CITY OF SAN ANTONIO INTERDEPARTMENTAL MEMORANDUM EXTERNAL RELATIONS DEPARTMENT

TO:

Mayor and City Council

FROM:

Jim Campbell, External Relations Director

THROUGH: Terry M. Brechtel, City Manager

COPIES: Veronica M. Zertuche, Deputy City Attorney; File

SUBJECT: Ordinance Amending Federal Representation Contract

DATE: Octo

October 31, 2002

SUMMARY AND RECOMMENDATION

An ordinance approving an amendment to the federal legislative contract with Loeffler, Jonas and Tuggey, L.L.P., to provide for a four percent reduction in the respective fees to be paid to the firm under its contract for the period of October 1, 2002 through September 30, 2003.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

The City has retained consultants to represent its interests before the United States Congress for more than 20 years. On January 24, 2002, the City Council approved a one-year contract with two one-year options for renewal with the federal governmental affairs firm of Loeffler, Jonas and Tuggey, L.L.P. The term of the agreement is February 1, 2002 through January 31, 2003.

On September 19, 2002, the San Antonio City Council adopted its Fiscal Year 2002-2003 budget, which included an elimination of programs, across-the-board reductions and reductions in force. During budget negotiations, the City Manager asked all City departments to identify budget cuts of between five and ten percent to bridge a shortfall of approximately \$44 million. In order to achieve the level of reductions requested by the City Manager, the External Relations Department proposed several budget cuts. Among them was a four percent reduction in the value of its state and federal government affairs contracts, effective October 1, 2002. Aside from personnel costs, the largest single line item in the department's budget is "fees to professional contractors." In a letter dated August 13, 2002 (see copy attached), the director of the External Relations Department informed its state and federal lobbyists that a four percent reduction was being proposed to the City Council and City Manager as part of the department's deficit reduction package.

POLICY ANALYSIS

The federal governmental affairs firm of Loeffler, Jonas and Tuggey, L.L.P., has been providing governmental consulting services to the City since 2000. The City's contract with the Loeffler firm requires that any material changes in the provisions of the contract must first be approved by City Council for the changes to take effect. It is believed that the four percent reduction in the value of the contract will not affect the level of service as provided in the original contract and will continue to include: the monitoring and tracking of city-related legislation, communicating City Council policy positions to members of the United States Congress, informing federal lawmakers of legislation that could impact the City, preparing testimony and assisting with the scheduling of witnesses before legislative committees, coordinating the City's Legislative Program with the National League of Cities, other interest groups and cities, and facilitating regulatory development of City interests.

FINANCIAL IMPACT

The City of San Antonio will realize a fiscal year savings of \$7,200, if City Council approves the four percent reduction in the value of its contract with Loeffler, Jonas and Tuggey, L.L.P. These savings will begin to accrue on October 1, 2002 and last through September 30, 2003.

COORDINATION

This item has been coordinated with the City Attorney's Office.

Jim Campbell Director
External Relations

Approved by:

Terry M. Brechtel

City Manager

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State* Not Applicable* for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(2) the identity of any business entity that would be a party to the discretionary contract: Loeffler Jonas & Tuggey LLP and the name of: (A) any individual or business entity that would be a subcontractor on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	(1) the identity of any individual who would be a party to the discretionary contract:
and the name of: (A) any individual or business entity that would be a subcontractor on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	N/A
and the name of: (A) any individual or business entity that would be a subcontractor on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
and the name of: (A) any individual or business entity that would be a subcontractor on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity, who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
and the name of: (A) any individual or business entity that would be a subcontractor on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity, who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
and the name of: (A) any individual or business entity that would be a subcontractor on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a partner or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	(2) the identity of any business entity that would be a party to the discretionary contract:
and the name of: (A) any individual or business entity that would be a subcontractor on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a partner or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
(A) any individual or business entity that would be a <i>subcontractor</i> on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	Loeffler Jonas & Tuggey LLP
(A) any individual or business entity that would be a <i>subcontractor</i> on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
(A) any individual or business entity that would be a <i>subcontractor</i> on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
(A) any individual or business entity that would be a <i>subcontractor</i> on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
(A) any individual or business entity that would be a <i>subcontractor</i> on the discretionary contract; N/A and the name of: (B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	and the name of:
and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	(A) any individual or business entity that would be a subcontractor on the discretionary
and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	The incontract, and the result of the second states and the second secon
and the name of: (B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	N/Δ
(B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
(B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
(B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
(B) any individual or business entity that is known to be a <i>partner</i> , or a <i>parent</i> or <i>subsidiary</i> business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	and the name of:
subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	TOVERS THE SHARE MINISTER CONTROL OF STREET OF STREET OF STREET OF STREET
the discretionary contract; Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	(B) any individual or business entity of any individual or business entity who would be a nativito
Tom Loeffler W. James Jonas III Tim Tuggey Robert Rosenthal	
W. James Jonas III Tim Tuggey Robert Rosenthal	
Tim Tuggey Robert Rosenthal	
	Tim Tuggey
J.D. Pauerstein	Robert Rosenthal
	J.D. Pauerstein

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes	relation to the
Total a desire of any labbulet or public relations firm employed for burboses	relating to the
(3) The identity of any hoppy of populations in the state of the state	
holds sought by any individual or business entity w	mo would be
discretionary contract being sought by any individual or business entity w	
그는 이 스탠드 전에 급하는 대학생들으로 그는 그림은 그림을 가려면 그렇지만 대학생은 아래의 이번 대학생들은 그는 그를 가려면 가장 그림을 받는다.	de la desir de la lación de la l
party to the discretionary contract	The second of the second of the second
Duity to the district	

N/A

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
Ed Garza	\$ 5,000	5/23/2001
Tim Bannwolf	\$ 1,000	5/31/2001
John Sanders	\$ 1,000	1/09/2002
Toni Morehouse	\$ 1,000	1/16/2002
Bobby Perez	\$ 500	2/20/2002
Ed Garza	\$ 5,000	5/14/2002
David A. García	\$ 1,000	6/12/2002
Toni Morehouse	\$ 500	6/20/2002
Carroll Schubert	\$ 2,400	8/07/2002

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

N/A		
Signature:	Title: Partner	Date:
1-24	Company: Loeffier Jonas & Tuggey LLP	10/24/2002

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO

EXTERNAL RELATIONS DEPARTMENT P.O. BOX 839966 SAN ANTONIO, TEXAS 78283-3960 TEL: 210-207-8109 FAX: 210-207-8544

August 13, 2002

Mr. Tom Loeffler Loeffler, Jonas & Tuggey LLP 1801 K Street, NW, Suite 340 Washington DC 20006

Dear Mr. Loeffler:

As you probably are aware, the City of San Antonio is facing its most difficult budget challenge in over a decade. The City Manager's budget, which will be presented to the City Council on August 15, 2002, will include an elimination of programs, across-the-board reductions and reductions in force. City departments have been asked to identify five to ten percent in budget cuts.

Aside from personnel costs, the largest single line item in the External Relations Department budget is "fees to professional contractors." In order to achieve the level of reductions requested by the Management Team, I have included in my proposed cuts a four percent reduction in the value of the state and federal government affairs contracts, effective October 1, 2002. I cannot predict which reductions the Mayor and Council will accept, but I wanted you to know that a reduction in your contract is a possibility.

If the City adopts my proposal as part of the deficit reduction package, I will need your consent to amend your contract by action of the Council. I can assure you this action was taken only after very careful consideration and in concert with other significant budget reductions. Please feel free to call me if you have any questions.

Sincerely,

Tim Campbell, Director
External Relations

Barra 1 Hor