

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-106

Contract with McBee Strategic for Federal Relations

| Meeting: | Date: | Type of Action: | Staff Contact: | Phone: |
|-------------------|--------------|----------------------------|--|----------------|
| Finance Committee | 9/5/02 | Discussion/Possible Action | Ric Ilgenfritz, Chief Communications Officer Ann McNeil, Government Relations Specialist | (206) 398-5239 |
| Board | 9/12/02 | Action | | (206) 398-5298 |

| Contract/Agreement Type: | | Requested Action: | |
|---------------------------------|---|-----------------------------------|---|
| Competitive Procurement | 3 | Execute New Contract/Agreement | 3 |
| Sole Source | 4 | Amend Existing Contract/Agreement | |
| Memorandum of Agreement | | Contingency Funds Required | |
| Purchase/Sale Agreement | | Budget Amendment Required | |

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

- To extend an existing sole source contract to McBee Strategic for federal relations consulting services for an additional three-month period from October 1, 2002 until December 31, 2002.

ACTION

- Authorizes the Executive Director to extend an existing sole source contract with McBee Strategic for federal relations consulting services for an additional three-month period from October 1, 2002, until December 31, 2002, in the amount of \$45,000 for a new total authorized contract amount not to exceed \$135,000.

KEY FEATURES

- This proposed sole source extension would preserve the services of McBee Strategic through the end of 2002 during a critical juncture in the agency's federal partnership. During the fall of 2002, Sound Transit will competitively procure federal relations consulting services prior to expiration of the McBee Strategic and the other Sound Transit federal relations contracts. Staff intends to have a new contract or contracts in place by January 1, 2003.
- Provides continuity in Sound Transit's federal relations at a critical juncture in the agency's federal partnership. During the last quarter of the year, the 107th Congress will finish work on the FY 2003 transportation appropriations bill and the federal Full Funding Grant Agreement for the Initial Segment of the Central Link Light Rail project will be continuing through the federal approval process.

BUDGET IMPACT SUMMARY

Project Description: Contract extension to McBee Strategic for federal relations consulting services.

Current Status: Current contract expires 9/30/02

Projected Completion Date: 12/31/02

| Action Outside of Adopted Budget: | Y/N | Y | Requires Comment |
|--|------------|----------|-------------------------|
| This Line of Business | N | | |
| This Project | N | | |
| This Phase | N | | |
| This Task | N | | |
| Budget amendment required | N | | |
| Key Financial Indicators: | Y/N | Y | Requires Comment |
| Contingency funds required | N | | |
| Subarea impacts | N | | |
| Funding required from other parties other than what is already assumed in financial plan | N | | |

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

BUDGET DISCUSSION

This action would not impact the current Board-adopted budget as current expenditures for these types of services are well below budget levels.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

N/A

SUMMARY FOR BOARD ACTION

Summary for Board Action (Year of Expenditure \$000)

Action Item: Contract extension with McBee Strategic for Federal Relations Consulting Services

| | (A) Current Approved | (B) Spent to Date | (C) Proposed Action | (D) Proposed Total Contract Value |
|---------------------|----------------------------|----------------------|------------------------|---|
| Contract Budget | Contract Value | Spent to Date | Proposed Action | Proposed Total Contract Value |
| McBee Strategic | 90,000 | 30,000 | 45,000 | 135,000 |
| Contingency | 0 | - | - | - |
| Total | 90,000 | 30,000 | 45,000 | 135,000 |
| Percent Contingency | 0% | - | 0% | 0% |

Contract to be Charged to:

| | 2002 Staff Budget | Future Staff Budgets | Direct Charges to Projects | Total |
|-----------------------------|----------------------|-------------------------|-------------------------------|---------|
| Fed Govt Relations Services | 555,000 | - | - | 555,000 |

| Govt Relations Dept, Account Budget | 2002 Board Adopted Staff Budget | Spent to Date in 2002 | This Action for 2002 | 2002 Suplus (Shortfall) |
|-------------------------------------|---------------------------------------|--------------------------|-------------------------|----------------------------|
| Fed Govt Relations Services | 555,000 | 267,890 | 45,000 | 242,110 |

Budget Shortfall

| Level | \$ | Revenues | Funding Source |
|-------|----|----------|----------------|
| NA | - | - | NA |

M/W/DBE – SMALL BUSINESS PARTICIPATION

For this contract, M/W/DBE and Small Business Participation requirements were waived because subcontracting was deemed infeasible and improbable.

HISTORY OF PROJECT

In early 2002, the Sound Transit Board approved a federal relations consulting contract with the firm of Denny Miller McBee for a period of one year, from January 2002 until December 31, 2002. In March of 2002, Denny Miller McBee unexpectedly dissolved and formed two firms – Denny Miller Associates and McBee Strategic. In order to preserve the federal relations services for the agency, the Executive Director modified the existing contract with Denny Miller through the end of 2002 and extended a sole source contract to McBee Strategic for six months through the end of September 2002. These actions effectively divided the budget and scope of work between the firms.

**Prior Board or Committee Actions
and Relevant Board Policies**

| Motion or Resolution Number | Summary of Action | Date of Action |
|------------------------------------|--|-----------------------|
| Motion No. M2001-03 | Extended contract with Denny Miller McBee Associates for one year; increased contract maximum by \$425,000. | 1/18/01 |
| Motion No. M2000-24 | Increased Denny Miller McBee Associates contract maximum by \$30,000 to \$663,000 and extended contract period for six months | 3/2/00 |
| Motion No. M98-44 | One-year contract awarded to Denny Miller Associates for period of 7/1/98 to 6/30/99 with three, one-year extensions possible; authorized contract maximum of \$633,000. | 7/16/98 |

CONSEQUENCES OF DELAY

Sound Transit would not have the benefit of the federal relations consulting services provided by McBee Strategic beyond September 30, 2002. These services are essential during this critical juncture in the agency's federal partnership.

REGIONAL PARTNERSHIP AND COOPERATION

N/A

PUBLIC INVOLVEMENT

N/A

LEGAL REVIEW

JW 8/14/02

SOUND TRANSIT

MOTION NO. M2002-106

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to extend an existing sole source contract with McBee Strategic for federal relations consulting services for an additional three-month period from October 1, 2002, until December 31, 2002, in the amount of \$45,000 for a new total authorized contract amount not to exceed \$135,000.

Background:

In early 2002, the Sound Transit Board approved a federal relations consulting contract with the firm of Denny Miller McBee for a period of one year, from January 2002 until December 31, 2002. In March of 2002, Denny Miller McBee unexpectedly dissolved and formed two firms – Denny Miller Associates and McBee Strategic. In order to preserve the federal relations services for the agency, the Executive Director modified the existing contract with Denny Miller through the end of 2002 and extended a sole source contract to McBee Strategic for six months through the end of September 2002. These actions effectively divided the budget and scope of work between the firms. This proposed sole source extension would preserve the services of McBee Strategic through the end of 2002 during a critical juncture in the agency's federal partnership.

Motion:

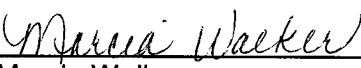
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to extend an existing sole source contract with McBee Strategic for federal relations consulting services for an additional three-month period from October 1, 2002, until December 31, 2002, in the amount of \$45,000 for a new total authorized contract amount not to exceed \$135,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 12, 2002.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator