



**CITY OF SANTA CLARITA  
AGENDA REPORT**

CONSENT CALENDAR

CITY MANAGER APPROVAL:

*Ken Striplen*

DATE: May 23, 2017

SUBJECT: LEGISLATIVE ADVOCACY SERVICES: KADESH & ASSOCIATES  
LLC AND JAMISON AND SULLIVAN INC.

DEPARTMENT: City Manager's Office

PRESENTER: Michael Murphy

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RECOMMENDED ACTION

City Council:

1. Authorize the City Manager or designee to execute, subject to City Attorney approval, contracts for continuation of professional services with Kadesh & Associates LLC and Jamison and Sullivan Inc. for the period of June 1, 2017, to August 31, 2017.
2. Authorize the transfer of \$20,000 from Contingency Account 19300-5401.001 to the City Manager's Office - Professional Services account 11000-5161.002 in Fiscal Year 2016-17. Continuation of the contract beyond June 30, 2017, is subject to the approval of \$40,000 of funds in the proposed Fiscal Year 2017-18 budget.

BACKGROUND

For the past 17 years, the City of Santa Clarita (City) has actively opposed efforts by CEMEX to locate a 56,000,000 ton net sand and gravel mine in the Soledad Canyon area. The large-scale mine was proposed to be located on split estate, with the City of Santa Clarita owning the surface estate and the United States Bureau of Land Management (BLM) holding a superior ownership on the underlying mineral estate.

The City retains two Washington, D.C., based federal advocacy firms, Kadesh & Associates LLC and Jamison and Sullivan Inc., to assist the City of Santa Clarita in advocating against the mining project. Each firm is retained at \$10,000 per month. Mark Kadesh, the principal at Kadesh & Associates, is a former Chief-of-Staff for Senator Dianne Feinstein and has extensive experience with both congressional, particularly the United States Senate, and administration officials and processes. Cy Jamison, a principal at Jamison and Sullivan, is a former Director of the Bureau of Land Management and has extensive experience with both congressional,

particularly the House of Representatives, and administration officials and processes.

Kadesh & Associates LLC and Jamison and Sullivan Inc. have played a significant role on matters specific to federal legislation and administrative action directly relating to CEMEX's Soledad Canyon mining proposal. The two firms provide both strategic advice and undertake specific advocacy activities with Members of Congress, congressional members' personal and committee staffs, and administration elected and appointed officials.

On August 28, 2015, the BLM terminated the two mining contracts that it held with CEMEX for over a quarter-century to mine in Soledad Canyon. CEMEX appealed the decision and both parties have been engaged in an administrative appeal process through the Interior Board of Land Appeals (IBLA). It is City staff's understanding that all of the briefs and associated paperwork from both parties have now been filed with IBLA. IBLA is now in a position to render an administrative decision. However, there is no statutory time frame in which IBLA is required to make a final administrative determination. Depending upon the outcome of IBLA's decision, either of the parties could file suit in federal court or the parties may possibly enter into a negotiated settlement.

Additionally, the matter before the IBLA relates only to BLM's decision to terminate the contracts. In the event that BLM's decision is ultimately upheld and the contracts with CEMEX are fully extinguished, BLM still retains the ability to contract, lease, or otherwise convey extraction rights to another party. The City of Santa Clarita has been working closely with Senator Dianne Feinstein (D-CA) and Representative Steve Knight (R-CA-25) and plans to work with recently-elected Senator Kamala Harris (D-CA) to withdraw the site of the contracts from mineral entry; meaning that the Secretary would be prohibited from entering into any future mineral extraction agreement with another party. City staff has been working closely with Kadesh & Associates LLC and Jamison and Sullivan Inc. on that issue and specifically regarding Congressman Knight's H.R. 1557, the Soledad Canyon Consistency Act.

The City Council is requested to authorize an extension of professional services with Kadesh & Associates LLC and Jamison and Sullivan Inc. for the period of June 1, 2017, to August 31, 2017.

#### ALTERNATIVE ACTION

1. Award contracts for a period of time other than the three month duration.
2. Not award contracts to Kadesh & Associates LLC and Jamison and Sullivan Inc. and issue a request for proposal for federal advocacy services.
3. Other direction as determined by City Council.

## FISCAL IMPACT

Approval of the recommended action will result in a total maximum expenditure of \$60,000 for the period of June 1, 2017, through August 31, 2017. Funds are not allocated for this specific purpose within the FY 2016-17 budget and will require a transfer of \$20,000 from Contingency Account 19300-5401.001 to the City Manager's Office - Professional Services Account 11000-5161.002. Continuation of the contract beyond June 30, 2017, is subject to the approval of \$40,000 of funds in the proposed FY 2017-18 budget.