



PRESS RELEASE

CITY OF SAN CLEMENTE

OFFICE OF THE CITY MANAGER
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TCA Spends Taxpayer Money in Attempt to Deny Release of Public Records Detailing Millions in Lobbyist Payments

August 9, 2018, San Clemente, California - Following the City of San Clemente's lawsuit against the Transportation Corridors Agencies (TCA) seeking the release of public documents detailing the millions of dollars the TCA has spent and continues to spend in its failed quest to sway public support for its failing SR-241 Toll Road Extension, TCA has failed to produce most of the required public documents. Instead, they have decided to spend tens of thousands of Orange County Taxpayer dollars on legal fees in order to keep these documents secret and out of the reach of those looking for the TCA to justify the tens of millions spent for lobbyists and consultants. The TCA's failure to comply with the California Public Records Act is a violation of California law.

The City of San Clemente filed its initial Public Records Act request seeking these documents on March 13, 2018. Despite communications from the TCA in April that they would provide the document, TCA failed to provide any documents or respond to any further communications until after the City filed its lawsuit on June 19, 2018. Following the lawsuit, the TCA sent some, but far from all, documents to the City. Instead of simply providing all remaining public documents to the City of San Clemente, the TCA has decided to use expensive lawyers to stall and file hopeless motions just to keep this public information away from public scrutiny.

Public documents that the TCA has failed to turn over as of August 1, 2018 include:

- 17 months of invoices from Venture Strategic, a public relations, political communications and lobbying firm with deep political connections to many Orange County elected officials (\$1,800,000/yr from the TCA- \$5,890,977 total);
- 4 years of detailed hourly invoices from Venture Strategic, including required hourly billing statements and sub-consulting invoices from Curt Pringle & Associates (at least \$72,000/yr from the TCA - \$144,000 total) and other politically-connected subconsultants;
- 4 years of contracts and corresponding invoices, including:
 - Robert Naylor & Associates (\$84,850/yr - \$402,793 total)
 - Akin Gump Strauss Hauer & Feld (\$445,000/yr - \$2,873,037 total)
 - Nossaman LLP
 - Richard Katz Consulting (93,600/yr - \$507,623 total)
 - Latimer Partners (\$63,600/yr - \$523,200 total)
 - Packard Government Affairs (\$60,000/yr. - \$804,285 total)
 - Barrios and Associates/Communications Lab (\$360,000/yr. - \$4,247,160 total)
 - Sharon Browning & Associates
 - Kit Cole Consulting

- Detailed reimbursement expenses and stipends for TCA CEO Michael Kraman, who currently receives annual compensation of at least \$412,487 a year; and
- Detailed reimbursement expenses and stipends from TCA Boardmembers, who are currently paid up to \$7,500 annually for attending TCA board meetings.

These documents will clearly show that the TCA has spent more money on lobbyists over the past twenty years than it has spent on building new toll roads during this same period of time. There are also numerous unanswered questions from the few documents already produced by the TCA, including:

- Why does the TCA spend over \$3,000,000 a year for the past several years for lobbyists and consultants when the TCA has not built a single mile of new road in 20 years?
- Why does Curt Pringle & Associates have a contract directly with the TCA *and* also serve as sub-consultants under the agreement with Venture Strategic for an undisclosed amount?
- Should any elected officials that work with or receive financial support or contributions from TCA consultants recuse themselves on all matters related to their contracts?
- Is the TCA using any of these public funds in order to attack local homeowners groups or elected officials that disagree with it?
- Why did a TCA Board Chair spend the night at the Disneyland Hotel at taxpayer expense instead of staying at his home in Aliso Viejo?
- Why did TCA CEO Michael Kraman receive a reimbursement of \$868.66 in taxpayer funds for “Chili Cook-off” supplies?

“I do not understand why the TCA refuses to release these public documents,” said Kathy Ward, San Clemente City Councilmember and TCA board member. “If they have nothing to hide, they’d simply allow the public to know how they’re spending over \$3,000,000 a year on lobbyists and consultants in order to push their extremely unpopular toll road proposal. I believe that the TCA is refusing to release these public documents because if taxpayers knew how the TCA was spending millions every year on lobbyists instead of actually helping fix traffic problems in Orange County, they would demand they immediately stop wasting their money.”

The hearing on the City’s Public Records Act lawsuit against the TCA is expected to be held in September.

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