

City of Hesperia STAFF REPORT



DATE: December 16, 2025

TO: Mayor and City Council Members

FROM: Rachel Molina, City Manager

BY: Casey Brooksher, Assistant City Manager

SUBJECT: Award of Contract for Public Engagement Services Related to Potential Sales Tax Measure

RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to enter into an agreement with TeamCivX to conduct a public opinion poll and provide outreach consulting services for a potential sales tax initiative, in an amount not to exceed \$217,000, including a fifteen percent contingency.

BACKGROUND

On August 19, 2025, the City Council held a workshop to review the City's tax environment and discuss long-term revenue needs. As part of the presentation, staff provided an overview of the City's major General Fund revenue sources, trends affecting sales tax performance, and comparisons with neighboring jurisdictions. The workshop also included a review of the City's current service levels and identified infrastructure needs.

Following the discussion, the City Council expressed interest in continuing to evaluate a potential local sales tax measure and unanimously directed staff to begin the bidding process to identify a consultant to assist with public engagement and to assess community priorities and overall receptiveness to a future measure.

Acting on the City Council's direction, a Request for Proposals (RFP) was released on September 21, 2025, with a submission deadline of October 16, 2025. After outreach to qualified firms, the City received nine proposals. Each proposal was evaluated by a seven-member staff review committee consisting of the City Manager, Assistant City Manager, Deputy City Manager, Director of Development Services, Director of Public Works, Deputy HR and IT Director, and Deputy City Engineer.

Based on the initial scoring and review, the committee selected two firms to participate in in-person interviews in the second week of December. Following the interview process, which included participation from the City Manager, Assistant City Manager, and Director of Development Services, the panel unanimously identified TeamCivX as the top-ranked firm.

ISSUES/ANALYSIS

TeamCivX specializes in local revenue measures for cities and special districts throughout California and has helped agencies pass more than 100 tax measures, with a success rate exceeding 90 percent. Locally, TeamCivX has worked with the cities of Barstow, Fontana, Ontario, Redlands, and San Bernardino.

TeamCivX has proposed a three-phase approach of Test, Vet, and Build.

- **Test Phase**

During the Test phase, TeamCivX will work with True North Research to complete a feasibility assessment. This assessment will help determine whether a sales tax measure has a reasonable chance of success. The work includes reviewing voter trends, evaluating election timing, and identifying community priorities.

True North will also conduct a baseline survey using a statistically reliable sample of Hesperia voters who are likely to participate in the November 2026 election. The survey will be available in English and Spanish and will be distributed via email, text, telephone, and online recruitment. A minimum of 400 completed interviews is included, with a 95 percent confidence level.

Phase 1 also includes developing and testing the survey instrument, programming it for online and telephone use, and processing the results. TeamCivX will provide a topline summary and a full written report with findings and recommendations, which will be presented to staff and the City Council.

- **Vet Phase**

If the survey results show a viable path forward, Phase 2 focuses on community outreach and informational communications. TeamCivX will help the City develop materials that explain the City's funding needs and provide opportunities for community input. This work includes preparing fact sheets, talking points, FAQs, and content for the City's website, newsletters, and social media. In addition, TeamCivX will assist with community and public meetings by preparing presentation materials and supporting staff with informational messaging.

- **Build Phase**

Phase 3 focuses on developing a potential sales tax measure for the ballot. Based on the survey results and Phase 2 community input, TeamCivX will work with City staff to prepare the components of a proposed measure. This work includes recommending a final tax rate and duration, refining funding priorities, and ensuring the programs supported by the measure are clearly described for the public.

The following table outlines the projected timeline for each phase of the process. The City Council will receive updates at each milestone as work progresses.

Timeframe	Milestone	Description
Jan - Mar 2025	Phase 1	Test Phase – Feasibility Assessment
Mar - June 2025	Phase 2	Vet Phase – Public Outreach
June 2025	Phase 3	Build Phase – Prepare ballot language and legal analysis
July 2025	Council Resolution	Council votes (2/3 required) to place the tax measure on the ballot.
August 09, 2026	Ballot Deadline	Submit the resolution to the County Registrar to appear on the November 2026 ballot.
August 2026	Voter Guide Finalized	The county prepares impartial analysis and arguments for/against.
October 07, 2026	Vote-by-Mail Begins	Ballots are mailed to voters 29 days before election day.
November 03, 2026	Election Day	Voters decide on the measure. General tax requires 50% + 1 to pass.

CITY GOAL SUPPORTED BY THIS ITEM

A voter-approved sales tax increase would support each goal. With that, continued engagement regarding sales tax satisfies the financial health goal.

- **Financial Health** - Maintain a balanced budget and adequate reserves.

FISCAL IMPACT

During the August 19, 2025, Sales Tax Workshop, staff estimated that a consultant would cost between \$50,000 and \$100,000. The consultant services portion of the TeamCivX proposal falls within the staff's original estimates. However, the total cost is higher because the proposal includes two citywide mailers and a digital outreach effort, which were not included in the original estimate presented at the workshop. In addition, the contingency amount is requested to provide flexibility should the City need additional mailers or outreach activities based on community response or City Council direction.

A breakdown of cost is as follows:

Consultant Services

Six Months of Consulting	\$47,000
Feasibility Study and Monitoring	56,000
Total Consultant Services	103,000

Marketing and Outreach

Two Mailers to Registered Voters	61,000
One Digital Outreach	25,000
Total Marketing and Outreach	86,000

Total Proposed Contract	189,000
<i>Fifteen Percent Contingency</i>	<i>28,000</i>
Total Recommended Award	\$217,000

Funding for this agreement will be included in the Mid-Year Budget. The General Fund, with a projected cash reserve of 6.2 months in the Adopted Fiscal Year 2025-26 Budget, has sufficient reserves to fund this contract.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

None