



**COMMISSION
AGENDA MEMORANDUM**

Item No.

6i

ACTION ITEM

Date of Meeting

June 11, 2019

DATE: June 3, 2019
TO: Stephen P. Metruck, Executive Director
FROM: Eric ffitch, Manager, State Government Relations
Nate Caminos, Government Relations Director
SUBJECT: State Government Advocacy contract

Amount of this request: \$450,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a contract for state government relations advocacy services for monitoring of state legislation, regulations, and policy developments, acting on behalf of the Port of Seattle at the direction of Port of Seattle staff. The proposed contract term is a two-year contract with three, one-year options for an estimated total cost of \$450,000.

EXECUTIVE SUMMARY

The Port of Seattle currently retains a state government relations advocacy firm in Olympia, WA, to assist the Port's full-time state government relations manager in addressing the significant number of state actions that have a direct impact on the Port's organization and business operations. This firm acts as the Port's advocate and policy consultant, providing regular and consistent personal contact with key legislators, executive branch, state agency staff and organizations, and helping analyze and understand the impact of state actions. This memorandum requests authority to execute a contract with a state government relations advocacy consultant to monitor legislative and regulatory activity in Olympia, WA and to provide strategic guidance on state policy and regulatory issues. The current contract for such services was competitively bid in 2015 and expires December 31, 2019. There will be a robust competitive process for future state advocacy services under the term of this contract, and we intend to include WMBE utilization goals in the upcoming contract solicitation as well.

JUSTIFICATION

Advocacy in the state legislature, and in the executive agencies of the state, is key to advancing many of the priorities set by our commission. From implementing sustainable aviation fuels at Sea-Tac Airport to leading the region in training the next generation of workers, leadership in the state capitol will be required. Working directly with a consultant that is located in Olympia, WA and has a consistent presence in the State Capitol will enhance the Port's effectiveness and

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reduce the prospect of major policies that effect our operations being adopted without our input.

The Port's state government relations manager follows the day-to-day operations of the state legislature and executive branch closely and is often in the state capitol meeting with lawmakers and other stakeholders. However, engaging a consultant who is there every day and who can share the workload with the government relations manager promotes the success of the Port's priorities.

DETAILS

Scope of Work

The proposed scope of work is to assist Port staff to support the Port of Seattle in state government relations activities in Olympia, WA, through the monitoring of state legislation, regulations, and policy developments, acting on behalf of the Port of Seattle at the direction of Port of Seattle staff. This work will promote and protect the Port's interest in state matters. More specific duties will be:

- (1) Develop and maintain a deep understanding of Port of Seattle operations and policy initiatives, even those not directly related to ongoing advocacy efforts;
- (2) To the extent necessary, assist Port staff and elected leadership in developing and maintaining a deep understanding of the workings of the legislature and the executive branch;
- (3) Represent the Port at state legislative and executive branch agency meetings in Olympia WA or around the state;
- (4) Develop and deliver testimony, as requested by staff, at legislative hearings on matters of port interest;
- (5) Serve as the Port's liaison with key legislators, executive branch, state agency staff and organizations and relevant industry associations;
- (6) Provide strategic guidance related to state executive and legislative policy and regulatory issues;
- (7) Direct advocacy efforts during the interim period, including assisting in the scheduling of commissioner and executive outreach meetings in the months leading up to the state legislative session;
- (8) Represent the Port on various state level work groups, as requested by Port staff, over the course of the legislative interim;
- (9) Provide regular reports on its activities in Olympia WA, on behalf of the Port, both orally and in writing. Written reports will be required on a weekly basis during the legislative session.
- (10) Prepare a final written report, as requested by the state government relations manager, detailing activities on behalf of the Port of Seattle, within two weeks of the end of the state legislative session.

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- (11) Conduct other work as assigned, including but not limited to: introductory meetings for Port officials and staff; creating strategies to advance Port issues before the Legislature and Executive Branch; attending legislative hearings and briefings on matters of interest to the Port; drafting correspondence to state entities and; writing draft testimony and legislation; reviewing draft comments for the state regulatory process; providing state-oriented briefing materials as requested; and interacting regularly with the state legislative body, committee staffs and state regulatory staff.

While this contract may be asked to perform state advocacy work on behalf of the NWSA, the scope of work for this contract is primarily focused on the Port of Seattle’s state agenda. The NWSA will retain a separate advocacy contract. The firm selected to represent the port will be able to compete for both contracts.

Diversity in Contracting

This contract will be procured competitively and according to Port procedures. Public Affairs has coordinated with Diversity in Contracting and established a 10 percent aspirational goal. Many qualified firms based in Olympia and the broader Northwest provide these types of services, and we are likely to receive a competitive response.

Schedule

Staff in External Affairs is working with the Port’s Central Procurement Office and Diversity in Contracting Department to a request for proposal advertisement with an expected start of contract service date of January 1, 2019.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do not hire an advocate, instead vesting the state government relations manager position with the entirety of the responsibility for tracking state policy and regulation.

Cost Implications: Estimated cost reduction of approximately \$84,000 per year.

Pros:

- (1) Reduction in the amount of budget dedicated to state government advocacy services.

Cons:

- (1) Diminished visibility with state lawmakers and representatives of executive branch agencies.
- (2) Reduced effectiveness in advancing Port of Seattle priority issues.
- (3) Increased chance for advancement of issues which the Port may not support, or which will not reflect our input when adopted.

This is not the recommended alternative.

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Alternative 2 – Do not hire an advocate, and instead dedicate the budget to hiring a new in-house government relations staffer to support the state government relations manager position.

Cost Implications: No cost implications, budget is repurposed to new position.

Pros:

- (1) Policy analysis and administrative support for the state government relations manager position.

Cons:

- (1) Diminished visibility with state lawmakers and representatives of executive branch agencies.
- (2) Reduced effectiveness in advancing Port of Seattle priorities issues.
- (3) Increased chance for advancement of issues which the Port may not support, or which will not reflect our input when adopted.

This is not the recommended alternative.

Alternative 3 – Through a broadly advertised, competitive process, hire a consultant to perform specialized and highly skilled advocacy services.

Cost Implications: The costs of maintaining a state government advocacy firm would be the same as current budget levels.

Pros:

- (1) Ensure maximum effectiveness for Port’s in-house government affairs staff by engaging the support of a specialist with unique knowledge of the State Capitol and the functioning of the legislature and executive branch agencies.
- (2) Support enactment of policies that the Port of Seattle Commission has deemed priorities by inclusion in the Port’s adopted state legislative agenda, and that support our mission to create jobs, stimulate economic development, promote industrial growth, and advance trade and commerce in King County, the Puget Sound region, and Washington state.

Cons:

- (1) Requires spending up to \$450,000 of funds over a five-year period.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

The estimated cost of the agreement is \$450,000 for five years. Services are estimated at \$90,000 per year. Charges to this contract will be from the Public Affairs department and will be included in annual budgets.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

September 22, 2015 – The Commission authorized the state consultant contract for period 2015 to 2019