

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Authorize City Manager to execute a contract with Capitol Strategies for State Government Relations Services
<b>DEPARTMENT:</b>	City Manager's Office
<b>PRESENTED BY:</b>	Scott MacColl, Intergovernmental Relations Manager
<b>ACTION:</b>	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

**PROBLEM/ISSUE STATEMENT:**

The contract for the City's state legislative consultant expires at the end of 2013. Council requested that the City solicit proposals through a Request for Proposals (RFP) process for the state relations contract. This contract is a legislative session only contract and is adjusted each year depending on the length of the session. 2014 is a mid-year session and as such is only 60-days long.

The City solicited proposals for the State Government Relations Services RFP from October 22, 2013 through November 5, 2013. Proposals were opened on November 5<sup>th</sup> and one proposal from Capitol Strategies was received. The contract scope of work for Capitol Strategies is attached to this staff report for Council's review. The term of the contract is for 2014 with an automatic renewal of an additional four years unless cancelled by either party.

**RESOURCE/FINANCIAL IMPACT:**

Given that 2014 will be a short 60-day legislative session, the base amount for next year's contract is for \$15,000 (\$5,000 per month). However, this amount is being increased to a not to exceed maximum of \$ \$20,000 (one additional month of service) for the potential of a special legislative session. For future years, if additional terms are entered into, the base compensation rate will be inflated by the June Seattle Metro Area CPI-U. If an annual contract inflator rate of 3.00% is estimated for the life of contract and if contingency funding is included for each year for the potential of special legislative sessions (one month for short 60-day sessions, two months for long 120-day sessions, which includes passage of the biennial budget), the total five year cost of the contract would be \$127,410. Given this, staff is recommending funding authority of \$130,000 for the life of this service contract.

**RECOMMENDATION**

Staff recommends that Council authorize the City Manager to execute a contract with Capitol Strategies from 2014 – 2018 with a not to exceed amount of \$130,000.

Approved By:            City Manager **DT**    City Attorney **IS**

## **BACKGROUND**

The City of Shoreline utilizes a consultant, Capital Strategies, for state legislative relations services to advocate for the City during the state legislative session. The City's current contract with Capital Strategies is scheduled to end in December. Although the City has authority to execute a one-year contract without Council approval, staff considers a multi-year service contract to be more beneficial to the City.

Council requested that the City go through an open acquisition process for state legislative services this year through a Request for Proposals (RFP) process. The City solicited proposals through the State Government Relations Services RFP from October 22, 2013 through November 5, 2013. The RFP was advertised in the City's paper of record, the Daily Journal of Commerce, both in print and online. Proposals were opened on November 5<sup>th</sup> and one proposal from Capital Strategies was received.

Given that Capital Strategies was the only proposer for this contract, staff selected them as the preferred contractor and negotiated a scope of work for this service contract. Capitol Strategies was also chosen for their experience lobbying for cities, their established relationships with staff and elected officials from both parties, their established relationships with associations and business groups, and their proven track record promoting or defeating proposed legislation for their clients. The scope of work for Capitol Strategies is attached to this staff report as Attachment A.

If approved by Council, the contract with Capital Strategies will begin January 1, 2014 and will run for one year. The contract will then automatically extend on a yearly basis for four additional years through December 31, 2018 unless cancelled by either party. The contract is a legislative session only contract and is adjusted for the length of the legislative session (60-day session vs. a 120 day session).

The City will be billed a flat retainer of \$5,000 per month for service provided during the 2014 legislative session (a 60-day session). If additional contract years are utilized, the \$5,000 monthly rate will be adjusted based on the June to June Consumer Price Index (CPI) for the Seattle Metro Area.

## **RESOURCE/FINANCIAL IMPACT**

Given that 2014 will be a short 60-day legislative session, the base cost for next year's contract is \$15,000 (three months of service at the base rate of \$5,000 per month). However, this amount is being increased to a not to exceed maximum of \$ \$20,000 (one additional month of service) for the potential of a special legislative session.

This happened earlier this year when there were two additional special sessions after the completion of the 2013 regular session, which was a long 120-day session. Thus, the contingency amount in the contract for years with a long 120-day sessions is equal to two additional months of service at the monthly rate, while the contingency amount for the short sessions will be one additional month of service. Given that the long session includes passage of the biennial budget, two additional months for the potential of special session(s) in those years is needed.

For future years, if additional terms are entered into, the monthly compensation rate will be inflated by the CPI, as noted above. If an annual contract inflator rate of 3.00% is estimated for the life of contract and if contingency funding is included for each year for the potential of special legislative sessions as noted above, the total five year cost of the contract would be \$127,410. Given this, staff is recommending funding authority of \$130,000 for the life of this service contract. Please see the table below for the breakout of these cost figures:

Year	Base Rate	Session Length (in months)	Base Cost	Contingency Cost (for special Sessions)	Annual Do Not Exceed Contract Amount
2014	\$5,000	3	\$15,000	\$5,000	\$20,000
2015	\$5,150	4	\$20,600	\$10,300	\$30,900
2016	\$5,305	3	\$15,914	\$5,305	\$21,218
2017	\$5,464	4	\$21,855	\$10,927	\$32,782
2018	\$5,628	3	\$16,883	\$5,628	\$22,510
<b>Total</b>			<b>\$90,251</b>	<b>\$37,159</b>	<b>\$127,410</b>

The adopted 2014 budget includes \$15,000 for this service, which is included in the Government Relations budget within the City Manager's Office budget. Given that the 2014 contract will exceed this budget amount, if additional funding is needed for this service, it will need to be paid for with budget savings.

### **RECOMMENDATION**

Staff recommends that Council authorize the City Manager to execute a contract with Capitol Strategies from 2014 – 2018 with a not to exceed amount of \$130,000.

### **ATTACHMENTS**

Attachment A: Draft Contract Scope of Work with Capitol Strategies Consulting

# **Attachment A**

## **CITY OF SHORELINE**

### **Scope of Services and Compensation**

#### **Scope:**

Works with the City's identified legislative priorities to advance the City's position on issues before the state legislature, including:

- Customized bill tracking service with prioritized lists provided at least weekly
- Summaries of key legislation
- Propose strategies for accomplishing City priorities
- Notice and coverage of hearings and key meetings
- Regular meetings with clients to discuss strategy and developments on legislative issues
- Preparation of testimony and other key materials
- Testify in committee hearings and meetings as needed
- Schedule meetings and appointments with legislators for City electeds and staff
- Active lobbying of client issues including discussions with legislators, staff and the Governor's office
- Develop and guide strategy for passing or defeating legislation and for securing state fiscal assistance
- Work in coalitions when appropriate and collaborate with relevant associations
- Notice of proposed rules, policies and other activities by state agencies and participation in discussions on policy issues when appropriate

#### **Compensation:**

The City will be billed a flat retainer of per month of \$5,000 during the legislative session through 2014. After 2014, the contract will be adjusted yearly based on the Seattle Metro Area CPI-U (June) at the beginning of each calendar year, beginning January 2015.