

CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

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GERALD R. MILLER CITY MANAGER

July 6, 2004

HONORABLE MAYOR AND COUNCIL MEMBERS
City of Long Beach
California

SUBJECT: First Amendment to Agreement No. 28598 for Federal Legislative

Advocacy Services (Citywide)

DISCUSSION

On December 23, 2003, the City Council authorized an agreement for federal legislative advocacy services with E. Del Smith and Company for the period of October 1, 2003 through September 30, 2004 (Council letter attached). 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 current agreement with E. Del Smith and Company includes a temporary augmentation for the provision of enhanced advocacy services related to the federal TEA-21 reauthorization. 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-21 reauthorization for projects of national significance, with an anticipated \$764 million of this to be allocated for the I-710/Gerald Desmond Bridge project.

When the current agreement was approved in December 2003, it was expected that the TEA-21 reauthorization congressional process would be completed by May 2004 and that City support for federal legislative advocacy services would be reduced to prior funding levels. The agreement includes a temporarily augmented monthly retainer from October 2003 through May 2004 (\$22,580/month, of which \$13,100 is a temporary augmentation). The retainer for the remaining four months of the agreement, June 2004 through September 2004, was scheduled to be reduced to levels comparable to previous contracts (\$9,480/month).

Completion of the federal TEA-21 reauthorization process, however, has been further delayed. Members of the Senate/House Conference Committee have been named, but

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the most important negotiations relative to the bill, and our interests, will occur sometime in the coming four months. Therefore, an amendment is necessary to extend the augmented retainer for the remaining four months of the current agreement. It is anticipated that the annual costs for federal legislative advocacy services will be reduced following the current contract term.

This letter was reviewed by Senior Deputy City Attorney Donna Gwin and Budget Management Officer David Wodynski on June 29, 2004.

TIMING CONSIDERATIONS

City Council action is requested at the July 6, 2004 meeting to allow for timely processing of the amended agreement.

FISCAL IMPACT

The current agreement with E. Del Smith and Company totals \$223,360. The annual cost of the proposed amended agreement would total \$275,760, reflecting a four-month augmentation of \$52,400, or \$13,100/month. As noted above, it was anticipated that funding for federal legislative advocacy services would be reduced but due to congressional delays the augmentation will be necessary through the entire term of the agreement (September 30, 2004). The City Manager will attempt to absorb the temporary augmentation for this activity within existing appropriations.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

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Authorize the City Manager to amend Agreement No. 28598 for federal legislative advocacy services with E. Del Smith and Company in the amount of \$52,400 for a total agreement of \$275,760.

Respectfully submitted,

GERALD R. MILLER CITY MANAGER

Attachment
GRM:CFS:CK:SPS
Del Smith Contract Amendment 7-6-04