

# Agenda Report



**MEETING DATE:** Tuesday, July 9, 2024

**TO:** City Council

**FROM:** CITY MANAGER VIDES  
SR ADMINISTRATIVE ANALYST ZAVALA

**SUBJECT:** AWARD OF CONTRACT TO CAPITALEDGE ADVOCACY AND  
JEA & ASSOCIATES FOR FEDERAL AND STATE LEGISLATIVE  
ADVOCACY AND CONSULTING SERVICES

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## **RECOMMENDED ACTION:**

It is recommended that the City Council authorize the City Manager to enter into a 2-year contract with CapitalEdge Advocacy for Federal Legislative Advocacy and Consulting Services for a not to exceed cost of \$48,000 per year and a 3-year contract with JEA & Associates for State Legislative Advocacy and Consulting Services for a not to exceed cost of \$84,000 per year.

## **BACKGROUND:**

The city released a Request for Proposals (RFP) on April 12, 2024, seeking qualified consultants to provide the City with Federal and/or State Legislative Advocacy and Consulting Services. Proposals were due from respondents by May 8, 2024. The selected firm/s would be tasked with providing analysis and advice on legislative issues, monitoring legislative developments, developing strategies, identifying funding opportunities, and advocating for the City's priorities and interests per the City's Legislative Platform

A total of 3 firms responded to the proposal: CapitalEdge Advocacy, Inc., Townsend Public Affairs, Inc., and JEA & Associates. CapitalEdge Advocacy proposed Federal representation services for an annual not-to-exceed fee of \$60,000. Similarly, Townsend Public Affairs also proposed Federal only representation for an annual not to exceed fee of \$72,000. JEA and Associates submitted a proposal as well to continue providing both State and Federal Representation for the City for an annual not to exceed cost of \$102,000 plus an annual retainer for travel expenses not to exceed \$7,000.

The City is currently contracted with JEA & Associates to provide Lobbyist and Advocacy Services to the City of Watsonville at the Federal and State level. JEA has been providing State level services to the City for the past 30 years. JEA has played crucial roles in advancing the City's legislative agenda. They have been responsible for monitoring both current and upcoming legislation, arranging high-level meetings with State agencies, lobbying for specific legislative proposals, and representing the City in key discussions at the State level.

Additionally, they have facilitated the City's coordination of policy priorities with organizations such as the League of California Cities, the California State Association of Counties, and the Association of California Water Agencies.

Some of JEA's notable most recent accomplishments in Watsonville are:

In 2021 JEA & Associates secured \$7.1 million in grant funding for Ramsay Park renovations through comprehensive engagement with city leaders, stakeholders and legislators.

Worked with Senator Laird and Speaker Rivas to support and sustain the Watsonville Community Hospital and support SB 418, which would regulate the Pajaro Valley Health Care District.

In December 2023, JEA & Associates assisted the City in establishing the City of Watsonville's Legislative Platform, which summarizes the priorities of the City Council and Executive staff.

The current contract with JEA & Associates is set to expire as of 6/30/2024.

## **DISCUSSION:**

After a careful review of the proposals received, it was determined that the City would benefit most by retaining State level representation services from JEA & Associates as per their proven track record of over 30 years. While also entering into a contract with CapitalEdge Advocacy for representation at the Federal level.

Some notable local accomplishments from CapitalEdge Advocacy are:

CapitalEdge Advocacy collaborated with local sponsors, the County congressional delegation, the White House, and Corps of Engineers on successful effort to secure \$149 million in Bipartisan Infrastructure Law (BIL) funding to begin construction on the project, with hopefully more to come to fully fund the federal share of this important endeavor. They have also worked and strategized with stakeholders and federal officials on the successful inclusion of an additional \$38 million in the Corps proposed FY 2025 budget (Congress must still approve that request). The project is now a model for the Corps in their changing policies to ensure that communities such as the City of Watsonville and Town of Pajaro are not placed at a disadvantage because of their demographics when awarding Corps funds.

CapitalEdge Advocacy also worked along with local stakeholders and the County congressional delegation to advocate for the successful 2023 METRO application to the U.S. Department of Transportation that resulted in a \$20 million award for the purchase of hydrogen fuel cell buses, upgrades to the METRO facility to meet the needs of those new buses and develop a workforce development program to build expertise in servicing the new zero-emissions buses.

In combination with a significant state grant, the federal assistance allowed METRO to earlier this year finalize the purchase of 57 hydrogen fuel cell buses, which is believed to be the largest such purchase in North America. Many of those buses will serve Watsonville routes.

The City Manager's office was able to negotiate the proposed fees for service and is recommending the approval of the following terms:

JEA & Associates - State Legislative Advocacy and Consulting Services

**Term:** 3-year contract

**Fee:** Not to exceed \$84,000/year for a total cost not to exceed \$252,000 for the duration of the contract.

CapitalEdge Advocacy - Federal Legislative Advocacy and Consulting Services

**Term:** 2-year contract

**Fee:** Not to exceed \$48,000/year for a total cost not to exceed \$96,000 for the duration of the contract.

**STRATEGIC PLAN:**

The recommended action is consistent with all the goals of the City's Strategic Plan as the proposed lobbyist and advocacy services may impact all these goals.

- 1-Economic Development
- 2-Infrastructure & Environment
- 3-Housing
- 4-Fiscal Health
- 5-Public Safety
- 6-Community Engagement & Well-Being
- 7-Efficient and High Performing Government

**FINANCIAL IMPACT:**

These contracts would have an annual financial impact not to exceed \$132,000

**ALTERNATIVE ACTION:**

The City Council may choose not to approve the contracts at this time.

**ATTACHMENTS AND/OR REFERENCES (If any):**

None.