



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: February 1, 2007 REPORT NO: 07-034

ATTENTION: Rules, Open Government and Intergovernmental Relations Committee
Agenda of February 7, 2007

SUBJECT: Lobbying Services contract for federal representation in Washington,
D.C.

REFERENCE:

REQUESTED ACTION:

Authorize the Mayor to negotiate and execute an Agreement with Patton Boggs LLP for federal lobbying services for calendar years 2007 and 2008.

STAFF RECOMMENDATION:

Adopt the proposed recommendation for federal lobbying services and authorize the Mayor to negotiate and execute an Agreement with Patton Boggs LLP.

SUMMARY:

For more than 40 years, the City has contracted with government relations firms to ensure that the City maintains effective advocacy before the legislative and executive branches of the Federal government. These advocates, working through the Community and Legislative Services Division, advocate City adopted policy regarding: federal funding opportunities; federal Legislative goals; and federal Regulatory goals.

The principal responsibility of the lobbying contractor shall be achieving federal funding and determined legislative and regulatory outcomes on behalf of the City.

In cooperation with the Mayor, City Council and other appropriate city departments, the lobbying contractor shall assist in implementing a detailed work plan with specified deliverables in the following areas:

1. Housing, Redevelopment & Economic Development;
2. Municipal Revenues & Operations;
3. Neighborhood Services;
4. Public Works & Transportation;
5. Homeland Security; and
6. Border Infrastructure and Development.

In fulfillment of the work plans, the lobbying contractor is required to provide services and advice including, but not be limited to the following:

1. Representing the City in interacting with White House and Congressional representation and staff persons, Federal agencies and boards, commissions and legislative bodies.
2. Researching and providing written and oral information to the City on matters which include, but are not limited to:
 - a. existing and proposed federal laws and regulations that affect City interests;
 - b. reports on, and testimony from, legislative hearings;
 - c. the development and progress of federal issues affecting specified City interests;
 - d. Federal agency and department regulations, guidelines, directives, and other instruments of administrative policy;
 - e. grants and other funding opportunities for proposed City projects;
 - f. technical reports and memoranda affecting City operations and fiscal conditions;
 - g. arranging meetings for City elected officials and personnel with congressional members and staff;
 - h. coordinating with the City's Grants Administrator and grant writers in the appropriate city departments to identify grant funding opportunities and develop strategies to maximize the receipt of grant funds for the City.

DISCUSSION:

Last fall, the City's Purchasing and Contracting Department released Proposal Number 8468-07-T-RFP which sought responses to the request for Legislative Representation and Consulting Services for Washington, DC. In response to this request, three full service lobbying firms responded: Patton Boggs LLP (the City's incumbent provider); Carpi & Clay Government Relations; and Van Scoyoc Associates, Incorporated.

Consistent with existing City policies, a technical evaluation committee (TEC) was established and completed a comprehensive review of the technical proposals and the price proposals submitted in response to the solicitation. The technical evaluation was completed first without the price proposals. In accordance with the solicitation, technical merit was given greater weight than price. The technical criteria used by the TEC were:

1. Qualifications, Experience and Rapport
2. Executive/Management Summary and Specifications
3. Past Performance as indicated by references

Using the above criteria the TEC ranked each of the proposers. The firm of Patton Boggs LLP was the only firm to rank exceptional in all three areas. A summary of the TEC's evaluation of Patton Boggs LLP is below:

Qualifications:

Depth of firm; bipartisan make-up of firm; constant communication with clients; assist developing policy positions; strong municipal government experience; established relationships with outside organizations (U.S. Conference of Mayors; National League of Cities); strong relationship w/Congressional Delegation; bringing federal representatives to the local jurisdiction to improve likelihood of advancing proposals; significant examples of appropriation successes for clients.

Executive/Management Summary and Specifications:

Patton Boggs LLP presented the following attributes: Top firm in Washington¹; large municipal government practice; top rated lobbyists (by peers and federal officials) – two in the top 10²; staff is experienced and connected in a variety of issue areas; detailed approach to advocacy; communication and approach is as though the contractors are an extension of the City's Intergovernmental Relations Department.

Past Performance as indicated by references:

Provides all federal representation; lobbying support for elected officials; primary representation remains consistent; very hard workers; “hungry” to be the best and will do anything to succeed for their clients; appropriations, legislative and administrative successes; provides good advice on achievable goals.

Past Performance for the City of San Diego:

To date, Patton Boggs LLP has provided the City with sound past performance. Over the term of their contract, the City's lobbyists have been instrumental in securing over \$4.5 million in federal appropriations successes including:

- Park Boulevard / Harbor Drive Pedestrian Bridge -- \$2.8 million;
- San Ysidro Pilot Village Traffic Circle -- \$300,000;
- City Heights Hope Village Housing -- \$150,000;
- San Diego Family Justice Center -- \$150,000;
- Crisis Intervention Team -- \$550,000;
- San Diego Mobile Law Enforcement Technology -- \$100,000;
- Camp Hope -- \$50,000.

Unfortunately the last Congress did not finalize the majority of the appropriations bills and instead passed a long-term continuing resolution which funded the majority of the federal government at existing levels and placed a moratorium on all earmarks. Patton Boggs LLP had been successful in moving \$2.3 million in City projects into contention for federal funding:

- Point Loma Ocean Monitoring Program -- \$1 million
- Adult Special Populations Contracted Training Program -- \$250,000
- Imperial Avenue Corridor Master Plan -- \$300,000
- City Heights Affordable Housing Projects -- \$150,000
- Public Safety Technology Initiative -- \$650,000 requested³

In addition to the funding successes, Patton Boggs LLP has been influential in a number of policy decisions that have material impact on the City. Since the inception of the Homeland Security Funding grant programs, the City's lobbyist have been instrumental in moving away from formula based distribution of grants to the risk-based distribution. They have fast become one of the most knowledgeable and respected firms on municipal issues related to Homeland Security funding and policy⁴.

¹ Rankings compiled by several lobbying industry publications.

² *The Hill* – A non-partisan, non-ideological weekly newspaper covering Congress and its members.

³ This project received a “soft earmark” in the House bill meaning the project was included for funding, but a funding level had not been determined.

⁴ *Influence – The Business of Lobbying*: News publication of the lobbying industry.

Furthermore, Patton Boggs LLP has strongly advocated for the appropriation of federal funds to support wastewater and water infrastructure through programs that the City derives benefit from, such as the Clean Water and Drinking Water State Revolving Loan Program (SRF), Bureau of Reclamation Title 16 and challenge grant programs.

Additionally, the firm is a full service legal and lobbying firm, however the contractual arrangement will be strictly for lobbying services, not for outside legal counsel. To that end, Patton Boggs LLP employs a strong team of consultants with expertise in all important policy areas. While the firm proposes to dedicate a day-to-day manager for the City's account, the firm has also committed, at no additional costs, to bring whatever additional resources they have to bear on any issue the City may deem as a priority.

Finally, the firm has expressed a willingness to work with the City mindful of the current budget environment. Consistent with the previous contract, Patton Boggs LLP is proposing to operate under a retainer of \$15,000.00 per month.

FUTURE ACTIONS

After the initial two (2) year contract period, the City reserves the option to renew the contract up to three (3) additional one (1) year periods under the terms and conditions herein stated beginning on the anniversary of the commencement of contract. The renewal is contingent on a mutual agreement between the City and the Contractor with such agreement to be confirmed within sixty (60) days of the expiration of the contract period. Either the City or the Contractor may decline to confirm the renewal of the contract for any reason whatsoever, which shall render the renewal option null and void.

FISCAL CONSIDERATIONS:

Anticipated contract costs are budgeted in the current fiscal year (FY 2007) through June 30, 2007 per City Council action on September 12, 2006.

Future contract costs will be proposed in the FY 2008 Community & Legislative Services Budget; Department 220, Organization Number 5000, Account 4888.

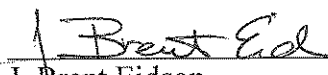
PREVIOUS COUNCIL and/or COMMITTEE ACTION:

On September 12, 2006 the City Council adopted an amendment to the Annual Appropriations Ordinance authorizing the transfer of funds from the unappropriated reserves to fund the City's lobbying contracts.

June 10, 2003, the City Council authorized the Governmental Relations Department to contract with Patton Boggs LLP.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None

KEY STAKEHOLDERS AND PROJECTED IMPACTS: None


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