

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-12

Contract Amendment for Federal Relations Consulting Services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	02/07/02	Discussion/Possible Action	Ric Ilgenfritz, Chief Communications Officer	206-398-5239

OBJECTIVE OF ACTION

To amend the existing contract with Denny Miller McBee Associates for federal relations consulting services for an additional one-year term from January 1, 2002 until December 31, 2002 for an amount not to exceed \$425,000.

ACTION

Authorize the Executive Director to amend an existing contract with Denny Miller McBee Associates for federal relations consulting services for an additional one-year term from January 1, 2002 until December 31, 2002 for an amount not to exceed \$425,000.

KEY FEATURES

Highlights of Action:

- Authorizes a contract amendment with Denny Miller McBee Associates for federal relations consulting services for an additional year to expire on December 31, 2002.
- Provides continuity in Sound Transit's federal relations at a critical juncture in the agency's federal partnership.
- This action provides time for Sound Transit to competitively procure federal relations consulting services prior to expiration of this contract. Staff intends a new contract to be in place by January 1, 2003.

BUDGET

Column A	Column B	Column C	Column D	Column E
Total Project Budget	Budget for this Task (B)	Obligated to Date (C)	Total Amount Requested (D)	Shortfall* or Surplus (B-[C+D])
\$1,050,000	\$425,000		\$425,000	

FINANCIAL IMPACTS

Impact on Current Year Budget:

There is \$1,050,100 for consultant services in the Communications Department in the adopted 2002 budget; this budget assumes the same amount for federal government relations services as provided in 2001.

Impact on Sound Move Budget: None

Impact on Cost-to-Complete: None

Impact on Subarea(s) Budget(s): None

HISTORY OF PROJECT

Sound Transit has had a contract with Denny Miller McBee Associates (DMMA) for federal relations consulting services since 1998. Because of the agency's significant federal agenda during 2000 and 2001, the Sound Transit Board increased the scope of work under the contract and increased the annual contract amount to \$425,000. The increased scope of work and funding was related to DMMA's role as the agency's primary federal relations consultants during the negotiations with the executive and legislative branches of government on the Full Funding Grant Agreement (FFGA) for the Central Link light rail project. Staff had assumed the federal grant would be in place in 2001 and that the federal relations consulting services would be competitively procured during the fall of 2001 in time to have a new contract in place for 2002.

The U.S. Department of Transportation signed a \$500 million FFGA for Central Link in January of 2001, after the requisite review by Congress. In April, citing concerns about cost increases and schedule delays, the Department placed the agreement and funding for Link on hold. Since that time, the Sound Transit Board has re-evaluated its options for building light rail. On November 29, 2001, the Board approved moving forward with the initial segment and identified it as the segment of the Central Link to put forward for federal funding purposes.

There was considerable activity at the federal level during 2001, and as efforts to revise the grant agreement and sustain the federal funding commitment proceed in 2002, Sound Transit expects that a heightened level of scrutiny and activity will continue. The expertise and relationships established and maintained by DMMA are central to Sound Transit's federal agenda, particularly as the agency rebuilds its credibility and re-establishes the federal funding agreement. The continuity of this work will be extremely important during 2002.

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

Motion or Resolution Number	Summary of Action	Date of Action
M2001-03	Extend contract with Denny Miller McBee Associates by one-year; increased contract maximum by \$425,000.	1/18/01
M2000-24	Increase DMMA contract maximum by \$30,000 to \$663,000 and extend contract period for six months.	3/2/00
M98-44	One-year contract awarded to Denny Miller Associates for period 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

- Not having Sound Transit's primary federal relations consultants under contract during 2002 would have a significant impact on Sound Transit's federal agenda. The agency needs the consistency provided by retaining the federal relations consulting services of DMMA through this critical year.
- The lack of DMMA representation could affect Sound Transit's negotiations with the Federal Government on the FFGA for Link light rail, the agency's efforts to secure a federal appropriation for Link, and the release of the FY 2001 federal appropriation that has been held in abeyance by the U.S. Department of Transportation.
- The lack of representation could also affect the agency's federal agenda related to Sounder commuter rail and the ST Express bus program.
- Early discussions about the reauthorization of the next six-year federal transportation policy act (the federal legislation that will reauthorize the Transportation Equity Act for the 21st Century) will continue during this time. Lack of broad federal representation will limit Sound Transit's involvement in this important federal transportation policy discussion since the implementation of *Sound Move* anticipates a significant amount of federal funding.

REGIONAL PARTNERSHIP AND COOPERATION

Not applicable for this action.

PUBLIC INVOLVEMENT

Not applicable for this action.

ALTERNATIVES

Advertise for proposals to provide federal relations consulting services, and award a new contract. This process would take several months, during which time the agency would be without broad federal representation. This option would negatively affect the agency's federal agenda.

RECOMMENDATION(S)

Staff recommends amending the existing DMMA contract for an additional one-year term from January 1, 2002 until December 31, 2002 in the amount of \$425,000.

LEGAL REVIEW

JW – 1/30/02

SOUND TRANSIT

MOTION NO. M2002-12

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority to authorize the Executive Director to amend the existing contract with Denny Miller McBee Associates for federal government relations services for an additional one-year term from January 1, 2002 until December 31, 2002 for an amount not to exceed \$425,000.

Background:

Sound Transit has had a contract with Denny Miller McBee Associates (DMMA) for federal relations consulting services since 1998. Because of the agency's significant federal agenda during 2000 and 2001, the Sound Transit Board increased the scope of work under the contract and increased the annual contract amount to \$425,000. The increased scope of work and funding was related to DMMA's role as the agency's primary federal relations consultants during the negotiations with the executive and legislative branches of government on the Full Funding Grant Agreement (FFGA) for the Central Link light rail project. Staff had assumed the federal grant would be in place in 2001, and that the federal relations consulting services would be competitively procured during the fall of 2001 in time to have a new contract in place for 2002.

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As efforts to revise the grant agreement and sustain the federal funding commitment proceed in 2002, Sound Transit expects that a heightened level of scrutiny and activity will continue. The expertise and relationships established and maintained by DMMA are central to Sound Transit's federal agenda, particularly as the agency rebuilds its credibility and re-establishes the federal funding agreement.

Motion:

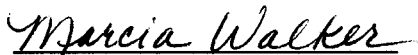
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority to authorize the Executive Director to amend the existing contract with Denny Miller McBee Associates for federal government relations services for an additional one-year term from January 1, 2002 until December 31, 2002 for an amount not to exceed \$425,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 7, 2002.



Kevin Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator