



**COMMISSION**  
**AGENDA MEMORANDUM**

**Item No.** 6e

**ACTION ITEM**

**Date of Meeting** June 26, 2018

**DATE:** June 15, 2018

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Eric Schinfeld, Sr. Manager, Federal & International Government Relations  
Ryan McFarland, Manager, Federal Government Relations

**SUBJECT:** Contract for Federal Government Advocacy Services

**Amount of this request:** \$1,500,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to advertise and execute a contract for federal government relations advocacy services for up to five years, a three-year base contract with two one-year options for an estimated contract value of \$1,500,000.

**EXECUTIVE SUMMARY**

The Port of Seattle currently retains a federal government relations advocacy firm in Washington, D.C., to assist the Port Government Relations staff in addressing the significant number of federal actions that have a direct impact on the Port's interests and business operations. This firm acts as an advocate providing regular and consistent personal contact with the Pacific Northwest Congressional delegation, both members and staff, as well as regulatory agencies directly affecting Port operations. This memorandum requests authority to execute a new contract with a federal government relations advocacy consultant to monitor legislative and regulatory activity in Washington, D.C., and to provide strategic guidance on federal policy and regulatory issues. The current contract for such services was competitively bid in 2015 and expires January 2019.

**JUSTIFICATION**

The key elements of this work involve deep expertise in federal legislative and regulatory issues of interest to the Port, and strong relationships with key members of Congress and the Executive Branch. It is essential that the firm be located at least in part in Washington, D.C., to be able to engage directly in meetings, hearings and other public forums related to Port-related policy.

While Port federal government relations staff have strong knowledge of internal Port issues and dynamics, staying current on Congressional processes, Executive Branch rulemaking and the power dynamics of key federal stakeholders is difficult to maintain from afar. In addition, Port

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staff are unable to be in D.C. frequently enough to be impactful without significant financial and logistical challenges.

The primary purpose of this request is to ensure that federal legislative and regulatory policies are as conducive as possible to the success of the Port's business but also to the values and aspirations contained in the Century Agenda and implicit in the Port's role as a county-wide special purpose government operating on behalf of King County residents.

## **DETAILS**

### ***Scope of Work***

The proposed scope of work is to assist Port staff in advancing federal government relations activities in Washington, D.C., and to act on behalf of the Port at the Port's direction to promote and protect the Port's interest in federal matters. More specific duties will be to:

- (1) Develop deep knowledge of how federal policies impact Port operations and competitiveness – including but not limited to aviation, maritime, trade and economic development – and provide federal advocacy services to advance these priorities and interests.
- (2) Develop deep knowledge of, and provide federal advocacy services to advance, a broader set of federal policy issues that are core to the Port's mission, including but not limited to environmental sustainability, immigration, human trafficking, small and minority business contracting and workforce development.
- (3) Build and maintain strong relationships with relevant representatives of the Administration, Members of Congress, other federal agencies and port-related industry associations in Washington D.C.
- (4) Monitor federal policy developments that might impact the Port or its constituents – including congressional hearings and markups – and shape the Port's engagement in those issues.
- (5) As appropriate, serve as the face and voice of the Port at meetings with elected officials, public agencies and industry associations.
- (6) Effectively and accurately communicate the Port's policy priorities and interests orally and in writing.
- (7) Proactively promote and protect the Port's interests in federal matters, both in identifying new and creative opportunities to enhance the Port, as well as acting quickly and strategically to prevent actions that might prove harmful to the Port.
- (8) Assist the Port in securing federal funding, through the competitive grant process, as well as other relevant congressionally directed or agency driven processes.
- (9) Communicate regularly with port staff and leadership on firm's activities in Washington D. C.
- (10) Draft materials including letters, briefing materials, talking points, and public comments for the federal regulatory process, legislation, committee hearing testimony, and other items as requested.

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- (11) Develop deep knowledge of the Seattle region’s and Washington state’s economy, key stakeholders and political dynamics in order to provide strategic guidance on how to best shape the Port’s federal agenda to maximize benefits to, and recognition from, local leaders.
- (12) As appropriate, help develop partnerships and coalitions that can more effectively advance the Port’s policy priorities – including Washington state-based organizations and individuals, national associations or peers throughout the rest of the country.
- (13) Conduct other work assigned, such as assisting with meetings for Port officials and staff, interacting regularly with congressional delegations and committee staffs, and federal regulatory agencies.

The scope of work for this contract is primarily focused on the Port of Seattle’s federal agenda; the Northwest Seaport Alliance (NWSA) has a separate contract for similar services. However, there are times that the selected firm will be asked to coordinate with NWSA on federal issues of mutual interest to both NWSA and Port of Seattle.

There is a 10% SCS/OMWBE Certified requirement on this project.

**Schedule**

The Port is in the process of developing a request for proposal advertisement with an expected start of contract service date of January 1, 2019.

**Estimated Dates**

Advertise Solicitation	July 1, 2018
Proposals Due	September 15, 2018
Port Execute Agreement	December 31, 2018

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Do not hire a D.C.-based advocate, and rely solely on Port federal government relations staff by increasing Port staff travel to Washington, DC.

Cost Implications: Estimated cost reduction of approximately \$200,000 per year.

Pros:

- (1) Reduces the overall cost to the Port for federal government advocacy.

Cons:

- (1) Although Port staff are well versed in most federal issues and are able to effectively direct the work of the contractor, they do not always have the specific knowledge necessary to represent the Port on an issue or do not have available capacity to perform the amount of work required for effective representation in Congress and the executive branch. Past experience shows the Port typically has had to hire specialized and highly skilled consultants resident in Washington, D.C., to perform this work most effectively.

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- (2) While the overall costs to the Port would be reduced, there would be significant financial outlay to accommodate increased regular travel to Washington, DC.
- (3) Federal policy and regulation is more dynamic at this point in our nation’s history than almost any time in the past. The Administration and Congress are changing our government’s approach to issues in rapid and often unexpected ways. Not having someone “on the ground” in DC every day puts the Port at risk of being left out or left behind on key changes to federal laws and rules that have the potential to significantly impact our organization.

This is not the recommended alternative.

**Alternative 2** – Use existing Port of Seattle staff and budget, without increased travel to Washington, DC over current levels.

Cost Implications: Estimated cost reduction of approximately \$300,000 per year.

Pros:

- (1) Reduces the overall cost to the Port for federal government advocacy.

Cons:

- (1) As identified in Alternative 1, Port federal government relations staff lack capacity and key expertise in federal policymaking and rulemaking to ensure our successful engagement on all the issues that matter to our organization.
- (2) This approach increases the likelihood identified in Alternative 1 that the Port would decline in our ability and effectiveness to shape the outcome of fast-moving policy issues related to our business and priorities, since we wouldn’t be present in DC to engage often enough.

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 federal government advocacy firm would be the same as current budget levels.

Pros:

- (1) Maintaining our investment would maximize the changes that federal policies are conducive to the success of the Port and the interests of our key stakeholders. Our advocacy efforts are essential to support of 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 \$1.5 million of Port funds over a five year period.

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

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The estimated cost of the agreement is \$1,500,000 for five years. Services are estimated at \$300,000 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**

- Commissioners authorized the current contract on 9/22/15.