



Board of Supervisors Memorandum

February 5, 2013

Contract for Federal Representation and Consulting

Background

This is to transmit to the Board a recommended contract for federal representation and consulting with Mr. Jim Kolbe, President of JTK Consulting, LLC and Mr. Steven Bloch, President of Capitol Strategies, LLC.

Pima County is in the initial stages of developing and implementing two substantial, complex development projects: the Aerospace and Defense Corridor and El Corazon de los Tres Rios del Norte. Both of these projects will require the cooperation and assistance of numerous federal offices, agencies and departments to be successful. In addition, all opportunities and avenues for potential federal participation in the funding of these projects need to be fully explored.

Mr. Kolbe represented portions of Pima County for 22 years in the U.S. Congress, serving for 20 years on the House Appropriations Committee, including as Chairman of two major subcommittees. Mr. Bloch has more than 20 years of corporate, government and consulting experience. He has served as legal counsel, legislative director and chief of staff in the U.S. Congress to Members from the Arizona Congressional Delegation. He has also held positions as director of government relations and vice president of communications for Honeywell Aerospace, and as managing director of strategic communications in Arizona's largest public affairs firm. In addition, he is president of the non-profit Lower Santa Cruz River Alliance representing tribes, cities and private companies in Pinal County in working with the U.S. Army Corps of Engineers to develop and fund a large-scale federal infrastructure project on the lower Santa Cruz River.

The proposed contract is for a one year term with compensation being paid on a monthly basis subject to a minimum amount of hourly work being performed. The contract can be terminated at any time, without cause, on thirty days notice. The entire annual amount expended under the contract cannot exceed \$110,400. Funding for this contract will come from that portion of the Hotel Bed Tax revenues designated in State statute for local economic development.

Recommendation

I recommend that the Board of Supervisors approve the proposed contract for professional representation at the federal level to further the development and implementation of the Aerospace and Defense Corridor and El Corazon de los Tres Rios del Norte projects.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "C.H. Huckelberry".

C.H. Huckelberry
County Administrator

Attachments

**CONTRACT FOR FEDERAL LEGISLATIVE AND EXECUTIVE BRANCH REPRESENTATION
AND CONSULTANT PROFESSIONAL SERVICES**

This contract is made and entered into effective on the 5th day of February, 2013, by and between Pima County, Arizona, hereafter called "COUNTY" and Capitol Strategies, LLC and JTK Consulting, LLC hereinafter referred to individually as a "REPRESENTATIVE" and collectively as "REPRESENTATIVES".

Whereas, COUNTY has determined it to be in its best interest to retain REPRESENTATIVES to represent COUNTY as consultants and authorized public lobbyists with regard to certain federal legislative and executive matters that affect COUNTY; and

Whereas, COUNTY has satisfied itself as to the qualifications of REPRESENTATIVES.

NOW THEREFORE, it is agreed between the parties as follows:

1. TERM

This Agreement shall be effective from and after January 31, 2013 until February 1, 2014 subject to the availability of COUNTY monies for this purpose. This Agreement may be renewed and extended, with the written approval of the Pima County Board of Supervisors and REPRESENTATIVES, for periods not to exceed two years.

2. PERSONNEL

REPRESENTATIVES shall provide the services of Jim Kolbe and Steven Bloch for the performance of the work under this Agreement. REPRESENTATIVES shall not use any other personnel, other than clerical staff, for the performance of work under this Agreement without prior written approval by the Pima County Administrator or the Administrator's designee (the "Administrator"). Each REPRESENTATIVE will be jointly and severally liable under this contract for all the obligations of the REPRESENTATIVES. They may divide the work between them as they deem appropriate.

3. WORK

The personnel of REPRESENTATIVES identified in paragraph 2 of this Agreement shall serve in the capacity of consultants and authorized public lobbyists of COUNTY before the United States Congress and federal executive offices and agencies in furtherance of COUNTY'S interests including development of two projects located within Pima County: the Aerospace and Defense Corridor, including the aerospace parkway, and El Corazon de los Tres Rios del Norte. All work shall be performed under direction of the Administrator. REPRESENTATIVES will receive assignments, both of a general and specific nature, from the Administrator or the Administrator's designee to prepare, document and draft legislation, testimony and

related documents, pursue, monitor, analyze, negotiate, track and/or lobby for or against legislation, issues and proposals deemed to be of interest by the COUNTY. REPRESENTATIVES shall maintain on going contacts with congressional and executive staff relevant to assignments received under this Agreement and shall take all actions necessary to keep Arizona's Congressional delegation informed concerning COUNTY'S interests. In addition, REPRESENTATIVES may be directed to attend scheduled hearings, meetings or other gatherings where issues which may impact the COUNTY are to be developed or discussed and report to the COUNTY through the Administrator on the status of such issues. Without exception, REPRESENTATIVES shall report to and seek guidance from the Administrator or the Administrator's designee as to positions that are to be advanced on behalf of the COUNTY under this Agreement. In all instances REPRESENTATIVES shall respond promptly to requests for information from officials and employees of COUNTY.

4. COORDINATION

REPRESENTATIVES shall coordinate its efforts with other persons assigned to similar tasks on behalf of the COUNTY including the Administrator, other authorized public lobbyists of the COUNTY or other personnel of the COUNTY designated by the Administrator to assist in a particular project.

5. REPORTS

REPRESENTATIVES shall prepare and transmit to the Administrator and other officials and employees of the COUNTY as appropriate periodic written reports of significant occurrences relative to specific activities undertaken pursuant to this Agreement.

6. COMPENSATION

For all services described in paragraph 3 of this Agreement performed by the personnel of REPRESENTATIVES identified in paragraph 2 of this Agreement, COUNTY agrees to pay \$9,200 each month during the term of this Agreement; except that if the total number of hours worked in any month, including travel time, is less than thirty-seven (37), then COUNTY will only pay \$250.00 per hour for work actually performed, including travel time, during that month.

These rates of compensation are inclusive of all costs whatsoever, including all travel costs, except that if in any month REPRESENTATIVES work less than thirty-seven (37) hours and are paid at an hourly rate of \$250.00, then COUNTY will reimburse REPRESENTATIVES for travel expenses during that month necessary to perform services described in paragraph 3 of this Agreement. Such reimbursement of travel expenses shall be at the same rates and amounts and in the same manner as are provided for all employees of COUNTY pursuant to the Administrative Procedures of COUNTY and shall be accompanied by appropriate receipts, invoices or bills.

Total compensation paid by COUNTY during the term of this Agreement shall not exceed \$110,400.00. Payments may be made by the COUNTY to either

REPRESENTATIVE. The REPRESENTATIVES are responsible for determining how the fees will be shared. The REPRESENTATIVE receiving the payment is responsible for paying the other REPRESENTATIVE any amounts to which that REPRESENTATIVE is entitled by virtue of the agreement between the two of them. The REPRESENTATIVE receiving the payment will hold the COUNTY harmless from and against any claim for payment by the other REPRESENTATIVE.

7. BILLINGS

REPRESENTATIVES shall submit monthly billings for services rendered which, when validated and authorized, shall be paid by COUNTY within forty-five (45) days following the submission. Each monthly invoice and report will include all work done by either REPRESENTATIVE.

8. ACCOUNTING AND AUDITING

REPRESENTATIVES agree that COUNTY or its duly authorized representative shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any books, documents, papers, records and other evidence and accounting procedures and practices sufficient to reflect properly all compensation received under this Agreement. The materials described herein shall be made available at all reasonable times for inspection, audit or reproduction until the expiration of three (3) years from the date of final payment under this Agreement.

9. INSURANCE

REPRESENTATIVES shall procure and maintain, during the life of this Agreement, comprehensive liability insurance and shall be solely responsible for any negligence, error or omission, or liability that arises or results from REPRESENTATIVES' performance under this Agreement. A copy of the certificate evidencing such insurance shall be provided upon request by the COUNTY.

10. CONFLICT OF INTEREST

REPRESENTATIVES agree not to engage in private litigation against the COUNTY (i) in conflict with the legislative issues or positions within the REPRESENTATIVES' scope of work as set forth in this Agreement unless REPRESENTATIVES have obtained a specific written waiver for such adverse representation from the COUNTY, and (ii) in all other cases unless REPRESENTATIVES have notified the Administrator within ten (10) days of service in any such litigation in writing of such adverse representation and waives any conflict. REPRESENTATIVES further agree not to engage in other legislative or executive representation that is or may reasonably be expected to conflict with the COUNTY'S positions or interests in any subject area without first obtaining a specific written waiver from the COUNTY. REPRESENTATIVES are retained by COUNTY only for the purposes and to the extent set forth in this Agreement. REPRESENTATIVES shall be free to dispose of such portion of their entire time, energy and skill as are not required to be devoted to COUNTY in such manner as they see fit, to the extent not in conflict with the

duties and responsibilities of REPRESENTATIVES prescribed under this Agreement. REPRESENTATIVES may engage in the representation of other clients in matters before the Board of Supervisors of COUNTY and any of its agencies, boards and commissions, provided the REPRESENTATIVES have notified the Administrator in writing.

REPRESENTATIVES shall file with the Administrator and amend as appropriate a disclosure of all other clients for which REPRESENTATIVES perform federal consulting and/or lobbying services during the term of this Agreement.

11. RECORDS

All records and files prepared and maintained by REPRESENTATIVES in the performance of this Agreement shall, if requested, be given to COUNTY upon completion of this Agreement.

12. COMPLIANCE WITH THE LAWS

REPRESENTATIVES shall comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, including those related to federal lobbying, without limitation to those designated within this Agreement. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Agreement, and any disputes hereunder. Any action relating to this Agreement shall be brought in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during the terms of this Agreement shall apply, but do not require an amendment. REPRESENTATIVES shall hold the COUNTY harmless from loss, cost or damage by reason of any actual or alleged violations arising out of REPRESENTATIVES' failure to comply with any applicable Federal, State or County laws, regulations or executive orders.

13. INDEPENDENT CONTRACTOR

REPRESENTATIVES are independent contractors in the performance of the work as set forth in this Agreement and are not to be considered an officer or employee of the COUNTY.

14. AMENDMENTS

All amendments to this Agreement must be in writing and signed by both parties.

15. TERMINATION

This Agreement may be terminated by either party by giving written notice of termination to the other party. Termination will be effective thirty (30) days after receipt of such notice and REPRESENTATIVES will be paid by COUNTY only for services provided up through the date of termination in conformance with paragraph 6 of this Agreement. Notwithstanding any other provision in this Agreement, this Agreement may be terminated if for any reason there are not sufficient appropriate and available monies for the purpose of maintaining COUNTY or other public entity

obligations under this Agreement. In the event of such termination, COUNTY shall have no further obligation to REPRESENTATIVES other than to pay for services rendered prior to termination. This Agreement may be immediately terminated by COUNTY in the event of a material breach of the Agreement by REPRESENTATIVE. Such cancellation shall be effective when written notice from COUNTY is received by REPRESENTATIVES. COUNTY hereby gives notice that pursuant to A.R.S. Section 38-511 (A), this Agreement may be canceled without penalty or further obligation within three (3) years after execution if any person significantly involved in initiation, negotiation, securing, drafting, or creating the Agreement on behalf of COUNTY is, at any time while the Agreement or any extension of the Agreement is in effect, an employer, agent, or any other party to the Agreement in any capacity or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement. In addition, COUNTY may recoup any fee or commission paid or due to any person significantly involved in initiation, negotiation, securing, drafting or creating the Agreement on behalf of COUNTY from any other party to the Agreement arising as a result of the Agreement. REPRESENTATIVES certify that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For breach of violation of this certification COUNTY shall have the right to annul this Agreement without liability, or at its discretion deduct from the contract fees or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

16. NOTICE

When notice or correspondence is required to be sent to COUNTY, it shall be sent to:

Charles H. Huckelberry
Pima County Administrator
130 West Congress, 10th Floor
Tucson, Arizona 85701-1317

When notice or correspondence is required to be sent to REPRESENTATIVES, it shall be sent to:

Steven Bloch, President
Capitol Strategies, LLC
1702 East Highland Avenue, Suite 204
Phoenix, Arizona 85016

17. ASSIGNMENT

No rights, liability, obligation or duty of REPRESENTATIVES under this Agreement can be assigned, delegated or subcontracted in whole or in part, without the prior written approval of the Administrator.

18. WAIVER

The failure the COUNTY or REPRESENTATIVES at any time to require performance of any provision of this contract shall in no way affect the right of COUNTY or REPRESENTATIVES thereafter to enforce such provision, nor shall the waiver of any succeeding breach of such provision act as a waiver of the provision itself.

19. OTHER CONTRACTS

COUNTY shall have the right to let other contracts in connection with work under this Agreement and REPRESENTATIVES shall cooperate with any other contractor.

20. CONSENT OR APPROVAL

Whenever a consent or approval is required hereunder by either party, such consent or approval shall not be unreasonably withheld.

21. INDEMNIFICATION

REPRESENTATIVES agree to indemnify and save harmless COUNTY and its departments, agencies, officers, agents, or employees from all suits, including attorney's fees and costs of litigation, actions, loss, damage, expense, cost or claims, of any character or any nature, arising out of the REPRESENTATIVES' wanton, willful or negligent acts, errors or omissions in the performance of work under this Agreement, or out of any wanton, willful or negligent acts, errors or omissions by any subcontractor or other agent used by the REPRESENTATIVES with or without the consent of COUNTY in the performance of work under this Agreement.

22. NON-DISCRIMINATION

REPRESENTATIVES shall not discriminate against any County employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability, or national origin in the course of carrying out REPRESENTATIVES' duties pursuant to this Agreement. REPRESENTATIVES shall comply with the provisions of Executive Order 75-5, as amended by Executive Order 99-4, which are incorporated into this Agreement by reference as if set forth in full herein.

23. AMERICANS WITH DISABILITIES ACT

REPRESENTATIVES shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulation under the Act, including 28 CFR Parts 35 and 36.

24. LEGAL ARIZONA WORKERS ACT COMPLIANCE

REPRESENTATIVES hereby warrant that it will at all times during the term of this Agreement comply with all federal immigration laws applicable to

REPRESENTATIVES' employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). REPRESENTATIVE shall further ensure that each subcontractor who performs any work for REPRESENTATIVE under this Agreement likewise complies with the State and Federal Immigration Laws.

COUNTY shall have the right at any time to inspect the books and records of REPRESENTATIVES and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of REPRESENTATIVES' or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Agreement subjecting REPRESENTATIVES to penalties up to and including suspension or termination of this Agreement. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, REPRESENTATIVES shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, (subject to COUNTY approval if MWBE preferences apply) as soon as possible so as not to delay project completion.

REPRESENTATIVES shall advise each subcontractor of COUNTY's rights, and the subcontractor's obligations, under the Article by including a provision in each subcontract substantially in the following form:

"SUBCONTRACTOR hereby warrants that it will at all time during the term of this Agreement comply with all federal immigration laws applicable to SUBCONTRACTOR'S employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that COUNTY may inspect the SUBCONTRACTOR'S books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR will be deemed to be a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this Agreement."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of REPRESENTATIVES. In the event that remedial action under this Article results in delay to one or more tasks on the critical path REPRESENTATIVES' approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which REPRESENTATIVES shall be entitled to an extension of time, but not costs.

25. SCRUTINIZED BUSINESS OPERATIONS

Pursuant to A.R.S. §§ 35-391.06 and 35-393.06, REPRESENTATIVES hereby certifies that it does not have scrutinized business operations in Iran or Sudan. The submission of a false certification by REPRESENTATIVES may result in action up to and including termination of this Agreement.

26. ENTIRE AGREEMENT

It is expressly agreed that this written Agreement embodies the entire Agreement of the parties in relation to the subject matter and that no understanding or agreements, verbal or otherwise, in relation thereto exist between the parties except as herein expressly set forth. Further, it is the intent of both parties that this Agreement supersedes and voids any and all prior agreements, verbal or otherwise, between the parties relating to the subject matter of this Agreement.

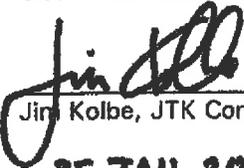
IN WITNESS THEREOF, the parties have affixed their signatures to this Agreement on the dates written below.

APPROVED:

Chairman of the Board of Supervisors

Date

CONTRACTORS:



Jim Kolbe, JTK Consulting, LLC

25 JAN 2013
Date

ATTEST

Clerk of the Board of Supervisors

Date



Steven Bloch, Capitol Strategies, LLC

25 JAN. 2013
Date

APPROVED AS TO CONTENT



County Administrator

1/25/13
Date

APPROVED AS TO FORM



Deputy County Attorney

1-28-13
Date **REGINA NASSEN**