

BOARD MEETING DATE: December 5, 2014

AGENDA NO. 31

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, November 14, 2014. The next Legislative Committee meeting is scheduled for Friday, December 12, 2014 at 9 a.m. in Conference Room CC8.

The Committee deliberated on agenda items for Board consideration and recommended the following actions:

Agenda Item	Recommendation
Interview and Recommend Execution of Contract(s) for Legislative Representation in Sacramento, California	Authorize the Chairman to execute contracts with Gonzalez, Quintana & Hunter, LLC and Joe A. Gonsalves & Son for Legislative Representation in Sacramento, California.

RECOMMENDED ACTION:

Receive, file this report, and approve agenda items as specified in this letter.

Dr. Clark E. Parker, Sr.
Vice-Chair
Legislative Committee

LBS:GSA:

Attendance [Attachment 1]

The Legislative Committee met on November 14, 2014. Committee Member Dr. Clark E. Parker, Sr. was the acting vice chair of the meeting. Dr. Parker and Supervisor Michael Antonovich, both attended via videoconference. Governing Board Chair Dr. William A. Burke, who was appointed as a member to the Committee, also participated via videoconference.

Update on Federal Legislative Issues

SCAQMD federal legislative consultant Mark Kadesh, of Kadesh & Associates, updated the Committee on key Washington D.C. issues with a focus on the Senate.

The November 4, 2014 elections strengthened Republican control of the House and made the Republicans the majority party in the upper chamber, holding at least 53 seats in the Senate. The change in Senate control will result in new Chairs presiding over Senate committees of interest to the SCAQMD, including:

- Senator Jim Inhofe (R-OK) to chair Environment and Public Works Committee.
- Senator John Thune (R-SD) to chair Commerce Committee.
- Senator Orrin Hatch of (R-UT) to chair Finance Committee.
- Senator Thad Cochran (R-MS) in line to chair Appropriations Committee.
- Senator Lisa Murkowski (R-AK) to chair Energy Committee.

In the short-term during the lame-duck session, two issues will dominate Capitol Hill. First is the vote on the controversial Keystone Pipeline. Second is whether a new Omnibus Appropriations bill will be passed to fund the government or whether another Continuing Resolution will be passed to maintain funding at last year's level.

In the longer term, the new leadership in the Senate and the House may weigh in on whether to cancel, soften, delay or, at least, express disapproval of a variety of Environmental Protection Agency rules that are scheduled to come out in the next few months, including:

- New Ozone Standard
- Toxic Ash Disposal Rule
- Cross-State Air Pollution Rule
- New Source Emission Controls for New Power Plants
- Greenhouse Gas Rule for Existing Power Plants

In the interest of time constraints, the House update which was to be provided by SCAQMD federal legislative consultant Mia O'Connell, of the Carmen Group, was tabled until the December Legislative Committee meeting.

Interview and Recommend Approval of Contract(s) for Legislative Representation in Sacramento, California

In preparation for the interviews, the Committee members discussed the questions to be asked of the three top qualified firms and the process for their selection. They then proceeded with the interviews of: Joe A. Gonsalves & Son; Gonzalez, Quintana & Hunter, LLC; and Sloat, Higgins, Jensen & Associates.

After the interviews were concluded, the Committee Members unanimously recommended that the Governing Board authorize the execution of contracts with Gonzalez, Quintana & Hunter, LLC for \$207,000 and Joe A. Gonsalves & Son for \$143,000. *[Refer to the December 5, 2014 Board Agenda item 15 for additional information on this matter.]*

Report from SCAQMD Home Rule Advisory Group [Attachment 3]

Please refer to Attachment 2 for written report.

Other Business:

None

Public Comment Period:

No public comment.

Attachments

1. Attendance Record
2. SCAQMD Home Rule Advisory Group Report

ATTACHMENT 1

ATTENDANCE RECORD –November 14, 2014

DISTRICT BOARD MEMBERS:

Dr. William A. Burke (Videoconference)
Supervisor Michael Antonovich (Videoconference)
Dr. Clark E. Parker, Sr. (Videoconference)

STAFF TO COMMITTEE:

Lisha B. Smith, Deputy Executive Officer
Derrick Alatorre, Assistant Deputy Executive Officer/Public Advisor
Guillermo Sanchez, Senior Public Affairs Manager (teleconference)
Julie Franco, Senior Administrative Secretary

DISTRICT STAFF:

Barry R. Wallerstein, Executive Officer
Barbara Baird, Chief Deputy Counsel
Phil Fine, Assistant Deputy Executive Officer
Peter Greenwald, Sr. Policy Advisor
Chris Marlia, Assistant Deputy Executive Officer
Matt Miyasato, Deputy Executive Officer
William Wong, Principal Deputy District Counsel
Jill Whynot, Assistant Deputy Executive Officer
Marc Carrel, Program Supervisor
Philip Crabbe, Community Relations Manager
Robert Paud, Telecommunications Technician II
Jeanette Short, Senior Administrative Secretary
Kim White, Public Affairs Specialist
Patti Whiting, Staff Specialist

OTHERS PRESENT:

Mark Abramowitz, Governing Board Member Consultant (Lyou)
Kris Flaig, City of Los Angeles, Bureau of Sanitation
Anthony Gonsalves, Joe A. Gonsalves & Son
Jason Gonsalves, Joe A. Gonsalves & Son
Paul A. Gonsalves, Joe A. Gonsalves & Son
Will Gonzalez, Gonzalez, Quintana & Hunter, LLC
Dale Hunter, Sloat, Higgins, Jensen & Associates
Kelly Jensen, Sloat, Higgins, Jensen & Associates
Chris Kierig, Kadesh & Associates (teleconference)
Vlad Kogan Orange County/Sanitation
Rita Loof, RadTech
Debra Mendelsohn, Governing Board Assistant (Antonovich)
David Quintana, Gonzalez, Quintana & Hunter, LLC
David Rothbart, Los Angeles County Sanitation District
Andy Silva, Governing Board Assistant (Gonzales)
Susan Stark, Tesoro
Carolyn Veal-Hunter, Sloat, Higgins, Jensen & Associates
Warren Weinstein, Kadesh & Associates (teleconference)



South Coast Air Quality Management District

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ATTACHMENT 2

LEGISLATIVE REPORT FROM HOME RULE ADVISORY GROUP MEETING OF OCTOBER 22, 2014

HRAG members present:

Dr. Joseph Lyou, Chairman

Dr. Elaine Chang, SCAQMD

Elizabeth Adams, EPA (participated by phone)

Curt Coleman, Southern California Air Quality Alliance

Chris Gallenstein, CARB (participated by phone)

Jayne Joy, Eastern Municipal Water District (participated by phone)

Bill LaMarr, California Small Business Alliance

Rongsheng Luo, SCAG (participated by phone)

Art Montez, AMA International

Bill Quinn, CCEEB (participated by phone)

David Rothbart, Los Angeles County Sanitation Districts

Larry Rubio, Riverside Transit Agency (participated by phone)

Jessica Segovia on behalf of Enrique Chiock, Breathe L.A. (participated by phone)

Lee Wallace, So Cal Gas and SDG&E

Ron Wilkniss on behalf of Mike Wang, WSPA

AQMD Staff: Debra Ashby, Joe Cassmassi, Philip Crabbe, Shah Dabirian, Francis Goh, Aaron Katzenstein, Elaine Shen, Jill Whynot, Bill Wong, and Marilyn Traynor

Others: Mark Abramowitz (Board Consultant to Dr. Lyou); Daniel McGivney (SoCalGas/SDG&E); Noel Muyco (SoCalGas/SDG&E); (Susan Stark (Tesoro); Leila Barker (LADWP); Kris Flaig (City of Los Angeles, Bureau of Sanitation); Frank Caponi (LACSD); Rita Loof (RadTech)

LEGISLATIVE UPDATE

Philip Crabbe reported on the following items that were discussed at the Legislative Committee meeting on October 10, 2014:

Federal

Congress is on recess through the elections in November 2014.

Senator Barbara Boxer, Chair of the Senate Environment & Public Works (EPW) Committee, called on the U.S. House Ways & Means Committee to attempt to take up the issue of funding the Highway Trust Fund in the lame duck session. However, this is unlikely to occur.

Congresswoman Janice Hahn and Congressman Ted Poe (Texas) introduced H.R. 5101 which creates a freight trust fund that would receive its revenue from a new 5% tax on all duties.

The House Transportation and Infrastructure Committee marked up a rail and Amtrak reauthorization bill. Although the bill is not expected to pass this year, the intent is to set the stage for bipartisan cooperation on legislation for next year.

During its upcoming lame duck session, Congress must address what to do with respect to funding the government. The current continuing resolution expires on November 12, 2014. A likely option is that Congress will pass omnibus appropriations bills, which would be beneficial to SCAQMD's priorities. Another possibility is that Congress could again pass a continuing resolution which would maintain current funding levels.

The upcoming elections will have a significant impact on what happens in Washington, D.C. Although Democrats currently have a 55-45 majority in the Senate, a six-seat swing could change the leadership of the Senate. Whatever the outcome, the majority next year will have a smaller seat advantage than in the current Senate. On the House side, the Republicans are expected to gain approximately 6 to 8 seats, out of 435 seats, in the November election.

The U.S. Supreme Court's recent actions have essentially given the green light for the U.S. EPA to use its discretion in setting any new proposed ozone rule. The rule is scheduled to be officially proposed by December 1, 2014, and finalized by October 1, 2015.

State

As part of the "National Drive Electric Week," Governor Brown signed multiple bills into law which are meant to help the electric vehicle market grow in California. Among these bills, SCAQMD supported AB 2013 (Muratsuchi). Other bills signed, regarding which SCAQMD has no position, include: AB 1721 (Linder), SB 1298 (Hernandez), and AB 2565 (Muratsuchi).

Governor Brown delivered remarks on California's global leadership in combating climate change at the United Nations Climate Summit in New York on September 23, 2014.

The Governor and other energy stakeholders have generated discussions regarding the development of a new clean energy standard in 2015. However, no proposed language exists. The concept would be to create a more flexible program with the emphasis on greenhouse gas emission reductions, by building on the renewable portfolio standard that currently applies to the electricity sector.

SCAQMD, CAPCOA, CARB, and other stakeholders have been discussing how to improve the effectiveness of the Carl Moyer Program. These discussions have been incorporated into the CARB Incentive Programs Advisory Group (IPAG).

An election update was provided on the following key races and ballot initiatives: Senate District SD 34 (Huntington Beach), Assembly District (AD) 65 (Fullerton), AD 66 (Torrance), Proposition 1 - Water Bond, and Proposition 2 - Rainy Day Fund.

Discussion

Kris Flaig (City of Los Angeles) had concerns with regard to SB 1298 (Hernandez) which makes the pilot projects of the Los Angeles County Metropolitan Transportation Authority's operation

of high-occupancy toll (HOT) lanes on State Highway Routes 10 and 110 permanent. Mr. Flaig thought that these express lanes should be limited to drivers of zero emission vehicles or low emission vehicles only. Dr. Lyou responded that drivers of alternative-fueled vehicles with HOV stickers will not be charged if they set their transponder to three or more occupants; further, these particular express lanes were established for congestion purposes, not for reducing air pollution. Mr. Crabbe added that other legislation will benefit zero or low emission vehicles that use express lanes.