

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No. 5C
Date of Meeting December 1, 2020

DATE: November 12, 2020

TO: Managing Members

FROM: John Wolfe, CEO

Sponsor: Kurt Beckett, Deputy Chief Executive Officer

Project Manager: Ryan McFarland, Federal Government Affairs

SUBJECT: Approval of the NWSA federal lobbying services contract

A. ACTION REQUESTED

Request authorization for the Chief Executive Officer to execute a four-year personal services agreement (agreement number 071446) with Elevate Government Affairs for federal lobbying services.

B. SYNOPSIS

This request would execute a four-year personal services agreement with Elevate Government Affairs for federal lobbying services. The consultant was selected through a public procurement (RFP) process. No substantial changes have been made to the terms or conditions of the contract compared to the current federal lobbying services contract. The team at Elevate that would perform lobbying services under the new contract is the same team that performed lobbying services at Signal Group Consulting, LLC under the current contract.

C. BACKGROUND

The Managing Members authorized the current personal services agreement for federal lobbying services on January 3, 2017 and executed an additional two-year option on September 4, 2018. The current contract will expire on January 31, 2021.

The current contract was initially held by Signal Group Consulting, LLC. Signal Group's transportation team subsequently broke away from Signal Group and formed Elevate Government Affairs. This left Signal Group without the transportation expertise the NWSA needed. Signal and Elevate agreed to transfer

the contracts of willing clients from Signal to Elevate. In September 2019 the NWSA executed a novation that transferred the federal lobbying services contract to Elevate.

The Request for Proposals for this contract was issued on July 8, 2020 and closed on August 12. Only two firms submitted proposals. Elevate's proposal outscored the other proposal by a wide margin, and the evaluation panel has selected Elevate as the recommended awardee.

Elevate's performance under the current contract has been exemplary. Notable accomplishments by the alliance's federal government affairs team over the last two years include:

- Substantial progress on HMT reform
- Secured \$10.6 million Port Infrastructure Development Program grant for Terminal 5
- Implementation of the Section 2106 HMT importer payment program;
- Approval for the Seattle Harbor Deepening Project to move forward to the design phase
- Habitat mitigation bank process reforms
- Increased funding levels for ports in USDOT grant programs in surface transportation authorization legislation
- Inclusion of a new disaster relief program for ports and the maritime industry in legislation expected to pass this year
- Advocacy in support of WSDOT's successful INFRA grant application for the Puget Sound Gateway Program

D. PROJECT DESCRIPTION AND DETAILS

Scope of Work

The scope of work remains unchanged from the current contract approved by the Managing Members in January 2017:

1. Provide strategic advice and planning in the development of a comprehensive federal government affairs strategy for NWSA, including but not limited to:
 - i. Contribute proactive and creative suggestions for federal policy and funding opportunities to advance the NWSA's Strategic Business Plan and legislative/business priorities, fully utilizing the firm's staff resources in strategic brainstorming on proactive initiatives.
 - ii. Developing implementation plans for how to advance strategic priorities.
 - iii. Assist in the drafting of legislative language.
2. Implement the NWSA's federal government affairs strategy, including but not limited to:
 - i. Collaborate with government relations staff to advance federal priorities and interests.

- ii. Assist the NWSA in securing federal funding
 - iii. Proactively engaging with federal lawmakers, staff and agencies in pursuit of the NWSA's federal priorities and interests.
 - iv. Identify key Congressional and federal agency relationships for the NWSA and assist in creating opportunities to build and strengthen them.
 - v. Strategically contacting Congressional officials and the administration, and provide notes from meetings.
- 3. Communicate regularly with the NWSA, including but not limited to:
 - i. Regular calls with the NWSA government relations team on firm's activities in Washington on behalf of the NWSA.
 - ii. Track federal legislation and agency regulations relevant to the NWSA.
 - iii. Monitor and/or participate in meetings of Washington, DC-based trade and transportation groups (e.g. American Association of Port Authorities, Coalition for America's Gateways and Trade Corridors, etc.).
- 4. Be knowledgeable of how federal activities impact the NWSA:
 - i. Understand how federal activities impact operations and competitiveness.
 - ii. Develop ability to communicate the NWSA's views with federal audiences effectively and accurately both orally and in writing.
 - iii. Write correspondence for federal audiences including letters, briefing materials, testimony, public comments, or other items as requested.
- 5. Conduct other work as assigned, such as assisting with meetings for NWSA officials or staff.

Schedule

The length of this agreement is from the February 1, 2021 to January 31, 2025.

E. FINANCIAL IMPLICATIONS

Source of Funds

The NWSA 2021 operating budget includes the full annual expenditure of \$180,000 in the Government Affairs department budget.

Financial Impact

This contract is paid as a monthly retainer of \$15,000 (\$180,000 annually and not to exceed \$720,000 over four years), and is expensed at the time of payment as an outside service. This is identical to the rate in the current contract. This type of expenditure is part of the normal operating expenses for the NWSA and has been included in the 2021 operating budget.

F. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

- **No Action Alternative:** The alliance could decline to approve a new contract and let the contract lapse. The result would be to have no day-to-day presence in Washington, DC. Staff believes an on-the-ground presence is critical for maintaining relationships with lawmakers, their staffs and agency personnel to influence federal legislation or regulations affecting alliance competitiveness. Moreover, the alliance would lose out on the leveraged relationships a contract lobbyist brings to bear.
- **Recommended Alternative:** Execute a four-year personal services agreement with Elevate Government Affairs.

G. ATTACHMENTS TO THIS REQUEST

- Computer slide presentation;
- ATTACHMENT 1—Personal services agreement number 071446;
- ATTACHMENT 2—Request for Proposals, No. 071393

H. PREVIOUS ACTIONS OR BRIEFINGS

- September 4, 2018 Managing Member approval to execute the two-year option contained in personal services agreement number 070409
- August 14, 2018 Managing Member consideration of the two-year option contained in personal services agreement number 070409
- January 3, 2017 Approval of personal services agreement number 070409



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Date of Meeting: December 1, 2020

NWSA federal lobbying services

Ryan McFarland
Federal Government Relations Manager

Action Requested

Request authorization for the Chief Executive Officer to execute a four-year personal services agreement with Elevate Government Affairs for federal lobbying services in the amount of \$720,000.



Background

- Jan. 2017 – Managing Members authorized the current personal services agreement for federal lobbying services.
- Sept. 2018 – NWSA executes additional two-year option, extending the contract through January 2020.
- July 2020 – RFP issued.
- Aug. 2020 – Review of proposals and staff recommendation.

Scope

- Provide strategic advice and planning in the development of a comprehensive federal government affairs strategy for NWSA.
- Implement the NWSA's federal government affairs strategy.
- Communicate regularly with the NWSA.
- Be knowledgeable of how federal activities impact the NWSA.
- Conduct other work as assigned, such as assisting with meetings for NWSA officials or staff.

Financial Implications

Source of Funds:

- The NWSA 2021 operating budget includes the full annual expenditure of \$180,000 in the Government Affairs department budget.

Financial Impact:

- \$180,000 annually, paid as a monthly retainer of \$15,000
- Not to exceed \$720,000 over the four-year life of the contract
- Identical to the rate in the current contract

Alternatives Considered and Their Implications

- **No Action Alternative:** The alliance could decline to approve a new contract and let the contract lapse. The result would be to have no day-to-day presence in Washington, DC.
- **Recommended Action:** Execute a four-year personal services agreement with Elevate Government Affairs.



Action Requested

Request authorization for the Chief Executive Officer to execute a four-year personal services agreement with Elevate Government Affairs for federal lobbying services in the amount of \$720,000.