

BOARD MEETING DATE: November 3, 2023

AGENDA NO. 5

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

SYNOPSIS: The current contracts for legislative and regulatory representation in Washington, D.C. with Kadesh & Associates, LLC, Cassidy & Associates and Carmen Group, Inc. expire on January 14, 2024. Each of these contracts includes an option for two one-year extensions. This action is to consider approval of the second one-year extension of the existing contracts for Calendar Year 2024 with Kadesh & Associates, LLC for \$226,392; Cassidy & Associates for \$216,000; and Carmen Group, Inc. for \$222,090 as South Coast AQMD's legislative and regulatory representatives in Washington, D.C., to further the agency's policy positions at the federal level. Sufficient funding is available in the Legislative, Public Affairs and Media FY 2023-24 Budget.

COMMITTEE: Legislative, October 13, 2023; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chair to execute contract extensions with Kadesh & Associates for \$226,392, Cassidy & Associates, Inc. for \$216,000 and Carmen Group, Inc. for \$222,090, for legislative consulting services in Washington, D.C. for one year beginning on January 15, 2024.

Wayne Nastri
Executive Officer

DJA:LTO:PFC

Background

In 2021, the Board selected Kadesh & Associates (Kadesh), Cassidy & Associates (Cassidy) and the Carmen Group (Carmen) for legislative and regulatory representation in Washington, D.C. for one year beginning on January 15, 2022, with an option for up

to two one-year renewals upon satisfactory performance, at the Board's discretion. The three one-year contracts were extended for an additional year and they will all expire on January 14, 2024. Each agreement includes an option for one additional one-year extension.

In 2023, the firms of Kadesh, Cassidy and Carmen represented South Coast AQMD in Washington, D.C. and performed at a high professional level. The firms have been effective in working with the Board and staff to sustain active engagement in federal legislative, policy and regulatory issues with the Administration, Congressional Members and staff, industry, environmental and health organizations, and other stakeholders in a manner that facilitates South Coast AQMD's policy priorities.

Kadesh is a bipartisan federal advocacy firm specializing in California interests. Kadesh's team has considerable experience working as senior Congressional staffers in the House and the Senate. Mark Kadesh, President, is the primary contact with Ben Miller, Principal Consultant, for South Coast AQMD. Mr. Kadesh has extensive legislative and political experience and insights gained from his seventeen years working on Capitol Hill. Mr. Miller worked for more than seventeen years as an advisor for Members of the California Congressional Delegation.

Cassidy is a bipartisan federal government relations firm with more than 45 years of demonstrated experience. Amelia Morales, Executive Vice President, Jed Dearborn and Lio Barrera, Senior Vice Presidents, and Samantha Swing, Vice President, serve as South Coast AQMD's primary representatives. Ms. Morales joined Cassidy after serving as Deputy Staff Director and Senior Policy Advisor to the U.S. House Committee on Natural Resources. Mr. Dearborn served as Senior Counsel to the U.S. Senate Committee on Energy and Natural Resources. Mr. Barrera worked in private industry and for two Senators. Ms. Swing staffed a Member of the Senate and a former Senate Majority Leader.

Carmen is a bipartisan government affairs firm with decades of experience in legislative representation and government relations, including building industry coalitions. Gary Hoitsma, Executive Managing Associate, and Dal Harper, Executive Managing Director, are the primary representatives for South Coast AQMD. Mr. Hoitsma served eight years as a top aide for Chairman of the Senate Armed Services Committee and Chairman of the Environment & Public Works Committee. Mr. Harper brings two decades of government relations and legislative experience including with several agencies.

While the 118th Congress is still in progress, below are some of the accomplishments and issues worked on by these three firms in 2023:

- **Appropriations and Legislation**
 - Targeted Airshed Grants increased from \$62 million in Fiscal Year (FY) 2022 to \$69.9 million in FY 2023;
 - Diesel Emissions Reduction Act (DERA) increased from \$92 million in FY 2022 to \$100 million in FY 2023;
 - Section 103/105 increased from \$231.5 million in FY 2022 to \$249 million in FY 2023;
 - Secured \$500,000 Congressionally Directed Spending Request for Fuel Cell Line Haul Locomotive project; and
 - Worked with Congressional staff on the introduction of legislation related to ocean-going vessels and reauthorization of the Diesel Emissions Reduction Act.

- **California Air Pollution Control Officers Association (CAPCOA) D.C. Advocacy Trip, February 6 – 8, 2023**
 - Assisted with coordination and scheduling of advocacy meetings for eight(8) California air agencies and CAPCOA.
 - Participated in twenty-seven meetings with federal agencies and Members of Congress of which 19 were secured by Kadesh, Cassidy and Carmen.

- **Support for Federal Actions & Funding**
 - Worked with Office of Senator Alex Padilla to send letter to U.S. EPA Administrator Michael Regan and Principal Deputy Assistant Administrator Joseph Goffman regarding South Coast region and impacts of goods movement on air quality requesting policy and funding to meet Clean Air Act standards.
 - Facilitated California Congressional Delegation Letter with 24 Members signatures to the Administration supporting a “Whole of Government” approach to address supply chain, air pollution, climate, and environmental justice issues. The letter included guidance including South Coast AQMD recommendations to prioritize funding from the Bipartisan Infrastructure Law and the Inflation Reduction Act and other programs.
 - Secured letters of support for South Coast AQMD Congressional Delegation for Port Infrastructure Development Program and Charging and Fueling Infrastructure grant programs.
 - Supported two-day visit by Policy Advisors from Office of Senator Alex Padilla focused on goods movement and air quality issues.

The consultants have represented South Coast AQMD well through their advocacy efforts. Continued representation in Washington, D.C. is necessary to further the agency’s legislative, regulatory and policy objectives. The South Coast and Coachella Valley Air Basins nonattainment status and the threat of Clean Air Act sanctions require substantial, consistent engagement with Congress and the Administration.

In 2024, South Coast AQMD advocacy will continue to focus on funding, regulations, and policies to address emissions from heavy-duty trucks, ocean-going vessels, locomotives, aircraft, and off-road equipment. Additional areas of interest are energy, infrastructure, residential and commercial building efficiencies, environmental justice, air monitoring and related programs. The consulting firms will also assist South Coast AQMD to advocate for favorable program guidance and/or funding from the American Rescue Plan, Bipartisan Infrastructure Law, Inflation Reduction Act, appropriations process and other legislation.

Proposal

Staff recommends retaining Kadesh, Cassidy and Carmen for Calendar Year 2024, given their successful efforts in 2023 and their ability to build upon these efforts in the coming year. Continuity of representation is critical to strategically advocate with pending nonattainment and Clean Air Act issues.

Pursuant to the original contract, the Board has discretion to exercise options for two one-year extensions. This proposal is to approve the second one-year extension for all three consulting contracts.

Resource Impacts

The Legislative, Public Affairs and Media Budget for FY 2023-24 has sufficient funds for legislative advocacy in Washington, D.C.