

BOARD MEETING DATE: January 10, 2014

AGENDA NO. 3

PROPOSAL: Amend Existing Contracts for Legislative Representation in Washington, D.C.

SYNOPSIS: The current contracts for legislative and regulatory representation in Washington D.C. will expire on January 14, 2014. Each contract has an option for two one-year extensions. To further the agency's policy positions at the federal level, this proposal exercises the first one-year extension for Kadesh & Associates, LLC, and a six-month extension for the Carmen Group Incorporated as SCAQMD's legislative and regulatory representatives in Washington, D.C. The total amount for both contracts is \$337,601, which includes a Consumer Price Index increase of 1.5% for Calendar Year 2014.

COMMITTEE: Legislative, December 13, 2013, Recommended for Approval

RECOMMENDED ACTIONS:

Authorize the Chairman to execute the first one-year extension of the contract with Kadesh & Associates, LLC for \$227,981; and a six-month contract extension with the Carmen Group Incorporated in the amount of \$109,620.

Barry R. Wallerstein, D.Env.
Executive Officer

LBS:DJA:MC

Background

After a competitive Request for Proposals (RFP) process held in 2012, the Board selected two firms to conduct legislative and regulatory representation in Washington, D.C. for Calendar Year 2013. Each one-year contract, established with the two contractors, is set to expire January 14, 2014. However each agreement includes options for two one-year extensions.

The firms have been working with the Board and staff to maintain a continued and noticeable presence to advance the Board's agenda for federal legislative and regulatory issues. They have organized meetings with Congressional members and Congressional staff in Washington, D.C., which have resulted in stronger and new relationships with the Administration, Congress and other stakeholders in Washington, D.C. In 2013, the consultants worked to protect a \$10 million grant program for zero-emission transportation projects in the Senate's Energy and Water Appropriations bill, including securing letters of support from a key Senator and eight members of the House of Representatives. The consultants have also provided strategic counsel and assisted in preparing other federal grant applications, including removing the threat that a previously awarded grant could be rescinded. The consultants have also been helpful in developing a long term strategy for the upcoming reauthorization bills on surface transportation and rail due to be considered in 2014. The consultants also helped protect funding currently authorized in the Clean Air Act's Sections 103 and 105 that support key SCAQMD programs.

Items anticipated being on the agenda for SCAQMD in 2014, include: (1) securing the Board's priorities in the next surface transportation reauthorization legislation; (2) finding funding to help Metrolink replace its Tier 0 and Tier II locomotives with Tier IV locomotives; (3) obtaining funding to demonstrate alternative fueled passenger rail locomotives; (4) increasing support for cleaning up goods movement and surface transportation sources; (5) seeking authorization for demonstration and deployment of clean technology and clean energy resources; (6) protecting SCAQMD's subvention funding and other federal grants, and; (7) responding to other issues that may surface in 2014, including the International Maritime Organization's consideration of a five year implementation delay of its Tier III standard for marine vessels. Legislative and regulatory advocacy may also be needed to support new policy initiatives pursuant to the approval of the 2012 AQMP and the development of the 2016 AQMP.

Proposal

Staff recommends retaining Kadesh & Associates, LLC, (Kadesh & Associates) for Calendar Year 2014, given the firm's track record in serving the agency's interests. Continuity of representation will help build on past relationships and policy initiatives to increase the successful outcomes of SCAQMD policy objectives in 2014. Further, during its December 13, 2014 meeting, the Legislative Committee recommended a six month extension for the Carmen Group Incorporated.

During the nearly seven years Kadesh & Associates has represented SCAQMD, the firm has successfully helped further the agency's policy goals. The Kadesh & Associates team works effectively with the Board and staff to maintain a continued, noticeable presence in Washington, D.C. That presence helps advance the Board's agenda for federal legislative and regulatory issues. The firm has organized successful meetings with key offices for both Board and staff that have cultivated stronger or new

relationships with the Administration, Congress and other Washington, D.C. stakeholders. Following are some of Kadesh & Associates' notable achievements:

Moving forward the Chairman's Mobile Source Fair Share Initiative, the firm was instrumental in getting The Marine Vessel Emission Reduction Act of 2007 introduced as companion bills S. 1499 and H.R. 2548. With bipartisan support, S. 1499 passed out of the Senate policy committee. And while not being taken up for a vote in the full Senate, the Committee's vote arguably influenced the Bush Administration to strengthen its stance on international maritime air pollution standards. This led to the White House supporting the International Maritime Organization's MARPOL Annex VI treaty to tighten worldwide controls on air pollution from ships. These controls are critical to our region's attainment of the 2023 federal ozone standard.

In 2010, Kadesh & Associates, LLC assisted in fighting off a challenge to SCAQMD's permitting authority. This petition was ultimately rejected by U.S. EPA. That same year, the firm also worked diligently with staff and the impacted public to seek a solution to the Clean Air Act Section 185 fee issue, which was a Board priority item.

Finally, Kadesh & Associates also played a key role in helping SCAQMD achieve and protect federal funding for air quality programs. During their tenure, the firm helped SCAQMD build a strong relationship with the Chair and staff of the Senate Environment and Public Works Committee. As a result of their efforts, SCAQMD participated in a field hearing regarding federal surface transportation reauthorization legislation held in Southern California in September 2008. This led to follow up meetings with committee staff discussing ways to incorporate air quality in the bill. Ultimately, when the legislation passed in 2012 as MAP-21, it included several significant provisions beneficial to improving air quality. The provisions are consistent with proposals SCAQMD provided earlier to Committee staff.

During the firm's first year as a federal consultant for the SCAQMD the Carmen Group sought to initiate and cultivate the agency's relationship with federal agency representatives (i.e. the Department of Transportation (DOT)) and House committee members and staff (i.e. the House Transportation & Infrastructure Committee), as well as the offices of California Republican House members, including Congressmen Ken Calvert and Dana Rohrabacher.

Specifically, in an effort to seek federal funding for the SCAQMD's partnership project with the Southern California Regional Rail Authority, the Carmen Group set up and facilitated meetings between the DOT and SCAQMD staff to prepare and submit a TIGER grant proposal to seek funding to replace Metrolink's older Tier 0 and Tier 2 locomotives to the Tier IV model technology. Despite the effort, the proposal was not selected.

The six-month extension will enable the Carmen Group to continue cultivating the relationships they have initiated on the agency's behalf as well as work to get needed funding, such as was outlined in the TIGER grant proposal, incorporated in the upcoming MAP-21 and Rail reauthorization bills.

Pursuant to the original RFP, the Board has discretion to exercise options for the two one-year extensions. This proposal is to approve the first one-year extension of the Kadesh & Associate, LLC contract and a six-month extension for the Carmen Group Incorporated

Resource Impacts

Funding for these contracts is available in the Professional and Special Services account of the Legislative & Public Affairs FY 2013-14 Budget.