



DATE: MARCH 9, 2017

FROM: GOVERNMENT AFFAIRS

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY, LTD.; AND (2) KADESH & ASSOCIATES, LLC FOR FEDERAL GOVERNMENT ADVOCACY SERVICES IN WASHINGTON, D.C.

SUMMARY:

Staff requests approval of two Agreements for federal government advocacy services in Washington, D.C. for the City of Los Angeles Harbor Department (Harbor Department) with the following firms: (1) Alcalde & Fay, Ltd. located in Arlington, Virginia; and (2) Kadesh & Associates, LLC located in Washington, D.C. Each of the proposed Agreements are for a one-year term with two one-year options to extend, for a total of up to three-years, with a not-to-exceed amount of \$270,000 per firm, which is \$90,000 per firm, per year, resulting in a monthly fee of \$7,500 per month, per firm. The total authority of the proposed two Agreements is \$540,000 over three-years. The Harbor Department is financially responsible for payment of expenses incurred under each of the proposed Agreements.

RECOMMENDATION:

It is recommended the Board of Harbor Commissioners (Board):

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Find that in accordance with the Los Angeles City Charter (Charter), Section 1022, work under the subject Agreements are temporary in nature and can be performed

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more feasibly by an independent contractor rather than by City of Los Angeles (City) employees;

3. Approve the two proposed Agreements with (1) Alcalde & Fay, Ltd. located in Arlington, Virginia; and (2) Kadesh & Associates, LLC located in Washington, D.C.
 - Each of the proposed Agreements are for a one-year term with two one-year options to extend, for a total of up to three-years, with a not-to-exceed amount of \$270,000, per firm, which is \$90,000 per firm, per year, resulting in a monthly fee of \$7,500 per month, per firm. The total authority of the proposed three Agreements is \$540,000 over three-years; and
 - Delegate authority to the Executive Director to terminate any of the Agreements with a ten-day written notice.
4. Authorize the Executive Director to execute, and the Board Secretary to attest to, the proposed Agreements; and
5. Adopt Resolution No. _____.

DISCUSSION:

City of Los Angeles (City) Representation – The Los Angeles City Charter (Charter), Section 231 (h), and Executive Directive No. 1A-2 (Oct. 29, 2004) specifies that the Office of the Mayor holds primary responsibility for City of Los Angeles intergovernmental relations. The Charter provision and the procedures adopted to carry out this provision are designed to ensure a unified voice and coordinated legislative strategy when representing the City's interests.

The Harbor Department's Government Affairs Division (GAD) works closely with the Mayor's Office of External Relations in Los Angeles and Washington, D.C., to advance the Harbor Department's federal legislative agenda, support the Harbor Department's strategic goals, and pursue a broad range of Harbor Department objectives, including protecting and securing funding, and developing policy related to port-related

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infrastructure, including transportation, rail, civil works projects, security, trade development and environmental protection, and various federal advisory committees.

The Harbor Department has retained federal advocacy services over the last decade to support its federal legislative goals, which has resulted in favorable policy changes, federal earmarks and federal grant dollars being awarded to the Harbor Department. The Harbor Department has spent approximately \$22,500 per month on federal government advocacy services over the last three-years, which is consistent with the three proposed federal advocacy agreements and expenditures by comparable agencies in terms of budget and diversity of policy issues.

Need for Agreements – Staff has identified the continued need to retain advocacy firms to support the Harbor Department’s strategic goal of maintaining and developing stronger relationships, particularly with the new presidential administration and new leadership in Congress, and pursuing legislative or administrative actions to enhance our competitive advantage. Specifically, the Harbor Department requires a consistent, day-to-day presence in Washington, D.C. through advocates who are accountable to the Harbor Department, in order to do the following (not an exhaustive list):

A. Advancing the Port’s Federal Legislative Priorities: Develop and implement strategies in support of Departmental priorities, such as obtaining federal funding for the Harbor Department’s projects and programs, including, but not limited to, major civil works projects, dredging, transportation infrastructure, homeland security enhancements, environmental initiatives, and trade development. Basic functions include:

- Developing and proposing changes to laws, regulations, or administration policy to support Harbor Department goals.
- Securing sponsors and co-sponsors on specific legislative and advocacy initiatives, building support among both House and Senate leadership, and cultivating additional bipartisan support from Congressional Members and Committees of jurisdiction in both Chambers of the U.S. Congress.

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- Garnering support from Administration agencies, including the White House, federal departments, commissions, boards and their staffs to advance the Harbor Department's priorities.
 - Engaging in coalition building to support the Harbor Department's advocacy objectives, including working with industry, environmental groups, and other interest groups to garner support for specific legislative and policy initiatives.
- B. Conduct Follow-Up and Ongoing Development of Federal-Level Agenda: The Port of Los Angeles has received increased interest and attention from the Federal Government. This is apparent through increased visits and meetings with Federal legislators, appointed officials, and various agency staff. Federal advocates will assist the Harbor Department with visitor follow-up and translate these visits into tangible legislative and/or administrative activity in Washington, D.C. Continued development of these relationships is best fostered when staff follow-up is done on a consistent, face-to-face basis.
- C. Expediting Projects and Monitoring Regulations: Federal advocates will assist in working with Federal agencies (i.e. U.S. Army Corps of Engineers, U.S. Department of Transportation, U.S. Department of Commerce, U.S. Environmental Protection Agency, Federal Maritime Commission, U.S. Department of Homeland Security, etc.) to expedite delivery of major Harbor Department projects and compliance with federal regulations.
- D. Federal-Level Coordination Required for National Freight Planning and Surface Transportation Reauthorization: The federal transportation bill established a framework for development of a National Freight Strategic Plan and set the stage for development of freight provisions for successor legislation. Both of these efforts have competitive implications for the Harbor Department and require a greater level of engagement and coordination at the Federal level.

Each of the firms selected will have a specific role to play in an overall strategy to protect and advance the interests of the Harbor Department. Such as advancing the Department's agenda by working with the new presidential administration and the U.S. House of Representatives, including educating and organizing the California

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Congressional Delegation, and working with key members of House leadership; engage potential coalition partners in support of federal attention for key freight corridors and gateways, and include outreach to Congressional Members who represent major trade corridors and gateways in their districts and/or States; and working closely with Senate Leadership, including U.S. Senators Feinstein and Harris, and other U.S. Senators from key states with similar interests.

Consultant Selection – On October 26, 2016, the Harbor Department issued a Request for Proposals (RFP) for Federal Legislative Advocacy Services, which is in keeping with the City Charter requirements and Board policies of open competition for professional services; the RFP was published on the Port of Los Angeles website and posted on the Los Angeles Business Assistance Virtual Network.

Six firms responded to the RFP. The proposals were evaluated by the Selection Committee, consisting of two Port staff and one outside transportation/government professional. Evaluations were based on the written proposal that demonstrated firm qualifications, experience, and references; project organization, personnel, and staffing; project management; rates, fees, and budget control; and quality and responsiveness of the proposal. The Selection Committee recommended the six firms for interviews. The Harbor Department interviewed six firms over a two-day period in Washington D.C, on January 24 and January 25, 2017. Of the six firms that were interviewed, the Harbor Department selected the following firms: (1) Alcalde & Fay, Ltd.; (2) Holland & Knight LLP; and (3) Kadesh & Associates, LLC as the most qualified proposers. These firms were selected based on their background, policy experience, and bipartisan relationships with relevant government officials.

The three firms will work under the direction of the Harbor Department's Senior Director of Government Affairs and/or Director of Legislative Affairs.

Executive Director Authority –The Agreements allow for termination by the Executive Director with a ten-day written notice to the Consultant.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II Section 2 (f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management.

FINANCIAL IMPACT:

The Harbor Department has spent approximately \$22,500 per month on federal government advocacy services over the last three-years, which is consistent with the three proposed federal advocacy agreements. Each of the proposed Agreements are for a one-year term with two one-year options to extend, for a total of up to three-years, with a not-to-exceed amount of \$270,000, per year, per firm. The authority amount for the three one-year Agreements is \$90,000 per firm, per year, resulting in a monthly rate of \$7,500 per month, per firm. The total authority of the proposed two Agreements is \$540,000 over three years. Funds for Fiscal Year 2016-2017 have been budgeted for the proposed Agreements in Account No. 54290, Center No. 260, Program No. 000. Funds for future fiscal years will be requested to be budgeted as part of the annual budget, upon Board approval. A funding out clause has been included in the proposed Agreements. It is anticipated that funds for these Agreements will be expended as follows:

Fiscal Year 2017/2018	\$180,000
Fiscal Year 2018/2019	\$180,000
<u>Fiscal Year 2019/2020</u>	<u>\$180,000</u>
Total:	\$540,000

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Agreements as to form and legality.

TRANSMITTALS:

1. Agreement between the City of Los Angeles and Alcalde & Fay, Ltd.;
2. Agreement between the City of Los Angeles and Kadash & Associates, LLC;
3. RFP Evaluation Score Sheet; and Interview Score Sheet


FIS Approval: MB (initials)

CA Approval: JWL (initials)


FOR
DAVID LIBATIQUE
Senior Director, Government Affairs


DOANE LIU
Deputy Executive Director & Chief of Staff

APPROVED:


EUGENE D. SEROKA
Executive Director