



June 11, 2019

The Honorable Robert Huitt
Chair, Transportation Agency for Monterey County
55-B Plaza Circle
Salinas, CA 93901

Dear Chairman Huitt:

I have greatly appreciated the opportunity to represent the Transportation Agency for Monterey County (TAMC) for the past two years, including the short stint in 2015, when I was hired to successfully shepherd legislation through the process to allow Measure X to be placed on the ballot.

Khoury Consulting's contract with TAMC is set to expire on June 30, 2019. I appreciated the opportunity to bid on TAMC's 2017 RFQ due to the success of our previous engagement to enact SB 705 of 2015, which led to the passage of Measure X. My only concern, which I expressed in my RFQ response, was that the contract amount was low. My request was that an accommodation would be made given some of the unparalleled, generational funding opportunities that I have helped create. I was given a \$500 increase per month increase, raising the retainer from \$2,500 to \$3,000, with the understanding that my retainer would be revisited when my contract was up. I accepted the opportunity to proceed and build upon our previous success with the intention of underscoring the firm's value and revisiting the issue.

As a direct result of my advocacy, TAMC has been able to realize numerous successes and raise its profile. The passage of SB 705 in 2015 led to TAMC's ability to successfully acquire voter approval of a \$600 million expenditure plan. I was also personally responsible for gathering the deciding votes on SB 1 through developing the vehicle registration fee proposal and restoring funding for several programs including; the State Transportation Improvement Program (STIP); the creation of the State Rail Assistance Program, which provides \$37 million annually to intercity and commuter rail agencies, and the augmentation of Transit Capital and Intercity Rail Program. In the just the past two years, TAMC has received an award of \$19 million for Imjin Parkway, \$10.3 Million for the Fort Ord Trail, \$10 million for the Salinas Rail Station, \$2.1 million for the "Every Child Safe Routes to School Project", \$1.5 million for platform improvements at King City, and \$724,000 in on going funding – over \$43 million in funding, which is more than double what Measure X generates annually. None of these awards would have occurred without my involvement. These accomplishments also do not include legislation that we have successfully advocated for the passage or defeat of, consistent with TAMC's priorities. I have a fantastic relationship with your legislative delegation, and have consistently demonstrated our access with state agencies, and recently with Governor Newsom.

My firm's minimum retainer, with one exception detailed below, is \$5,000 per month. The current contract with TAMC is 40% less, at \$3,000 per month, despite having a broader scope and greater level of engagement than other clients. My monthly retainers for similar entities to TAMC are as follows:

- City of Paso Robles \$5,000
- San Luis Obispo Council of Governments \$5,000
- San Mateo County Transportation Authority \$5,250
- Santa Barbara County Association of Governments \$5,175
- Stanislaus Council of Governments \$6,500 per month
- Transportation Authority of Marin \$3,500 per month (essentially a bill monitoring contract).

While I take pride in representing TAMC, the current retainer presents a problem with other clients, and does not acknowledge my talent, work ethic or deliverables as detailed above. There is not another consultant in the industry that can match my success and I am happy to show deliverables for all of my clients upon request.

TAMC recently awarded a three-year contract for \$150,000 (3 years at \$50,000) for filing out SB 1 applications. Creating hundreds of millions of dollars of funding opportunities should be worth considerably more. Yet, my firm charges reasonable rates in a profession with a high degree of public scrutiny in hopes of establishing long-term relationships. As a contractor, we must pay for overhead expenses that includes office space, staff and insurance, without health or retirement benefits, reimbursement for travel and lodging, and still paying taxes and filing fees.

I hope that the board can agree to provide me with a multi-year contract that would amend my retainer to \$5,000 per month, adjusted annually for a COLA, consistent with terms established with my firm's clients. Otherwise, I would be happy to offer extending my services through the end of October 2019 to account for work through the remainder of the legislative calendar and Governor's bill signing period to ensure that there is no lapse in executing on TAMC's priorities.

I value my relationship with the board and staff and hope that we could come to an agreement and allow for us to keep building on our success together.

Respectfully,



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