

BOARD MEETING DATE: November 4, 2022

AGENDA NO. 5

PROPOSAL: Amend Contracts for Legislative Representation in Sacramento, California

SYNOPSIS: The current contracts for legislative representation in Sacramento with The Resolute Company (Resolute), formerly Quintana, Watts and Hartmann; Joe A. Gonsalves & Son; and California Advisors, LLC expire on December 31, 2022. 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 \$180,000 for Resolute, \$143,000 for Joe A. Gonsalves & Son, and \$142,080 for California Advisors, LLC, for legislative lobbying services in Sacramento for Calendar Year 2023. Sufficient funding is available in the Legislative, Public Affairs & Media FY 2022-23 Budget.

COMMITTEE: Administrative, October 14, 2022; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chair to execute a second one-year extension of the contract with Resolute at the current contract amount of \$180,000;
2. Authorize the Chair to execute a second one-year extension of the contract with Joe A. Gonsalves & Son at the current contract amount of \$143,000; and
3. Authorize the Chair to execute a second one-year extension of the contract with California Advisors, LLC at the current contract amount of \$142,080.

Wayne Natri
Executive Officer

Background

As a leading air quality agency in California and an innovative leader in developing emission reduction programs, it is critical for South Coast AQMD to be an active and timely participant in policy discussions and activities in Sacramento. It is necessary for South Coast AQMD to be involved in the day-to-day discussions in Sacramento in support of air quality priorities, both through policy and funding, to support and implement the 2016 and future AQMPs, AB 617 communities, additional air quality-related programs and projects, and to address administrative and operational issues.

In 2022, the lobbying firms of Resolute, Joe A. Gonsalves & Son, and California Advisors, LLC represented South Coast AQMD in Sacramento and performed at a high professional level.

Resolute and the firm's principal, David Quintana, have a professional history that spans over 23 years with extensive expertise in a wide range of issue areas, including air quality, the environment and energy. Mr. Quintana served as a Legislative Director in the State Senate and as a Consultant for the Senate Committee on Public Safety. Resolute has capabilities that help provide access to difficult to reach legislators and other elected officials to help resolve policy or political roadblocks on South Coast AQMD issues. Resolute's experience and strong relationships help enhance the effectiveness of South Coast AQMD efforts to achieve policy and funding goals with respect to the California Legislature, Governor and others.

Joe A. Gonsalves & Son (Gonsalves) is a Sacramento lobbying firm with strong ties to legislators on both sides of the aisle. The firm has relationships with many cities throughout the state, including several within the South Coast region. With over 33 years of experience, the firm's principals are well-respected and knowledgeable on many local and statewide issues. On multiple occasions, while representing South Coast AQMD, Gonsalves has secured access for staff and Board Members to elected officials and key staff, including to the Governor's Office, at critical junctures in the legislative process. Gonsalves consistently demonstrates creativity in providing solutions and alternatives to legislative challenges on policy priorities and funding issues to facilitate South Coast AQMD's ability to achieve its clean air mission and state and federal air quality standards.

Will Gonzalez, principal of California Advisors, LLC (Cal Advisors) has over 20 years of legislative and bipartisan political experience specializing in transportation, environmental and energy issues. Mr. Gonzalez also served as a Legislative Director in the state legislature working on funding issues relating to compressed natural gas transit buses and innovative air quality programs. Cal Advisors' principals have a comprehensive understanding of both politics and policy and an extensive history of successfully representing South Coast AQMD in Sacramento with respect to the Legislature, Governor and state agencies.

Throughout the year, the three firms have worked effectively and in coordination with staff to advance the Board's legislative agenda, including by facilitating meetings with legislators and staff and testifying in committee hearings. The three firms work in concert to keep South Coast AQMD 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 South Coast AQMD's policy positions.

The three firms also ensure that South Coast AQMD is strategically aware of policy and political considerations related to pending legislative and budget proposals. The constant communication among the firms and staff is essential to ensure that messaging is correctly communicated to legislators and staff, as well as the Governor's office in a timely fashion.

Although the 2022 Legislative session is not yet completed, the three consultant firms skillfully contributed to efforts that led to South Coast AQMD budgetary and legislative successes, including the following:

- 1) \$50 million in statewide monies from the Greenhouse Gas Reduction Fund (GGRF) for local air districts to fund implementation of community air monitoring and community emission reduction programs mandated by AB 617 (Garcia, 2017), with a significant portion of those funds to be directed to the South Coast region;
- 2) \$240 million in AB 617 incentive funding from the GGRF to be awarded to local air districts statewide to facilitate co-benefit criteria pollutant emission reductions. These funds support implementation of Community Emissions Reduction Programs (CERP) by funding community priorities, such as accelerating the turnover of older, polluting medium- and heavy-duty vehicles to cleaner ones;
- 3) Securing ongoing annual baseline funding from the General Fund in the amount of \$290 million statewide for air districts for AB 617 implementation and incentives;
- 4) Sponsorship and passage of AB 2836 (E. Garcia) which reauthorizes the Carl Moyer and AB 923 Local Incentive Programs until 2034. These programs provide funding for air districts to accelerate the turnover of older, polluting vehicles and equipment to cleaner ones. The reauthorization of these program fees could generate approximately \$75 million on an annual statewide basis; and
- 5) Support and passage of AB 1749 (C. Garcia) which extends the time for an air district to develop a CERP for an AB 617 community from one to two years.

The three firms worked together to create an efficient and effective consultant team for South Coast AQMD. Their policy and political insights inform 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 through political and stakeholder partnerships continue to work on

legislation and funding to achieve South Coast AQMD's mission and policy goals, including implementation of the 2016 and future AQMPs.

Proposal

The contracts with the three firms expire on December 31, 2022. The current 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 2022-23 contains sufficient funds for this action.