



October 26, 2018

Mr. Chris Teague  
Contracts Manager, Eastern Municipal Water District  
2270 Trumble Road  
Perris, CA 92570

**RE: REQUEST FOR PROPOSAL NO. 3104**

Dear Mr. Teague:

In response to your Request for Proposal, Niemela Pappas & Associates would be honored to represent Eastern Municipal Water District (EMWD), before the Legislature, the Governor's Office, and state regulatory agencies.

Niemela Pappas and Associates (NPA) believes that our effectiveness in navigating the Capitol is predicated by an understanding of the current political landscape and players with an eye toward the future. No single strategy or relationship defines success. Success is the ability to anticipate opportunity and pitfalls and to conceive and implement multiple paths to victory. This approach requires knowledge of client priorities and vulnerabilities, but also an awareness of external forces and the priorities and trajectory of decision-makers. To wit, we have provided a synopsis of our view of the current landscape and policy discussions, as it will illustrate what may affect Eastern Municipal Water District in the coming and future legislative sessions. We have also elaborated on our expertise and experience in the water and municipal utility arena, as well as our relationships with the key political decision makers in this space.

Thank you for taking the time to review this proposal. It would be an honor to represent you and assist you in furthering EMWD's success and goals in California. We hope to become part of your team.

Sincerely,



Erin Niemela, Partner



Emily Pappas, Partner

## **2. EXECUTIVE SUMMARY**

### FIRM CONTACT INFO

Niemela Pappas & Associates  
1414 K Street, Suite 270  
Sacramento, CA 95814

916-661-5365 Office  
916-880-5410 Fax  
pappas@npalobby.com Email

We would be honored to represent EMWD before the Legislature, the Governor's Office, and state regulatory agencies. We can provide you with critical information in a timely manner, develop dynamic strategies, and implement these strategies as you deem necessary. The below outlines the services we can provide you.

### ABOUT THE FIRM:

Emily Pappas, formerly of Lehman Levi Pappas & Sadler and Erin Niemela, formerly of Niemela Capitol Concepts, formed a partnership in 2014: Niemela Pappas & Associates. Together, Ms. Pappas and Ms. Niemela bring a combined experience of over 27 years of diverse experience to the firm – including working for legislative leadership at the state and federal level and lobbying the legislative and executive branches of government. In addition to the firm's partners and founders, we have two other full-time lobbyists, Jaime Minor and Tiffany Phan, and two consultants, Anne Kelly and Nancy Lynott, who help with bill tracking, scheduling and hearing coverage. Our combined client portfolios include associations, local governments, traditional business interests, and municipal utilities.

The firm has all the necessary and appropriate business licenses to operate as a full-service lobbying firm in the State, as outlined in Exhibit B.

### ADVOCACY AND CONSULTING SERVICES & CAPABILITIES

Our services span five areas:

- 1) Ongoing Analysis and Appraisal of Arena. Analysis and advice on larger "Capitol" dynamics which could affect EMWD;
- 2) Identification, Review and Monitoring. We will diligently track state legislation, regulatory activity, and industry activities affecting EMWD in California. We place special emphasis on knowing what might happen prior to formal action;
- 3) Strategic Development and Implementation. We will chart out multiple paths to success for EMWD and provide an honest assessment of the strengths and vulnerabilities of each path;
- 4) Relationship-Building and Maintenance. Ensure every action taken for EMWD advances the interest of EMWD with key decision-makers. We also understand the value of positioning EMWD as an effective participant in coalition lobbying efforts including within your associations; and
- 5) Communication and Representation. With permission, we will represent EMWD at hearings, meetings, and in correspondence with legislators and representatives of the Executive Branch to achieve EMWD's desired outcomes.

#### *Communication:*

We will be your "Eyes and Ears" in and around the Capitol. We will monitor daily legislative and regulatory activities that would or might impact EMWD, and provide you with information you need to know on a timely basis. Intelligence gathering and early warning is often the most critical element in

mounting a defense against potential problems. Communication will be in the form of phone calls and e-mails on a regular basis. You will receive status reports on all bills and issues we are tracking for you that clearly highlight their status and impact on EMWD.

*Advice and Consultation:*

Based on our on-the-ground knowledge and experience, we will help define the strategies necessary to achieve EMWD's goals. Our advice will include what is politically achievable and what others (allies and opponents) are doing in the same arena. We are experienced and well-versed on the issues that EMWD will face and we understand the nuances of protecting your reputation.

*Educate Decision-Makers about EMWD:*

Our goal will be to make sure key decision-makers are supportive of your district's practices and water delivery goals. We want them to recognize and remember the economic and "quality-of-life" benefits EMWD contributes to the state. We will organize District visits, tours or meetings as you deem necessary.

**CLIENT MANAGERS**

Firm partners Emily Pappas and Erin Niemela, and firm's expert on water issues Jaime Minor, will serve as your primary points of contact.

Firm lobbyist Tiffany Phan, and veteran retired lobbyist and current consultant, Anne Kelly, will contribute to the work product and augment services.

**3. STATEMENT OF QUALIFICATIONS**

Niemela Pappas & Associates meets and exceeds all set forth minimum qualifications.

*a. Qualifications and Experience:*

Our team has extensive experience working on a myriad of issues from diverse vantage-points and is well-respected in and around the Capitol. Our information is factual, our follow-through is bankable, and our word is our bond. In any aspect of politics, relationships are paramount – and they are based on a track record of discretion and reliability. We maintain these relationships in the policy and fiscal committees, in the Governor's Office, and in the regulatory agencies. We have a strong history of working closely with legislative leadership and the Brown Administration, and count senior staff in the Governor's Office and many of the Cabinet Secretaries and Department Directors as close friends. While there will be new players, we have heard that some key staff might remain with a new administration and our firm is well positioned with the presumed incoming Administration to hit the ground running on behalf of our clients, educating and engaging new Political staff, Agency Appointees and Legislative Deputies.

NPA has considerable experience representing and succeeding on behalf of our water and local government clients. Over the years these clients include Santa Margarita Water District, the City of Downey, the Town of Apple Valley, Cawelo Water District, Marin Clean Energy, CalCCA (Community Choice Association), San Diego County Water Authority (regulatory only), Turlock Irrigation District and multiple prominent California land developers. You will find we have an excellent working relationship with the Association of California Water Agencies, California Municipal Utilities Association, WaterReuse Association, the CA Special Districts Association and the League of Cities.

On behalf of a number of clients, Niemela Pappas & Associates has been involved in several highly contentious bills and regulatory activities related to water and land-use projects including but not limited to:

- NPA successfully negotiated last minute language in the historic 2014 Water Bond for an Orange County water district. Subsequently, we were able to work with the SWRCB to secure \$47,450,000 of Proposition 1 and Clean Water State Revolving Fund dollars for the Trampas Canyon Recycled Water Seasonal Storage Reservoir project. We worked with the technical staff, engineering project manager and finance director within the SWRCB to ensure the reservoir project was financed.
- On behalf of a central valley irrigation district, NPA led the coalition effort opposing the proposed SWRCB Bay Delta SED amendment adjusting the flow for the upper San Joaquin Valley tributaries. Successfully halted the SED amendment and currently underway in negotiations with the Governor's office, DWR and the SWRCB on Voluntary Settlement Agreements.
- While representing a San Diego Water District before the SWRCB, successfully negotiated a preferred desalination technology permit over the Board's proposed permit, with a ratepayer savings of over \$40 million.
- While representing a water district in Kern County, NPA was able to work with the SWRCB, Governor's office and Regional Water Board to help establish a working group, Memorandum of Understanding and waste discharge permit guidelines to allow for the beneficial reuse of treated waste water from oil fields. This involved direct contact with the SWRCB's board members, finance director, legislative liaison and public affairs department.
- Successfully lobbied for the first of its kind CEQA exemption for a prominent Los-Angeles area stadium as well as shelter from injunction for the new Sacramento Kings arena.
- Obtained a \$23 million Department of Housing and Community Development grant for a multi-use housing project in the City of Fresno.
- While representing an Orange County water district, we fought off legislation to force five Orange County water districts to consolidate. We also successfully worked to pass legislation enabling the District to build a water reclamation facility and then got additional legislation signed into law permitting the district to use natural channels to transport water to the facility notwithstanding a regional board decision to the contrary.
- Help secure a \$10 Million grant from the SWRCB for a Southern California city to help comply with TMDL regulations.

***Emily Pappas bio:***

In September 2014 Emily was named to the Capitol's 100 Best and Brightest List. Here's what they had to say about her: *"When we asked Capitol insiders for the Capitol's best lobbyist, Emily Pappas, a partner with Lehman Levi Pappas & Sadler, topped several lists. Republicans and Democrats respect how "Pappas has fought her way to the top while keeping a great attitude". As the legislature increasingly kicks decisions to state agencies, Pappas' expertise at the regulatory level helps her deliver big wins for product manufacturers in the agricultural, technology, energy and food processing sectors. For those clients, a victory at the regulatory level can make the difference between big profits and bankruptcy."*

Adding to her accolades she was voted one of two "Up and Comer" Capitol lobbyists in 2006, and receiving the "Rising Star" award by Capitol Weekly Magazine. Emily Pappas directly manages a wide variety of clients, ranging from product manufacturers in the agricultural, technology, energy and food processing fields to local governments, and educational institutions. Her expertise in both the legislative and regulatory branches of government has resulted in clients securing their desired outcomes in the Legislature and in the rule-making process, as well as obtaining significant financial grant assistance from state agencies.

***Erin Niemela bio:***

Former Chief of Staff to the President pro Tem of the Senate, and staff to two prior Democratic leaders, Erin Niemela has extensive experience and contacts in the leadership arena and an acute understanding of timing and relevant components of the decision-making process, given the current dynamics in State Government. Environment and timing are both of utmost importance. Recent lobbying achievements include recent passage of the solar property tax extension, the first of its kind CEQA exemption for a prominent Los-Angeles area stadium, shelter from injunction for the Sacramento Kings arena, and coalition efforts such as passage of a renewable portfolio standard for energy procurement and the renewal of the film tax credit.

***Jaime Minor bio:***

Prior to joining Niemela Pappas & Associates, Jaime Minor served as Executive Aide and Grants Director for U.S. House of Representatives Minority Leader Nancy Pelosi. In addition to managing the grant program and traveling as the Leader's primary aide on the west coast, Jaime covered agriculture, water, science, women's health, education and arts issues.

Before joining Leader Pelosi's staff, Jaime served as an aide in Congresswoman Lois Capps' District office in Santa Barbara, and coordinated her reelection campaign in 2012. She started her political career in 2007, interning for Senator Ted Kennedy's Health, Education, Labor and Pensions Committee in Washington D.C., and subsequently joined the staff of U.S. Senator Joe Donnelly in Indiana. She has also served as a grassroots campaign consultant and fundraising director for a number of state and national political organizations and non-profits. Jaime is an active committee chair with the nonprofit capitol group California Women in Energy. Jaime received a Bachelor of Arts degree in Political Science and Peace Studies from the University of Notre Dame, where she was also captain of the varsity Track and Field team.

***Tiffany Phan Bio:***

Before joining Niemela Pappas & Associates, Tiffany Phan worked for the Sacramento consulting firm of Bertolina & Barnato, specializing in fundraising and political strategy. While a student at the University of California at Santa Barbara, where she earned a Bachelor of Arts degree in Political Science with an emphasis on Public Service, Tiffany learned the art of grassroots organizing and event planning while interning for Planned Parenthood. As a participant in the University of California DC program, she assisted Division attorneys as an Undergraduate Intern in the Federal Coordination and Compliance Section within the Civil Rights Division of the U.S. Department of Justice.

As you can see from our client list and backgrounds, we represent a diverse array of clients, from corporations and nonprofits to municipalities. In particular, the firm's team has over 15 years experience representing municipal water districts before the California Legislature. This – and our history in and around the Capitol building – enables us to be effective in legislative offices spanning the political spectrum. We are confident we can provide EMWD with superior representation.

**KNOWLEDGE OF WATER AND LOCAL GOVERNMENT SECTOR**

As we embark on a new Administration and new Agency heads, in addition to 10-15 new legislators, now is the ideal time to further develop EMWD's profile in Sacramento. We are in the formative window of time to initiate relationship-building among new members with longer terms who could influence policy for more than a decade to come. The "12-year members" of the Legislature have less reason to focus on the next election cycle or another office and more reason to focus on long-term policymaking. Due to the impact of new "open primary" dynamics, they are also generally less affected by traditional entrenched stakeholders and the traditional boundaries of debate.

As the Federal Administration continues to pursue its agenda unravelling many of the water, endangered species, climate change, land use and air quality policies of the prior administration, the California

Legislature and presumed incoming Governor will continue to combat President Trump every step of the way. We expect water and environmental policies to remain top of mind in the coming years.

***Water Landscape:***

As we saw in the drought, the state's water allocation, conveyance and storage systems are vulnerable and inadequate, forcing those at the end of the 'straw' to innovate and conserve. As EMWD continues to wade through these challenges by investing in water recycling, desalination, conservation technologies and education campaigns, EMWD needs a team who truly understands the complexities of a Southern California water agency that was once dependent on imported water to deliver these positive messages to Sacramento regulators. Through our representation of two urban water districts at the end of the 'straw' and who also have taken uncharted paths to diversify their portfolios, we are well versed in the incentive policies that are needed to encourage innovation and alternate water sources.

We have long represented and delivered controversial wins for both urban and agricultural water agencies, enabling us to be plugged in with likeminded stakeholders including the Association of California Water Agencies, California Municipal Utilities Association, California Farm Bureau and Agricultural Council, as well as the natural resources and water committee members and staff, key advisers within the Governor's office and board members at the State Water Resources Control Board (SWRCB). Our firm has great relationships with the chairs of the two water policy committees, they both have authored or co-authored many of our firm sponsored bills. In addition, we consider Chairwoman Felicia Marcus a friend and have always found she has an open-door policy with our clients, allowing us the opportunity to present and argue our concerns or support. While her term is up in 2019, we her remaining a key player in the state's water regulatory arm. We also have key contacts and relationships within the Department of Water Resources.

*Long Term Conservation Framework Implementation:* We worked closely on AB 1668 and SB 606 when the bills were moving through the legislature, and we are closely tracking the implementation of these sweeping changes as the SWRCB and DWR come up with their regulations and definitions. As performance measures, standards, variances etc. are developed, EMWD will want an advocate that is plugged into the SWRCB regulatory process and decision makers.

*Safe Drinking Water Fund/Public Goods Charge on Water:* Recent SWRCB data identified 292 California public water systems serving communities and schools that currently serve contaminated drinking water, some of which have been unable to provide safe drinking water for years or even over a decade. In addition, with the passage of AB 401 (Dodd) in 2015, the state must develop a plan for funding the Low-Income Assistance Program to provide safe drinking water to all. State regulators, legislators, and the environmental justice community are in ardent pursuit of a funding mechanism to finance a Safe Drinking Water Fund. This year three measures, SB 623, 844 & 845 (Monning), were put forward containing a public goods charge on water meters for both residential and commercial customers, as well as a fee on fertilizers and dairy agreed to by the Agriculture community in return for liability protection of drinking water contamination. However, given how a 'fee' increase bill vote could be perceived, in addition to strong pushback by water agencies and districts, this effort failed. Given the mandate of AB 401 and the willingness of the agriculture community to come to the table, we do believe this debate will be back again next year, making it an important time for EMWD to have a vocal seat at the table. In addition, we get the sense that any incoming Democratic Administration would also make this issue a priority, as addressing the issue of safe drinking water has been touted as one of Newsom's policy principles.

*Small Water Systems:* Part of the complexity with providing funding for safe drinking water funding is the fragmentation of the retail water market, and the variation in sophistication and financial wherewithal among smaller purveyors. There have been attempts to address this issue, whether through forced

consolidation, incentive programs or other pieces of legislation. The water community came together to support AB 2050 (Caballero) this year, which would have authorized the creation of a small system water authority that has powers to absorb, improve, and competently operate noncompliant public water systems. The bill ultimately was vetoed by the Governor as the bill was not attached to funding. As other funding sources for the safe drinking water fund are debated, this policy concept will be part of the discussion.

*CA WaterFix:* As you know, the CA WaterFix project conversation is not over yet and we expect there will be pressure for any new Administration to continue the project. The Democratic candidate for Governor has expressed concerns about the size of the current project, hinting at support for a smaller, less costly project. As a politician from Northern California, we assume there will be certain geographical and environmental allegiances that will make it even more important for EMWD to get in front of the new Administration and any new Agency leads to educate them on the importance of the project.

## **LIST OF CURRENT CLIENTS**

### **Niemela Pappas & Associates: Client List**

*For all clients we provide them with a similar scope of work to the work outlined above. Please do not hesitate to ask us about any specific client listed below.*

**Apple Valley, Town of**  
**Blue Diamond Growers**  
**BRIDGE Housing Corporation**  
**California Community Choice Association**  
**California Efficiency + Demand Management Council**  
**Cawelo Water District**  
**Downey, City of**  
**eBay**  
**ECOLAB**  
**E.I. Du Pont De Numerous and Company**  
**General Motors**  
**Hewlett Packard Enterprise Company**  
**HP Inc.**  
**J.M. Smucker Company, The**  
**Land O'Lakes**  
**Laureate Education, Inc.**  
**LendingTree**  
**Majestic Realty Co.**  
**Marin Clean Energy**  
**Mattel, Inc.**  
**Notarize**  
**PayPal**  
**rePlanet LLC**  
**Salesforce.com**  
**San Diego County Water Authority (Regulatory issues only)**  
**Santa Margarita Water District**  
**Sony Pictures Entertainment**  
**Stem, Inc.**  
**Strada Investment Group**

**Universal Paragon Corporation  
Vertex Pharmaceuticals Inc.**

*b. Availability & Scope of Representation*

In addition to constant communication, the scope of representation on your behalf will include providing testimony as directed by you, preparing or reviewing position papers and letters, and performing general advocacy on an as-needed and regular basis. We will also work with your trade association(s) and others in coalition lobbying efforts aimed at achieving goals shared with EMWD. It is important to note that in addition to resources bills, we will monitor all legislation and regulatory notices that are important to employers in this state. These issues include tax policy; human resource issues such as wages, worker's compensation, unemployment benefits; workplace safety rules; liability; and local governance. We would also track and proactively look for grant opportunities of which you can take advantage.

**DEVELOPING A PLAN FOR EASTERN MUNICIPAL WATER DISTRICT:**

In addition to solidifying existing relationships with EMWD's representatives, Senators Roth, Morrell, Stone and Assembly Members Medina, Mayes, Melendez, Waldron and Voepel, we would recommend additional outreach with a focus on key legislators – defined by committee position, potential to break from entrenched positions, potential to move “constituencies” within the caucuses, interest in our issues, and leadership ambitions/potential. Niemela Pappas & Associates stands ready to offer and explore creative, ‘out of the box’ strategies and coalition building efforts to achieve the goals EMWD seeks to accomplish.

If selected, NPA recommends meeting or doing a phone call with EMWD as soon as possible to identify the key issues facing the district and strategize how best to expand your network, where your relationships with key legislators and staff stand currently and examine where our natural and existing allies are and where there is room for growth to further enhance our coalition. This could include having discussions with various sectors of the labor community, local governments, other utilities, environmental justice advocates and other water agencies.

*c. References*

**Listed in Exhibit A**



## EXHIBIT A

### REFERENCES

Proposer shall provide a minimum of three (3) Customer References with two (2) or more years of experience with the Proposer. Local and similar size contract references are preferred.

#### REFERENCE #1

NAME OF FIRM	Santa Margarita Water District
ADDRESS	2611 Antonio Parkway
CITY, STATE, ZIP CODE	Rancho Santa Margarita, CA 92688
TELEPHONE #	( 949 ) 459-6601
CONTACT	Jim Leach, Director of External Affairs
E-MAIL ADDRESS	jiml@smwd.com
PROJECT NAME	Legislative & Regulatory Consultant
COMPLETION DATE	Current Client
APPROX. COST	\$7500/ month

#### REFERENCE #2

NAME OF FIRM	City of Downey
ADDRESS	1111 Brookshire Avenue
CITY, STATE, ZIP CODE	Downey, CA 90241
TELEPHONE #	(949) 350-9225
CONTACT	John Oskoui
E-MAIL ADDRESS	<a href="mailto:jOskoui@downeyca.org">jOskoui@downeyca.org</a>
PROJECT NAME	Legislative & Regulatory Consultant
COMPLETION DATE	Current Client
APPROX. COST	\$3960/ month

#### REFERENCE #3

NAME OF FIRM	MCE Clean Energy
ADDRESS	1125 Tamalpais Ave.
CITY, STATE, ZIP CODE	San Rafael, CA 94901
TELEPHONE #	( 415 ) 464-6040
CONTACT	Shalini Swaroop, Director of Regulatory & Legislative Policy
E-MAIL ADDRESS	sswaroop@mceCleanEnergy.org
PROJECT NAME	Legislative Consultant
COMPLETION DATE	Current Client
APPROX. COST	\$7800/month

**REFERENCE #4**

NAME OF FIRM	Turlock Irrigation District
ADDRESS	333 E. Canal Drive
CITY, STATE, ZIP CODE	Turlock, CA 95380
TELEPHONE #	( 209) 883-8530
CONTACT	Josh Weimer
E-MAIL ADDRESS	jmwweimer@tid.org
PROJECT NAME	Legislative & Regulatory Consultant
COMPLETION DATE	Current Client
APPROX. COST	\$10,000/ month

**REFERENCE #5**

NAME OF FIRM	Cawelo Water District
ADDRESS	17207 Industrial Farm Rd
CITY, STATE, ZIP CODE	Bakersfield, CA 93308
TELEPHONE #	(661) 393-6072
CONTACT	David Ansolabehere
E-MAIL ADDRESS	dansolabehere@cawelowd.org
PROJECT NAME	Legislative & Regulatory Consultant
COMPLETION DATE	Current Client
APPROX. COST	\$7500/ month

**EXHIBIT B**

**PROPOSER'S BUSINESS INFORMATION**

All proposers shall submit the information as requested below.

1. Length of time your firm has been in business: Four Years
  
2. Length of time at current location: Four Years
  
3. List types and business license number(s): City of Sacramento (1020099)  
\_\_\_\_\_  
\_\_\_\_\_
  
4. California State Contractor's License number: n/a  
\_\_\_\_\_
  
5. Names and titles of all officers of the firm: Emily Pappas, Partner  
Erin Niemela, Partner  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
6. Is your firm a sole proprietorship doing business under a different name?  
YES  or NO
  
7. If yes, please indicate sole proprietorship name and the name you are doing business under:  
\_\_\_\_\_
  
8. Please indicate your Federal Tax Number: 47-2340134
  
9. Is your firm incorporated? YES  or NO
  
10. Name and remittance address that will appear on invoices: \_\_\_\_\_  
Niemela Pappas & Associates, 1414 K street Suite 270  
\_\_\_\_\_  
Sacramento, CA 95814  
\_\_\_\_\_
  
11. Physical Address: Same as above  
\_\_\_\_\_

**EXHIBIT C**

<b>EASTERN MUNICIPAL WATER DISTRICT RFP PRICE FORM</b>		
<b>Item</b>	<b>Description</b>	<b>Price</b>
1	Monthly retainer	\$ <u>10,000</u>
2	Hourly rates for applicable labor classifications	Please include as an exhibit to proposal.

The Project shall begin   n/a   days after receipt of order or notice to proceed.

Price(s) shall include **all** labor, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to meet the work requirements.

The District encourages a discount for early payment and will include such offers in the evaluation criteria. If a discount is offered, terms are:   n/a  % discount if paid in full within   n/a   days.

**PROPOSERS:** Please show **RFP number, date, and time** on RFP opening on the envelope containing your proposal.

The undersigned as Proposer, declares that the only persons or parties interested in this proposal is made without collusion with any person, firm or corporation. Your signature on this document, should you be awarded the contract as defined in this RFP, signifies that you have fully read and understood this proposal and will comply with all specifications, conditions, unit prices, terms, and delivery of the proposal unless otherwise noted in the "exceptions" portion of the proposal.

Name of Offeror (Firm):	<u>Niemela Pappas &amp; Associates</u>	Title:	<u>Partner</u>
Authorized Signature:	<u>(see hard copy)</u>	Date:	<u>10/31/18</u>
Printed/Typed Name:	<u>Erin Niemela</u>	Mailing Address:	<u>1414 K Street, Suite 270</u>
Phone: (    )	<u>916-661-5365</u>	City, State, Zip:	<u>Sacramento, CA 95814</u>
Fax: (    )	<u>916-880-5410</u>	E-Mail Address:	<u>pappas@npalobby.com</u>

