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Los Angeles County  
Metropolitan  
Transportation  
Authority

**TO: BOARD OF DIRECTORS**  
**FROM: LINDA BOHLINGER,** *Linda Bohlinger*  
**INTERIM CHIEF EXECUTIVE OFFICER**  
**SUBJECT: FEDERAL AND STATE LEGISLATIVE ADVOCACY  
CONTRACTS**

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**RECOMMENDATION**

It is recommended that the Board extend the Federal and State Legislative Advocacy contracts as contained in items 1 and 2 below, not to exceed the amount of \$268,000 for the period commencing on July 1, 1997 ending on December 31, 1997. The contracts also include reimbursement for expenses directed by the Board of Directors and Executive staff, such as regular appearances before the Board.

**1) FEDERAL LEGISLATIVE ADVOCACY CONTRACTS**

- Cliff Madison Government Relations
- Palumbo and Cerrell
- MARC Associates, Inc.
- Baker, Donelson et al.
- Ann Eppard and Associates

**2) STATE LEGISLATIVE ADVOCACY CONTRACTS**

- Capital Representation Group, Inc.
- Nielsen, Merksamer et al.
- Nossaman, Gunther et al.
- JEA and Associates and The Robert Group

**BUDGET IMPACT**

The recommendations contained within this report are consistent with the goals and objectives as adopted by the MTA Board. The extension amount is prorated and does not include any increase from last year. The \$268,000 includes half year funding for legislative advocacy as well as authorized expense reimbursement. Funds for this action are contained in the Government Relations department FY 97-98 budget. Attachment C provides detailed information on the costs of each contract.

## **ALTERNATIVES CONSIDERED**

Staff considered the immediate issuance of a Request for Proposal (RFP), but we recommend postponing that approach. We are in the middle of legislative calendars (legislative sessions for both State and Federal are 2-year sessions running from January through November). Staff believes that if an RFP is issued it should coincide with the legislative calendar and the contracts should run for that same time period. Shifting the dates of our legislative contracts to the calendar year will accommodate the timing of the legislative sessions. With Board approval of this action we will issue an RFP in September 1997.

## **BACKGROUND**

As a public agency, the MTA must utilize various communicative and persuasive techniques unique to public agencies to exert influence in the political arena. Political advocates assist the MTA in communicating needs, goals and objectives in addition to the agency's accomplishments. Political consultants are especially crucial to obtaining much needed funding, especially in light of the recent budget proposals in which the MTA is in jeopardy of losing federal operating and capital assistance. Since these consultants are located in Sacramento and Washington, they are essential to advocating the MTA's legislative program.

These contracts are imperative especially with the demand for additional funding with ISTEA II and other vital policy decisions ranging from Americans with Disabilities Act (ADA) to air quality. In fact, the shift of power in the state Legislature and Congress, current Metro Rail and other MTA appropriations requests and reductions in federal operating assistance, have placed greater demands on the MTA's legislative team. An extension of the federal legislative advocacy contracts will provide the MTA with the ability to be effectively represented in Washington D.C. through the invaluable expertise of the proposed consultants. The state legislative team provides the MTA with a great depth of legislative experience and strong working relationships with senior and new members of the Legislature.

Director Fasana had requested a review of the Palumbo and Cerrell contract in light of the recent changes to the MTA lobbying policy in the adopted MTA Code of Conduct. The lobbying provision of the Code of Conduct, adopted on January 10, 1997, prohibits persons who are compensated to lobby on behalf of the MTA from lobbying the MTA on behalf of others for compensation.

Upon being notified of this issue, Mr. Palumbo and Mr. Cerrell have advised the MTA that in order to ensure compliance with the revised Lobbying Policy, Mr. Cerrell will divest himself of his financial interest in Palumbo & Cerrell. Subject to verification of this divestment, staff recommends the MTA contract with Palumbo & Cerrell be continued.

Staff recommends the MTA Board extend the contracts noted in Attachment A, Attachment B and Attachment C to December 31, 1997.

**DBE PARTICIPATION**

The Equal Opportunity department recommends that the M/WBE goals be waived for both the State and Federal advocacy contracts. This recommendation is based on the lack of subcontracting opportunities and limited availability of Sacramento and Washington D.C. based M/WBE government advocacy firms.

**ATTACHMENTS**

Background Information on Recommended Firms

- A: Federal Lobbyists
- B: State Lobbyists
- C: Federal and State Legislative Advocacy Contracts

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## ATTACHMENT A

### Palumbo & Cerrell, Inc.

Palumbo & Cerrell has provided invaluable federal liaison services to the MTA and its predecessor agency, SCRTD for the past 12 years. The firm was instrumental in obtaining initial approval and subsequent funding for the Metro Rail project.

The MTA's primary contacts at Palumbo & Cerrell, Inc., are Ben Palumbo and Bill Dietz. Mr. Palumbo has more than twenty years experience working with the House of Representatives and the Senate. He held positions ranging from Administrative Assistant to U.S. Senator Harrison A. Williams, Jr., to Staff Director of the House Democratic Caucus. Mr. Dietz has twenty-six years of experience as a senior staff member in the House. He served as Administrative Assistant and Associate Counsel to Rep. Jim Howard during his tenure as Chairman of the Public Works and Transportation Committee. In addition, Mr. Dietz was Special Counsel to the Public Works and Transportation Committee for a period of time while Rep. Glenn Anderson of California served as Chairman of the Committee.

This team provides the MTA with effective representation in both houses of Congress and to the various administrative agencies. During 1991-93 they were very successful in securing federal funds for specific SCRTD sponsored projects such as:

- A state-of-the-art engine dynamometer;
- Advance Technology Transit Bus (ATTB-Stealth Bus);
- Union Gateway Intermodal Transit Center;
- Much needed bus replacements; and,
- Advancing mass transit's position regarding alternative fuel especially during the Clean Air debate.

They are now a crucial component of MTA's Washington Team.

Please note that as of FY'97/98 Palumbo and Cerrell are undergoing a divestment between partners and Mr. Cerrell will no longer be affiliated with Palumbo and Cerrell.

Baker, Donelson, Bearman & Caldwell

This is the Washington office of the law firm headed by the former U.S. Senate Majority Leader and later White House Chief of Staff, Howard Baker. The MTA has been ably represented by the managing partner of the Washington office, Edward R. Hamberger. The firm has provided excellent work through their strong contact and relationships with the Senate & House Leadership, the House and Senate Appropriations Committees, and with the Committee and Banking and Urban Affairs Committees. They have been integrally involved in our success with the House Public Works and Transportation Committee on the ISTEA legislation.

Mr. Hamberger has served as Assistant Secretary for Governmental Affairs of the U.S. Department of Transportation from 1988-1989 and previously as General Counsel of the national Transportation Policy Study Commission, chaired by Congressman Bud Shuster, as well as outside legislative counsel, in private practice for the American Public Transit Association from 1983-1987.

Janet Powell joined Baker, Donelson, Bearman & Caldwell in March, 1995, from the House Appropriations Committee where she served four years as Appropriations staff to Congressman Frank R. Wolf, Chairman of the Transportation Appropriations Subcommittee. In that capacity, Ms. Powell gained invaluable experience in budgeting issues for the U.S. Department of Transportation, including the Federal Transit Administration. She has more than 10 years of experience in federal, state government, and private sector transportation policy.

In addition to their work with the former Administration, Baker, et al, has provided excellent work through their strong contact and relationship with the Senate Leadership and the House and Senate Appropriations Committees.

They have also been integrally involved in our success with the House Public Works and Transportation Committee on the ISTEA legislation.

### Madison & Associates

Cliff Madison has been a principal lobbyist on behalf of the federally funded Metro Rail project since 1983. From 1983-1989 he represented SCRTD. Madison & Associates were particularly instrumental in obtaining federal authorizations and appropriations for Metro Rail during the early critical years when it appeared uncertain whether the project would ever translate from concept to construction. Cliff previously served as Subcommittee Staff Director on the Public Works and Transportation Committee for Congressman Glenn Anderson and later as Vice President of Government Affairs for Western Airlines. He represented the LACTC from 1986-1993 and the MTA from 1993 to present.

Cliff Madison has an excellent working relationship with the House and Senate Appropriations committees and especially with the House Public Works and transportation Committee. He is widely recognized for his excellent leadership on Capitol Hill on behalf of Metro Rail and is heralded for his key part in mapping the strategy which has made it possible to secure about \$1.3 billion in federal appropriations.

Cliff Madison has also played the leading role in coordinating our legislative efforts with representatives of other Los Angeles County public agencies and their Washington offices.

### MARC & Associates

MARC & Associates have been involved with the MTA and its predecessor, LACTC, for the past five years. The principle, Dan Maldonado, is widely known throughout Congress, not only for his legislative advocacy but for over 11 years of accomplishment as Chief of Staff and Appropriations Counsel to Congressman Edward Roybal.

Dan Maldonado is recognized for his effective work on behalf of other Los Angeles County institutions, such as the Los Angeles County Department of Education and UCLA, among others.

Mr. Maldonado provided a critical link that pulled through the provisions guaranteeing that Metro Rail will extend to East Los Angeles.

Mr. Maldonado has been involved in mapping appropriations strategy and coordinating liaison with the House Energy and Commerce Committee, during the contemplation of legislation related to acquisition of railroad rights-of-way that were critical to expansion of Metrolink and the LA Metro System.

Ann Eppard Associates, Ltd.

Ann Eppard Associates, Ltd., has been providing federal and state legislative advocacy services since 1994. Ms. Eppard's firm specializes in public and government affairs and other services, primarily in Washington, D.C. and Harrisburg, Pennsylvania.

From 1972 to 1994, Ms. Eppard served as Chief of Staff to Representative Bud Shuster. She is knowledgeable of the many programs under the jurisdiction of the Public Works and Transportation Committee (now the Committee on Transportation and Infrastructure) of which Representatives Shuster chairs. Ms. Eppard offers a vast network of contacts throughout the U.S. House of Representatives and the state of Pennsylvania, among Members and their staffs.

Ms. Eppard has served as Assistant to the Chairman of the National Transportation Policy Commission, Assistant to the Chairman of the 1976 Pennsylvanians for Ford Presidential Committee, and Assistant to the Western Pennsylvania Chairman of the 1980 Reagan-Bush Presidential Campaign.

Ms. Eppard attended the George Washington University Graduate School of Government Studies.

## ATTACHMENT B

### JEA & Associates and The Robert Group

JEA & Associates is a full service government relations and advocacy firm. The firm has worked closely with the California Legislature and other State administrative agencies. The firm has represented several transportation industry clients over the past 17 years including the Southern Pacific Transportation Company and the Santa Cruz Metropolitan Transit District. The firm's principal consultant, John Arriaga, has served as a Judicial Hearing Officer for the Labor Commissioner's Office and served as Senior Advocate for government relations for a Fortune 500 corporation. Mr. Arriaga received his Bachelor of Arts degree from the University of California, Santa Cruz and a Juris Doctorate degree from the University of San Francisco.

JEA & Associates and The Robert Group provide a unique blend of Sacramento based and local advocacy services. JEA & Associates will be utilized for advocacy in Sacramento. The Robert Group will focus on advocacy with the Los Angeles County's state legislative delegation at the local/district office level.

The Robert Group is a public affairs and legislative advocacy firm based in Los Angeles. The firm's principal advocate, Christine Robert, has many years of experience in local and federal government relations. Ms. Robert served on the staff of Congressman Julian C. Dixon and was the former Planning Deputy to Los Angeles City Councilwoman Rita Walters. Ms. Robert is intimately familiar with the MTA, having worked for the MTA and the Los Angeles County Transportation Commission for over three years. Ms. Robert has a Bachelor of Science degree from the University of Southern California and a Masters in Business Administration from the University of Southern California.



Capital Representation Group, Inc.

Capital Representation Group, Inc., and its lead advocate, Tim Egan, has served the MTA and its predecessor agency, the Los Angeles County Transportation Commission, for over 20 years. Tim Egan has been the lead legislative advocate for the MTA. The firm has provided legislative analysis and legislative advocacy services on a wide variety of issues ranging from the merger legislation that created the MTA to the implementation of Propositions A and C, turnkey authorization and legislation which increased the MTA's bonding limit. Capital Representation, Inc., has assisted in the development of the MTA's Annual Legislative Program and has assisted in guiding the MTA's advocacy activities before the State Legislature, the Administration and Caltrans. The firm has also worked closely with other transportation advocacy groups and public entities such as the League of California Cities, Self-Help Counties, transit labor unions and Los Angeles County Municipal Operators. Tim received both his Bachelor of Arts and Masters in Public Administration degrees from San Diego State University.

Nielsen, Merksamer, Parrinello, Mueller & Naylor

Nielsen, Merksamer et al has represented the MTA and its predecessor agency the Los Angeles County Transportation Commission, for 7 years. The firm has represented the MTA before the California Transportation Commission, the Administration and the State Legislature and has been instrumental in assisting the MTA in securing funds for many projects. The firm is well acquainted with the Wilson Administration and the Republican leadership in both houses of the Legislature. The firm has an extensive and diverse legislative advocacy practice. The firm's principal advocate for the MTA, Bob Naylor, has extensive experience in the legislative process, having served in the California legislature for eight years, and as Assembly Minority Leader for three years. He is extremely knowledgeable about MTA programs, policies and funding requirements. Mr. Naylor is an attorney who is a graduate of Stanford University and Yale School of Law.

Nossaman, Gunther, Knox & Elliott

Nossaman et al. has provided legislative and regulatory advocacy services since 1981. The firm is highly familiar with the legislative process and advocacy techniques, having three former legislators in the firm. The firm's legislative practice includes advocacy before local, state, and federal levels of government. The firm currently represents a diverse list of clients which include both public and private entities. The firm's principal advocate for the MTA, John Foran, is an expert in transportation and transit-related issues. Mr. Foran was a member of the California Legislature for 13 years. He served as the chair of both the Assembly and Senate Transportation Committees and was an ex-officio member of the California Transportation Commission. Mr. Foran authored several important laws relating to public transportation. Mr. Foran is an attorney who received his Bachelor of Science and Juris Doctorate degrees from the University of San Francisco.

## ATTACHMENT C

### FEDERAL AND STATE LEGISLATIVE ADVOCACY CONTRACTS

Federal	Contact	Scope of Services	Proposed Contract Value FY97-98
Baker, Donelson, Bearman & Caldwell	Ed Hamberger Janet Powell	Overall strategy, Republican Congressional leadership, Congressional Appropriations and ISTEAs committees and LA County Congressional delegation.	\$70,000
Madison & Associates	Cliff Madison	Overall strategy, Administration Officials, Democratic Congressional Leadership, Congressional Appropriations and ISTEAs Committees, and LA County Congressional delegation.	\$70,000
MARC Associates	Dan Maldonado Eve Maldonado	Overall strategy, Administration Officials, LA County Congressional delegation and coordination with other national advocacy groups	\$70,000
Palumbo & Cerrell	Ben Palumbo Bill Dietz	Overall strategy, Administration Officials, LA County Congressional delegation, coordination with other national advocacy groups, Congressional Appropriations and ISTEAs committees	\$70,000
Ann Eppard & Associates	Ann Eppard-Jeff Davis	Overall strategy, Republican Congressional leadership, Congressional Appropriations and ISTEAs committees	\$50,000
<b>FEDERAL SUBTOTAL:</b>			<b>\$330,000</b>
State	Contact	Scope of Services	FY97-98
Capital Representation Group	Tim Egan	Overall coordination of State program; focus on Assembly and Senate Dems & Reps.; general strategy	\$66,000
Nielsen, Merksamer, Parrinello, Mueller and Naylor	Robert Naylor	Coordination of CTC efforts; focus on Administration and Senate Assembly Reps.	\$55,000
Nossaman, Guthner, Knox and Elliot	John Foran	Focus on Senate and Assembly Dems and leadership of both houses; special projects	\$25,000
JEA & Associates/The Robert Group	John E. Arriaga Chris Robert	Overall strategy; focus on Assembly/State leadership, focus on district/local offices	\$30,000
<b>STATE SUBTOTAL:</b>			<b>\$176,000</b>
<b>Misc Reimbursement</b>		Reimbursements for expenses directed by the Board of Directors and Executive staff, such as regular appearances before the Board	\$30,000
<b>TOTAL LEGISLATIVE ADVOCACY CONTRACTS</b>			<b>\$536,000</b> *

\* These are full year amounts. Contract extensions will be prorated for half year only.