



City of Ketchum

January 18, 2022

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation to Approve Professional Services Contract #22052 with Sullivan & Reberger for Governmental Relations with State of Idaho

Recommendation and Summary

During the FY22 budget development process, Council requested that staff investigate retaining a professional resource to represent the city and other resort cities in the 2022 Idaho Legislative Session. Staff has completed discussions with four potential resources and is recommending a contract with Sullivan and Reberger for the 2022 legislative session. We currently have nine other resort towns committed to join the coalition with strong geographic representation of the state.

"I move to approve contract #22052 with Sullivan & Reberger for Governmental Relations Services with the State of Idaho in a no- to-exceed amount of \$25,000."

Introduction & History

The scope of work for the contract is:

1. **Prevent negative/hostile legislation:** In recent years, the legislature has taken action to limit city authority on a range of issues (short-term rentals, property taxes, minimum wage, and transportation management companies). The priority of the firm would be to defeat any potential new negative legislation affecting the city.
2. **Coalition Creation:** There are approximately twenty Idaho resort cities who utilize local option taxing authority (LOT). Beyond the LOT authority, these communities share a common goal/challenge of addressing workforce housing and adequate employee supply for local businesses. This new resource could serve as a coordinating resource between all resort cities in Idaho with a goal of speaking with one voice with the Governor's Office and Legislature. The resource would also closely coordinate with the Association of Idaho Cities.
3. **Socialize new legislation concepts:** The new resource could start to work with the Governor's Office, legislators and other interested parties (Idaho Association of Commerce & Industry, Idaho Assoc. of Realtors, etc.) to discuss future legislative solutions:
 - a. Use of state ARPA (federal COVID funds) via statewide grants to cities and counties to address workforce housing infrastructure needs. The Governor has recently proposed \$50 million be allocated to the State Housing Trust Account.
 - b. 1% real estate transfer tax program for workforce housing in resort cities only
 - c. Relaxing state restrictions on city ability to regulate short-term rentals

Sustainability Impact

No direct impact. Increased inventory of a local workforce and housing does decrease the amount of auto trips as local workers are closer to their place of employment.

Financial Impact

This contract can be funded via the Strategic Initiatives Account. Other participating cities have committed a minimum of \$250.00 with larger communities paying up to \$1,500.00.

Attachments:

Contract #22052

SULLIVAN & REBERGER PROFESSIONAL SERVICES AGREEMENT

This agreement, effective January 10, 2022, is made and entered into between City of Ketchum (Client) and Sullivan & Reberger (Service Provider). Throughout this Agreement, Client and Service Provider may each be referred to as a “Party” or collectively as “Parties.”

The following sets forth the terms and conditions under which Service Provider shall provide government relations services for Client:

I. Specific Conditions:

1. **DESCRIPTION OF SERVICES.** Service Provider will provide the following services to Client
 - a) We will represent you as directed as a lobbyist, as defined by Idaho law, in matters before the Executive and Legislative branches of Idaho state government.
 - b) We will: (1) advise you of significant Idaho state public policy developments and regulatory matters of interest; (2) communicate with your designated representative(s) via email, telephone and in person; (3) attend and participate in your internal meetings as requested; (4) prepare written material as needed; and (5) lobby executive branch officials and legislators as directed.
 - c) Develop and implement strategies to influence Idaho state governmental policy, with particular focus on promoting and protecting the interests and activities of Client.
 - d) Assist in developing impactful promotional information and messaging highlighting Client’s accomplishments and plans.
 - e) Engage in direct advocacy and collaboration with state government decision makers, including lobbying the Idaho Legislature, Governor, and agencies of state government. Focus on outreach and meetings with targeted legislators and leaders to maximize education and understanding of the significant positive impacts of district operations and activities. Emphasis will be placed on preserving the advantages of current statutory provisions.
 - f) Monitoring issues for developments and changes.
 - g) Legislative and executive branch monitoring and analysis.
 - h) Any other services or specific activities as mutually agreed to by the Parties.

2. **REPORTING.** Service Provider will report orally or in writing with respect to the Services at such times as directed by Client. Service Provider will directly contact Client's designated representative.
3. **TERM.** This Contract is effective January 10, 2022 and shall continue until March 31, 2022. In the event one party desires to terminate this Contract, it must provide the other party with not less than ninety (90) days prior notice of termination.
4. **COMPENSATION.** Client will retain Service Provider at a rate of \$25,000, plus agreed upon expenses as outlined below. Payment will be made in three monthly installments of \$8,333.
5. **EXPENSES.** Client will reimburse Service Provider for all costs and expenses associated with advocating and providing the above Services before the Idaho Legislature, Governor's Office and Executive Branch of Government or as necessary to effectively advocate Client's positions. Expenses would cover reimbursement for agreed upon entertainment activity such as meals, coffees, travel, lodging and other related items that are necessary and appropriate in dealing with government entities. Expenses are billed every thirty (30) days.

II. General Conditions:

1. **RELATIONSHIP.** The Parties agree that Service Provider shall function as an independent contractor throughout the term of this Agreement. Service Provider will receive directions from Client as to expected end results of this Agreement. Service Provider shall be responsible for diligently trying to accomplish the goals of Client using political and general experiences in a good faith manner. It is understood that this Agreement in no way establishes an employee/employer relationship with Service Provider as an employee of Client, and nothing herein shall create an agency relationship between the Parties. Service Provider is responsible for payment of taxes on compensation it receives.
2. **CONFIDENTIALITY.** Neither of the Parties may disclose to the public or to any third party the details of this Agreement or the relationship described herein other than with the prior written consent of the other Party, which consent may be withheld for any or no reason, except as may be required by law.
3. **CLIENT'S REPRESENTATIVE.** Unless otherwise advised, Client representatives for this Agreement shall be Patrick Sullivan, Phil Reberger and John Sheldon. All communications between the Parties relating to the performance of this Agreement shall be between the designated representatives. The Service Provider shall not assign any of its rights, duties or obligations under this Contract without the prior written approval of the Client.
4. **CONFLICT OF INTEREST.** Service Provider represents that it is not, as of the date of this Agreement, aware of any conflict of interest, but in the event such conflict should arise, Service Provider shall promptly disclose to Client of any such conflict. If the conflict cannot be resolved in a good faith manner, the Agreement may be cancelled.

5. **COMPLIANCE WITH THE LAW.** Service Provider will comply with all federal, state and local statutes, regulations, ordinances and rules directly or indirectly relating to the execution of this agreement. Service Provider agrees to comply with all laws pertaining to government relations, including campaign finance limits, prohibitions, and disclosure obligations; gift, meal and travel reimbursements and related ethics rules; and lobby disclosure limitations. Service Provider shall prepare and file any disclosure and registration forms pertaining to its activities undertaken as required by the Idaho Secretary of State, hereunder, and notify Client of any registration or disclosure obligations which pertain to it as client or principle, or employer of Service Provider's services.
6. **APPLICABLE LAW.** This Agreement will be governed by and construed in accordance with the laws of the State of Idaho. Both Parties will be guided by the highest ethical standards. In any action to enforce the rights and obligations of any party under this Contract, the prevailing party shall be entitled to its reasonable attorney fees and costs. Venue of any action brought by the parties to this Contract shall be in the District Court of the Fourth Judicial District of the State of Idaho, in and for the County of Ada
7. **SEVERABILITY.** If any provision of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way. This agreement may be terminated by either party upon 30 days prior written notice.
8. **NO WAIVER.** The waiver of a breach of any provision of this Agreement will not operate or be interpreted as a waiver of any other subsequent breach.
9. **INDEMNIFICATION.** To the fullest extent permitted by law, the Client shall defend, indemnify and hold harmless the Service Provider and their respective agents and employees from and against all claims, damages, losses and expenses, direct, indirect or consequential (including but not limited to fees and charges of engineers, architects, attorneys and other professional and court and arbitration costs) caused in whole or part by the Service Provider carrying out the services requested by the Client or arising out of or in connection with the work identified in this Agreement, except as to those actions resulting from the negligence or willful misconduct in performance of the services provided in this Agreement.
10. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the Parties and no change shall be made to the Agreement except in writing and signed by both Parties. This Contract may be executed in several counterparts, each of which shall be an original, but all of which constitute one and the same instrument. This Contract shall be fully executed at such time as all parties to it have signed at least one counterpart, regardless of whether each counterpart is signed by all parties.

ACCEPTED AND AGREED BY:

By: _____

Its:

Date: _____

By: _____

Its:

Date: _____

By: _____

Its:

Date: _____

SULLIVAN & REBERGER

By: _____

Patrick J. Sullivan

Its: President

Date: _____



CITY OF KETCHUM
PO BOX 2315 * 480 EAST AVE. * KETCHUM, ID 83340
Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 22052

To: 5764 SULLIVAN-REBERGER 802 W BANNOCK ST BOISE ID 83702	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
---	---

P. O. Date	Created By	Requested By	Department	Req Number	Terms
01/13/2022	gbeiser	gbeiser	Administration	0	

Quantity	Description	Unit Price	Total
1.00	Governmental Relations (NTE) 54-4410-4200	25,000.00	25,000.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		25,000.00

 Authorized Signature