



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: DECEMBER 5, 2013

FROM: GOVERNMENT AFFAIRS

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY IN WASHINGTON, D.C.

SUMMARY:

Staff recommends approval of three Agreements for federal government advocacy in Washington, D.C. for the City of Los Angeles Harbor Department (Harbor Department) with the following firms: (1) Alcalde & Fay located in Arlington, Virginia; (2) Kadesh & Associates located in Washington, D.C.; and (3) Holland & Knight 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 average of \$7,500 per month, per firm. The total authority of the proposed three Agreements is \$810,000 over three-years.

RECOMMENDATION:

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

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

DATE: DECEMBER 5, 2013

PAGE 2 of 8

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY

2. Approve the three proposed Agreements with (1) Alcalde & Fay located in Arlington, Virginia; (2) Kadesh & Associates located in Washington, D.C.; and (3) Holland & Knight 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 average of \$7,500 per month, per firm. The total authority of the proposed three Agreements is \$810,000 over three-years; and
 - Authorize the Executive Director to terminate any of the Agreements with ten-day notice; the ability to consolidate any of the Agreements with any of the three firms; and to reallocate the funds available under the account for federal advocacy services for a total amount not to exceed \$270,000 per year, for the total number of agreements.
3. Authorize the Executive Director to execute, and the Board Secretary to attest to, the proposed Agreements; and
4. 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

DATE: DECEMBER 5, 2013

PAGE 3 of 8

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY

port-related infrastructure, including transportation, rail, civil works projects, security, trade development and environmental protection.

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 Federal Advocates to support the Harbor Department’s strategic goal of maintaining and developing stronger relationships 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. by advocates that 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.
 - Garnering support from Administration agencies, including the White House, federal departments, commissions, boards and their staffs to advance the Harbor Department’s priorities.

DATE: DECEMBER 5, 2013

PAGE 4 of 8

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY

- 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. Environmental Protection Agency, Federal Maritime Commission, U.S. Department of Homeland Security, etc.) to expedite delivery of major Harbor Department projects and compliance with environmental regulations.
- D. Federal-Level Coordination Required for National Freight Planning and Surface Transportation Reauthorization: The recent passage of the federal transportation bill, Moving Ahead for Progress in the 21st Century (MAP-21), 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.

It was the intent of the new competitive selection process to subsume all federal government advocacy services under one firm identified via a competitive process to best meet the multiple needs of the Harbor Department. However, during the interview process it was determined that each firm had specific strengths, and hiring all three firms will allow the Harbor Department to best advance its goals.

DATE: DECEMBER 5, 2013

PAGE 5 of 8

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY

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:

Firm 1, Alcalde & Fay, will be directed to advance our agenda by working with the U.S. House of Representatives, including educating and organizing the California Congressional Delegation, and working with key members of House leadership.

Firm 2, Kadesh & Associates, will be directed to advance our agenda by working closely with Senate Leadership, including U.S. Senators Boxer and Feinstein, and other U.S. Senators from key states with similar interests.

Firm 3, Holland & Knight, will be directed to engage potential coalition partners in support of federal attention for key freight corridors and gateways. This effort will be coordinated closely with the efforts of the first two firms and include outreach to Congressional Members that represent major trade corridors and gateways in their districts and/or States. Holland & Knight will not be providing legal services.

Consultant Selection - On May 10, 2013, 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.

Sixteen firms responded to the RFP. The proposals were evaluated by the Selection Committee, consisting of three 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 seven firms for interviews.

The Harbor Department interviewed seven firms on September 10, 2013. Of the seven firms that were interviewed, the Harbor Department selected the following firms: (1) Alcalde & Fay; (2) Kadesh & Associates; and (3) Holland & Knight as the most qualified bidders. These firms were selected based on their background, policy experience, and bipartisan relationships with relevant government officials.

DATE: DECEMBER 5, 2013

PAGE 6 of 8

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY

The Federal Advocates 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 either the Board of Harbor Commissioners or the Executive Director with a ten-day written notice to the Consultant. In addition, in the event one or two of the Agreements is terminated early, whether at the discretion of the Executive Director or the Board, the Agreements allow the Executive Director to reallocate the funds available under the account for federal advocacy services such that the maximum amount payable to any one firm individually could reach the maximum amount payable to each firm collectively. That is to say, rather than being paid \$7,500 per month, any given firm could be paid up to \$22,500 a month, or \$270,000 annually. These adjustments could be made by the Executive Director without further action of the Board.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of Agreements with (1) Alcalde & Fay; (2) Kadesh & Associates; and (3) Holland & Knight, for Federal government advocacy for the Harbor Department. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II Section 2 (f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Approval of the proposed Agreements will have no employment impact for the five-county region.

DATE: DECEMBER 5, 2013

PAGE 7 of 8

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY

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 average of \$7,500 per month, per firm. The total authority of the proposed three Agreements is \$810,000 over three-years. Funds for Fiscal Year 2013-2014 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 as part of the annual budget. 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 2013/2014	\$135,000
Fiscal Year 2014/2015	\$270,000
Fiscal Year 2015/2016	\$270,000
Fiscal Year 2016/2017	\$135,000
Total:	\$810,000

DATE: DECEMBER 5, 2013

PAGE 8 of 8

SUBJECT: RESOLUTION NO. _____ – APPROVAL OF AGREEMENTS WITH (1) ALCALDE & FAY; (2) KADESH & ASSOCIATES; AND (3) HOLLAND & KNIGHT, FOR FEDERAL GOVERNMENT ADVOCACY

CITY ATTORNEY:

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

TRANSMITTALS:

1. Agreement between the City of Los Angeles and firm 1, Alcalde & Fay;
2. Agreement between the City of Los Angeles and firm 2, Kadesh & Associates;
3. Agreement between the City of Los Angeles and firm 3, Holland & Knight;
4. Request for Proposals for Federal Government Advocacy;
5. RFP Evaluation Score Sheet; and
6. Interview Score Sheet

FIS Approval:  (initials)

CA Approval:  (initials)



DAVID LIBATIQUE
Senior Director, Government Affairs



CYNTHIA M. RUIZ
Deputy Executive Director, External Relations

APPROVED:



GARY LEE MOORE, P.E.
Interim Executive Director

Author: MCDR