

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2002-140**

**Federal Relations Consulting Services with McBee Strategic and Washington<sup>2</sup> Advocates**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	12/19/02	Discussion/Possible Action	<b>Ric Ilgenfritz, Chief Communications Officer</b> Ann McNeil, Federal Government Relations Specialist	(206)398-5239  (206)398-5298

<b>Contract/Agreement Type:</b>	<b>3</b>	<b>Requested Action:</b>	<b>3</b>
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		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 secure federal relations consulting services for a one-year period from January 1, 2003 until December 31, 2003, with options for two one-year extensions.

**ACTION**

- Authorize the Executive Director to execute a one-year contract with a joint venture firm, McBee Strategic and Washington<sup>2</sup> Advocates, to provide federal relations consulting services in the amount of \$360,000, with options for two one-year extensions for a total contract amount not to exceed \$1,200,000.

**KEY FEATURES**

- The scope of this contract is to provide federal relations consulting services through frequent consultations with Sound Transit and interactions on behalf of the agency with the federal legislative and executive branches of government (Scope of work is attached).
- This contract will provide the agency with strategic planning and coordination in the development of a comprehensive federal strategy, including securing annual appropriations and assisting in the definition and promotion of the agency's interests during the reauthorization of the Transportation Efficiency Act for the 21<sup>st</sup> Century (TEA-21).
- McBee Strategic and Washington<sup>2</sup> Advocates presented a comprehensive and strategic approach to federal relations consulting services for the agency. Since 2001, when federal funding for the Central Link light rail project was put on hold, the agency has undertaken a significant effort to rebuild its relationships with federal partners in the Executive and Legislative branches. McBee Strategic and Washington<sup>2</sup> Advocates have assisted the

agency in this effort during the last year, and responded to the competitive procurement with an outstanding proposal to continue their services.

- This proposed contract award is the result of a competitive procurement consistent with agency policies and procedures. A request for proposals (RFP) was issued October 2002. 35 firms received the RFP, and the agency received nine proposals. Proposals were put through a two-phase evaluation process based on the quality of written proposals and subsequent interviews. Written proposals were required to address six criteria and evaluated according to a 100-point scale. Interviews were evaluated on a 50-point scale in which points were awarded according to responses to a set of standard questions. McBee Strategic/Washington<sup>2</sup> Advocates scored 128 out of 150 possible points. The second place firm, Griffin Johnson/Gayton, scored 106 points. The other firms scored below 100 points.
- The contract amount is \$360,000 for one year, with two one-year extensions possible. This reflects a \$30,000 monthly retainer for the full services of both firms. This amount is \$5,000 per month less than the agency currently spends for comparable work, representing a \$60,000 reduction for 2003 below what we spent in 2002.

**BUDGET IMPACT SUMMARY**

**Project Description:** Federal Relations Consulting Services

**Current Status:** Ongoing

**Projected Completion Date:** Ongoing

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

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

**BUDGET DISCUSSION**

The McBee Strategic and Washington2 Advocates consultant contract will be expensed as consulting services to the Communications department staff budget. The current adopted 2003 budget contains \$485,000 for federal relations consulting services. This contract will obligate \$360,000 of this budget, leaving an additional \$125,000 for other activities in 2003. If the two one-year extensions are exercised, they would be charged against future budgets as adopted.

**REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS**

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit's current long-term financial plan and the subarea financial capacity.

## SUMMARY FOR BOARD ACTION

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

Action Item: McBee Strategic and Washington2 Advocates

	(A) Current Approved	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
1 Base contract	-	-	1,200,000	1,200,000
2 Contingency	-	-	-	-
3 Total	-	-	1,200,000	1,200,000
4 Percent Contingency	0%	0%	0%	0%

Contract to be Charged to:

	2003 Staff Budget	Future Staff Budgets	Direct Charges to Projects	Total
5 Consultant/Management	360,000	840,000	-	1,200,000

Communications Department, Consultant/Management Budget	2003 Board Adopted Staff Budget	Spent to Date in 2003	This Action for 2003	2003 Suplus (Shortfall)
6 Federal relations consulting	485,000	-	360,000	125,000
7 Other Consulting/Management	411,000	-	-	411,000
8 Total Consulting/Management	896,000	-	360,000	536,000

Budget Shortfall

Level	\$	Revenues	Funding Source
9 NA	-	-	NA

## **M/W/DBE – SMALL BUSINESS PARTICIPATION**

Both joint venture firms are small businesses and are committed to recruiting and maintaining a diverse workforce. Of the five McBee Strategic employees, four are women; of the five Washington<sup>2</sup> Advocates, two are women, including one Vietnamese-American.

## **HISTORY OF PROJECT**

To assist the agency in achieving its federal agenda, Sound Transit has retained the services of federal relations consulting firms since the agency was formed. Sound Transit has been successful in the federal arena, having secured more than \$190 million in federal appropriations from Congress, and in 2001, a federal grant commitment for the construction of light rail.

At the end of 2002, three of the agency's four federal relations consulting contracts will expire. To maintain federal representation during 2003, the agency solicited proposals in October for federal relations consulting services, and interviews were held during the week of December 2, 2002. The fourth contract is with Peyser Associates, a Washington, D.C.-based firm that specializes in New Starts projects. This contract expires at the end of 2003.

The agency's federal agenda in 2003 will be significant. Finalizing and executing a revised federal grant for the light rail project is a major area of focus. This agreement will be reviewed by the U.S. Department of Transportation, including the Inspector General's office, along with the White House Office of Management and Budget, and will also be reviewed by four Congressional committees of jurisdiction. In addition, the agency anticipates requesting appropriations in FY 2004 for other Sound Transit projects and will be involved in the discussions leading up to the reauthorization of TEA-21.

To help Sound Transit achieve its federal agenda, the agency has selected the joint venture firm of McBee Strategic and Washington<sup>2</sup> Advocates. A scope of work for this contract is attached to this material.

## **CONSEQUENCES OF DELAY**

If this contract is not awarded, the agency will be without federal relations consulting services during the critical juncture in achieving the agency's federal agenda. Representation is particularly important as the 108<sup>th</sup> Congress begins its work, including the reauthorization of TEA-21. The federal Full Funding Grant Agreement for the Initial Segment of the Central Link light rail project is also under review by the U.S. Department of Transportation and is expected to be forwarded to Congress, where it will be reviewed by four Congressional committees of jurisdiction.

## **REGIONAL PARTNERSHIP AND COOPERATION**

N/A

## **PUBLIC INVOLVEMENT**

N/A

## **LEGAL REVIEW**

BN 12-16-02

**SOUND TRANSIT**

**MOTION NO. M2002-140**

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to award a one-year contract to the joint venture firm of McBee Strategic and Washington<sup>2</sup> Advocates for federal relations consulting services in the amount of \$360,000 with options for two one-year extensions for a contract total not to exceed \$1,200,000

**Background:**

This contract will provide the agency with strategic planning and coordination in the development of a comprehensive federal strategy, including securing annual appropriations, a Full Funding Grant Agreement for the Initial Segment of the Central Link light rail project, and assisting the agency through the reauthorization of the Transportation Efficiency Act for the 21<sup>st</sup> Century (TEA-21).

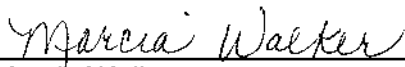
**Motion:**

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a one-year contract to the joint venture firm of McBee Strategic and Washington<sup>2</sup> Advocates for federal relations consulting services in the amount of \$360,000 with options for two one-year extensions for a contract total not to exceed \$1,200,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 19, 2002.

  
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Kevin Phelps  
Finance Committee Chair

ATTEST:

  
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Marcia Walker  
Board Administrator

## **ATTACHMENT ONE**

### **SCOPE OF WORK**

The Consultant will provide federal relations consulting services through frequent consultations with Sound Transit and interactions on behalf of the agency with the federal legislative and executive branches of government. To ensure that all aspects of Sound Transit's federal agenda are covered by these professional services, the scope of this contract is broad. These duties will include, but are limited to, the following:

- Provide strategic planning and coordination activities in the development of a comprehensive federal affairs strategy for Sound Transit, including securing annual appropriations and defining and promoting the agency's interests during the reauthorization of the Transportation Efficiency Act for the 21<sup>st</sup> Century (TEA-21).
- Assist in the development of short and long-term federal funding strategies and annual appropriations requests, including securing the Full Funding Grant Agreement for the Central Link light rail project. Work with Sound Transit on the preparation of annual appropriations requests for agency programs, including securing annual appropriations for Sounder commuter rail, Regional Express capital projects, and the pending Full Funding Grant Agreement for the Central Link project.
- Support and assist the agency in monitoring the Federal Transit Administration's New Starts program, including establishment of relationships and interactions with executive department personnel involved in the New Starts program, including the Federal Transit Administration, the Office of the Secretary, the office of the U.S. DOT Inspector General and the White House Office of Management and Budget.
- Assist the agency in outreach to the Congressional committees of jurisdiction over the U.S. Department of Transportation New Starts program, including providing regular updates for the committee members and staff on the status of Sound Transit's New Starts projects.
- Support and assist the agency with interactions with the Washington Congressional delegation and staff.
- Work collaboratively with representatives of other agencies, governments, and associations that share a common interest in public transit and the FTA's New Starts program, including the American Public Transportation Association and the New Starts Working Group. Work collaboratively with other Sound Transit consultants involved in the agency's federal agenda.
- Report regularly to the agency on the status of the agency's federal agenda. Support the Chief Communication Officer in regular reports to the Sound Transit Board of Directors.