

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
EXTERNAL RELATIONS DEPARTMENT**

TO: Mayor and Council

THROUGH: Terry M. Brechtel, City Manager

FROM: Jim Campbell, External Relations Director

COPIES: Lou Lendman, Office of Management and Budget Director; Veronica M. Zertuche, Deputy City Attorney; File

SUBJECT: STATE GOVERNMENTAL AFFAIRS CONTRACT

DATE: September 25, 2003

SUMMARY AND RECOMMENDATION

An Ordinance authorizing the City Manager or her designee to execute the following documents for the provision of state governmental affairs representation for terms beginning October 1, 2003 and ending September 30, 2005: (1) Extension Agreements for State Governmental Affairs Representation with Denton, Navarro, Rocha and Bernal, P.C. and Marc A. Rodriguez exercising the two-year renewal options of their State Governmental Affairs Representation Agreement originally authorized by Ordinance No. 94568, passed on September 20, 2001, for an annual amount of \$95,240.00, (2) an Extension Agreement and First Amendment to State Governmental Affairs Representation Agreement with Christopher S. Shields, P.C. exercising the two-year renewal option of his State Governmental Affairs Representation Agreement originally authorized by Ordinance No. 94568, passed on September 20, 2001, and reflecting a reduction in the annual payment for services to \$48,000.00, and (3) a State Governmental Affairs Representation Agreement with Baker Botts, L.L.P. for an annual amount of \$48,000.00; and providing for payment.

Staff recommends approval of this Ordinance.

BACKGROUND INFORMATION

The City has retained consultants to represent its state interest in Austin, Texas for more than 20 years. As a result of a Request for Qualifications process in 1998, the City retained the firms of *Christopher S. Shields, P.C.; Lloyd, Gosselink, Blevins, Rochelle, Baldwin and Townsend, P.C.*; and *Denton, McKamie & Navarro* for a two-year contract, with a two-year renewal option. The principals assigned to the City's contract were Chris Shields, Tristan Castañeda, Jr., Marc A. Rodriguez and Susan Rocha, respectively. City Council approved a one-year renewal and added an additional four-months to the contract term, which expired on September 30, 2001.

On August 10, 2000, City Council approved the assignment by *Lloyd, Gosselink, Blevins, Rochelle, Baldwin and Townsend, P.C* of the state government consultant contract with the City to Marc A. Rodriguez. On July 18, 2001 *Denton, McKamie & Navarro* reorganized and began doing business as *Denton, Navarro & Bernal*.

On July 11, 2001, City staff issued a Request for Qualifications (RFQ) for state government affairs services. After a staff committee reviewed five proposals and conducted respondent interviews, it was recommended that the City utilize the services of *Christopher S. Shields, P.C.*, *Denton, Navarro & Bernal*, and *Marc A. Rodriguez*. On September 20, 2001, City Council approved staffs recommendation. The principals assigned to the City of San Antonio contract were Chris Shields and Tristan Castaiieda, Susan Rocha, and Marc A. Rodriguez, respectively. The firm of *Christopher S. Shields, P.C.* was designated as lead consultant. All principals have extensive experience in legislative and regulatory affairs.

The contracts, which include all expenses, were for a two-year period beginning on October 1, 2001 and expiring on September 30, 2003, with one (1) two-year renewal option. The negotiated monthly fee for services was paid as follows: \$8,333 for *Christopher S. Shields, P.C.*; \$3,916 for the firm of *Denton, Navarro & Bernal*, with the option of up to an additional \$5,000 per year for legal research; and \$3,916 for the firm of *Marc A. Rodriguez*. The annual impact of these contracts was \$100,000 for *Christopher S. Shields, P.C.*; \$47,000 for *Denton, Navarro & Bernal*, with an additional amount of up to \$5,000 per year; and \$47,000 for *Marc A. Rodriguez*. The aggregate value of the three contracts was \$199,000. In September 2002, in an effort to assist the City meet its budgetary constraints the City's government affairs lobby team was asked to take a four percent (4%) reduction in the value of their contracts. As a result, the current total for state representation totals \$191,040.

On September 3, 2002, Tris Castaiieda joined the firm of Baker & Botts, LLP. Pursuant to City Council's adoption of Ordinance #96329 on September 12, 2002, Mr. Shields was given permission to subcontract 50 percent of his state legislative services contract to Mr. Castafieda.

POLICY ANALYSIS

The state governmental affairs team of Christopher S. Shields, Tristan Castaiieda, Marc A. Rodriguez and Susan Rocha, have been providing governmental consulting services to the City since 1998. During the 1999 session, the team assisted with the passage of 60 percent of the City's state legislative program. For the 2001 and 2003 sessions, the passage rate was 79 percent and 75 percent, respectively. Each of the principals have consistently met or exceeded the performance measures stipulated in the contract.

The contract with each principal allows the City to exercise one (1) two-year option. The proposed ordinance would exercise this option by extending the original term of the contract. Also, the ordinance would allow the City Manager to terminate the subcontracting agreement that City Council approved on September 12, 2002, whereby Baker Botts, LLP, serves as a

subcontractor to Christopher S. Shields, P.C., and, in lieu of the subcontracting agreement, initiate a direct contracting agreement with Baker Botts LLP, with Tristan Castañeda, Jr., as principal.

The current government affairs services that are provided to the City include the monitoring and tracking of city-related legislation, communicating City Council policy positions to members of the Texas Legislature, informing state lawmakers of legislation which could impact the City, preparing testimony and assisting with the scheduling of witnesses before legislative committees. In addition, services include providing strategic advice, coordinating the City's Legislative Program with the Texas Municipal League, other interest groups and cities, and assisting in affecting regulatory development of City interests.

Below is a biographical summary of each member of the state government affairs team:

Christopher S. Shields

- Princeton University, A.B., American Politics
- University of Texas, School of Law, Juris Doctor
- Legislative Director, Governor William P. Clements
- Associate, Law Firm of Fulbright & Jaworski
- Vice President, Governmental Relations, Texas Chamber of Commerce
- Independent law and state government practice established January 1995

Tristan Castañeda, Jr.

- St. Mary's University, B.A., Political Science and Public Administration
- St. Mary's University, Master's Degree in Public and Institutional Administration
- Vice President, Governmental Affairs, Greater San Antonio Chamber of Commerce
- Government Relations Officer, Office of the Texas Attorney General
- Joined Christopher S. Shields, P.C. in 1996 to provide governmental relations services
- Joined Baker Botts, LLP in 2002 to provide governmental relations services

Susan Rocha

- University of Dayton, Ohio, B.A., Secondary Education
- Chicago State University, Masters Degree, Urban Education
- University of Texas School of Law, Juris Doctor
- Assistant City Attorney, City of San Antonio
- U.S. Dept. of Housing and Urban Development, Intergovernmental Relations Officer
- Municipal Affairs Chief, Office of the Texas Attorney General
- First Assistant General Counsel, Texas Municipal League
- Partner, Denton, Navarro, Rocha & Bernal, P.C.

Marc A. Rodriguez

- o University of Pennsylvania, B.A., Urban Affairs
- University of Texas, LBJ School of Public Affairs, Master's of Public Administration
- Vice President, Governmental Affairs, Greater San Antonio Chamber of Commerce
- o Intergovernmental Relations Manager, City of San Antonio
- o Government Relations Consultant, Lloyd, Gosselink, Blevins, et al.

FINANCIAL IMPACT

Each principal is paid a monthly retainer for professional services in the following amounts: *Christopher S. Shields, P.C.* - \$4,000; *Tristan Castañeda* - \$4,000; *Marc A. Rodriguez* - \$3,760; *Susan Rocha* - \$4,160. The annual amount totals \$191,040. The retainer is inclusive of all reasonable and ordinary expenses. Sufficient funds in the annual amount stated above have been budgeted in the FY 2003-2004 External Relations budget.

EXTERNAL INFORMATION

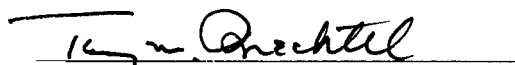
In accordance with Ordinance #80329, relating to revisions in the City's ethics ordinance, attached are the Disclosure Forms for each principal listed above that provides governmental consulting services to the City of San Antonio.

COORDINATION

This item has been coordinated with the Office of Management and Budget and the City Attorney's Office.


Jim Campbell, Director
External Relations

Reviewed and 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:

(1) the identity of any **individual** who would be a party to the discretionary contract:

Susan C. Rocha

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

n/a (not applicable)

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

n/a (not applicable)

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;

n/a (not applicable)

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 relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

n/a not applicable)

Political Contributions

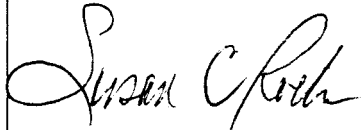
Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *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:
n/a (not applicable		

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 question² 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.

not applicable

Signature:	Title:	Date:
	Partner Company: Denton, Navarro, Rocha & Bernal, P.C.	09/17/03

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

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(1) the identity of any **individual** who would be a party to the discretionary contract:

Tristan "Tris" Castañeda, Jr.

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Baker Botts, LLP

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

None

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;

None

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 relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

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:

None

Amount:

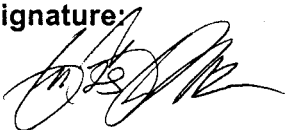
Date of Contribution:

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None

Signature:



Title: Legislative and Government Relations

Company: Baker Botts, LLP

Date:

9/4/03

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.



RECEIVED

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N/A

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

NIA

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;

N/A

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N/A

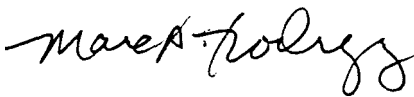
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Signature: 	Title: Owner Company: Marc A. Rodriguez	Date: 09/04/03

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(2) the identity of any business entity that would be a party to the discretionary contract.

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.

n/a

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n/a


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Signature: 	Title: Owner/President Company: Christopher S. Shields, P.C.	Date: 7/12/03
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