

BOARD MEETING DATE: November 2, 2018

AGENDA NO. 10

PROPOSAL: Amend Contracts for Legislative Representation in Sacramento, California

SYNOPSIS: The current contracts for legislative representation in Sacramento expire on December 31, 2018 for The Quintana Cruz Company, Joe A. Gonsalves & Son, and California Advisors, LLC. Based upon the firms' effective performance during the first year of their current contracts, this action is to approve the first one-year extension of the contract with The Quintana Cruz Company in the amount of \$103,500; Joe A. Gonsalves & Son in the amount of \$143,000; and California Advisors, LLC in the amount of \$103,500 for legislative lobbying services in Sacramento for Calendar Year 2019. Sufficient funding is available in the Legislative, Public Affairs & Media FY 2018-19 Budget.

COMMITTEE: Administrative, October 12, 2018; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Executive Officer to execute a one-year extension of the contract with The Quintana Cruz Company at the current contract amount of \$103,500;
2. Authorize the Executive Officer 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 Executive Officer to execute a one-year extension of the contract with California Advisors, LLC at the current contract amount of \$103,500.

Wayne Natri
Executive Officer

Background

As a leading air quality agency in California and an innovative leader in developing emission reduction programs, SCAQMD is an important contributor to the policy discussions in Sacramento. It is important to ensure that SCAQMD's input continues to be conveyed in a timely and meaningful manner, and that SCAQMD is involved in the day-to-day policy discussions in Sacramento that promote cleaner air, both through policy development and adequate funding. Therefore, it is appropriate to continue direct representation in Sacramento to advance Board policy priorities and SCAQMD programs.

In 2018, the lobbying firms of The Quintana Cruz Company, Joe A. Gonsalves & Son, and California Advisors, LLC professionally represented the SCAQMD in Sacramento and performed at a very high level.

SCAQMD has benefited from its continued association with The Quintana Cruz Company. The firm's Principal, David Quintana, has a professional history which spans over 19 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 SCAQMD's needs. Consequently, his firm has special capabilities that will help ensure that SCAQMD's efforts with regard to the California Legislature and others are the most effective to garner support for SCAQMD'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 SCAQMD'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 have proven to work well with both Democratic and Republican Governors and their Administrations. During multiple occasions, while representing the SCAQMD, this consulting team has secured for staff and Board members access to legislators and key staff at critical junctures. They consistently demonstrate creativity in providing solutions and alternatives to legislative challenges, to help facilitate SCAQMD's ability to achieve its clean air mission and support the 2016 AQMP.

Will Gonzalez, principal of California Advisors, LLC, has over 16 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 prides itself on its 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 Legislative Director, he 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 Manufacturers in California and twelve other western states. He is credited with securing state grants and tax incentives for electric and alternative fuel vehicles of over \$140 million. With a comprehensive understanding of both politics and policy and an extensive history of successfully representing SCAQMD's policy interests in Sacramento, Mr. Gonzalez is able to effectively represent SCAQMD's needs and policy priorities in Sacramento with the Legislature, Governor and state agencies, as needed. His firm will help ensure that the SCAQMD is effectively represented in Sacramento in a manner that will best garner support for its funding needs and policy priorities.

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

The three firms also worked closely with staff to ensure that we were strategically aware of the policy and political considerations related to legislative proposals. The constant communication among the firms and staff was also essential in ensuring that the correct message was communicated to Sacramento legislators and their staff in a timely fashion. Their diligent efforts and ability to gather and communicate key information in a highly time-sensitive atmosphere were critical to the SCAQMD's interests.

Cumulatively, during the 2018 state legislative year, the three consultant firms skillfully contributed to efforts that led to the following SCAQMD legislative and budgetary successes, including:

- 1) Securing \$245 million in incentive funding from the Greenhouse Gas Reduction Fund 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 medium- and heavy-duty vehicles to cleaner ones, as well as help secure several hundreds of millions of dollars in various pots of clean air-related funding, which SCAQMD will have the opportunity to seek, largely through the grant application process;

- 2) Securing \$50 million in statewide monies 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 being directed to the SCAQMD;
- 3) Securing the passage into law of SB 1502, sponsored by SCAQMD, which sought to modernize outdated and costly public notice requirements, by allowing the use of electronic mail and internet postings for public notice, rather than only mass paper mailings for public hearings, rulemaking processes, and other functions; and
- 4) Blocking a budgetary proposal to divert about \$26 million in revenue per year statewide from a 75 cents per tire fee away from the Carl Moyer Program to the Department of Fish and Wildlife (DFW).

In summary, the three firms forged together to create an efficient and effective consultant team for SCAQMD. Their policy and political insights inform SCAQMD and strengthen its presence, creditability, and ability to support the Board's policy priorities 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 proposals, consistent with SCAQMD's mission and policy goals.

Proposal

The contracts with the three firms expire on December 31, 2018. Staff is highly satisfied with the performance of the three firms and recommends that the Board retain them for Calendar Year 2019.

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 first one-year extension for each of the contracts.

Resource Impacts

The Legislative & Public Affairs Budget for FY 2018-19 contains sufficient funds for legislative advocacy in Sacramento.