), which ran simultaneously with Metro's efforts to educate the public on Measure R facts.

Regional differences played an integral role in the eventual success of the measure. Early on, FM3's focus group research tested a map of the County which identified current transportation improvement projects throughout the region. This was a pivotal moment during the groups, as voters began to see the benefits for them in *their* area, and/or on "their" freeway. A flyer,

including a map, was sent to voters in each of Metro's Planning Areas indicating all local and regional projects that benefit their respective locale. The quantitative survey research helped identify differences by planning area with respect to the importance of various proposed projects. For example, there was strong support for expanding light rail and improving public transit in areas of higher density, and in areas which experienced above-average amounts of traffic congestion. Alternatively, voters in San Gabriel Valley, an area known for poor air quality because of its valley location, said they would be more inclined to vote yes on the measure than voters in any other area after hearing that it would improve air quality by replacing diesel buses and trucks with cleaner-burning vehicles.

- ✓ ***Mendocino County:*** FM3 provided research for the **Mendocino Council of Governments** in 2002 which evaluated voter support for a proposed one-half cent countywide transportation sales tax measure. While the research indicated that support for a countywide measure was insufficient to overcome the two-thirds support threshold required for passage at that time, the results also suggested that more localized measures on the city level, using language for the 75-word ballot label that emphasized the transportation improvements that voters in each of the County's unique communities prioritized most highly, were likely to garner greater support.

A second round of research tested similar, half-cent transportation sales tax measures at the local level in each of the County's four incorporated cities as well its unincorporated areas using ballot label language tailored for each community. These surveys indicated support for the proposed local measures was sufficient for passage in the Cities of Fort Bragg, Point Arena and Willits, and voters in each of these communities ultimately approved the city-level measures over a three-year period following the research.

In addition to our work on behalf of dedicated transportation revenue measures at the countywide level in California, FM3 is also a leader in providing research for similar special purpose tax measures for California cities. As state funding for local transportation infrastructure and services has waned in recent years, interest in securing voter-approved funding for transportation improvements among local governments has increased, resulting in the proliferation of several types of special purpose taxes that were not previously common at the city level, including the general obligation transportation bond. FM3's research aided the **City of San Francisco** in passing the first such local transportation bond measure in 2011, a feat that our research helped the City repeat in 2014 along with two other communities: the **City of Orinda** and the **City of Grover Beach**. In addition to transportation bond measures, some communities have opted to utilize a dedicated local sales tax measure to finance local transportation improvements; FM3 provided research which assisted the **City of Monterey** in passing such a measure at the one-cent rate in November 2014.

FM3 has also conducted extensive statewide research for transportation funding measures, including studies conducted on behalf of **TransForm** to assess voter support for a range of public transit infrastructure finance measures, including a gas tax assessed at the state or regional level; and the **California Alliance for Jobs**, assessing voters' priorities for transportation funds and gauging support for a variety of specific road and transit improvements. In addition, FM3 provided all survey and focus group research in support of **Proposition 42**, the California ballot measure

which dedicates the state sales tax on gasoline to fund transportation-related improvements and maintenance. Proposition 42 was overwhelmingly approved by voters in March 2002.

Our work on transportation financing extends far beyond the state of California. Most recently, in August 2015, our research helped the **City of Phoenix, Arizona** secure voter approval for **Proposition 104**, authorizing a 35-year extension of its existing transportation sales tax while simultaneously increasing the rate from four- to seven-tenths of a percent. Funds provided by Prop. 104 provide the basis for Phoenix's plans to triple the mileage of the City's light rail network in the coming years. Elsewhere in the West, our research played a key role in the success of two regional one-half cent transportation sales tax measures approved by voters in **King, Snohomish and Pierce counties in Washington State**. Together, **Sound Transit 1** (1996) and **Sound Transit 2** (2008), provide funding for the current build-out of rapid transit in the metropolitan Seattle area.

Recent local transportation financing research around the country has included projects to assess voter support for transportation tax and bond measures in **Cache County and Davis County, Utah** and work for a coalition of advocates hoping to expand funding for light rail in **Minnesota**, among other projects.

Survey Research Accuracy

TABLE 1:
Complete List of California Countywide Transportation Finance Measures
Passed with FM3's Research Services
2006-Present

| County/Agency/Measure | Amount | Date | Percent Support | Polling Result |
|---|--------------------|-------------|------------------------|-----------------------|
| City & County of San Francisco, Measure A | \$500 Million Bond | Nov-14 | 71.9% | N/A ² |
| Napa Valley Transportation Authority, Measure T | ½ Cent Sales Tax | Nov-12 | 74.8% | N/A ³ |
| City & County of San Francisco, Measure B | \$248 Million Bond | Nov-11 | 68.0% | 67% |
| Santa Clara Valley Transportation Authority Measure B | \$10 Car Reg Fee | Nov-10 | 51.9% | 53% |
| Los Angeles County MTA Measure R | ½ Cent Sales Tax | Nov-08 | 67.9% | 67% |
| Imperial County Transportation Commission Measure D | ½ Cent Sales Tax | Nov-08 | 83.8% | 86% |
| Santa Barbara Council of Government Measure A | ½ Cent Sales Tax | Nov-08 | 79.2% | 78% |
| Fresno County Transportation Authority Measure C | ½ Cent Sales Tax | Nov-06 | 77.0% | 77% |
| Tulare County Transportation Authority Measure R | ½ Cent Sales Tax | Nov-06 | 66.7% | 67% |

² FM3 provided focus group research for this measure only, not survey research.

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