

Association of Bay Area Governments

Executive Board

May 16, 2019

Agenda Item 7.b.

Authorization to Terminate Legislative Advocacy Contract with Michael J. Arnold and Associates and to Seek Representation in Sacramento through a Competitive Process

Subject: Authorization to Terminate Legislative Advocacy Contract with Michael J. Arnold and Associates and to Seek Representation in Sacramento through a Competitive Process

Background: At the March Finance Committee meeting, the committee requested that staff provide a recommendation regarding Association of Bay Area Government (ABAG) representation in Sacramento. An update on the current legislative advocacy contract is below and a recommendation follows.

Michael J. Arnold & Associates has been providing legislative advocacy services to the Association of Bay Area Governments since 2001. ABAG's current contract provides that for the time period of July 1, 2018 to June 31, 2020, Mr. Arnold and his team will provide legislative monitoring and coordinating services to ABAG for \$2,000 per month, plus an option for ABAG and the firm to negotiate for level II direct lobbying services, up to \$7,200 per year, not to exceed \$64,000 for a two-year term. Services included for the monthly base payment include status updates on housing, land-use planning, energy and resiliency legislation and coordinating meetings with elected officials. If ABAG seeks to influence an issue, level II service may be initiated. ABAG may terminate the agreement without cause upon thirty days prior written notice.

The Metropolitan Transportation Commission (MTC) separately contracts for direct lobbying services with Carter, Wetch & Associates. These services include testifying on behalf of MTC at bill hearings, meeting directly with offices to share bill positions and coordinating meetings with elected officials, if necessary.

Though Mr. Arnold and his team have valuable insights from many years of representing ABAG in Sacramento, staff believes the current contract is limiting in that direct lobbying services are only available on a very limited basis, up to \$7,200 per year. Instead of paying a monthly retainer for general tracking of ABAG-related policy matters—which legislative staff does anyway—we recommend shifting to an on-call contract, where a firm could be requested to work on specific bill assignments as needed. Since ABAG and MTC's positions on bills are typically aligned, ABAG's interests could be represented by MTC's lobbyists most of the time. If the boards take divergent opinions on bills, ABAG could

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then get the most “bang for the buck” by enlisting the help of the selected lobbyist to lobby on that particular bill or bills.

Accordingly, staff recommends that ABAG terminate the legislative advocacy contract with Michael J. Arnold & Associates effective June 31, 2019. Staff further recommends that ABAG issue a request for proposals as soon as possible for a new on-call contract with a firm to represent ABAG when ABAG and MTC have opposing positions on issues or when only ABAG has a position on a priority bill that requires the assistance of a lobbyist. The contract would be for \$40,000, consistent with the amount provided for in the FY 2019-20 ABAG Budget.

Issues:

This committee raised a concern that ABAG has not had a competitive procurement for legislative representation in years. In addition, a concern was raised about ABAG and MTC needing unique legislative representation given that each agency has a distinct perspective and may take opposing views of legislation. Staff shares this concern and believes the best approach would be to cancel the existing contract and begin a competitive procurement for an on-call legislative representation contract that will make the best use of ABAG funds available for such purposes.

Recommended Action:

The ABAG Executive Board is requested to authorize termination of the legislative advocacy contract with Michael J. Arnold and Associates effective June 30, 2019, and to seek representation in Sacramento through a competitive process for up to \$40,000.

Attachments:

None.

Reviewed:



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