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Press Release

FOR IMMEDIATE RELEASE

Jim Carnes Says “No” to \$1M Lobbying

Birmingham, Alabama, January 27, 2009 – Three of my colleagues on the Jefferson County Commission approved a contract for federal lobbying services today. I assure those citizens of this County whose best interests I swore to serve that I absolutely and unreservedly oppose this action. Approval of this contract continues the irresponsible, disgraceful expenditure of Jefferson County taxpayers’ dollars that created our current condition by allowing for an unlimited amount spent without reason, exposure or accountability.

Foremost, I have no reason to believe that even if President Obama agreed to a briefing on the state of the Jefferson County debt crisis that he would give serious consideration to our request. As the U.S. financial markets struggle on a constant precipice of failure, the new administration’s focus centers on the nation as a whole, not salvation of a single local government. If he were to contemplate assistance to local governments, I assure you Jefferson County will not rank atop the requests from 641 cities and 43 states making their cases for federal aid from the same federal monies -- and where corruption played no role in their own financial disaster.

Our best advocates are the members of the Alabama delegation in Washington. They hold greatest insight and influence relative to possible sources of help. Yet these venerable representatives, one from each political party, do not support Jefferson County contracting with this group for this purpose.

No Book Hill associate has a relationship with, or even contributed to, any member of our delegation. Nor does any claim of having “the ear” of President Obama pass closer scrutiny. No Book Hill partner contributed to the Obama Presidential Campaign. No Book Hill partner contributed to Obama’s Senate Campaign in 2004. Even if they had contributed, the ban on lobbying by President Obama as one of his first edicts on his first day in office makes use of big-dollar hired guns to plead our case counter-productive at this time.

The timing of this contract also defies logic. Why rush to spend \$1 million *today* when the \$825 billion stimulus package vote occurs within the next two weeks? Doing so literally defines the phrase “a day late and a dollar short”. No expense can accomplish our inclusion between now and the time of vote. Furthermore, the presiding federal judge will rule in the receiver case in four weeks. Crafting a plan of action *after* we get the judge’s ruling and knowing for what circumstance to plan is the wisest and most strategic action.

My chief concern, however, is the one all taxpayers should have at this time: expenditure of \$1 million of taxpayers' money in an opaque method designed to keep them from knowing how their officials are spending their money! This contract did *not* process through the committee system designed to give full light to Commission actions. In fact, Environmental Services Department funds are designated for payment of this contract but, even though I have been officially assigned oversight of that department, the item was never presented for my committee's consideration. This contract was approved via three signatures on a resolution for inclusion on Tuesday's agenda. The resolution was not read at the pre-Commission meeting but simply passed to the clerk for addition.

The three signatories also ignored the RFP and open-bid processes. Although an RFP issued in November 2008 produced four proposals, they chose instead another company that did not even submit a proposal. While no bid is required by law on lobbying services, the customary practice for amounts this large is and should always be an open-bid.

If openly bid, Book Hill Partners would never have won the County's business on credibility or experience. Perhaps that fact explains the process that was used to select them. All of their limited work involved issues and agencies not in any way capable of helping with Jefferson County's debt crisis but with Defense, Computer Industry, Homeland Security, Law Enforcement, Taxation and other completely unrelated sectors. Moreover, Book Hill earned a mere \$70,000 in lobbying contracts for an entire year. The contract my colleagues plan to enter today pays them \$1 million (\$84,333 per month) *upfront* plus unlimited expenses. All four responses to the ignored RFP proposed \$8,000-\$10,000 per month (\$100,000 to \$120,000 per year) with limits on additional expenses as low as \$750 per month.

I am particularly disturbed by the devious draftsmanship of the Book Hill Partners contract. Some assert that the amount of the contract has been reduced from \$950,000 to \$250,000. One Commissioner has represented that payment is based on performance. Neither statement is true.

Who pays \$1 million for lobbying services? Not many, I guarantee. The NFL paid \$1 million. Pfizer paid \$1.5 million. Mercedes paid a mere \$410,000. Port Authority of New York paid \$240,000. The City of Atlanta paid \$225,000. Los Angeles County paid \$160,000 while Fulton County, GA, only \$50,000. Even JP Morgan, the holder of more than \$2 billion of Jefferson County sewer bonds, paid a paltry \$225,000. They need the bailout. They have the influence in Washington. They have \$1 million to hire lobbyists to get them more money. Our job is not to get it for them – all Jefferson County owes them is net revenues of the sewer system.

Spending \$1 million for lobbying at the same time announcing layoffs of good County employees needed to provide services to its citizens is unconscionable.

To spend that unparalleled sum in a murky selection process on a group with questionable credentials is reprehensible.

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If you would like more information please contact the Office of Commissioner Jim Carns at 205.325.5503.