

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Authorize City Manager to execute a contract with The Johnston Group for Federal Government Relations Services
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Scott MacColl, Intergovernmental Relations Manager
ACTION:	<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 City's Federal Government Relations contract expires at the end of 2013. Council requested that the City solicit bids through a Request for Proposals (RFP) process for the federal relations contract. This contract is a yearly contract to represent the City in Washington, DC and with the federal delegation here in Washington.

The City solicited bids for the Federal Government Relations Services RFP from October 22, 2013 through November 5, 2013. The City received five proposals. Proposals were opened on November 5th and of the five received the Johnston Group received the highest score. Attachment A is scope of work with the Johnston Group for 2014. The proposed contract allows for an additional four years of annual renewals unless cancelled by either party.

RESOURCE/FINANCIAL IMPACT:

The amount for the contract in 2014 is \$49,800. For future years, the yearly compensation rate will be inflated by the Seattle area CPI-U. If an annual contract inflator of 3.00% is estimated for the life of the contract, the total five year contract would be \$264,395. Given this, staff recommends funding authority of \$270,000 for the life of this service contract with \$49,800 allocated in 2014.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to execute a contract with the Johnston Group for Federal Government Relations Services from 2014 – 2018 with a not to exceed amount of \$270,000.

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

BACKGROUND

The City of Shoreline utilizes a consultant for federal government relations services to advocate for the City with our federal delegation both here and in Washington DC. The Johnston Group serves as the City's current federal relations consultant, and their contract is scheduled to end in December of this year. The City has authority to execute a one-year contract without Council approval; however staff considers a multi-year contract to be more beneficial to the City.

Council requested that the City go through an open acquisition process for the federal government relations services this year through a Request for Proposals (RFP) process. The City solicited bids for the Federal 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 5th and five (5) proposals were received. The City received proposals from the firms of Van Ness Feldman, Sixkiller Consulting, Van Scoyoc Associates, Alcalde & Fay Government & Public Affairs, and the Johnston Group. Proposals were analyzed based on 1) their proven history working with a Washington city, completing projects of this type, meeting projected deadlines, and experience to similar work; 2) ability to effectively represent the City with its Congressional delegation in Washington DC and in Washington State; and 3) price.

The Johnston Group scored highest through the evaluation process, and staff proposes entering into a contract with the Johnston Group. The Johnston Group was chosen due to their experience and relationships working with the Washington delegation, their presence and approach to engaging the delegation both here and in Washington DC, and their experience working with Washington cities and on projects related to Shoreline's needs.

If approved by Council, the contract with the Johnston Group 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 fixed fee contract with all expenses included.

RESOURCE/FINANCIAL IMPACT

The amount for next year's contract is \$49,800 with all costs included. For future years, if additional terms are entered into, the yearly compensation rate will be inflated by the June to June Consumer Price Index (CPI) for the Seattle Metro Area. If an annual contract inflator rate of 3.00% is estimated for the life of contract, the total five year cost of the contract would be \$264,395. Given this, staff is recommending funding authority of \$270,000 for the life of this service contract. Please see the table below for the breakout of these cost figures:

Year	Estimated Annual Cost
2014	\$49,800
2015	\$51,294

Year	Estimated Annual Cost
2016	\$52,833
2017	\$54,418
2018	\$56,050
Total	\$264,395
Total Not to Exceed	\$270,000

The proposed 2014 budget includes \$49,800 for this service, which is included in the Government Relations Budget with the City Manager's Office budget.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to execute a contract with the Johnston Group from 2014 – 2018 with a not to exceed amount of \$270,000.

ATTACHMENTS

Attachment A: Draft Contract for Services with the Johnston Group



ATTACHMET A – SCOPE OF WORK

City of Shoreline RFP 7411 Federal Government Relations Services

SITUATION ASSESSMENT

The City of Shoreline enters 2014 seeking to augment and expand upon its relationship with its congressional delegation to bolster a federal funding partner for its infrastructure and economic development goals. Moreover, it seeks funding support for its infrastructure needs connected to light rail coming to Shoreline – an opportunity with tremendous impact on the City's future.

The attached proposal outlines a detailed and integrated approach that builds upon our previous success together and establishes an enhanced approach for the City to increase its visibility with its congressional delegation and compete for increased federal funding.

The City has proven its leadership to the delegation by securing the remaining funding for its \$120 million SR-99 redevelopment project. The delegation trusts the City to take on and complete complex projects working with numerous local, regional, state and federal partners. These partnerships are critical elements to securing federal dollars for the City's next priorities.

Federal funds accounted for tens of millions of dollars of the SR-99 project. These included the first \$5 million for the project via a congressional earmark and included direct authorization and appropriations spending throughout the many years of the project's planning, design and construction. The Interurban Trail project – including the landmark SR-99 bridge crossing – was also funded with more than 75% of the cost coming from Congressional direction.

This leadership can be brought to bear in 2014 and the years ahead as the City looks to diversify its projects and build new funding opportunities with its federal partners. The nature of that partnership may take a number of different forms. It could be directing federal money to a local project. It could be interfacing with a federal agency to work through specific challenges. It could be seeking legislation that could provide new tools to the City for its funding and policy objectives. It could simply be augmented leadership for the City within the region and state.

The City can create a unique umbrella framework for the City's federal engagement by linking funding requests to housing, job creation, and enhanced quality of life issues – all of which are connected to light rail and its inherent transit and economic development opportunities. Congress has a strong history of being a funding partner for municipalities that have a strong community vision for growth. In the City of Shoreline's case, many of these opportunities are connected to Sound Transit bringing light rail to Shoreline and could include:

- Reconstruction of key arterials connecting to transit infrastructure (e.g. 145th Avenue N. from Aurora Avenue to I-5);
- Transit-oriented development adjacent to light rail stations;
- Realignment and upgrading of utility infrastructure;
- Stormwater treatment and management connected with new development;

- Water main replacement and upgrades;
- Sewer system infrastructure or upgrades;
- Pedestrian and bicycle trails;
- Energy efficiency programs / equipment (i.e. LED street lighting);
- Electric vehicle infrastructure;
- Sustainability planning, and;
- Housing assistance and affordability incentives.

While a detailed strategy will be developed in partnership with the City, the above list reflects projects that have been directly funded to Washington State municipalities in the last several years through federal appropriations, grant programs and authorization bills.

There are some key factors that should be taken into account as the City of Shoreline engages its federal delegation in 2014:

- **Congress will focus on transportation – and infrastructure – in 2014.** With the federal transportation bill up for its five-year reauthorization, Congressional leaders have already pledged to make critical infrastructure investments a top priority for the new year. Similarly, Congress is expected to pass the five-year reauthorization of the Water Resources Development Act (WRDA), a bill with targeted funding for municipalities. The two authorization bills provide a direct funding source for the City to engage the delegation for a set of projects in 2014. In this environment, Shoreline can align its requests and priorities to take advantage of Congress' emphasis on infrastructure and economic stimulus.
- **The delegation is working to provide more tools to cities** to meet local infrastructure and economic development objectives. For example, Rep. Larsen has introduced legislation to direct \$120 million under the TIGER grant program to smaller cities to help ensure they qualify for federal infrastructure spending. Similar efforts are underway with disaster mitigation funding, surface water management and other federal funding instruments.
- **Washington State's congressional delegation is exceptionally well positioned** to assist the City of Shoreline. Senator Murray is part of the elected Senate leadership, the Chair of the Senate Budget Committee and a senior member of the Senate Appropriations Committee with jurisdiction over how the federal budget is allocated. She chairs the Transportation Appropriations Subcommittee. No other member of Congress from any state in any party is better positioned to be a partner to the City of Shoreline. Senator Maria Cantwell serves on the Senate Commerce Committee with direct jurisdiction over tax and bonding policy in addition to the Transportation Reauthorization bill and WRDA. The delegation includes Congressman Rick Larsen, who is a senior member of the House Transportation and Infrastructure Committee that has primary jurisdiction over the WRDA bill and the Transportation bill. Congresswoman Cathy McMorris-Rodgers is an elected member of the House Republican leadership. Congresswoman Jaime Herrera-Beutler is a member of the House Appropriations Committee. Perhaps more than any other state, Washington's congressional delegation is poised to assist its local governments with their critical infrastructure investments.
- **The focus on earmark reform and transparency is good for the City of Shoreline.** Earmarks are the congressionally directed funding priorities that have traditionally been included as part of the federal appropriations bills. Congress is expected to continue to forgo earmarks in 2014, but is working to redefine what constitutes an earmark to make

sure that economic development and transportation and infrastructure projects still can qualify for federal investments. For public entities like the City of Shoreline that develop projects and requests with community involvement and support, the current funding environment is favorable for obtaining needed dollars.

SCOPE OF SERVICES

The Johnston Group is able to complete the Scope of Services and Duties as defined in the City's RFP (Sections A-D) titled:

- "Prepare and Support Shoreline's Federal Funding & Policy Requests"
- "Washington, D.C. Lobbying Meetings"
- "Involvement of City Elected Officials"
- "Delegation Engagement with the City of Shoreline"

We further propose the following additions to the proposed scope of services:

Develop Federal Relations Agenda for the City of Shoreline

- Work with the City of Shoreline to identify its funding needs and get detailed information about priority projects (e.g. 145th Avenue).
- Review City capital infrastructure plans and budget to ascertain the full range of City initiatives and federal funding eligibility (i.e. water infrastructure, transit enhancements, CDBG block grants, disaster mitigation planning, sustainability planning, etc.).
- Determine which City projects are eligible for support through the existing federal grant programs.
- Advise the City of Shoreline about which projects ought to be prioritized for federal grants, directed federal spending via appropriations, targeted federal initiatives (e.g. infrastructure proposals via budget negotiations if applicable), and authorization bills.
- Review the federal budget programs that directly flow through to the City of Shoreline and prepare a risk assessment for each that could be part of the City's federal agenda.
- Review delegation legislative priorities and their potential impacts – both positive and negative – on the City of Shoreline.

Grant Funding Strategy

- Monitor all federal grant availability announcements and inform the City about any possibilities for federal funds.
- Work with the City to modify the eligibility requirements for grant programs that don't currently meet City needs.
- Solicit support from Governor Inslee, Congressman Jim McDermott, Senator Patty Murray and Senator Maria Cantwell for relevant City grant applications.

BUDGET

The Johnston Group proposes to complete the scope of services outlined in this proposal and in the RFP for a fixed monthly retainer of **\$4,150** from January 1, 2014 through December 31, 2014 that

includes all expenses. Following 2014, we are happy to adjust the retainer amount per the Seattle-area CPI-U for the remaining contract years per the RFP.

The opportunity to continue to work with the City of Shoreline is an exciting one for the Johnston Group, and we are willing to structure the relationship in a way that works for both organizations. If necessary, we would be pleased to modify this proposal to meet the specific project or budget needs of the City of Shoreline.