

RESOLUTION 17-139

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
AUTHORIZING A SOLE SOURCE PROFESSIONAL SERVICES CONTRACT WITH
KHOURI CONSULTING FOR A COMPREHENSIVE LOBBYING PROGRAM
REGARDING CALTRANS PERMITTING POLICY WITHIN THE CITY

WHEREAS, the City of Paso Robles is divided by US 101, SR 46 East and SR 46 West which are all State Highways under the jurisdiction of Caltrans District 5; and

WHEREAS, the City has worked with Caltrans on numerous studies and programs to address traffic and circulations issues on SR 46 East including:

- 1964 - 46 East Freeway Agreement
- 2001 - 46 East Corridor Study
- 2003 - Route 46 Corridor Improvement Project
- 2007 - Caltrans Freeway Requirement letter
- 2008 - 46E Parallel Route Study
- 2009 - SR 46 Corridor System Management Plan
- 2009 - 46E Comprehensive Corridor Study (CCS)
- 2010 – 46E / Union Road PID
- 2011 - Circulation Element Update
- 2014 - 46E / Union Road PSR
- 2015 - 46E / Union Road PAED
- 2017 - 46 Concept Plan (TCR)

WHEREAS, despite the dozen studies and programs, there remains significant disagreement between the City and Caltrans regarding how 46 East should be improved in the future; and

WHEREAS, the City hired Khouri Consulting in early 2017 to provide an outside assessment of the issues dividing the City and Caltrans; and

WHEREAS, Khouri Consulting set up a number of meetings and prepared a strategy outline to address areas of disagreement; and

WHEREAS, in order to implement this strategy, a long term contract with Khouri Consulting will be necessary; and

WHEREAS, the City's Purchasing Manual provides for the "sole source" of professional services when it can be determined by the City Council that it is in the best interest of the City to do so; and

WHEREAS, Khouri Consulting has unique experience with transportation related lobbying efforts within Caltrans District 5 and in Sacramento.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. The City Council hereby authorize initiation of comprehensive lobbying program regarding Caltrans permitting policy within the city as attached hereto as Exhibit A, and incorporated herein by reference, and authorize the City Manager to execute the Agreement and Budget Adjustments, subject to any minor, technical, or non-substantive changes as approved by the City Manager and the City Attorney.

Section 3. The City Council appropriates an amount not to exceed \$40,000 from Development Impact Fee Transportation Account.

APPROVED this 7th day of November 2017, by the following vote:

AYES: Hamon, Gregory, Strong, Reed, Martin

NOES:

ABSENT:

ABSTAIN:



Steven W. Martin, Mayor

ATTEST:



Kristen L. Buxkemper, Deputy City Clerk

Exhibit A – Khouri Consulting Scope of Work

Exhibit A - Khouri Consultant Scope of Work

Exhibit A

Scope of Services and Cost Proposal For Khouri Consulting To Advocate On Behalf Of The City El Paso De Robles on State Route 46

Firm Profile

Khouri Consulting is a Sacramento-based firm, located at 1215 K Street, Suite 1700, that provides comprehensive, high-caliber legislative advocacy and consulting services to a broad range of clients.

Khouri Consulting currently provides legislative advocacy or consults for 16 counties including the Central Coast Coalition (CCC) (Monterey, San Benito, San Luis Obispo, San Benito, Santa Barbara), San Joaquin Valley Policy Council (JVPC)(Fresno, Kern, Kings, Madera, Merced, Stanislaus, San Joaquin, and Tulare), Santa Barbara County Association of Governments (SBCAG), San Mateo County Transportation Authority (SMCTA), and Transportation Authority of Marin (TAM). Prior local agency clients include the California Transit Association (CTA), City/ County Association of Governments of San Mateo County (C/CAG), City/County of San Francisco, Fresno County Transportation Authority (FCTA), Peninsula Corridor Joint Powers Board (Caltrain), San Mateo County Transit District (SamTrans), Solano Transportation Authority (STA), Tulare County Association of Governments (TCAG). Gus Khouri has also represented private sector clients such as the Association of California High-Speed Trains, Federal Express and the Pacific Merchant Shipping Association.

We not only expertly represent clients before the State Legislature, but also have a proven record of successfully lobbying state regulatory agencies and departments. Each one of our clients is unique and we pride ourselves on being responsive, devoting the proper time and resources to learn their issues and representing them knowledgeably and energetically – we operate for each client as if we are an extension of their in-house operations.

Important to our success is our strong belief in utilizing a unique, proactive philosophy in which we invest the time to understand the needs of the client and utilize our unique relationships and skill set to achieve our clients' goals. We tell our clients what they need to hear, not just what they want to hear. In the post-term limits era, we are constantly working to build key relationships with not only incumbent policymakers, but also those of the future at the local, state and federal level, as well as staff.

We utilize our legislative expertise, combined with our strong relationships with key legislators on both sides of the aisle and the Executive Branch to deliver tangible, high-value results to our varied client base. We have connections and access to the Brown Administration, which extend to the Governor's Legislative Office (commonly referred to as the "The Horseshoe"), as well as most legislative offices.

Legislators and policymakers will tell you we are direct, honest, and work tirelessly on behalf of our clients. We proactively engage with decision-makers on a consistent basis in order to seek opportunities to help maximize results for our clients when such opportunities arise. In fact, our firm is regularly consulted and relied upon by key officials, especially in the Brown Administration, and staff to help deliver on transportation funding.

Principal's Qualifications

With 20 years of experience, Gus Khouri is one of Sacramento's leading local government advocates. Gus Khouri has been involved in every major transportation policy development or funding issue in Sacramento over the past decade and a half. Highlights include: participation in the Traffic Congestion Relief Act of 2000 and Proposition 42, which dedicated the sales tax on gasoline to a variety of transportation programs and projects; working with legislative leadership to help craft the language Proposition 1B (SB 1266, Chapter 25, Statutes of 2006); positioning the interests of clients in the acquisition of funding from various Proposition 1B programs (examples below); negotiating on the "gas tax swap" (AB 6 and 9, 8th Extraordinary Session of 2009) to protect and provide additional funding for highways and transit.

Exhibit A - Khouri Consultant Scope of Work

As the former Legislative Director for the California Transit Association, he was primarily responsible for developing strategies and executing on the Association's annual legislative platform, as well as helping to create material, secure meetings and speakers for the Association's Lobby Day, Spring Legislative Conference, and Fall Conference. He was heavily relied upon in other key Association meetings and committees that were orchestrated by the Executive Director over his seven-year tenure.

That role has allowed him to become an expert on transit funding and deliver on key objectives for the Association. In 2007, when then-Governor Schwarzenegger attempted to eliminate state funding for public transportation, Mr. Khouri helped broker a deal to restore and increase funding for operations (a minimum guarantee of \$350 million statewide through revenue made available by the increase of the sales tax on diesel which is deposited into the State Transit Assistance program) while still allowing for the state to realize General Fund savings to pay down bond debt service. The lack of a deal would have jeopardized nearly 40,000 jobs for transit bus drivers and train operators statewide.

In addition, he has been trusted by Caltrans to develop the methodology for administering \$3.6 billion in transit capital projects and rolling stock purchases (AB 1072, Chapter 271, Statutes of 2009 and the subsequent guidelines) and is regularly consulted on funding for highways and transit programs by Caltrans and the California Transportation Commission (CTC). Gus has routinely staffed additional legislation such as AB 372, Chapter 262, Statutes of 2006, AB 729, Chapter 466, Statutes of 2009, which extended design-build authority for transit properties.

Mr. Khouri also secured the deciding votes on, SB 1029 (Leno), Chapter 152, Statutes of 2009, which appropriates \$8 billion of Proposition 1A for high-speed rail and commuter and intercity rail services; as well as SB 862 (Budget), Chapter 36, Statutes of 2014, which created the Cap and Trade Program. He also participated in the drafting of Proposition 22, which protected transit funding, among other things, from being raided by the General Fund. He also coordinated with the legislature on MAP-21 implementation.

This Spring, Gus Khouri worked closely with the Brown Administration and several legislators to craft and secure the deciding votes on SB1 (Beall), a \$5.2 billion annual transportation-funding package, which includes \$300 million for Trade Corridors and \$250 million for Congested Corridors. His contributions included the foundational development and insertion of the annual \$1.6 billion Transportation Improvement Fee (a vehicle registration fee based on the market value of a vehicle) that led to funding the \$250 million Solutions for Congested Corridors Program, and infusion of \$350 million for public transit, among other things; advocacy for a dedicated pot of funding for commuter and intercity rail, which resulted in the imposition of a .5% sales tax on diesel (\$37 million annually) to fund the program; and advocacy for restoration of \$1.1 billion to the State Transportation Improvement Program (STIP) to allow local transportation agencies to improve congestion and provide multi-modal options statewide. Gus was initially the sole advocate pushing for restoration of the STIP in what was originally supposed to be only a "Fix It First" package.

As San Francisco Mayor Edwin M. Lee's lead advocate, Mr. Khouri has protected billions of dollars in redevelopment funds that otherwise would have been diverted to State General Fund coffers, while negotiating complex, transformative deals to protect the San Francisco Bay, build the Transbay Terminal, and move the Golden State Warriors to San Francisco.

He served in the Legislature for seven years, most recently as a Senior Consultant to the Assembly Transportation Committee. Mr. Khouri has earned a well-respected reputation for finding solutions for complex issues on a bipartisan basis. His primary responsibilities on the Committee were: preparing analyses and providing research on complex legislation in the transportation policy field, including briefing the Committee Chair, Committee Member staff, and Speaker's staff, as well as providing vote recommendations; acting as liaison with various state agencies, such as the California Highway Patrol (CHP), Caltrans, CTC, Department of Motor Vehicles, and legislative staff, to craft, amend or monitor legislation as it moved through the process; organizing informational hearings on various transportation

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issues; and, staffing Assembly Member Jenny Oropeza on the Appropriations Committee, as well as on issues regarding revenue and taxation, labor, and information technology.

Mr. Khouri was the Assembly Transportation Committee's point person on negotiations with respect to the 2006 Transportation Infrastructure Bond package (Propositions 1A and 1B). In addition, Mr. Khouri assisted in crafting language for the completion of the San Francisco-Oakland Bay Bridge re-financing deal.

Gus holds a Master of Arts degree in Government, from the California State University at Sacramento, as well as a Bachelor of Arts degree in Political Science, from University of the Pacific. In 2006, he was named "Up and Coming Lobbyist" by *Capitol Weekly*. He is affiliated with the California League of Cities, California State Association of Counties (CSAC), and Self-Help Counties Coalition (SHCC).

Overall Strategy to Accomplish Proposed Scope of Work

Specifically, our proposed comprehensive lobbying program consists of the following elements:

1. Upon being retained, we would immediately set up either an in-person meeting or conference call to ensure that we gather all of the necessary information on issues relating to Highway 46 within the City and proceed on your behalf.
2. We would then formulate a strategy to effectively lobby your interests, set up meetings accordingly with Caltrans, CHP, CTC, California State Transportation Agency (CalSTA), Governor's office, and legislative delegation if necessary, in order to help influence a favorable outcome on Highway 46 for the City of El Paso De Robles.
3. Our direct lobbying will also include assisting with or drafting letters and talking points as necessary. We will also testify on your behalf at hearings before legislative committees, as directed.
4. We will assist you in working with other agencies and organizations to develop support for our policies, such as participation in coalition efforts to generate support. The members of our team regularly interact with the staff, lobbyists and members of organizations, including: the League of California Cities and CSAC, among others.
5. We will maintain regular phone and email communication with your designated key staff.
6. We will adhere to all laws and regulations governing the activities of registered lobbyists in California.

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Cost Proposal

Our proposed cost to serve the City is based on our experience that government advocacy is a constant effort that is subject to cyclical periods of more or less intensity given the legislative and regulatory calendar. That is why we propose to bill in monthly installments rather than an hourly rate.

Our proposal is based on these specific assumptions:

1. Given the seasonal nature of legislative calendar and state agency board meetings, we work significantly more hours for than other weeks.
2. Nevertheless, issues constantly arise and we will therefore invest as much time and effort as necessary to tend to issues on State Route 46.
3. Our expertise and experience with the legislative process that has been cultivated over 20 years is ultimately what is most valuable. In some instances, the effort we expend or the activity we pursue will be successful due to our expertise and experience, and to the relationships we have spent years cultivating, rather than due to the exact length of time it will take us to transact certain business on your behalf. Sometimes a few phone calls or quick meetings with the appropriate officials or staff will be worth as much or more to you than spending hours by us monitoring one policy committee hearing.
4. We will not bill for administrative costs and support staff to further the purposes of the lobbyists' efforts such as delivering letters, inputting data into computer databases, etc.). We would however ask that reimbursement for travel outside of the Sacramento area for work performed on behalf of the City be considered.

We propose to deliver the scope of work herein for a total not-to-exceed **\$40,000.00** payable in 8 monthly installments (November 2017- June 2018) of **\$5,000 per month**.