

# Smith, Watts & Company, LLC.

Consulting and Governmental Relations

## Firm Experience/Accomplishments

Mr. Smith and Mr. Watts have been in the public and private sector working on transportation and energy programs, projects and policies for a composite of 70 years between them. The following list of experience/accomplishments is divided into sections dealing with:

1. General Transportation
2. Public Transit
3. Commuter Rail
4. Intercity Passenger Rail
5. Energy/Climate Change

### General Transportation

- SWC has acted as key players pursuing innovative transportation project delivery and finance legislation such as design/build and public/private partnerships in California over the last five years.
- Mr. Watts and Mr. Smith were paid advisors to the “Let’s Rebuild California” campaign in support of Propositions 1A and 1B, successfully raising \$20 billion in General Fund bonds for transportation improvements on the November 2006 General Election Ballot. Mr. Watts, who signed the state ballot argument, also served as Co-Chair of the Proposition 1B Campaign with Jim Earp, President, California Alliance for Jobs and current Commissioner, California Transportation Commission.
- SWC acted as campaign advisors and helped to draft Proposition 42, which constitutionally dedicated the sales tax on motor vehicle fees for transportation purposes on the November 2001 General Election Ballot.
- Mr. Smith worked closely with the Davis Administration on the Governor’s \$7.4 billion Traffic Congestion Relief Plan. Working directly with Governor Davis on the use of the sales tax on gasoline for transportation purposes for the first time in the state’s history, he was able to successfully advocate ongoing funding for state highways, local streets, roads and transit.
- Mr. Watts from 1996 to 1997 was the Chief Administrative Officer of the California State Assembly reporting directly to Speaker of the Assembly, Curt Pringle. He developed positions for the majority party on major policy issues such as the TCRP program and the entire state budget process.

- Mr. Smith has been a transportation advisor to most of the significant voter-approved revenue measures for transportation at both the state and local levels during the past ten years. He assisted in voter opinion survey work, the development of revenue projections and expenditure plans, and worked with campaign consultants to translate over \$60 billion dollars in total transportation improvement programs into successful messages on ballot measures requiring a 2/3 vote in Alameda, Contra Costa, Orange, Riverside, Sacramento, San Bernardino, San Diego, Santa Clara and San Joaquin Counties.
- Mr. Watts served as Assistant Secretary of the Business, Transportation and Housing Agency from 1995, through 1996 working on major initiatives such as SB 45, and public rail passenger capacity on private rail lines through the state.
- Mr. Smith was hired by Governor George Deukmejian, Chairman of the Proposition 111 and 108 campaigns in 1990, to act as transportation advisor to that successful statewide ballot effort that doubled the state gas tax from nine cents per gallon to eighteen cents per gallon, and approved a \$1 billion transit bond.
- On behalf of Transportation California, Mr. Smith provided campaign support and strategic advice for the Proposition 192 Campaign, which was the \$2 billion earthquake retrofit bond act for state highways and bridges.
- As Chief Consultant to the Assembly Transportation Committee in the California State Legislature from 1975 to 1981, Mr. Smith worked on landmark transportation organization and financial issues including:
  - Legislation creating the California Transportation Commission out of four state boards and commissions previously dealing with transportation planning and finance issues.
  - Creation of the State Transportation Improvement Program (STIP) concept for the capital budgeting of state and local transportation projects, giving local governments through regional agencies a formal role for the first time in decision making regarding improvements to the state highway system.
  - Creation of county transportation commissions in Los Angeles, Orange, Riverside and San Bernardino Counties.
  - Creation of the concept of consolidating commuter rail in Southern California leading to the creation of the METROLINK regional commuter rail system in Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties.
  - Starting with Los Angeles County in 1978, and continuing with Santa Clara County in 1984, developed the concept of “local transportation sales tax

measures”, which became the basis for the current “Self-Help” County local government measures throughout California.

## **Public Transit**

- Directed advocacy efforts for STIP, TCI, and CMAQ funding for numerous transit projects working with Caltrans and the California Transportation Commission.
- SWC served as ongoing project manager and funding advocate for the light rail extension project in the City of Folsom through a 5 year consulting contract with the City. Worked with Folsom and the County of El Dorado, assisted in the purchase of 25 miles of Southern Pacific Railroad right-of-way for the extension of light rail transit to Folsom. Worked cooperatively with Sacramento County, R.T. and SACOG, were able to receive a “federal full funding agreement” for construction of the LRT line to Folsom.
- On behalf of Southern Pacific Real Estate Enterprises, assisted in the preparation of the transportation Intermodal station element of SP Rail Yards Redevelopment Master Plan in downtown Sacramento.
- Conducted technical studies for programmatic and project-level transit environmental documents on numerous construction projects from Sacramento to San Diego.
- On behalf of Southern Pacific Real Estate Enterprises, successfully obtained \$17 million in STIP funding to provide for extension of light rail to a proposed intermodal station facility in downtown Sacramento.
- \$500,000 PVEA state appropriation for liquefied natural gas (LNG) locomotive demonstration project for the Southern California Regional Rail Authority (METROLINK).
- SWC provided counsel and advocacy services to MTS and NCTD regarding the passage of SB 1703 of 2002, that consolidated within SANDAG elements of transportation services provided in the County.
- On behalf of MTS, SWC guided passage SB 959 to update the procurement process for the agency and made other changes to law that removed minor conflicts within the structure established under SB 1703.
- Under a contract with Westfield Corporation (owners of 27 malls in California), successfully negotiated the design and funding agreements—local, regional and private for a new, \$25 million regional transit center within the 2 million square foot UTC shopping mall in the City of San Diego in 2007/2008.

- SWC assisted San Francisco County Transportation Authority in passing much needed updating legislation to ensure their local measure was consistent with state law, SB 509.
- On behalf of MTS, SWM provided counsel on AB 117 of 2003, pertaining to the governance structure of the SANDAG, MTS and NCTD Boards.

SWC provided successful advocacy achievements on behalf of Santa Clara Valley Transportation Authority, including advocating for significant TCRP allocations for their signature project, BART to San Jose, as well as legislation providing for specialized procurement process for tunneling equipment, HOT lane development, renewed “yield-to-bus” authorization and special legislation related to a proposed local sales tax for the BART project.

## **Commuter Rail**

- SWC has conducted feasibility studies for new commuter rail routes in the Capitol Corridor in Northern California and in the five Southern California Counties.
- SWC served as member of four-agency JPA negotiating team for purchasing of 53-mile branch line right-of-way from Southern Pacific Transportation Company in Southern California.
- SWC monitored development of Alternative Rail Technology (ART) vehicles and helped introduce Siemens self-propelled Regio-Sprinter in California on future Folsom LRT line in Sacramento.
- Lead coordination on strategy for the successful sales tax exemption decision of the state Board of Equalization (BOE) on passenger rail car purchases working with BOE members and key legislators saving all rail transit operators in California millions of dollars over the last 15 years.
- Lead coordination for the “breakthrough” negotiations with Caltrans and the California Transportation Commission allowing ITIP funds to be used for rail transit capital purposes.
- Lead coordination in settlement of the state “California Car” procurement fiasco involving agreement between the Wilson Administration, State Legislature, METROLINK, and private rail car vendor.
- SWC successfully sponsored legislation to establish design-build authority for commuter rail systems.

## **Intercity Passenger Rail**

- SWC was the primary advocate in SB 1402 (Presley) establishing METROLINK (the commuter rail authority for LA, Orange, Riverside, San Bernardino and Ventura Counties), and passage of SB 457 (Kelley) allowing for transfer of intercity management from Caltrans to regional authorities, precursor to the development of the Capital Corridor Commuter Rail JPA operating between Sacramento, Oakland and San Jose.
- Directed advocacy efforts for increased funding in state intercity rail budget.
- Provided planning efforts for expanded intercity rail routes in new service areas.
- Conducted technical studies for project –level environmental documents.
- On behalf of the City of Emeryville, developed the financial and project development plans for the expedited construction of the new \$8 million commuter rail station (first new intercity rail station built in California in over 50 years) which was a partnership of AMTRAK, the City of Emeryville and a private developer. Concept to “open” for commuters—11 months.

SWC has played a key role in shaping major legislation affecting the rail transit industry including Senate Bill 457. This landmark legislation allows for the transfer of intercity rail administration from the state to regional agencies governing each of the three routes in the state. Mark Watts, a former Under Secretary of the Business, Transportation and Housing Agency in Wilson Administration, negotiated the transfer, as well as headed negotiations with the private railroads, relative to passenger rail operating rights on several key privately owned rail rights of way in California.

## **Firm Experience and Accomplishments on Energy**

### **Energy Experience**

- 18 years to present representing the California Large Energy Producers (CLECA) on California electricity issues for the 15 most energy intensive industrial facilities in the state.

- 7 years to present representing Iberdrola Renewables USA on new wind development projects and issues impacting renewable energy in California.
- Mr. Smith worked with the California Public Utilities Commission (CPUC), at the highest level to restructure the Self Generation Incentive Program (SGIP) for Foundation Windpower in 2011. Governor Brown signed AB 1150 (M. Perez) extending the SGIP program for 3 years.
- 22 years representing El Paso Natural Gas Company California issues the engagement ending with the major restructuring of El Paso in the wake of the California energy/restructuring crises in 2001.
- Assisted in CPUC and California Environmental Quality Act (CEQA) environmental approvals on the Mojave Pipeline – the first interstate gas pipeline permitted in California located between the Arizona border and the enhanced oil recovery fields in the Bakersfield area.
- Mr. Smith organized and acted as coordinator of “Californians for Competitive Electricity” which worked to restructure California’s electricity markets in 1992 - 2002.
- Mr. Smith actively and successfully advocated key components of legislation that increased California’s Renewables Portfolio Standard (RPS), to require all retail sellers of electricity and all publicly owned utilities (POUs) to procure at least 33 percent of electricity delivered to their retail customers from renewable resources by 2020.

## **Climate Change/Land Use**

- Worked on major elements of AB 32, California’s climate change legislation, while it went through the legislative process.
- When AB 32 passed and CARB began its implementation, strategized and consulted with clients to establish the best possible recommendations for CARB to adopt in the Scoping Plan. The recommendations came with the balancing of compliance and ability for industry to continue to do business in the State of California.
- Instrumental in the AB 32 Implementation Group, which is a group of over 100 businesses and industry groups that are interested in the implementation of AB 32. Identified issues of concern for the group and helped develop strategies that would further the coalitions goal of implementing AB 32 in the most business friendly manner possible.

- Mr. Smith worked successfully with senior staff of CARB to deal with California Steel Industries (CSI) many and detailed issues regarding a “targeted” industry in the AB 32 program.
- Actively participated in educating and working with CARB to include Combined Heat and Power (CHP) into the AB 32 Scoping Plan. The inclusion of CHP in the Scoping Plan would help many of the WSPA clients in complying with AB 32 emission reduction requirements.