

CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

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GERALD R. MILLER CITY MANAGER

December 23, 2003

HONORABLE MAYOR AND COUNCIL MEMBERS City of Long Beach California

SUBJECT: Contract for Federal Legislative Advocacy Services (Citywide)

DISCUSSION

E. Del Smith and Company has successfully represented the City of Long Beach in Washington, D.C. before the United States Congress and various federal agencies for over 30 years. The previous contract between the City and E. Del Smith and Company, which was approved by City Council on August 13, 2002, expired on September 30, 2003. Since that time, E. Del Smith and Company has added two partners, Sante Esposito and R.J. Lyerly. The new partners, and Del Smith, each bring with them an impressive resume, which have been attached for your review (Attachment A). Also attached is a brief summary of the work accomplished during the previous contract term by E. Del Smith and Company (Attachment B).

Since October 1, 2003, E. Del Smith and Company services have been retained through a City purchase order. Based on E. Del Smith and Company's unique access and influence in Washington, D.C., its extensive understanding of the City of Long Beach and related agencies, and the work currently underway related to the federal Transportation Equity Act — Legacy for Users (TEA-LU, formerly referred to as the Transportation Equity Act for the 21st Century, or TEA-21) reauthorization, the approval of this proposed annual contract is recommended.

The previous contract with E. Del Smith and Company was temporarily augmented for the provision of enhanced advocacy services related to TEA-LU. Thanks to the collective hard work of our advocacy team and our City's elected officials over the last year, approximately \$17.6 billion will now be included in the TEA-LU for projects of national significance, with an anticipated \$764 million of this to be allocated for the I-710/Gerald Desmond Bridge project. It was expected that the TEA-LU congressional process would be completed by the end of the previous contract term and that City

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support for federal legislative advocacy services would be reduced to prior funding levels.

Due to congressional delays in the TEA-LU authorization process, however, it is necessary to extend the augmented retainer for a period of six months. The remaining six months of the proposed annual contract will be reduced to levels comparable to previous contracts. The proposed monthly retainer, inclusive of all expenses incurred on behalf of the City, will be \$22,580 for October 1, 2003 through May 31, 2004, and \$9,480 for June 1, 2004 through September 30, 2004. Additionally, the City is adding a one-time amount of \$4,800 to cover unanticipated costs incurred by the consultant during the previous term. It is again anticipated that annual costs for federal legislative advocacy services will be reduced following this proposed contract term.

This letter was reviewed by Deputy City Attorney Donna Gwin on December 9, 2003 and Budget Manager Mike Killebrew on December 18, 2003.

TIMING CONSIDERATIONS

City Council action is requested at the December 23, 2003 meeting to allow for timely processing of documents.

FISCAL IMPACT

The annual cost for the contract with E. Del Smith and Company is estimated to be \$223,360. As noted above, it was anticipated that funding for federal legislative advocacy services would be reduced but due to congressional delays, the City will only realize a partial reduction for these services this contract term. As part of the City's Three-Year Financial Strategic Plan, however, funding for this service was reduced. The City Manager will attempt to absorb the temporary augmentation for this activity within existing appropriations.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute a contract for federal legislative advocacy services with E. Del Smith and Company in the amount of \$223,360 for a period of one year.

Respectfully submitted,

Mustine F. Shippey

n GERALD R. MILLER CITY MANAGER

> Attachments GRM:CK:SPS Smith, Esposito and Lyerly Contract FY 04