

**STAFF REPORT**  
**SOUND TRANSIT**  
**MOTION NO.M2001-03**

**Increase Contract Maximum for Federal Government Relations Contract**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	1/18/01	Discussion/Possible Action	Sheila Dezarn, Government Relations Manager	(206) 398-5071
	2/1/01	Discussion/Possible Action		
Board	2/8/01	Action		

**PROPOSED ACTION**

Approval to increase the previously approved maximum amount of the contract with Denny Miller McBee Associates (DMMA) by \$425,000 (from \$663,000 to \$1,088,000) for continued expanded scope of work for federal legislative and administrative representation in Washington, DC and to authorize the Executive Director to extend the existing contract period for an additional one-year period of January 1, 2001 through December 31, 2001. The expanded scope of work will support the agency's federal objectives for the year 2001.

**KEY FEATURES**

**Highlights of Proposed Action:**

- ◆ Approves increase of \$425,000 for the existing contract with Denny Miller McBee Associates for a continued expanded scope of work to support the agency's federal objectives for the year 2001.
- ◆ Authorizes the Executive Director to extend the existing contract period for an additional one-year period of January 1, 2001 through December 31, 2001.
- ◆ Includes plan for staff to return to the Government Affairs Task Force and the Finance Committee at the fall of 2001 to discuss the agency's 2002 federal objectives and to recommend the level of services/funding required to achieve those objectives.

**Discussion of Proposed Action:**

Sound Transit currently has a contract for federal government relations services with Denny Miller McBee Associates (DMMA). This contract, approved in Motion M98-44 by the Finance Committee, authorized Sound Transit's Executive Director to award a contract for the period July 1, 1998 through June 30, 1999, with options for three one-year extensions, and a contract maximum of \$633,000 through June 30, 2003.

During the first year of the contract (July 1998 through June 1999) DMMA was compensated at the rate of \$12,000 per month plus \$5,000 in direct costs for a total of \$149,000.

Sound Transit exercised a one-year extension on July 1, 1999 (for the period through June 30, 2000), amending the contract to compensate DMMA at the increased rate of \$13,000 per month, plus \$5,000 in direct costs for a total of \$161,000.

Because Sound Transit's federal objectives for the year 2000 were significantly higher than prior years, the scope of work for DMMA was expanded, the contract amount increased and the Board approved the full expenditure of the contract maximum by December 31, 2000 (Motion No. M2000-24). The contract amendment provided DMMA with an increased compensation rate of \$35,000 per month, plus \$5,000 in direct costs. The contract with DMMA included subcontract work through the Petrizzo Group at \$10,000 per month. The federal objectives for 2000 included a significantly higher appropriation for Link and negotiation and Congressional review of a federal Full Funding Grant Agreement for the Central Link MOS-1.

The federal FFGA is now pending at the Federal Transit Administration, and is expected to be transmitted to Sound Transit for execution in the next few weeks. Although the agency is on the brink of securing this significant federal commitment, staff is recommending that the agency maintain a consistently high level of effort in federal relations. This level of effort will be necessary to secure the grant agreement and the annual appropriation for FY 2002, as well as build relationships with the new members of the Washington Congressional delegation, the new 107<sup>th</sup> Congress and the new Bush/Cheney Administration. Of particular importance will be the new leadership of the transportation appropriations and authorization committees, and the new leadership in the U.S. Department of Transportation. These relationships are central to a successful federal agenda. In addition, preliminary discussions on the reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century will begin during the 107<sup>th</sup> Congress. With increased federal funding assumptions for Central Link, Sound Transit will need to be involved in these early discussions and begin positioning the agency for a second grant agreement.

Specifically, staff is proposing to maintain the level of DMMA resources, including subcontract representation, working on Sound Transit's federal program this year and that the firm's compensation continue at \$35,000 per month plus \$5,000 in direct costs. ~~for a total amount of \$25,000.~~ Additional federal relations resources will also be solicited to assist Sound Transit in working with the new Congress and the new Executive Branch.

Staff will return to the Government Affairs Task Force and the Finance Committee in the fall of 2001 to discuss the agency's 2002 federal objectives. At that time, staff also will recommend the level of services/funding required to achieve those objectives.

## **SCOPE OF WORK**

Increased Strategic Advice/Planning/Coordination – Coordinate the development of a strategy for Sound Transit's federal affairs for 2001, including coordination with other consultants assisting Sound Transit in the development of its federal program (e.g., FFGA negotiations with the FTA; relationships with the new Administration and the 107<sup>th</sup> Congress).

Increased communication with the Washington Congressional delegation – Coordinate the enhanced outreach and communication with Members of the Washington delegation, including the new Members of the delegation, to keep them advised of the status of the FFGA, our appropriations requests and Sound Transit's discussions with the new Administration.

Increased liaison work with Congressional Appropriations Committees – Advise and assist Sound Transit -- and our congressional delegation – to have expanded interactions necessary to: (a) build relationships with the new chairmen, ranking members, and professional staff; (b) secure FY 02 appropriations; and (c) keep committees informed about the status of Sound Transit’s FFGA.

Increased liaison work with Congressional Authorizing Committees – Advise and assist Sound Transit and our congressional delegation in efforts to keep the members and staff of the Senate Committee on Banking, Housing and Urban Affairs and the House Transportation and Infrastructure Committees advised about the status of Sound Transit’s FFGA.

Liaison to the outgoing Clinton/Gore Administration, the Office of Presidential Transition, and the new Administration - Support and assist ST in interactions with the White House, the FTA, the Secretary of Transportation’s office, and the Office of Presidential Transition to achieve (a) inclusion of Link in the Administration’s FY 02 budget in February and; (b) maintain a dialogue with officials of the new Administration.

**BUDGET**

2001 Adopted Budget <sup>1</sup> (A)	2001 Expenditures to Date (B)	Total Amount Requested (C)	Shortfall* or Surplus (A-[B+C])
\$425,000	\$0	\$425,000	\$0
*Amount of Shortfall	Potential Revenues	Funding Sources	

<sup>1</sup> This amount accounts for the portion that was budgeted to cover this contract.

**ALTERNATIVES**

1. Do not approve continued increased scope and contract maximum; seek achievement of federal objectives at a lower level of effort and resources.
2. Do not approve and direct staff to re-procure federal relations services.

**CONSEQUENCES OF DELAY**

A delay could hinder Sound Transit’s efforts to (a) maintain federal FFGA; (b) maximize federal funding during the appropriations process; and (c) initiate discussions with the staff of the new 107<sup>th</sup> Congress and the new Administration.

**LEGAL REVIEW**

MBL 1/8/2001

**SOUND TRANSIT**

**MOTION NO. M2001-03**

A motion of the Board of the Central Puget Sound Regional Transit Authority increasing the maximum amount of the contract with Denny Miller McBee Associates by \$425,000 (\$663,000 to \$1,088,000) for federal legislative and administrative representation in Washington, DC for the year 2001 and authorizing the Executive Director to extend the contract for a one-year period of January 1, 2001 to December 31, 2001.

**Background:**

Sound Transit currently has a contract for federal government relations services with Denny Miller McBee Associates (DMMA). This contract was approved in Motion M98-44 by the Finance Committee on July 16, 1998. Motion M98-44 authorized Sound Transit's Executive Director to award a contract for the period July 1, 1998 through June 30, 1999, with options for three one-year extensions, and a contract maximum of \$633,000 through June 30, 2003. Motion M2000-24 authorized an increase in the contract maximum to \$663,000; authorized an accelerated expenditure of the contract maximum; and authorized an extension of the contract through December 31, 2000.


Sound Transit federal objectives necessitate a sustained high level of effort and increased resources directed to their achievement. Staff is recommending that DMMA's increased level of services be maintained through the end of 2001.

Staff is proposing to maintain the level of DMMA resources currently working on Sound Transit's federal program, and that DMMA continue to subcontract with the Petrizzo Group for support on all aspects of this effort.


**Motion:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the contract with DMMA be increased by \$425,000 from \$663,000 for revised authorized maximum amount of \$1,088,000 for federal legislative and administrative representation in Washington, DC for the year 2001 and that the Executive Director be authorized to extend the contract for a one-year period of January 1, 2001 through December 31, 2001.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 8<sup>th</sup> day of February, 2001.

  
David Earling  
Board Chair

ATTEST:

  
Marcia Walker  
Board Administrator