

BOARD MEETING DATE: November 1, 2019

AGENDA NO. 8

PROPOSAL: Amend Contracts for Legislative Representation in Sacramento, California

SYNOPSIS: The current contracts for legislative representation in Sacramento with Quintana, Watts and Hartmann; Joe A. Gonsalves & Son; and California Advisors, LLC expire on December 31, 2019. Based on the firms' effective performance during the second year of their current contracts, this action is to approve a second one-year extension of the contracts with these three lobbying firms in the amount of \$143,000 each, for legislative lobbying services in Sacramento for Calendar Year 2020. Sufficient funding is available in the Legislative, Public Affairs & Media FY 2019-20 Budget.

COMMITTEE: Administrative, October 11, 2019; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to execute a one-year extension of the contract with Quintana, Watts and Hartmann at the current contract amount of \$143,000;
2. Authorize the Chairman to execute a one-year extension of the contract with Joe A. Gonsalves & Son at the current contract amount of \$143,000; and
3. Authorize the Chairman to execute a one-year extension of the contract with California Advisors, LLC at the current contract amount of \$143,000.

Wayne Natri
Executive Officer

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Background

As a leading air quality agency in California and an innovative leader in developing emission reduction programs, the South Coast AQMD is an important contributor to the policy discussions and activities in Sacramento. It is important to ensure that the South Coast AQMD's input continues to be conveyed in a timely and meaningful manner, and that the South Coast AQMD is involved in the day-to-day policy discussions in

Sacramento in order to promote and achieve cleaner air, both through policy development and through obtaining sufficient funding to implement the 2016 AQMP and other needed air quality programs and projects.

In 2019, the lobbying firms of Quintana, Watts and Hartmann, Joe A. Gonsalves & Son, and California Advisors, LLC professionally represented the South Coast AQMD in Sacramento and performed at a very high level.

The South Coast AQMD has benefited from its continued association with Quintana, Watts and Hartmann. The firm's Principal, David Quintana, has a professional history which spans over 20 years, with extensive expertise in a wide range of issue areas. Mr. Quintana served as a Legislative Director in the State Senate and as a Consultant for the Senate Committee on Public Safety. He has extensive experience in numerous sectors, including environmental, energy, tribal issues, labor, finance, education, and high-tech/social media. He currently specializes in legislative advocacy on transportation, environmental, and energy issues. Mr. Quintana is able to employ effective strategies that fit South Coast AQMD's needs. Consequently, his firm has special capabilities that will help ensure that South Coast AQMD efforts with respect to the California Legislature and others are the most effective to garner support for South Coast AQMD's funding and policy needs for the 2016 AQMP.

Joe A. Gonsalves & Son is a Sacramento lobbying firm with decades of experience and strong ties to legislators on both sides of the aisle, as well as many cities throughout the state, including several within the South Coast AQMD's jurisdiction. With over 30 years of experience, the firm's principals are well-respected and knowledgeable on many local and statewide issues. They also work well with both Democratic and Republican Governors and their Administrations. During multiple occasions, while representing the South Coast AQMD, this consulting team has secured access for staff and Board Members to legislators and key staff at critical junctures. They consistently demonstrate creativity in providing solutions and alternatives to legislative challenges to help facilitate the South Coast AQMD's ability to achieve its clean air mission and support the 2016 AQMP.

Will Gonzalez, principal of California Advisors, LLC, has over 17 years of legislative and political experience. In 2002 he established his own firm, Gonzalez Public Affairs, which specialized in legislative advocacy on transportation, environmental, and energy issues and prided itself on policy expertise and close bipartisan relationships. The firm achieved significant legislative victories for its clients including securing millions in state transportation funding, helping pass sweeping renewable energy laws, and spearheading efforts to reform state procurement. As a Legislative Director in the state Legislature, Mr. Gonzalez helped secure over \$180 million in state funding for compressed natural gas transit buses and for innovative air quality programs to help the Sacramento region meet its conformity requirements. Upon leaving the Legislature,

Mr. Gonzalez joined and lobbied on behalf of a major motor company and the Alliance of Automobile Manufactures in California and twelve other western states. He is credited with securing state grants and tax incentives for electric and alternative fuel vehicles worth over \$140 million. Mr. Gonzalez has a comprehensive understanding of both politics and policy and an extensive history of successfully representing the South Coast AQMD's policy interests in Sacramento. He and his firm are able to effectively represent the South Coast AQMD and pursue its funding needs and policy priorities in Sacramento, with the Legislature, Governor and state agencies, as needed.

Throughout the year, the three firms have closely coordinated with the South Coast AQMD and each other to advance the Board's interests and policies. With great effectiveness and in coordination with South Coast AQMD staff, they have moved the Board's legislative agenda forward by meeting with legislators and staff, testifying in committees, and keeping South Coast AQMD's Legislative Committee and staff apprised of the latest developments in Sacramento. They have successfully negotiated bill language with legislative offices and committee staff and, when necessary, worked to have bills held in committee or otherwise not move forward if they were detrimental to the Board's legislative/policy positions.

The three firms have also worked closely with staff to ensure that the South Coast AQMD was strategically aware of the policy and political considerations related to pending legislative proposals. The constant communication among the firms and staff was essential in ensuring that correct messaging was communicated to Sacramento legislators and staff, as well as the Governor's Office in a timely fashion. Their diligent efforts and ability to gather and communicate key information in a highly time-sensitive atmosphere were critical to supporting the South Coast AQMD's interests.

Cumulatively, during the 2019 state legislative year, the three consultant firms skillfully contributed to legislative efforts that led to South Coast AQMD budgetary and legislative successes, including the following:

- 1) Securing \$50 million in statewide monies (primarily from the Greenhouse Gas Reduction Fund (GGRF)) for local air districts to fund implementation of community air monitoring systems and community emission reduction programs, mandated by state law [AB 617(Garcia)] in 2017, with a significant portion of those funds to be directed to the South Coast region;
- 2) Securing \$245 million in AB 617 related incentive funding from the GGRF to be awarded to local air districts statewide to facilitate co-benefit criteria pollutant emission reductions. These funds will help accelerate the turnover of older, polluting medium- and heavy-duty vehicles to cleaner ones.

- 3) Extensive activity, including outreach to stakeholders and state electeds' offices, providing political strategic advice to South Coast AQMD staff, and other efforts focused on moving SB 732 (Allen) through the state Legislature. This bill, currently a 2-year bill, is sponsored by the South Coast AQMD and seeks authorization from the Legislature to create a voting district in the South Coast region to allow local funding measures to be placed on a regional ballot that would give the community the opportunity to decide if they want to invest in clean air and address climate change; and
- 4) Securing amendments to at least 5 state bills in line with clean air priorities.

The three firms worked together to create an efficient and effective consultant team for the South Coast AQMD. Their policy and political insights inform the South Coast AQMD and strengthen its presence, credibility, and ability to support the Board's policy priorities and pursue funding needs in Sacramento. At this critical point in time, it is important that the momentum and political and stakeholder partnerships continue in the coming year as we continue to work towards successful outcomes pertaining to air quality related legislation and funding proposals, consistent with the South Coast AQMD's mission and policy goals, including implementation of the 2016 AQMP.

Proposal

The contracts with the three firms expire on December 31, 2019, respectively. Staff is highly satisfied with the performance of the three firms and recommends that the Board retain them for Calendar Year 2020.

The present contracts have options for two one-year extensions that may be exercised at the Board's discretion, pursuant to the original RFP. This proposal is to approve the second one-year extension for each of the contracts.

Resource Impacts

The Legislative, Public Affairs & Media Budget for FY 2019-20 contains sufficient funds for this action.