

DATE: April 24, 2006

TO: Mayor and City Council Members

FROM: Intergovernmental Affairs and Economic Development

SUBJECT: RESOLUTION NO. 7798 - A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A THREE-YEAR AGREEMENT WITH JOE A. GONSALVES AND SON FOR STATE LEGISLATIVE ADVOCACY SERVICES

BACKGROUND / ISSUE

In recent years, California cities have been severely impacted by efforts at the state level to close the the state's on-going budget gap between revenues and expenditures. In an effort to better respond to legislative threats to the City of Folsom's traditional revenue sources and local autonomy, the City first retained Joe A. Gonsalves and Son in June, 2001 to provide legislative advocacy services at the state level. Since that time, the firm has consistently provided an outstanding level of service to the City, including communicating regularly with the City regarding key legislative activities and also advocating on behalf of the City's interests at the State Capitol. Staff recommends that the City Council authorize the City Manager to execute a three-year agreement with Joe A. Gonsalves and Son to continue providing state legislative advocacy services.

POLICY/RULE

In accordance with Section 2.36.080 of the Folsom Municipal Code, professional services totaling \$41,750 or more shall be contracted for by the City Council.

ANALYSIS

Joe A. Gonsalves and Son was founded by Joe A. Gonsalves in 1975. Mr. Gonsalves, who is now deceased, was a former member of the California Assembly from 1962 through 1974. The firm specializes in representing small and mid-sized cities.

Since being retained by the City, Joe A. Gonsalves and Son have been instrumental in representing the City's interest. Gonsalves staff has worked effectively to help defeat proposed legislation including those dealing with the transfer of death row (AB 1460 (Nation), AB 1672 (Nation), and SB 901 (Denham)), changes to the allocation of local government's sales and use tax revenue (AB 680 (Steinberg) and AB 1221 (Steinberg)), and state participation in the construction of a new bridge below Folsom Dam (SB 1280 (Ortiz) and SB 347 (Ortiz)). Joe A. Gonsalves and Son also played a key role in the legislative compromise that lead to the adoption of Proposition A1.

During the current fiscal year, Joe A. Gonsalves and Son has kept the City apprised of all legislation pertaining to local governments. The firm has successfully represented the City's positions on certain key legislation including the new bridge below Folsom Dam (SB 1536 (Cox) and SB 1623

(Cox/Ortiz)), the possible transfer of death row inmates (AB 1762 (Nation)), and amendments to the voting structure for the Sacramento Regional Transit District Board of Directors (AB 2137 (Niello)).

In an effort to ensure continuity of the City's positive working relationship with Joe A. Gonsalves and Son, staff recommends the City enter into a three-year contract with Joe A. Gonsalves and Son starting in Fiscal Year 2006/07. Previously, the City's contracts with Joe A. Gonsalves and Son have been for a one-year term. Due to the excellent relationship established between the City and Joe A. Gonsalves and Son over the past five years and the perception of the City's high-level of satisfaction with that firm's services, staff did not solicit proposals from other state legislative advocacy firms. A multiple-year contract with the City's state legislative advocate would be consistent with the City's contractual relationship with its federal legislative advocacy consultant, The Ferguson Group.

The contract with Joe A. Gonsalves and Son will be in a form acceptable to the City Attorney.

FINANCIAL IMPACT

Joe A. Gonsalves and Son proposes to continue to provide state legislative advocacy services to the City for a monthly retainer of \$3,600, plus an annual fee of \$180 for electronic filing and an additional \$4,820 for any services provided outside the normal retainer at the City's request and authorized in advance by the City. The overall annual amount of the contract shall not exceed \$48,200. Joe A. Gonsalves and Son has not increased its monthly retainer of \$3,250 since it first started serving the City in 2001.

The term of this contract will be for 36 months, from July 1, 2006 through June 30, 2009. Funding for the first year of this contract is included in the proposed FY06/07 Budget. Funding for the subsequent terms of the contract will be budgeted on a yearly basis.

ENVIRONMENTAL REVIEW

Not applicable.

ATTACHMENT

Resolution No. 7798 - A Resolution Authorizing the City Manager to Execute a Three-Year Agreement with Joe A. Gonsalves and Son for State Legislative Advocacy Services.

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council pass and adopt Resolution No. 7798 - A Resolution Authorizing the City Manager to Execute a Three-Year Agreement with Joe A. Gonsalves and Son for State Legislative Advocacy Services.

Submitted,



Joseph W. Luchi, Director of Intergovernmental Affairs
and Economic Development

RESOLUTION NO. 7798

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A THREE-YEAR AGREEMENT WITH JOE A. GONSALVES AND SON FOR STATE LEGISLATIVE ADVOCACY SERVICES

WHEREAS, recent experience has demonstrated that the City of Folsom must have a strong voice and representation in the State Capitol in order to protect its traditional revenue sources and local autonomy; and

WHEREAS, the City feels it is in its best interest to maintain professional legislative representation at the state level; and,

WHEREAS, Joe A. Gonsalves and Son is an experienced and well-regarded firm specializing in this area of representation; and,

WHEREAS, Joe A. Gonsalves and Son has successfully served the City in this capacity since 2001 on issues ranging from the state budget to death row to affordable housing to a new bridge below Folsom Dam; and,

WHEREAS, the City desires to contract with Joe A. Gonsalves and Son from July 1, 2006 through June 30, 2009; and,

WHEREAS, the contract will be in a form acceptable to the City Attorney; and,

WHEREAS, funding is included in the proposed FY06/07 budget and subsequent funding will be budgeted annually per fiscal year:

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom that the City Manager is hereby authorized to execute a three-year agreement with Joe A. Gonsalves and Son for state legislative advocacy services in the annual amount of \$48,200.

PASSED AND ADOPTED this 23th day of May 2006 by the following roll call vote:

AYES: Council Member(s)

NOES: Council Member(s)

ABSENT: Council Member(s)

ABSTAIN: Council Member(s)

Andrew J. Morin, MAYOR

ATTEST:

Christa Schmidt, CITY CLERK