



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of July 22, 2014  
Action Item for the City Council Meeting of July 29, 2014

**DATE:** July 16, 2014  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Tom Tagliabue, Director, Intergovernmental Relations  
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Renewal of state and federal external legislative consultant contracts.

### **CAPTION:**

Motion authorizing the City Manager to execute 26-month renewal agreements for governmental relation services with Focused Advocacy for state governmental relations services for \$102,000 per year plus reasonable expenses and with Meyers & Associates for federal governmental relations services for \$78,000 per year plus reasonable expenses.

### **PURPOSE:**

Renewal of 26-month (to match up with City's fiscal year) governmental relations contracts between the City of Corpus Christi and Focused Advocacy for state governmental relations services and Meyers & Associates for federal governmental relations services.

### **BACKGROUND AND FINDINGS:**

The City has engaged the services of external firms for state and federal governmental relations services for many years. Focused Advocacy became the City's consultant for state matters in 2011, but represented the City before that with a different firm. Meyers and Associates has represented the City since the early 1990s. Both firms are well-respected and connected in their respective legislative arenas and have been effective and resourceful advocates for the City.

Focused Advocacy has represented the City for many years and is familiar with the City, its legislative history and its needs. The firm almost exclusively represents municipalities so they have extensive knowledge of municipal law and legislative issues.

Meyers and Associates has represented the City for many years and is familiar with the City, its legislative history and its needs. Meyers and Associates maintains an excellent, non-partisan reputation among the Texas congressional delegation and continues to establish and maintain favorable contacts within the federal government that are beneficial to the City.

## **ALTERNATIVES:**

- (1) Renew one or both of the consulting contracts;
- (2) Not renew one or both of the consulting contracts,
- (3) Go back to annual contracts instead of the 26-month contracts;
- (4) Reject the proposed increases in retainers and attempt to renegotiate; or
- (5) Work with Purchasing Department on a request for qualifications (RFQ) to find a different firm to represent the City.

## **OTHER CONSIDERATIONS:**

In April 2014, Focused Advocacy principals gave notice to the Intergovernmental Relations Director that the monthly retainer would increase closer to current market rates assuming the City of Corpus Christi wanted to renew its contract with the firm for 2015. Focused Advocacy believes the City's retainer is on the low end of the scale for lobby services, especially in relation to resources required to accomplish the City's legislative agenda. Today, retainers for new clients of the firm start at \$10,000 per month. The City's agenda is more extensive and has numerous pro-active bills and activities that require more labor and effort. The firm specializes in municipal government and includes three full-time lobbyists, plus office support staff.

In the last contract renewal, the City approved an increase in the monthly retainer from \$6,000 per month to \$6,500 per month due to the firm's increased operating expenses.

The IGR Director researched state lobby contracts with Arlington, Austin, Dallas, Houston, and San Antonio, which use different lobby services. In addition, existing Focused Advocacy clients, such as Denton, El Paso, Galveston, Georgetown (Utility System), Grand Prairie, and Sugarland were contacted. To ensure a different perspective, two other well-connected, established state lobby firms were contacted to get a ballpark estimate of a monthly retainer to engage those firms. All prices were contingent on scope of work and the level of effort required for the work, but were generally in the same range as Focused Advocacy or higher. It appears from the research that the proposed increase of \$8,500 per month is still on the low end of the scale for lobby services.

When the country went into a recession, the City and Meyers and Associates negotiated a reduction in the monthly fee starting in 2010. There has been no change in the fee for service for three years. Meyers and Associates continues to provide responsive service by Larry and Rick Meyers, Jennifer Shepard with the Alliance for I-69 Texas, and has added Dave Davis from former Senator Kay Bailey Hutchison's office, and continues to provide excellent service and representation for the City in Washington, D.C.

The mission of Intergovernmental Relations is to create opportunities and manage risk for the City through advocacy, outreach, and proactive participation in the political process. Increasing the FY 15 budget for the state and federal lobbying contract, will allow the IGR Director, Focused Advocacy and Meyers and Associates to continue to work towards achieving the City Council's adopted legislative goals.

The length of the contracts was going to be two years, but was changed to 26 months so the contract term would align with the City's fiscal year and expire at the end of September 2016.

## **CONFORMITY TO CITY POLICY:**

The agreements being proposed for renewal are consistent with past agreements and have been approved by the City Attorney. These funds are available and budgeted for the 2015 fiscal year.

**EMERGENCY / NON-EMERGENCY:**

This is a non-emergency item.

**DEPARTMENTAL CLEARANCES:**

Deputy City Manager  
City Attorney  
Finance

**FINANCIAL IMPACT:**

X Operating       Revenue       Capital      Not applicable

<b>Fiscal Year: 2014-2015</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Year FY 15</b>	<b>TOTALS</b>
Line Item Budget		32,001	\$72,575	\$102,575
Encumbered / Expended Amount				
This item				
<b>BALANCE</b>		32,001	\$72,575	\$102,575

Fund(s): 1020, 4010, 4130 (state and federal), and 4200 (federal only)

**Comments:** None

**RECOMMENDATION:**

Staff recommends continuing the City’s existing relationships with both Focused Advocacy in Austin and Meyers & Associates in Washington, D.C., for the 2015 and 2016 fiscal years. The organizations have a record of success in assisting with achieving the City’s priorities and are responsive to the City’s needs. We recommend approval of the two contracts for the next 26 months.

The City will still be receiving value for its investment in Focused Advocacy. The process of preparing and awarding an RFQ for professional lobby services is a lengthy process that could interfere with the timely adoption of the City’s legislative agenda. Even though the current contract expires at the end of July 2014 and the next session does not begin until January 2015, there is significant potential difficulties that could come from gaps in representation and getting a new firm up to speed.

**LIST OF SUPPORTING DOCUMENTS:**

1. Renewal contract with Focused Advocacy
2. Renewal contract with Meyers & Associates