



EXHIBIT A

Lobbying and Consulting Services Representing CA Tahoe Alliance

Project Summary:

During the 2015-16 California Legislation Session, Conservation Strategy Group (CSG) will lead a collaborative effort to achieve funding and policy goals for the Lake Tahoe Basin. Potential priorities for this contract include, but may not be limited to:

- Proposition 1 Implementation
- 2016 Natural Resources Bond aka “parks bond”
- Invasive Aquatic Species Program Funding
- Cap and Trade Funding
- Conservancy Sustainable Communities Legislation
- Transit Funding Formula Modification
- General monitoring and reporting of policy or funding issues and grant guidelines that could affect the Basin

Scope of Work:

NOTE: Given the nature of existing collaborative legislative efforts within partner agencies to the CA Tahoe Alliance, this Scope of Work will avoid conflicting efforts, especially those that may have detrimental effects on current and established advocacy efforts

Proposition 1

The passage of Proposition 1, the \$7.5 billion water bond, in November 2014 includes categories of funding that could benefit the Tahoe Basin and fund the EIP.

CSG will work to ensure the following:

- 1) California Tahoe Conservancy funding is appropriated in a timely manner
- 2) The Lake Tahoe Basin receives its fair share of the \$475 million State Obligations funding to support projects that fulfill the obligations of the State of California in complying with the terms of the Tahoe Regional Planning Compact (Section 66801 of the Government Code)

3) The Tahoe Basin is competitive for other Proposition 1 programs of interest, including the Department of Fish and Wildlife Watershed program, the Integrated Regional Water Management Program, and others.

1. \$475,000,000 to the Natural Resources Agency to fulfill obligations of the State of California (State Obligations Funding) at Tahoe (through the Conservancy), Klamath River, Colorado River, and other areas. This funding allocation will be extremely competitive. CSG, along with our Tahoe partners, will work to position the Tahoe Conservancy as a recipient of a large portion of these dollars in order to implement the Tahoe EIP. Toward this effort CSG proposes the following:
 - Engage the Legislature both broadly and specifically in the budget process to advocate for a portion of this funding to be allocated to the Conservancy.
 - Convene meetings with budget consultants, legislators and their staff, and the Administration to advocate for this allocation.
 - Attend and testify at state budget hearings.
 - Work to build a broader base of support for the Tahoe Basin. CSG will work to foster champions within the Legislature who can help promote support for funding the EIP. (Assemblymember Gordon and Senator Pavley have championed efforts for the Tahoe Basin before.)
 - Engage in any legislative proposals that affect the expenditure of the State Obligations Funding. (While it is anticipated that any action regarding the State Obligations Funding would occur through the budget process, CSG will monitor all introduced legislation that may impact the allocation of Proposition 1 funding.)
 - Organize Tahoe interests (coalition) to do outreach as needed.
2. \$15,000,000 to the Conservancy for water quality, water supply, and watershed protection and restoration projects (Water Code Section 79731(b)).
 - Engage in the budget process to ensure this funding is allocated to the Conservancy.
3. \$285,000,000 to the Department of Fish and Wildlife (DFW) for watershed restoration projects (Water Code Section 79737) and \$32,800,000 to DWR for the Integrated Regional Water Management Program
 - Influence guidelines for this program currently being developed by DFW and DWR.
 - CSG and Tahoe Coalition will meet with DFW staff to discuss draft guidelines, submit formal comment letter, and provide public testimony (if needed) to influence the guidelines so that eligible projects and scoring criteria align with priorities in the Tahoe Basin.
4. \$2,700,000,000 to the California Water Commission for groundwater storage Influence guidelines for this program currently being developed by CWC.
 - CSG and CA Tahoe Alliance will meet with CWC staff, if appropriate, to discuss draft guidelines, submit formal comment letter, and provide public testimony (if needed) to influence the guidelines so that eligible projects and scoring criteria align with priorities in the Tahoe Basin.
5. \$100,000,000 to the Department of Water Resources for the Water Conservation Program
 - Influence guidelines for this program currently being developed by DWR.

6. \$900,000,000 to the State Water Resources Control Board for Groundwater Contamination and Sustainable Groundwater management planning and implementation.
 - Influence guidelines for this program currently being developed by SWRCB

Park Bond

During the 2014 legislative session, Senator Kevin de Leon introduced a “parks” bond. The draft measure sought to provide funding for local, regional and state parks; forests and working lands; protection, preservation, and restoration projects by state conservancies; and urban forestry and sustainable communities. It is anticipated that Senator de Leon will run legislation to place a similar bond measure on the November 2016 ballot. CSG will need to work with Senator de Leon to influence what is included in the bond with a focus on programs that benefit the Tahoe Basin.

- CSG will meet with Senator de Leon’s staff and assist in drafting of the legislation.
- Work with Tahoe Coalition, other CSG clients, and environmental community to build a coalition of support for a Park Bond.
- Meet with legislators supportive of the Tahoe Basin to advocate for the inclusion of significant funding for the Tahoe Basin.
- Attend committee hearings and testify in support of the legislation.
- Meet with the Administration to have approval from the Governor of the measure to ensure his signature.

Aquatic Invasive Species Program

- Support efforts to direct state funding to TRPA’s Aquatic Invasive Species inspection program in the Tahoe Basin
- Engage the budget committees and Administration to advocate for this funding

Cap and Trade Funding

- Support and track cap and trade funding grant criteria for wetlands (DFW), forests (Calfire), and Sustainable Communities (Strategic Growth Council).
- Participate in legislative efforts to provide long-term cap and trade revenue in these areas.

Conservancy Sustainable Communities Legislation

- Support legislation to clarify the Conservancy’s authority to sell or transfer land in order to achieve the sustainable community goals of the Tahoe Basin

Transit Funding Formula Legislation

- Support legislative effort of the Tahoe Transportation District to change the state’s transit funding formula from a formula based on population to a formula based on criteria that takes the high level of tourism experienced in the Tahoe Basin into account.

Timeframe

The California Legislature recently began a new two-year legislation session for 2015-16. We anticipate a two-year timeframe to achieve some of the larger goals of this proposal. Much of the groundwork needed to achieve success in some of the areas described above must take place during the 2015 legislative year. For example, it is our understanding that the state has not made any decisions about how to spend the Prop 1 State Obligations money and this issue may not be taken up in the current

budget cycle – unless we actively pursue it. In addition, park bond legislation will likely take two years to negotiate and complete – in time for the 2016 election.

In 2015, we hope to see successful funding of the AIS program, passage of the Sustainable Communities legislation, and perhaps the transit formula modification. This year we will also have the opportunity to help draft the guidelines for many of the Prop 1 programs.

The following is a timeline of activities we foresee for the 2015 legislative year. (Our strategy and priorities will need to be reassessed in the fall of 2015.)

January-February

- CSG team will meet with client to discuss strategy going forward
- CSG team will review Governor Brown's proposed budget to identify any expenditures from State Obligations Funding, and the amount of allocations to the Conservancy, WCB, and DFW
- Convene meetings with members and consultants of the budget committees to discuss the benefits and need of allocating funds to the Conservancy from the State Obligations Funding
- Convene meetings with California Natural Resources Agency and other appropriate members of the Administration
- Monitor all introduced legislation for any potential bills that affect the State Obligations Funding
- Draft necessary language and/or materials (fact sheets, support letters, etc.) to facilitate State Obligation Funding allocation in the budget process
- Monitor introduced legislation for measures regarding the Conservancy's authority to achieve the sustainable community goals of the Tahoe Basin
- Monitor introduced legislation for measures regarding amendments to the transit funding formula
- Influence guideline development of WCB and DFW proposition 1 programs through meetings with agencies and submitting formal comment letters

March-May

- Build coalition of support for budget allocations, from groups within and outside of the Tahoe Basin
- Foster coalition of legislators who support the Tahoe Basin
- Continued engagement with budget consultants to prepare for applicable budget committee hearings
- Coordinate with client on testimony for budget committee hearings; attend and testify at said hearings
- Review and analyze Governor's May Revision to the budget proposal for any changes that positively or negatively affect advocacy plan.
- Attend policy committee and appropriations committee hearings and testify in support of Sustainable Communities Legislation and/or Transit Funding Formula Legislation

June-September

- Engage leadership of both Assembly and Senate to include State Obligations Funding allocation in final budget proposal
- If we are successful and the allocation is in the Legislature's final budget proposal, engage administration to retain allocation in final budget

- Attend policy committee and appropriations committee hearings and testify in support of Sustainable Communities Legislation and/or Transit Funding Formula Legislation

October

- Submit letters to Governor's office in support of Sustainable Communities Legislation and/or Transit Funding Formula Legislation if either or both pass the Legislature
- CSG team will meet with Tahoe Coalition to assess successes in 2015 session and formulate new strategies for items needing to be worked on in 2016.

Reporting and Communications:

The Tahoe Coalition will receive all CSG updates and notices.

CSG and the Tahoe Coalition will identify and establish appropriate level and methods of communication to ensure that the Tahoe Coalition is completely aware of and engaged in all important aspects of this project.

Fee for Services:

Fees for services described above will range from \$6,000 - \$10,000 per month. (Should the Tahoe Coalition require CSG to lead either or both of the legislative efforts related to sustainable communities or transit funding formula, an increase in fees for services will need to be negotiated.

Primary Project Staff:

Joe Caves, Partner, will provide high level strategy assistance on this project.

Tasha Newman, Client Manager, will provide project oversight, lead efforts on grant program development, and assist with project specific funding strategies.

Mark Fenstermaker, Legislative Consultant, will provide state budget and legislative assistance.