



B 3 S T R A T E G I E S

T H E P U B L I C P O L I C Y

A R C H I T E C T S

August 20, 2024

Ed Gerak
Irrigation and Electrical Districts Association of Arizona
ed.gerak@ieda-az.org

Re: Letter of Engagement for Government Relations Consulting Services

Dear Ed:

On behalf of my firm, I hereby propose to Irrigation and Electrical Districts Association of Arizona a consulting agreement beginning on January 1, 2025 and continuing until December 31, 2025 for general government relations consulting services. This letter shall serve as a letter of engagement for that purpose.

B3 Strategies, LLC ("Consultant") shall perform in a competent and timely manner during the term hereof, all of the services listed below under the heading "Scope of Services."

Consultant shall serve as the Designated Lobbyist for Irrigation and Electrical Districts Association of Arizona ("IEDA"), as that term is defined in Arizona law, and shall be responsible for compliance with all laws related to service in that capacity.



Scope of Services

B3 Strategies, LLC as Consultant hereby agrees specifically to:

- (a) Track and monitor relevant state and Congressional legislation, rulemaking and Appropriations on a regular basis;
- (b) Work with IEDA to draft and lobby for passage of approved legislation on state and federal issues of importance to IEDA;
- (c) Coordinate efforts on behalf of IEDA with key stakeholders including but not limited to Grand Canyon State Electric Cooperative Association, Arizona Municipal Power Users Association, and other regional utilities;
- (d) Serve as the representative of IEDA in negotiations with current and potential state legislators, U.S. Senators and U.S. Representatives and other interest groups concerning any state or Congressional proposals deemed positive or adverse to the interests of IEDA, and lobby in support or opposition to such proposals as necessary;
- (e) Report to the appointed representative of IEDA in person, by email, fax, telephonically, or by other means necessary to fulfill the terms of this agreement on all activities it has taken on behalf of IEDA and include an update on monitored bills;
- (f) Schedule meetings as needed over the term of this agreement between IEDA leadership and members and (i) Arizona state legislators, (ii) state staff, (iii) the Arizona Governor's office, (iv) key state agency staff, (v) members of Arizona's Congressional delegation, (vi) key Congressional staff, (vii) Appropriations Committee members, (viii) legislators on key Congressional committees that may be assigned bills relevant to IEDA, (ix) key staff on reference committees, and (x) any other relevant government or business entities;
- (g) Attend meetings of and testify at, if necessary, (i) any state Legislative committee or agency hearings reviewing relevant bills or scope of practice issues, (ii) any Congressional committees reviewing relevant bills or appropriation issues, and, (iii) any other meetings at which proposed legislation or administrative rules that may impact IEDA are considered, including but not limited to state and federal legislation and any relevant state or federal hearings on legislative, policy, appropriations, or fiscal issues;
- (h) Prepare and file all necessary forms and reports required by Arizona law or Federal law for registered Principals and Lobbyists; and
- (i) Work with IEDA leadership to develop necessary informational and communication materials for use in the legislative process.

Independent Entity

B3 Strategies is a public affairs consulting firm and not a law firm. Accordingly, the protections of the attorney-client relationship, including the privilege against disclosure of client confidences by lawyers, the prohibition against lawyers representing clients with conflicting interests and the obligation of a lawyer to maintain professional independence, do not apply to B3 Strategies' relationships with its clients. The B3 Strategies team takes client relationship responsibilities very seriously, even in the absence of these legal protections, and is pleased to discuss our commitment to those responsibilities at any time.

Terms of Compensation and Expense Reimbursement

The term of this agreement shall run from:

January 1, 2025 through December 31, 2025. For the initial term, Consultant shall be compensated in the form of a flat monthly fee of \$5,000 to be paid monthly.

Payment of the consulting fee is not to exceed \$60,000 over the course of the agreement, not including expenses, without prior written approval.

The retainer fee paid to Consultant is inclusive of all defined consulting services listed above. In addition to the retainer fee, disbursements may be incurred in connection with this representation, as further discussed in the policy attached. For example IEDA may anticipate such disbursements as long distance telephone charges, duplication costs, messenger expenses, filing and recording fees, mileage, business meals, travel and other legitimate business expenses. Expenses may include trips made to Washington D.C. on behalf of IEDA. Consultant may advance such expenses on IEDA's behalf, in which case Consultant will expect reimbursement upon receipt of Consultant's monthly billing invoices, which shall itemize all such costs, or may ask IEDA to pay them directly in advance. In any event, all disbursements will be the responsibility of IEDA in addition to the professional fees. The billing invoices of Consultant are due upon receipt and incur interest at 12% per annum if not paid within thirty (30) days of their due date.

This consulting agreement is for a fixed term that runs through the end of December 2025 but may be terminated prior thereto as stated in this paragraph. Termination for cause is permitted in the event of a material breach of any of the terms hereof by either Consultant or IEDA, provided that written notice of the cause is given to the other party and the breach has not been cured within thirty (30) days from receipt of that notice. Either party may terminate this consulting agreement without cause, provided that written notice of termination is given to the other party at least thirty (30) days in advance. Termination of this consulting agreement shall not relieve either party of any duties hereunder, including any fee payment obligations, arising prior to the termination effective date.

It is understood and agreed between IEDA and Consultant that by December 1, 2025, there will be a review and discussion between Consultant and IEDA of the possible renewal and extension of this agreement and the fee structure hereunder,

in anticipation of the 2026 legislative session.


If the terms set forth above are acceptable to you, please have the appropriate representative sign the acknowledgement below and return a signed copy to me.

I welcome the opportunity to provide the services of my firm to IEDA under this consulting agreement, and I look forward to working with you in developing a successful government relations program for IEDA.

Please call me at any time if you have any questions about this letter of engagement.

Very truly yours,

B3 Strategies, LLC

By 
Russell D. Smoldon

ACCEPTANCE OF TERMS SET FORTH ABOVE:

By: _____

Title: _____

Date: _____