



Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

AGENDA

**Monday, November 6, 2023
2:00 PM**

**County of Riverside Administrative Center
4080 Lemon Street, 1st Floor, Board Chambers
Riverside, CA 92501**

Remote Locations:

**French Valley Airport Conference Room
37600 Sky Canyon Road
Murrieta, CA 92563**

**Renaissance Esmeralda Resort & Spa Lobby
44400 Indian Wells Lane
Indian Wells, CA 92210**

Committee members are asked to attend this meeting in person unless remote accommodations have previously been requested and noted on the agenda. The below Zoom link is provided for the convenience of members of the public, presenters, and support staff.

[Public Zoom Link](#)

Meeting ID: 893 7088 6219

Passcode: 20230206

Dial in: 669-444-9171 U.S.

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Executive Committee meeting, please contact WRCOG at (951) 405-6702. Notification of at least 48 hours prior to meeting time will assist staff in

assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 3390 University Avenue, Suite 200, Riverside, CA, 92501.

In addition to commenting at the Committee meeting, members of the public may also submit written comments before or during the meeting, prior to the close of public comment to jleonard@wrcog.us.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Janis Leonard 72 hours prior to the meeting at (951) 405-6702 or jleonard@wrcog.us. Later requests will be accommodated to the extent feasible.

1. CALL TO ORDER (Chris Barajas, Chair)

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENTS

At this time members of the public can address the Committee regarding any items within the subject matter jurisdiction of the Committee that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Committee in writing and only pertinent points presented orally.

5. CONSENT CALENDAR

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Committee request specific items be removed from the Consent Calendar.

A. Action Minutes from the October 2, 2023, Executive Committee Meeting

Requested Action(s): 1. Approve the Action Minutes from the October 2, 2023, Executive Committee meeting.

B. Action Minutes from the June 5, 2023, WRCOG Joint Meeting of the Executive Committee and Supporting Foundation

Requested Action(s): 1. Approve the Action Minutes from the June 5, 2023, WRCOG Joint Meeting of the Executive Committee and Supporting Foundation

C. Finance Department Activities Update

Requested Action(s): 1. Receive and file.

D. WRCOG Committees and Agency Activities Update

Requested Action(s): 1. Receive and file.

E. Report out of WRCOG Representatives on Various Committees

Requested Action(s):

1. Receive and file.

F. Agreement with SoCalGas for the Regional Energy Pathways Program Ambassador

Requested Action(s):

1. Approve the Standard Services Agreement with Southern California Gas Company to serve as the Regional Energy Pathways Ambassador in Riverside and San Bernardino Counties.
2. Authorize the Executive Director to execute the Standard Services Agreement with Southern California Gas Company to serve as the Regional Energy Pathways Program Ambassador in Riverside and San Bernardino Counties.

G. TUMF Program Activities Update: Approval of Two TUMF Reimbursement Agreement Amendments and One TUMF Credit Agreement

Requested Action(s):

1. Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Menifee increasing the Construction Phase of the Holland Road / I-215 Overpass Project in an amount not to exceed \$1,000,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$11,255,000.
2. Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Temecula increasing the Right-of-Way Phase with the French Valley Parkway Phase III Project in an amount not to exceed \$1,500,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$3,000,000.
3. Authorize the Executive Director to execute a TUMF Credit Agreement with the County of Riverside and Pulte Home Company, LLC, for the widening of Pigeon Pass Road from Highgrove Boulevard to 1635 feet south for a maximum credit of \$1,288,136.

6. REPORTS / DISCUSSION

Members of the public will have an opportunity to speak on agendized items at the time the item is called for discussion.

A. VMT Mitigation Program Activities Update

Requested Action(s):

1. Receive and file.

B. I-REN Programmatic Activities Updates

Requested Action(s):

1. Receive and file.

C. 2023 and 2024 WRCOG General Assembly & Leadership Address Activities Updates and Speaker Agreement

Requested Action(s):

1. Authorize the Executive Director / Supporting Foundation Secretary to execute a speaker agreement between the WRCOG Supporting Foundation and the Harry Walker Agency Speakers Bureau to engage Sean

McVay for the 2024 General Assembly in an amount not to exceed \$125,000 plus travel and lodging expenses.

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

Rod Butler, City of Jurupa Valley

8. REPORT FROM COMMITTEE REPRESENTATIVES

CALCOG, Brian Tisdale

SANDAG Borders Committee, Crystal Ruiz

SCAG Regional Council and Policy Committee Representatives

9. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR

Chris Barajas, City of Jurupa Valley

10. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson

Access the report [here](#).

11. ITEMS FOR FUTURE AGENDAS

Members are invited to suggest additional items to be brought forward for discussion at future Committee meetings.

12. GENERAL ANNOUNCEMENTS

Members are invited to announce items / activities which may be of general interest to the Committee.

13. NEXT MEETING

The next WRCOG Supporting Foundation meeting is yet to be determined.

The next Executive Committee meeting is scheduled for Monday, December 4, 2023, at 2:00 p.m., in the County of Riverside Administrative Center, 4080 Lemon Street, 1st Floor, Board Chambers, Riverside.

14. ADJOURNMENT

Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Action Minutes

1. CALL TO ORDER

The meeting of the WRCOG Executive Committee was called to order by Chair Chris Barajas at 2:06 p.m. on October 2, 2023, at the Riverside County Administrative Center, 4080 Lemon Street, 1st Floor Board Chambers, Riverside.

2. PLEDGE OF ALLEGIANCE

Committee member Kevin Bash led the Committee members and guests in the Pledge of Allegiance.

3. ROLL CALL

- City of Banning - Reuben Gonzales
- City of Beaumont - Mike Lara
- City of Calimesa - Wendy Hewitt
- City of Canyon Lake - Mark Terry
- City of Corona - Jacque Casillas
- City of Eastvale - Christian Dinco
- City of Hemet - Jackie Peterson
- City of Jurupa Valley - Chris Barajas (Chair)
- City of Lake Elsinore - Brian Tisdale
- City of Menifee - Lesa Sobek
- City of Murrieta - Ron Holliday
- City of Norco - Kevin Bash
- City of San Jacinto - Crystal Ruiz
- City of Temecula - James Stewart
- City of Wildomar - Joseph Morabito
- County, District 1 - Kevin Jeffries
- County, District 2 - Karen Spiegel
- County, District 3 - Chuck Washington
- Eastern Municipal Water District (EMWD) - Phil Paule
- Western Water - Brenda Dennstedt

Absent:

- City of Moreno Valley
- City of Perris
- City of Riverside
- County, District 5

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Western Water
SECONDER:	Lake Elsinore
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3, EMWD, Western Water
ABSTAIN:	Menifee from 5.A only

A. Action Minutes from the September 11, 2023, Executive Committee Meeting

Action:

1. Approved the Action Minutes from the September 11, 2023, Executive Committee meeting.

B. Finance Department Activities Update and Budget Amendment

Action:

1. Approved the Fiscal Year 2023/2024 Budget Amendment.

C. WRCOG Committees and Agency Activities Update

Action:

1. Received and filed.

D. Report out of WRCOG Representatives on Various Committees

Action:

1. Received and filed.

E. Approval of 2023 TUMF Central, Hemet / San Jacinto, and Pass Zones' 5-Year Transportation Improvement Programs

Actions:

1. Approved the 2023 TUMF Central Zone 5-Year Transportation Improvement Program.
2. Approved the 2023 TUMF Hemet / San Jacinto Zone 5-Year Transportation Improvement Program.
3. Approved the 2023 TUMF Pass Zone 5-Year Transportation Improvement Program.

F. Approval of One TUMF Reimbursement Agreement and two TUMF Reimbursement Agreement Amendments

Actions:

1. Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Corona for all of the phases of the Ontario Avenue Widening at I-15 Project in an amount not to exceed \$6,160,000.
2. Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Lake Elsinore for the Plans, Specification and Estimate and Right-of-Way Phases of the SR-74 / I-15 Interchange Project in an amount not to exceed \$5,000,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$7,634,251.
3. Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Lake Elsinore for the Right-of-Way Phase with the I-15/Franklin Street Interchange Improvement Project in an amount not to exceed \$5,500,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$11,500,000.

6. REPORTS / DISCUSSION**A. Professional Services Agreement with Yunex, LLC, for Streetlight Operations & Maintenance****Actions:**

1. Awarded a Professional Services Agreement to Yunex, LLC, for Streetlight Operations & Maintenance, pursuant to Request for Proposals Number 23-02, in an amount to not to exceed \$7,295,244.
2. Authorized the Executive Director to execute a Professional Services Agreement, subject to legal counsel's and participating member agencies' review and approval, with Yunex, LLC, for Streetlight Operations & Maintenance in an amount to not to exceed \$7,295,244.
3. Authorized the Executive Director to execute the Letters regarding the Professional Services Agreement, subject to legal counsel's and participating member agencies' review and approval, with member agencies in the Regional Streetlight Program and Yunex, LLC, for Streetlight Operations & Maintenance.
4. Authorized the Executive Director to execute a First Amendment to the Implementation Agreements, subject to legal counsel's and member agencies' review and approval, with participating member agencies in the Regional Streetlight Program.

RESULT:	APPROVED AS AMENDED TO INCLUDE NOT TO EXCEED AMOUNTS
MOVER:	County District 2
SECONDER:	Lake Elsinore
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3, EMWD, Western Water

B. PACE Programs Activities Update: Unclaimed Refunds Escheatment Update**Action:**

1. Received and filed.

7. REPORT FROM THE TECHNIAL ADVISORY COMMITTEE CHAIR

The Technical Advisory Committee Chair was not present.

8. REPORT FROM COMMITTEE REPRESENTATIVES

Committee member Brian Tisdale, CALCOG representative, reported that CALCOG will have its annual retreat February 7 - 9, 2024, in Monterey. CALCOG's Regional Transportation Planning Authority will distribute a total of \$5.1B in new Transit and Capital Operations funding for Fiscal Year 2023/2024; the County of Riverside is set to receive approximately \$288M over the next four years.

9. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR

Chair Barajas had nothing to report.

10. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson stated that regarding the Streetlight Program, member agencies will be responsible for any cost recovery, and does not include the vendor nor WRCOG. CalCities held its annual conference and the Cities of Moreno Valley, Riverside, and Corona received the Helen Putnam award for doing extraordinary work.

11. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

12. GENERAL ANNOUNCEMENTS

There were no general announcements.

13. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, November 6, 2023, at 2:00 p.m., in the County of Riverside Administrative Center, 4080 Lemon Street, 1st Floor, Board Chambers, Riverside.

14. ADJOURNMENT

The meeting was adjourned at 2:39 p.m.

Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Action Minutes

1. CALL TO ORDER

The meeting of the WRCOG Supporting Foundation was called to order by Chair Crystal Ruiz at 2:00 p.m. on June 5, 2023, at the Riverside County Administrative Center, 4080 Lemon Street, 1st Floor Board Chambers, Riverside.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

- City of Banning - Sheri Flynn
- City of Beaumont - Mike Lara
- City of Calimesa - Wendy Hewitt
- City of Corona - Jacque Casillas*
- City of Eastvale - Christian Dinco
- City of Hemet - Jackie Peterson
- City of Jurupa Valley - Chris Barajas
- City of Lake Elsinore - Brian Tisdale
- City of Menifee - Bob Karwin*
- City of Moreno Valley - Elena Baca-Santa Cruz
- City of Murrieta - Ron Holliday
- City of Norco - Kevin Bash
- City of Perris - Rita Rogers
- City of Riverside - Ronaldo Fierro
- City of San Jacinto - Crystal Ruiz
- City of Temecula - James Stewart
- City of Wildomar - Joseph Morabito
- County, District 3 - Chuck Washington
- Eastern Municipal Water District (EMWD) - Phil Paule*
- Western Water - Brenda Dennstedt

* Arrived after Roll Call

4. CLOSED SESSION

This was a WRCOG Executive Committee item.

5. OPEN SESSION

This was a WRCOG Executive Committee item.

6. SPECIAL RECOGNITION OF ARNOLD SAN MIGUEL

This was a WRCOG Executive Committee item.

7. PUBLIC COMMENTS

This was a WRCOG Executive Committee item.

8. CONSENT CALENDAR

RESULT	APPROVED AS RECOMMENDED
MOVER	Riverside
SECONDER	Wildomar
AYES	Banning, Beaumont, Calimesa, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, Temecula, Wildomar, District 3, EMWD, Western Water

K. Approval of Fiscal Year 2022/2023 Supporting Foundation Budget Amendment and Adoption of Fiscal Year 2023/2024 Supporting Foundation Budget

Actions:

1. Approved the Fiscal Year 2022/2023 Supporting Foundation Budget Amendment.
2. Adopted Resolution Number 01-23; A Resolution of the Board of Directors of the Wester Riverside Council of Governments Supporting Foundation adopting the Fiscal Year 2023/2024 Supporting Foundation Budget.

9. REPORTS / DISCUSSIONS

This was a WRCOG Executive Committee item.

10. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

This was a WRCOG Executive Committee item.

11. REPORT FROM COMMITTEE REPRESENTATIVES

This was a WRCOG Executive Committee item.

12. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR

This was a WRCOG Executive Committee item.

13. REPORT FROM THE EXECUTIVE DIRECTOR

This was a WRCOG Executive Committee item.

14. ITEMS FOR FUTURE AGENDAS

This was a WRCOG Executive Committee item.

15. GENERAL ANNOUNCEMENTS

This was a WRCOG Executive Committee item.

16. NEXT MEETING

The next WRCOG Supporting Foundation meeting is yet to be determined.

17. ADJOURNMENT

The meeting was adjourned at 3:36 p.m.



Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: Finance Department Activities Update
Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741
Date: November 6, 2023

Recommended Action(s):

1. Receive and file.

Summary:

The Finance Department is currently working through its year-end close, which includes analyzing all of its accounts, accruing revenues and expenditures, and preparing year-end schedules in preparation for the annual audit.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to provide information regarding Finance Department activities. This effort aligns with WRCOG's 2022-2027 Strategic Plan Goal #3 (Ensure fiscal solvency and stability of the Western Riverside Council of Governments).

Discussion:

Background

The Finance Department provides regular updates to WRCOG Committees regarding the financial status of WRCOG and also provides summaries of on-going activities that might be of interest to member agencies. The financial reports document Agency revenues and expenditures through the current fiscal year, as reported by various programs, funds, and other administrative divisions. On-going activities include the preparation of the Agency audit, budget amendments, and preparation of the WRCOG budget for consideration and approval by WRCOG Committees.

Present Situation

Fiscal Year 2022/2023 Year End and Agency Audit: The final audit started in October 2023 and is currently in progress. It is anticipated to be completed with the Agency's Annual Comprehensive Financial Report (ACFR) to be issued by November 2023.

Financial Documents

All of WRCOG's most recent financial statements, budget, monthly financials, amendments, etc., are located on the Agency's website [here](#).

Prior Action(s):

None.

Financial Summary:

This item is for informational purposes only; therefore, there is no fiscal impact. Finance Department activities are included in the Agency's adopted Fiscal Year 2023/2024 Budget under the Finance Department under Fund 110.

Attachment(s):

None.



Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: WRCOG Committees and Agency Activities Update
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: November 6, 2023

Recommended Action(s):

1. Receive and file.
-

Summary:

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of October 2023.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to inform the Committee of actions and activities from WRCOG standing Committee meetings. This item aligns with Goal #4 of WRCOG's 2022-2027 Strategic Plan (Communicate proactively about the role and activities of the Council of Governments).

Discussion:

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of September 2023.

Prior Action(s):

October 2, 2023: The Executive Committee received and filed.

Financial Summary:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment(s):

[Attachment 1 - WRCOG Committees Activities Update October 2023](#)



Western Riverside Council of Governments Executive Committee Meeting Recap October 2, 2023

Following is a summary of key items discussed at the last Executive Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10003/ec-1023-ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10025/ECPT1023>

Professional Services Agreement with Yunex for Streetlight Operations & Maintenance

- WRCOG's current agreement with Yunex Traffic for streetlight O&M services expires on December 1, 2023. An RFP was issued in July 2023 and only one bid was received - from Yunex Traffic - by the closing date. Staff followed up with the prospective bidders to receive input on the RFP process but have not received a response.
- A bid review committee consisting of staff from Streetlight Program member agencies was established to review the bid and conduct interviews. Member agencies in the Streetlight Program are satisfied with Yunex and have recommended WRCOG to continue working with Yunex for streetlight O&M services.
- Staff developed a not-to-exceed contract amount of \$7,295,244, and a term of 3 years, with option terms for a maximum potential contract length of 5 years. Staff are also working on integrating additional requirements that member agencies have asked for into the final agreement. Staff will be providing administrative support for each member agency in the Program to seek their individual City Council's or Board of Directors' approval of the new Agreements.

PACE Program Activities Update: Unclaimed Refunds Escheatment Update

- For the 2022 reporting cycle, which included unclaimed refunds between July 1, 2018, and June 30, 2019, staff identified 176 statewide refunds that were unclaimed totaling \$241,507.10. The remaining unclaimed refunds were sent to the State of California on June 15, 2023.
- For the 2023 reporting cycle, which included unclaimed refunds between July 1, 2019, and June 30, 2020, staff identified 418 unclaimed statewide refunds totaling \$612,666.78 and 158 unclaimed local refunds totaling \$203,203.40.
- The unclaimed refunds for the 2023 reporting cycle will be sent to the State on June 15, 2024. Property owners will be able to claim their unclaimed refund with the State of California after June 15th by visiting the States unclaimed property website, https://www.sco.ca.gov/search_upd.html.

Next Meeting

The next Executive Committee meeting is scheduled for Monday November 6, 2023, at 2:00 p.m., in the County of Riverside Administrative Center, 4080 Lemon Street, 1st Floor, Board Chambers, Riverside.



**Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
October 11, 2023**

Following is a summary of key items discussed at the last Administration & Finance Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10028/af-1023-ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10030/af1023pp>

WRCOG 2023 General Assembly & Leadership Address and 2024 Activities Update

- The General Assembly Ad Hoc Committee, with vetted Speakers' Bureau (Harry Walker Agency), reviewed speaker suggestions from sponsors, committee members, staff and HWA.
- Dozens of speakers were suggested and reviewed by the General Assembly Ad Hoc Committee and narrowed down to four.
- Ultimately, the committee requests securing speaker Adm. William H. McRaven and also seeks a potential second speaker for an earlier event. Staff will follow up with the venue regarding availability of the space and determined feasibility of having an additional speaker.
- The item will go to the November Executive Committee/ Fundraising committee meeting.

Executive Director Update

WRCOG has received notice of two upcoming events which might be of interest to WRCOG Members. The first event is the Inaugural Southern California Municipal Summit hosted by the California Contract Cities. The event is in the City of Long Beach on Saturday, October 14, 2023. Additional information regarding this event can be found here:

<https://wrcog.us/DocumentCenter/View/10053/California-Contract-Cities-Gripe-Session-Flyer>

The second event is the Community Leaders Water Briefing, which is being hosted by Western Water and Metropolitan Water District. More information on this event can be found here:

<https://westernwaterca.gov/FormCenter/Strategic-Communications-3/2023-Community-Leaders-Water-Briefing-57>

Next Meeting

The next Administration & Finance Committee meeting is scheduled for Wednesday, November 8, 2023, at 12:00 p.m., in WRCOG's office at 3390 University Avenue, Suite 200.



**Western Riverside Council of Governments
Planning Directors Committee
Meeting Recap
October 12, 2023**

Following is a list of key items discussed at the last Planning Directors Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10026/pdc-1023-ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10055/pdc-1023-ppt>

Demographic Changes in Western Riverside County

- SCAG staff, Kevin Kane, PhD, presented on the demographic changes and trends in the SCAG region as well as trends specific to the Riverside County. He provided a summary of key takeaways from SCAG's annual demographic workshop and then provided a more detailed look into trends across Riverside County and Western Riverside cities.
- The SCAG region has been seeing overall population decline, especially during Covid. This is largely due to slowing birth rates, increasing mortality rates, declining immigration and migration rates. In addition, we are seeing home-ownership rates going slightly down. And finally, across all regions, we are seeing an aging population.
- In Western Riverside County, the trend will continue with an aging population, lower numbers of people per household, natural population decline with deaths surpassing births, and a continued influx of domestic migration from coastal areas. With that, the subregion will likely see slow but steady population growth, with demographic shifts in the makeup of the population. Riverside County is also expected to see slow but steady employment growth.

VMT Mitigation Program Update

- Senate Bill (SB) 743, which was implemented on July 1, 2020, requires development projects to utilize Vehicle Miles Traveled (VMT), rather than Level of Service (LOS), as the metric to determine its transportation impacts under the California Environmental Quality Act (CEQA).
- WRCOG assisted in preparing its member agencies in the implementation of SB 743 with guidance on meeting the requirements of the Bill, and, to continue with the implementation of VMT as a metric, WRCOG has conducted due diligence on a potential regional VMT mitigation program that each member agency may opt-in when available.
- At this time, WRCOG and its partner agencies, RCTC, RTA and RCA, remain committed to continue with the development of a potential program, so WRCOG intends to keep moving forward and develop a program guide. A draft of the guide will be provided to the Committee for review at the appropriate time.
- At this point, WRCOG is proposing to serve as the administrator for this Program and presented how the Program may operate conceptually during this item. A summary of this can be found in the PowerPoint presentation.

Analysis of Retail and Service Trends in the TUMF Program

- The 3,000 SF reduction policy was implemented on August 2017 as a result of the 2016 Nexus Study raising concerns on the impact of TUMF on retail development. On October 2018, the policy was revised to limit the reduction to projects with a gross floor area of less than 20,000 SF.
- The 3,000 SF reduction was implemented to incentivize the development of retail and service land uses throughout the region. WRCOG staff have conducted a study of revenue collected from the retail and

services uses over the past years to monitor the trends in this sector, and to assess how the reduction has affected development and fee collection.

- Overall TUMF collections have been steadily increasing from \$44M in FY 2015/2016 to \$70M in FY 2022/2023, however, Retail and Service collections have decreased from 15% of overall collections to nearly 4% during that same period of time.

Next Meeting

The next Planning Directors Committee meeting is scheduled for Thursday, December 14, 2023, at 9:30 a.m., in WRCOG's office at 3390 University Avenue, Suite 200, Riverside.



**Western Riverside Council of Governments
Public Works Committee
Meeting Recap
October 12, 2023**

Following is a list of key items discussed at the last Public Works Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10029/pwc-1023-ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10056/pwc-1023-pp>

TUMF Project Phases in the Transportation Improvement Program

- WRCOG staff will discuss the possible change to TIP allocation phases by consolidating the current structure to two phases: Pre-Construction and Construction. Pre-Construction would be the current Planning and Engineering phase, while Construction would be the Right-of-Way and Construction phase.
- WRCOG staff will also discuss policy to make all unused Pre-Construction funds available for the Construction phase.
- The committee was amenable to both changes. Mark Lancaster with the County of Riverside suggested that Pre-Construction should also include the Right-of-Way phase. WRCOG staff will move forward to bring these changes to the TUMF Administrative Plan and Credit/Reimbursement Manual.

TUMF Nexus Study Activities Update

- WRCOG presented preliminary results of TUMF eligibility for segments and interchanges in the TUMF network. Eligibility is determined by Volume/Capacity (V/C) ratio through analysis of the RIVCOM transportation model.
- Drastic changes in employment growth between the 2016 and 2020 SCAG (Southern California Association of Governments) RTP/SCS for Riverside County caused some segments that were previously deficient in 2016 study to not be deficient in the new study. Changes in the eligibility were shown, while WRCOG discussed ways that currently eligible projects can be “grandfathered” into the program.

VMT Mitigation Program Activities Update

- Senate Bill (SB) 743, which was implemented on July 1, 2020, requires development projects to utilize Vehicle Miles Traveled (VMT), rather than Level of Service (LOS), as the metric to determine its transportation impacts under the California Environmental Quality Act (CEQA).
- WRCOG assisted in preparing its member agencies in the implementation of SB 743 with guidance on meeting the requirements of the Bill, and, to continue with the implementation of VMT as a metric, WRCOG has conducted due diligence on a potential regional VMT mitigation program that each member agency may opt-in when available.
- At this time, WRCOG and its partner agencies, RCTC, RTA and RCA, remain committed to continue with the development of a potential program, so WRCOG intends to keep moving forward and develop a program guide. A draft of the guide will be provided to the Committee for review at the appropriate time.
- At this point, WRCOG is proposing to serve as the administrator for this Program and presented how the Program may operate conceptually during this item. A summary of this can be found in the PowerPoint presentation.

Analysis of Retail and Service Trends in the TUMF Program

- The 3,000 SF reduction policy was implemented on August 2017 as a result of the 2016 Nexus Study raising concerns on the impact of TUMF on retail development. On October 2018, the policy was revised to limit the reduction to projects with a gross floor area of less than 20,000 SF.
- The 3,000 SF reduction was implemented to incentivize the development of retail and service land uses throughout the region. WRCOG staff have conducted a study of revenue collected from the retail and services uses over the past years to monitor the trends in this sector, and to assess how the reduction has affected development and fee collection.
- Overall TUMF collections have been steadily increasing from \$44M in FY 2015/2016 to \$70M in FY 2022/2023, however, Retail and Service collections have decreased from 15% of overall collections to nearly 4% during that same period of time.

Next Meeting

The next Public Works Committee meeting is scheduled for Thursday, December 14, 2023, at 2:00 p.m., in WRCOG's office located at 3390 University Avenue, Suite 200, Riverside.



**Western Riverside Council of Governments
Technical Advisory Committee
Meeting Recap
October 19, 2023**

Following is a summary of key items discussed at the last Technical Advisory Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10058/tac-1023-ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10062/Tac--1023-ppt>

WRCOG Fellowship Program: Round 8

- Round 8 of the WRCOG Fellowships are underway.
- Member agencies interested in hosting a fellow should reach out to Julian Brambila at jbrambila@wrcog.us immediately. Agencies new to the Fellowship Program may participate in a cost share. Returning host agencies will pay for the Fellow in whole.
- Fellow internship interviews are happening now. There is currently a waiting list and the Program is slated to begin in the next few weeks.

Riverside County Regional Broadband Activities Update

- Tom Mullen, Director of Broadband Services at Riverside County Information Technology, provided updates on the County's broadband strategic plans and activities, known as Rivco Connect. The County focuses on three areas related to broadband: infrastructure deployment, affordability, and digital literacy.
- The County has identified seven priority areas for broadband infrastructure deployment. To promote infrastructure projects, the County has established relationships with four internet service providers and has submitted a grant application totaling \$13M.
- The County's Affordable Connectivity Program Outreach Campaign facilitates the enrollment of eligible households to federal subsidies for internet service billing assistance. Additionally, the County has resources that assist residents and seniors including refurbishing devices and computers, Chromebook and hotspot loans, and digital literacy training.

Member Dues Exploration Activities Update

- Member dues make up one of WRCOG's funds, and one of the Agency's budgeting principles is to focus on the long-term health of each fund.
- The funds produced by member dues are not sustainable, as they have not been adjusted since FY 2009/2010, when they were reduced by 15%. This was brought forward by staff during the budget process for FY 2023/2024. Staff proposed to begin the member dues discussion and received direction from the Administration & Finance Committee to work with the TAC to explore options.
- A working group consisting of TAC members is forming to ensure thorough exploration, and that valuable input from members is provided.
- TAC members that are interested in participating in the working group should contact Christopher Tzeng ctzeng@wrcog.us.

Next Meeting

The next Technical Advisory Committee meeting is scheduled for November 16, 2023, at 9:30 a.m. in the WRCOG office at 3390 University Avenue, Riverside.



Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: Report out of WRCOG Representatives on Various Committees
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: November 6, 2023

Recommended Action(s):

1. Receive and file.

Summary:

One key function of the Executive Committee is that it appoints representatives to various outside agencies, groups, and committees to represent WRCOG. This Staff Report summarizes activities related to CALCOG, the SANDAG Borders Committee, and the SAWPA OWOW Steering Committee.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item to provide information regarding various external agencies, groups, and committees related to WRCOG where WRCOG has appointed one or more representative(s) to serve as its representative. This item supports Strategic Plan Goal 4 (Communicate proactively about the role and activities of the Council of Governments).

Discussion:

CALCOG Board of Directors (Brian Tisdale)

The CALCOG Board of Directors has not met since its last meeting on September 18, 2023. The next CALCOG Board of Directors meeting and retreat is scheduled for December 7 & 8, 2023.

SANDAG Borders Committee (Crystal Ruiz)

The SANDAG Borders Committee met on October 6, 2023. Agenda highlights include:

1. 2025 Regional Plan Workshop.

The next SANDAG Borders Committee meeting is scheduled for November 15, 2023.

SAWPA OWOW Steering Committee

The SAWPA OWOW Steering Committee has not met since July 2023. The next SAWPA OWOW Steering Committee meeting is scheduled for November 16, 2023.

Prior Action(s):

October 2, 2023: The Executive Committee received and filed.

Financial Summary:

Appointed Committee members are paid \$150 to attend their respective meetings. WRCOG stipends are included in the Agency's adopted Fiscal Year 2023/2024 Budget under the Administration Department in the General Fund (Fund 110).

Attachment(s):

[Attachment 1 - SANDAG Borders Committee agenda 100623](#)



Transportation Committee – Joint Borders, Regional Planning, And Public Safety Committees

Friday, October 6, 2023
9 a.m.

Welcome to SANDAG. The Transportation Committee – Joint Borders, Regional Planning, and Public Safety Committees meeting scheduled for Friday, October 6, 2023, will be held in the **Garcia Room of the Caltrans District -11 Building located at 4050 Taylor Street, San Diego, CA 92110**. The meeting will be held **in person only** for both the members and the public.

Public Comments: Members of the public may speak to the Policy Advisory Committees on any item at the time the members are considering the item. Public speakers are generally limited to three minutes or less per person.

Persons who wish to address the Policy Advisory Committees on an item to be considered at this meeting, or on non-agendized issues, may email comments to the Clerk at clerkoftheboard@sandag.org (please reference Transportation Committee – Joint Borders, Regional Planning, and Public Safety Committees meeting in your subject line and identify the item number(s) to which your comments pertain). Comments received by 4 p.m. the business day before the meeting will be provided to members prior to the meeting. All comments received prior to the close of the meeting will be made part of the meeting record.

If you desire to provide in-person verbal comment during the meeting, please fill out a speaker slip, which can be found in the lobby. All comments to be provided for the record must be made in writing via email or speaker slip, or verbally per the instructions above.

In order to keep the public informed in an efficient manner and facilitate public participation, SANDAG provides access to all agenda and meeting materials online at sandag.org/meetings. Additionally, interested persons can sign up for email notifications at sandag.org/subscribe. A physical copy of this agenda may be viewed at the SANDAG Toll Operations Office, 1129 La Media Road, San Diego, CA 92154, at any time prior to the meeting.

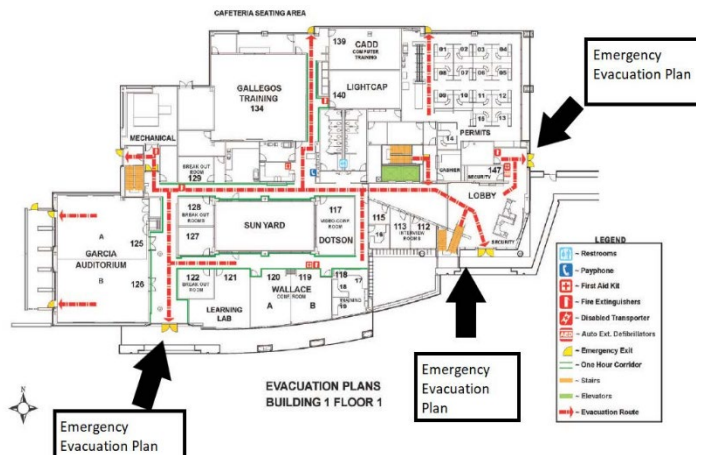
To hear the verbatim discussion on any agenda item following the meeting, the [audio/video](#) recording of the meeting is accessible on the SANDAG website.

SANDAG agenda materials can be made available in alternative languages. To make a request, call (619) 699-1900 at least 72 hours in advance of the meeting.

Los materiales de la agenda de SANDAG están disponibles en otros idiomas. Para hacer una solicitud, llame al (619) 699-1900 al menos 72 horas antes de la reunión.

Caltrans offices are accessible by public transit. Phone 511 or visit 511sd.com for route information.

This meeting will be in the Garcia Room, 125. All guests are required to pass by the Lobby/security desk in the main building 1, floor 1 to sign-in (near visitor parking) and parking is allowed in any visitor or unmarked space in any of the parking lots.





SANDAG operates its programs without regard to race, color, and national origin in compliance with Title VI of the Civil Rights Act. SANDAG has developed procedures for investigating and tracking Title VI complaints, and the procedures for filing a complaint are available to the public upon request. Questions concerning SANDAG nondiscrimination obligations or complaint procedures should be directed to the SANDAG General Counsel, John Kirk, at (619) 699-1997 or john.kirk@sandag.org. Any person who believes they or any specific class of persons to be subjected to discrimination prohibited by Title VI also may file a written complaint with the Federal Transit Administration.

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This meeting will be conducted in English, and simultaneous interpretation will be provided in Spanish. Interpretation in additional languages will be provided upon request to ClerkoftheBoard@sandag.org at least 72 business hours before the meeting.

Esta reunión se llevará a cabo en inglés, y se ofrecerá interpretación simultánea en español. Se ofrecerá interpretación en otros idiomas previa solicitud a ClerkoftheBoard@sandag.org al menos 72 horas antes de la reunión.

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Безкоштовна мовна допомога | sandag.org/LanguageAssistance | (619) 699-1900

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Vision Statement: *Pursuing a brighter future for all*

Mission Statement: *We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.*

Our Commitment to Equity: *We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.*

We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. The SANDAG equity action plan will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.

We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.

Transportation Committee

Friday, October 6, 2023

Reports

+1. 2025 Regional Plan Workshop

Discussion

Antoinette Meier, Cindy Burke, and Susan Huntington; SANDAG

Policy Advisory Committee members will participate in a workshop to help inform the development of the 2025 Regional Plan, including an overview of the federal and state requirements, data and projections for how the region will grow in the coming years, and traditional and new funding sources to develop a financial plan.

[2025 Regional Plan Workshop.pdf](#)

Comments and Communications

2. Public Comments/Communications/Member Comments

Members of the public shall have the opportunity to address the Policy Advisory Committees on any issue within the jurisdiction of Policy Advisory Committees that is not on this agenda. Public speakers are limited to three minutes or less per person. Public comments under this agenda item will be limited to five public speakers. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Policy Advisory Committee members and SANDAG staff also may present brief updates and announcements under this agenda item.

3. Upcoming Meetings

The next meeting of the Transportation Committee is scheduled for Friday, October 20, 2023, at 9 a.m.

The next meeting of the Borders Committee is scheduled for Friday, October 27, 2023, at 1 p.m.

The next meeting of the Regional Planning Committee is scheduled for Friday, December 1, 2023, at 12:30 p.m.

The next meeting of the Public Safety Committee is scheduled for Friday, December 15, 2023, at 1 p.m.

4. Adjournment

+ next to an agenda item indicates an attachment

October 6, 2023

2025 Regional Plan Workshop

Overview

As the Metropolitan Planning Organization (MPO) for the San Diego region, a fundamental responsibility of SANDAG is to develop a compliant Regional Plan. The Regional Plan is a long-range blueprint for how the San Diego region will grow and how the transportation system will develop. It provides at least a 20-year outlook for transportation priorities and investments. Staff will provide an overview of the major components and requirements for Regional Plans, the data-driven planning process, including how our region is projected to grow, and the various funding sources considered in the financial plan.

Key Considerations

Staff held multiple workshops with the Board of Directors throughout the spring and summer of 2023 describing the components, detailed planning process, and requirements of a Regional Plan – all of which will be discussed as part of the Joint Policy Advisory Committee 2025 Regional Plan workshop.

Board of Directors meetings on [April 28, 2023 \(Item 10\)](#) and [May 26, 2023 \(Item 12\)](#) describe the major components of a Regional Plan and the many specific state and federal mandates such as the Sustainable Communities Strategy (SCS), per Senate Bill 375 (SB 375), and civil rights requirements (Title VI) required for Regional Plans.

A discussion on the federally required Financial Plan that supports the projects and programs included in the Regional Plan was held on [July 14, 2023 \(Item 7\)](#).

The [July 28, 2023 \(Item 15\)](#) meeting provided information on the development of the regional growth forecast and examples of the type of data used to analyze regional travel and trends including where people live and work and how they will continue to get around as the region grows to the year 2050.

Next Steps

With input from the Borders, Public Safety, Regional Planning, and Transportation Committees, the Board of Directors, and the public, an initial concept for the 2025 Regional Plan will be developed and presented to the Board later this year.

Coleen Clementson, Deputy Chief Executive Officer

Key Staff Contacts: Antoinette Meier, (619) 699-7381, Antoinette.Meier@sandag.org
Cindy Burke, Ph.D., (619) 699-1910, Cindy.Burke@sandag.org
Susan Huntington, (619) 595-5389, Susan.Huntington@sandag.org

Action: **Discussion**

Committee members will participate in a workshop to help inform the development of the 2025 Regional Plan, including an overview of state and federal requirements; projects, programs, policies that support regional goals; data driven planning; and key funding requirements to develop Regional Plans.

Fiscal Impact:

Development of the 2025 Regional Plan is funded under Overall Work Program Project Nos. 3103000 and 3100406.

Schedule/Scope Impact:

The 2025 Regional Plan will be developed over the next two years and is expected to be brought to the Board of Directors for consideration in late 2025.



Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: Agreement with SoCalGas for the Regional Energy Pathways Program Ambassador

Contact: Daniel Soltero, Program Manager, dsoltero@wrcog.us, (951) 405-6738

Date: November 6, 2023

Recommended Action(s):

1. Approve the Standard Services Agreement with Southern California Gas Company to serve as the Regional Energy Pathways Ambassador in Riverside and San Bernardino Counties.
2. Authorize the Executive Director to execute the Standard Services Agreement with Southern California Gas Company to serve as the Regional Energy Pathways Program Ambassador in Riverside and San Bernardino Counties.

Summary:

The Southern California Gas Company (SoCalGas) continues to support public sector customers that previously participated in Local Government Partnerships through the Regional Energy Pathways (REP) Program, one of several new offerings for public sector customers focused on connecting customers with the various energy efficiency programs offered by SoCalGas. One aspect of the REP Program is that SoCalGas contracts with regional agencies, known as REP Ambassadors, who will serve as an extension of staff to SoCalGas' REP team, ensuring public sector customers have a local "go-to" resource that supports their agencies' ability to increase energy efficiency. As the REP Ambassador for Riverside and San Bernardino Counties, WRCOG would be hired by SoCalGas via a Services Agreement to create awareness of SoCalGas' energy efficiency programs, assist government agencies and K-12 schools with developing and implementing gas energy efficiency projects through SoCalGas' programs, and promote long term energy efficiency practices.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to approve a Services Agreement with SoCalGas for WRCOG to serve as the REP Ambassador in Riverside and San Bernardino Counties for one calendar year to be the local resource for public sector customers seeking to implement energy efficiency measures. As a SoCalGas contractor, WRCOG would assist with connecting government agencies and K-12 schools with SoCalGas energy efficiency gas programs to promote and incentivize projects.

This item is aligned with WRCOG's 2022-2027 Strategic Plan Goal #6 (To develop and implement programs that support resilience for our region) and Goal #6.1 (Incentivize Programs for saving electricity, water and other essential resources through the Inland Regional Energy Network).

Discussion:

Background

SoCalGas continues to support public sector customers that previously participated in Local Government Partnerships through the Regional Energy Pathways (REP) Program. The REP Program is aligned with SoCalGas' Public Sector Vision, which is to incorporate energy efficiency (EE) into public sector customers' policies and practices to capture all EE opportunities at facilities, while bringing awareness to their constituents of energy efficiency incentives and customer-assistance programs, thereby enabling a pathway to zero net energy.

Launched in 2022, the REP Program replaced SoCalGas' previous Local Government Partnership Programs. Prior to being sunset, the Western Riverside Energy Partnership (WREP) was one of the Local Government Partnerships for Riverside County, which was jointly operated by WRCOG, Southern California Edison (SCE), and SoCalGas. Whereas SoCalGas previously implemented 12 Local Government Partnership Programs, the new REP Program will reach public sector customers through four consolidated regions: Los Angeles County Region, Orange County Region, Northern Region (covering Central Coast region, San Joaquin Valley region, and North Los Angeles County region), and the Inland Empire Region (covering Imperial County, Riverside County, and San Bernardino County).

Present Situation

In December 2022, SoCalGas contacted WRCOG staff based on WRCOG's interest to support the REP Program as a Regional Ambassador. Through its solicitation, SoCalGas sought to contract with organizations who will serve as Ambassadors in support of the REP Program. The REP Ambassador would serve as an extension of staff to SoCalGas' REP team, ensuring public sector customers have a local "go-to" resource that supports their agencies' ability to increase energy efficiency.

Public sector customers that are eligible to participate in and receive EE benefits from SoCalGas' REP Program include: City, County, Special Districts (Fire, Police, Transportation, etc.), correctional facilities, hospitals, state agencies & departments, the military, federal agencies & hospitals, Native American Tribes, and K-12 Schools.

SoCalGas operates several energy efficiency programs, including:

- Statewide programs such as the Midstream Water Heater Program, which are directed to State of California agencies, UCR / CSU Universities, and water / wastewater pumping agencies,
- Local large and small-medium program such as the Public Direct Install Program, which are led by third party program implementers targeting non-statewide public sector customers, and
- The REP Program.

The REP Program will support public sector customers with:

- Custom incentives & deemed rebate programs
- Third-party energy efficiency programs
- Filling gaps in statewide programs
- Energy solutions and targeted regional strategies

- Collaboration with local organizations, industry-specific associations, and other agencies
- REP Ambassadors

The REP Ambassadors are regional partners that will serve public sector customers by:

- Creating awareness of SoCalGas' energy efficiency resource programs,
- Creating awareness and support energy efficiency projects especially in disadvantaged communities and among hard to reach and low-income customers,
- Supporting energy efficiency projects by serving as a facilitator, lead generator, and influencer in support of helping the customer get approval for the energy efficiency investment,
- Supporting energy efficiency projects of public sector customers by assisting or facilitating their incentive applications,
- Providing technical assistance that supports long-term planning that encourages policy, strategies, and behavioral change that leads to permanent EE practices, such as greenhouse gas (GHG) inventorying, customer education, energy benchmarking, and grant writing.
- Serving as an extension of the SoCalGas Regional Energy Pathways Program Team in support of public sector customers.

In April 2023, WRCOG submitted a proposal to SoCalGas consisting of a \$115,000 bid to serve as a REP Ambassador in the Inland Empire region covering Riverside and San Bernardino Counties for one calendar year. As a REP Ambassador for the Inland Empire region, WRCOG would support public sector customers in Riverside and San Bernardino Counties with energy efficiency gas projects and the scope of work described in detail in Schedule B of Attachment 1 to this Staff Report.

As a REP Ambassador, WRCOG would conduct marketing and outreach to create awareness of SoCalGas' EE resource programs and to create awareness of EE projects, especially in disadvantaged communities. WRCOG staff would support public sector customers with gas EE projects by meeting with facility managers, reviewing energy data, and identifying potential EE gas projects. Additionally, WRCOG would provide technical assistance such as facilitating incentive applications, assisting with GHG inventorying and energy benchmarking, and coordinating customer education.

Additionally, the REP Program's benefits could be used in conjunction with the Inland Regional Energy Network (I-REN), as I-REN cannot duplicate existing EE programs. As such, the REP Program's benefits would be complementary to the services provided to public sector customers by the I-REN. In summary, I-REN's services could potentially be paired with the services provided by the REP Program to provide a complete package of electric and natural gas energy efficiency measures and benefits, as long as they are not duplicative.

To move forward with WRCOG serving as the REP Ambassador for Riverside and San Bernardino Counties, WRCOG will need to execute a Standard Services Agreement (Attachment 1) with SoCalGas. The term of the Service Agreement would be for one calendar year from the effective date, and would compensate WRCOG up to \$115,000, which will be provided to WRCOG on a reimbursement basis. Eligible staff time, administrative, overhead and material costs spent related to the REP Program will be reimbursed by SoCalGas up to \$115,000 after the Service Agreement has been executed.

Framework Regarding New Programs

Staff evaluated the REP Program and the role of the REP Ambassador with WRCOG's framework regarding new programs (Attachment 2), and found some positive aspects:

- Criteria #4 - Is this issue being addressed by other agencies in the WRCOG region? No other agencies are currently addressing this issue in the region, as there is no existing Ambassador for the Inland Empire. However, there are agencies implementing this program outside of the WRCOG subregion. Additionally, I-REN cannot duplicate existing gas EE programs. As such, most of the natural gas EE measures will be provided by SoCalGas.
- Criteria #7 - What is the level of available funding to start this initiative? The Services Agreement with SoCalGas for WRCOG to serve as the REP Ambassador in the Inland Empire region would be in effect for one calendar year and would reimburse WRCOG for eligible staff time, material, and marketing costs up to \$115,000.
- Criteria #12 - How challenging are the administrative requirements associated with this initiative? Administrative requirements can be met through existing staff with little disruption to existing work, as this work is very similar to the previous WREP that was implemented by WRCOG.
- Criteria #13 - How consistent is this initiative with existing WRCOG programs? Directly related to existing WRCOG programs / efforts, as this new program will be working as a complement to I-REN's program to implement natural gas energy efficiency measures.
- Criteria #19 - Does the initiative provide deliverables or services which directly benefit WRCOG member agencies? WRCOG members are eligible for the REP Program, as well as state and federal government agencies, special districts, and K-12 schools in Riverside and San Bernardino Counties.

Some challenges with the REP Program and the role of WRCOG serving as the REP Ambassador include:

- Criteria #3 - Has WRCOG received requests to address this issue? Since the sunset of the WREP, WRCOG has not received requests from member agencies specifically for natural gas EE measures.
- Criteria #5 - What is the track record of other agencies implementing similar efforts? Similar efforts have a demonstrated track record of success. However, natural gas EE measures have always been difficult to implement across the state due to limited EE savings, and incentives / rebates being small or not as impactful as electric EE measures. Other agencies outside of the WRCOG subregion are implementing programs similar to the Regional Energy Pathways Ambassador Program.
- Criteria #18 - Does WRCOG have clearly stated and understood goals for this initiative? Some clarity on effort goals but there is some level of ambiguity. There are some goals and Key Performance Indicators (KPI) for this Service Agreement; however, SoCalGas has not clarified specific goals and KPI's in the Service Agreement.

Prior Action(s):

None.

Financial Summary:

Revenues and expenditures associated with the SoCalGas partnership are included in the Fiscal Year 2023/2024 budget at \$100,000, so if a Service Agreement is approved, a budget amendment will be submitted to reflect the difference in the actual awarded amount.

Attachment(s):

Attachment 1 - Services Agreement between SoCalGas and WRCOG - Regional Energy Pathways
Program Ambassador

Attachment 2 - Framework Regarding New Programs - So Cal Gas Company Regional Energy Pathways
Ambassador Program

Attachment

Standard Services Agreement
between Southern California Gas
Company and WRCOG - Regional
Energy Pathways Program
Ambassador

STANDARD SERVICES AGREEMENT

Project: Public Sector Regional Energy Pathways Ambassador

This Standard Services Agreement (“Agreement”), dated and effective as of **October 11, 2023** (“Effective Date”), is entered into by and between **Southern California Gas Company** (“Company”) and **Western Riverside Council of Governments** (“Contractor”). Company and Contractor are sometimes referred to in this Agreement individually as a “Party” and jointly as the “Parties.”

The Parties, intending to be legally bound, agree as follows:

1. **Scope.** Contractor shall perform, at its own proper cost and expense, in the most substantial and skillful manner, the services generally described in Schedule B (“Services” or “Work”). The term “Services” or “Work” as used in this Agreement includes any goods or materials provided or made available to Company as part of the Work.
2. **Term.** The term of this Agreement commences on the Effective Date and, unless terminated earlier in accordance with its terms, will continue in effect through **October 11, 2024** (as may be extended, “Term”). Notwithstanding the foregoing sentence, Company has the option, exercisable in its sole discretion and upon providing Notice to Contractor before the end of the Term, to extend the Term, it being understood that, except for the Term, all terms of this Agreement (including payment and compensation terms) will remain the same.
3. **Party Representatives.**
 - 1.1 **Company Representative.** Company designates **Ana Aceves** as the “Company Representative” for all matters relating to this Agreement. The actions taken by Company Representative will be deemed the acts of Company. Company may at any time upon Notice to Contractor change the Company Representative. Company Representative is not the authorized representative for amendments to this Agreement.
 - 1.2 **Contractor Representatives.** Contractor designates **Daniel Soltero** as the “Contractor Representatives” for all matters relating to this Agreement. The actions taken by Contractor Representatives will be deemed the acts of Contractor. Contractor may at any time upon Notice to Company change the Contractor Representatives.
4. **Notices.** Any notice, request, claim, demand, or other communication between the Parties required or permitted by this Agreement, or otherwise made in connection with this Agreement (“Notice”), must be in writing and will be deemed effective: (a) when delivered in person; (b) on the next business day if transmitted by national overnight courier to a physical address (not a PO Box), with confirmation of delivery; or (c) upon transmission if sent by electronic mail, *provided* that the sender shall also either send a hard copy of the Notice on the same business day in accordance with one of the other transmission methods as confirmation of delivery or obtain written acknowledgement of receipt of the Notice from the recipient. In each of the foregoing cases, Notice must be addressed as follows (or at such other address for a Party as specified in a Notice given in accordance with this Article):

Southern California Gas Company
 Attn: Lily Otieno Quietie
 Director of Supply Management
 555 W. 5th Street
 Los Angeles, CA 90013
 E-mail: LOtieno@socalgas.com

Western Riverside Council of Governments
 Attn: Daniel Soltero
 Program Manager
 3390 University Ave. Suite 200
 Riverside, CA 92501
 E-mail: Dsoltero@wrcog.us

5. **Registration.** No later than the commencement of the Term, Contractor shall have registered with Company's vendor information management platform. Throughout the Term, Contractor shall maintain in effect such registration and ensure that all required information in such platform is up-to-date, accurate, and complete.

6. **Invoicing.**

1.1 Contractor shall ensure that all invoices (a) reference this Release by its number, (b) reference the invoice contact (**Ana Aceves**), and (c) have complete supporting documentation of all charges incurred, including any data required to calculate fees or variable rate changes, as well as supporting documentation for any authorized reimbursable expenses by category. Contractor shall submit invoices utilizing SAP Business Network account (service.ariba.com), which is Company's invoice processing management tool, or such other electronic invoicing processing system that Company may direct Contractor to utilize from time to time.

1.2 Contractor shall submit invoices no later than the fifth (5th) day of each month for Work performed in the immediately preceding month (whether or not such Work was completed in that month), *provided* that, with respect to Work to be paid pursuant to a milestone schedule, Contractor shall submit invoices no later than the tenth (10th) day following the satisfaction of the applicable milestone. Contractor acknowledges and agrees that its failure to provide to Company a complete and accurate invoice for Work no later than one hundred and twenty (120) days after the end of the applicable period set forth in the immediately preceding sentence may result in non-payment by Company for any Work covered by such invoice, and such non-payment will not be a breach or default by Company under this Agreement.

7. **Payment.** Company shall make payment **Net 30 Days** after receipt and approval of an undisputed invoice. Company shall, at its option, make payment by check, or as an automated clearinghouse payment (if Contractor is enrolled to receive such payments). If Company makes payment by check, such payment shall be made to the following address:

**Western Riverside Council of Governments
3390 University Ave. Suite 200
Riverside, CA 92501**

Contractor agrees (a) to accept as full compensation for satisfactory performance of the Work, the compensation specified in Schedule C, and (b) that failure by Company to pay any amount in dispute until resolution of such dispute in accordance with this Agreement will not alleviate, diminish, modify, or excuse Contractor's obligations to perform hereunder.

8. **Complete Agreement; List of Schedules.** This Agreement, which includes all Schedules and other documents attached hereto, constitutes the complete and entire agreement between the Parties and supersedes any previous communications, representations, or agreements, whether oral or written, with respect to its subject matter. The Parties agree that (a) there are no additions to, deletions from, or changes in any of the provisions of this Agreement, and no understandings, representations, or agreements concerning any of the same, which are not expressed in this Agreement, and (b) no trade usage, prior course of dealing, or prior course of performance hereunder will be a part of this Agreement or will be used in the interpretation or construction of this Agreement. The following Schedules are attached to this Agreement and incorporated herein by this reference:

Schedule A	–	Additional Terms and Conditions
Schedule B	–	Scope of Services
Schedule C	–	Compensation

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed by its authorized representative as of the Effective Date.

Southern California Gas Company

By: _____
Name: _____
Title: _____

Western Riverside Council of Governments
By:

Name: _____
Title: _____

Approved as to form

By: _____
Name: _____
Title: _____

SCHEDULE A

Additional Terms and Conditions

1. **Changes to the Work.** Company may at any time, in writing, direct or authorize Contractor to make changes to the Work within the general scope of this Agreement. All such changes must be agreed upon and authorized in writing by each Party before Contractor's implementation thereof. Company shall not be required to make any payment for any change that is not authorized in writing. If any change is performed by Contractor without such written authorization, Company may take the same actions and exercise the same rights and remedies with respect to such change that it would have with respect to any of the Work as though such change were in fact authorized.
2. **Warranties.** Contractor warrants that it shall, and shall cause any and all Contractor Parties to perform the Work in a good and workmanlike manner, in accordance with established professional business and ethical standards as well as those standards of care and diligence normally practiced by nationally recognized firms in performing services similar to the Work, and that, to the extent applicable for a period of one (1) year after completion of the Work, the Work shall be free from defects and in conformity with each and every term of this Agreement, including any performance standards, drawings, specifications, and any other description of the Work set forth in this Agreement ("**Performance Standards**"). Company may reject any Services failing to meet such Performance Standards, and require Contractor to promptly repeat, correct or replace the Work, at no charge to Company or, at Company's election, Company may hire a third party to complete the Work at Contractor's expense. Contractor further warrants that, to the extent applicable for a period of (1) year after completion of the Work, any and all materials or equipment (including all parts thereof) provided or made available in connection with the Work will be in accordance with applicable specifications, free from defects in design, material, workmanship, and title, fit for the purposes intended by Company, and of the kind and quality, and provide the performance, described in this
3. **Inspection.** Any and all Work is subject to inspection, testing, and acceptance or rejection by Company at all times in accordance with the testing methods and acceptance criteria set forth in the scope of services or, if none, in accordance with such methods and criteria as Company determines before or at the time of any such inspection. Notwithstanding the foregoing, such right of inspection of the Work by Company will not relieve Contractor of responsibility for the proper performance of the Work, nor shall such inspection waive Company's right to reject the Work at a later date. Contractor shall provide to Company or Company's designee access to the Work, Contractor's facility(ies) where the Work is being performed, and sufficient, safe, and proper conditions for such inspection. Contractor shall furnish to Company such information concerning its operations or the performance of the Work as Company reasonably requests. It is Contractor's responsibility to schedule such inspections in a manner that enables completion of related and subsequent Work in accordance with the applicable schedules, and to identify and make easily accessible for inspection, any Work covered.
4. **Company Rules and Requirements.**
 - 4.1. **Duty to Abide by Company's Rules.** To the extent applicable and at all times while on Company Property, Contractor shall strictly observe access routes, entrance gates or doors, parking, and temporary storage areas as designated by Company. Under no circumstances shall Contractor cause any vehicles or equipment relating to the Services to enter, be moved, handled, maintained, or stored upon any area not authorized in writing by Company.
 - 4.2. **Duty to Abide by Company's Security Procedures.** To the extent applicable, Contractor shall abide by Company's security procedures, rules, and regulations, and properly display identification badges at all times while on Company Property. To the extent applicable, Contractor shall abide by rules imposed within the rights of way of the Company. To the extent applicable, Contractor shall cooperate with Company's security personnel whenever on Company Property. To the extent applicable, Contractor shall comply with and observe all applicable regulatory security procedures and requirements, including all applicable Federal Energy Regulatory Commission Critical Infrastructure Protection Reliability Standards.
 - 4.3. **Information Security Requirements.** Reserved.
5. **Company Documentation.**
 - 5.1. **Standard Practices.** Company has adopted certain standard practices, policies, procedures, and environmental, health, and safety standards for gas and electric work ("**Standard Practices**"). To the extent that any such Standard Practices are listed in any Schedule or otherwise, or provided to Contractor during the Term either through Company's online platform, Power Advocate (or its successor), SharePoint, or otherwise in accordance with the notice provisions of this Agreement, such Standard Practices shall apply to the performance of the Work and all other activities of Contractor related to the Work, and Contractor agrees to abide by all such Standard Practices, which are incorporated herein.
 - 5.2. **ISN.** If Contractor or any Contractor Party is classified as a Class 1 Contractor (as defined in the Contractor Safety Manual) by Company, Contractor and such Contractor Party shall register with Company's vendor workplace safety management company, ISNetworkworld ("**ISN**"), and shall obtain and maintain during the Term an "Approved" status from ISN.
 - 5.3. **Contractor Safety Manual.**
 - 5.3.1. Company has developed and adopted a manual describing the rules, safe work practices, and procedures that Contractor and Contractor Parties must follow and comply with when performing Work on behalf of Company or on Company Property ("**Contractor Safety Manual**"). The Contractor Safety Manual is available to view or download on Contractor's ISN Bulletin Board, accessible at <https://www.isnetworkworld.com/BulletinBoard/asBulletinBoard.aspx>.
 - 5.3.2. No later than ten (10) days after the Effective Date, at least once every year thereafter (no later than December 1 of each such year), and no later than thirty (30) days after receiving notification of a change to the Contractor Safety Manual, Contractor and any Contractor Party classified as a Class1 Contractor shall sign the last page of the Contractor Safety Manual stating that Contractor and such Contractor Party has read and understands the requirements set forth therein, and upload such signed document into ISN. Duplicates are not necessary if there is already a signed and active Contractor Safety Manual acknowledgment on file.
 - 5.3.3. Contractor shall review the Pre-Work Safety Meeting Notification and Acknowledgement provided by Company at the time of contracting (Exhibit B of the Contractor Safety Manual), sign the form, and post it on its ISN Bulletin Board before the commencement of Services.
 - 5.4. **Disclaimer.** Company does not represent or warrant that the Standard Practices or the Contractor Safety Manual comply with Applicable Laws. Company does not undertake any obligations with respect to Contractor by virtue of the Standard Practices or the Contractor Safety Manual. Company may make changes to the Standard Practices or the Contractor Safety Manual from time to time, and the updated Standard Practices or Contractor Safety Manual will be deemed to become a part of this Agreement at the time received or deemed received by Contractor of same (including by electronic delivery, update to the website or online portal, or otherwise). Contractor shall immediately inform Company of any conflict between any Applicable Laws and the Contractor Safety Manual or any Standard Practice, but such duty to inform shall not relieve Contractor of any liability or indemnity requirement for failure to comply with all Applicable Laws.
6. **Anti-Conduit Rules.** Contractor understands that the California Public Utilities Commission ("**CPUC**") and the Federal Energy Regulatory Commission ("**FERC**") have issued certain Affiliate Rules, including CPUC Decision ("**D.**") 06-12-029, FERC Order 697 (18 C.F.R. Section 35.39(g)), and FERC Order 717 (18 C.F.R. pt. 358 (2008)). Contractor and the Contractor Parties may be in receipt of or have access to non-public information that is subject to the foregoing rules. In accordance with those rules, Contractor understands and agrees, and shall cause the Contractor Parties to understand and agree not to disclose or allow access to: (1) any non-public information of San Diego Gas & Electric Company or Southern California Gas Company with any entity affiliated with such utilities by virtue of substantial, even if not majority, direct or indirect ownership other than the ultimate parent company of both such entities, Sempra Energy (each, a "**Sempra Subsidiary**"); (2) any non-public electric or gas marketing, procurement or transmission-related information of any Sempra Subsidiary with any other Sempra Subsidiary; (3) any non-public transmission-related information of any Sempra Subsidiary's transmission operations with persons participating in the performance of the same Sempra Subsidiary's or any other Sempra Subsidiary's electric or gas procurement, marketing or other merchant functions; or (4) any gas procurement, marketing or merchant information associated with Southern California Gas Company's merchant function with persons participating in the performance of Southern California Gas Company's or San Diego Gas & Electric Company's gas operations function. In addition, per Resolution E-4874, the CPUC prohibits electric corporations with Community Choice Aggregator Codes of Conduct from using their contractors and consultants in a manner that circumvents such Codes of Conduct, and to the extent applicable, Contractor must comply with such Codes of Conduct. Contractor and its subcontractors understand and agree that they may be required to complete training regarding the foregoing at the Company's sole discretion.
7. **Independent Contractor: Employee Benefits.**
 - 7.1. **Contractor's Relationship with Company.**
 - 7.1.1. The Parties acknowledge and agree that (a) Contractor is an independent business separate from Company that will perform the Work as an independent contractor, and no principal-agent or employer-employee relationship or joint-venture partnership will be created with Company, (b) Company has no authority to direct or control the means or methods by which the Work will be performed, and (c) Contractor is free to contract with others for similar services.
 - 7.1.2. Contractor agrees (a) to provide and maintain its own business premises, equipment, and supplies at its sole expense, (b) that, in accordance with industry practices, it will not employ or utilize for the Work any Contractor Party unskilled in the Work, (c) that it shall use prudent business practices in its relationships with each Contractor Party, and (d) that it will not hold itself or its employees out as employees or agents of Company.
 - 7.1.3. Contractor represents to Company that Contractor and each Contractor Party is properly licensed, fully experienced, and possesses the requisite education, technical certifications, training, and qualifications (including all necessary authorizations) to perform the Work, in addition to being properly equipped, organized, staffed, and financed to handle such Work.

7.2. Individuals Performing the Work; Benefits and Affordable Care Act. Regardless of the nature or duration of any assignment with Company, neither Contractor, any Contractor Party, nor any other individuals performing Work will be eligible for or entitled to participate in any of Company's employee benefit plans, programs, policies, or practices which may now or in the future be in effect, including any pension, retirement, or 401(k) plan; any profit sharing, stock option, bonus or incentive compensation plan; any life or health insurance plan; any vacation or holiday pay plan; or any separation payment plan. Contractor shall, and shall require that the appropriate Contractor Party is contractually obligated (a) to treat individuals performing the Work as its employees for the purposes of satisfying the requirements of the Affordable Care Act, including the associated reporting requirements of Sections 4980H and 6056, and the requirements of Sections 18A and 18B of the Fair Labor Standards Act, and (b) to offer minimum essential coverage that is both affordable and of minimum value to all individuals performing Work who are full-time employees (and their dependents) in accordance with IRC Section 4980H and the regulations issued thereunder, *provided* that the Contractor or applicable Contractor Party is a "large employer" subject to Section 4980H.

8. Intellectual Property.

8.1. Inventions and Work Product. Any idea, invention, work of authorship, drawing, design, formula, algorithm, utility, tool, pattern, compilation, program, device, method, technique, process, improvement, enhancement, modification, development, or discovery, whether or not patentable, or copyrightable, or entitled to legal protection as a trade secret or otherwise, that Contractor or any Contractor Party may conceive, make, develop, create, reduce to practice, or work on, in whole or in part, in the course of performing the Work and that is required to be delivered to Company pursuant to the Work (collectively, "Invention"), and any deliverable, material, or tangibly-expressed information (including any document, drawing, design, calculation, map, plan, workplan, text filing, estimate, manifest, certificate, book, specification, sketch, notes, report, summary, analysis, data model, and sample, and any summary, extract, analysis, and preliminary or draft material developed in connection therewith) prepared, accumulated or developed by Contractor any Contractor Party and that is required to be delivered to Company pursuant to the Work (collectively, "Work Product"), shall be owned by Company and shall be delivered to Company in accordance with the terms of this Agreement or, if this Agreement is earlier terminated, the termination of this Agreement. Contractor agrees that any copyrightable Invention or Work Product shall constitute a "work made for hire." Contractor hereby transfers and assigns to Company, and shall cause each Contractor Party to transfer and assign to Company, without royalty or any further consideration, its entire right, title, and interest in and to any such Inventions and Work Product, as well as any Intellectual Property Rights therein or thereto. At Company's request, Contractor shall execute and cause each Contractor Party to execute any necessary documentation confirming such transfer or assignment.

8.2. Contractor Intellectual Property. Contractor and each Contractor Party shall retain ownership of all licenses, trade secrets, copyrights, patents, service marks, trade names, trademarks, franchises, permits, proprietary information, and other ownership rights related to the Work ("Intellectual Property Rights") that it or they developed or acquired before the Effective Date or separately from its or their performance under this Agreement ("Contractor Intellectual Property"), *provided* that Contractor Intellectual Property does not include any Inventions or Work Product or Intellectual Property Rights in such Inventions or Work Product. Contractor hereby grants to Company, and shall cause each Contractor Party to grant to Company, an irrevocable, assignable, nonexclusive, perpetual, worldwide, royalty-free, unrestricted license to use, copy, distribute, and make derivatives of any Contractor Intellectual Property or any other proprietary rights and specialized knowledge of Contractor for the sole purpose of Company's or its affiliates' business.

8.3. Company Intellectual Property. Company will retain ownership of any and all specifications, documentations, and other material provided by Company to Contractor in connection with the Work, as well as any and all Intellectual Property Rights therein or thereto ("Company Intellectual Property"); *provided* that Company Intellectual Property does not include any Contractor Intellectual Property. Contractor hereby grants Company an irrevocable, assignable, non-exclusive, perpetual, worldwide, royalty-free, and unrestricted license to use and sublicense others to use, any modification, or improvement made by or for Contractor of Company Intellectual Property, for the sole purpose of Company's or its affiliates' business.

8.4. Enforcement. If requested by Company, Contractor agrees to take all actions necessary, at Company's sole cost and expense, to obtain, maintain or enforce patents, copyrights, trade secrets, and other Intellectual Property Rights in connection with any Invention or Work Product.

9. Indemnity.

9.1. General Indemnity. Contractor shall indemnify, defend, and hold Company and its current and future direct and indirect parent company(ies), subsidiaries, affiliates, and their respective directors, officers, shareholders, employees, agents, representatives, successors, and assigns, (collectively, including Company, "Indemnitees") harmless for, from, and against any and all claims, actions, suits, or proceedings of any kind whatsoever (collectively, "Claims"), and any and all losses, liabilities, penalties, fines, damages, demands, costs, or expenses, including all reasonable consulting or attorneys' fees (including fees and disbursement of in-house and outside counsel) of any kind whatsoever (collectively, "Liabilities") arising out of, connected in any manner with, or resulting from: (a) injuries to or death of any individuals (including members of the general public, or any employee, agent, independent contractor, consultant, or affiliate of Company, Contractor, or any Contractor Party), or damage to, loss, or destruction of property (including any property of Company), in each case arising out of or connected in any manner with Contractor's (or any Contractor Party's) provision of the Work or any defects with respect thereto; (b) data breaches or cyber security events; (c) any alleged, threatened, or actual violation of any Applicable Law in connection with Contractor's (or any Contractor Party's) performance of its obligation under this Agreement; (d) Contractor's Default under or failure to comply with any term of this Agreement; (e) any unauthorized release of Hazardous Materials; or (f) any action reasonably necessary to abate, remediate or prevent a violation or threatened violation of any EH&S Law, in each case, regardless of whether (x) such Claims or Liabilities arose from or are caused by the negligence or fault of any Indemnitee, (y) such Claims or Liabilities are based on contract, tort, or any other theory of liability, or (z) liability without fault or strict liability is imposed or sought to be imposed on any Indemnitee. Notwithstanding the foregoing, the foregoing indemnification obligations will not apply to the extent Claims or Liabilities are caused by the sole negligence or willful misconduct of Company. Contractor shall pay all costs and expenses, including all reasonable consulting or attorneys' fees (including fees and disbursement of in-house and outside counsel), that may be incurred by Company in enforcing Contractor's indemnity and defense obligations set forth in this Agreement.

9.2. Liens. Contractor shall indemnify, defend, and hold each Indemnitee harmless from and against any mechanic's lien or stop notice claim against Company by Contractor or any Contractor Party pertaining to the Work. If Contractor fails to remove or discharge by bond, payment or otherwise any lien or claim within five (5) business days after Company's written demand to do so, Company may offset the compensation otherwise payable to Contractor under this Agreement or any other agreement to pay such liens directly.

9.3. Intellectual Property Indemnity. Contractor shall indemnify, defend, and hold the Indemnitees harmless for, from, and against any and all Claims or Liabilities arising out of, connected in any manner with, or resulting from: (a) actual or alleged infringement or misappropriation by Contractor or any Contractor Party of any patent, copyright, trade secret, trademark, service mark, trade name, or other intellectual property right in connection with provision of the Work, including any deliverable or related work product; or (b) Contractor's or any Contractor Party's violation of any third-party license to use intellectual property in connection with provision of the Work, including any deliverable or related work product. The foregoing indemnification obligations will not apply to the extent Claims or Liabilities are caused by the sole negligence or willful misconduct of Company.

9.4. Indemnity Respecting Individuals Performing the Work. Contractor shall, and shall require that each Contractor Party be contractually obligated to, indemnify, defend, and hold each Indemnitee harmless from and against all Liabilities or Claims: (a) arising out of, connected in any manner with, or resulting from an Indemnitee being found liable as (i) an employer or joint employer, (ii) a "client employer" as defined in Section 2810.3 of the California Labor Code, or (iii) the hirer of an independent contractor, in each case, with respect to Contractor, any Contractor Party, or any other individual performing Work, (b) arising out of, connected in any manner with, or resulting from the failure of any individual performing Work to be recognized as exclusively employed by Contractor or a Contractor Party and not by such Indemnitee; (c) asserted by or on behalf of any individual performing Services alleging that, in connection with the Services, he or she is entitled (i) to overtime, minimum wage, meal or rest break, wage statement, waiting time, or other wage penalties, unemployment compensation, or disability benefit, or (ii) to participate in any Indemnitee's employee benefit plans, programs, policies or practices which may now or in the future be in effect, including any pension, retirement, 401(k), profit sharing, stock option, bonus, incentive compensation, life insurance, health insurance, vacation, holiday, or separation payment plan; (d) arising out of any assertion by the Internal Revenue Service that an individual performing Services is a common law employee of an Indemnitee, including any Liability or Claim for taxes owed under IRC Section 4980H; or (e) arising out, connected in any manner with, or resulting from Contractor's or such Contractor Party's obligations set forth in the Section entitled "California Labor Code Section 2775."

9.5. Indemnity Respecting Insurance Obligations. If Contractor fails to obtain the insurance policies required by this Agreement in accordance with its terms, such required insurance lapses or is cancelled during the Term or coverage thereunder is vitiated by an act or omission of Contractor, or if Contractor's insurer fails or refuses to indemnify or defend an Indemnitee as an additional insured under the applicable policy because of (a) Contractor's failure to obtain an additional insured endorsement, (b) a policy deductible or self-insured retention, or (c) unauthorized exclusion or sublimit, then Contractor will be obligated to indemnify and defend the Indemnitee(s). Without limiting the generality of the foregoing, Contractor shall indemnify and defend each Indemnitee if any Contractor Party fails to obtain and maintain sufficient insurance limits appropriate for such Contractor Party's Work, as further described in the Section entitled "Contractor Party Insurance Obligations."

9.6. Assumption of Defense. If any Claim is brought against an Indemnitee for which Contractor might be required to indemnify, hold harmless, or defend under this Agreement, Contractor shall assume the defense of such Claim with counsel reasonably acceptable to such Indemnitee, unless in the opinion of counsel for such Indemnitee a conflict of interest between such Indemnitee and Contractor may exist with respect to such Claim. If a conflict precludes Contractor from assuming the defense of such Indemnitee, Contractor shall reimburse such Indemnitee on a monthly basis for such Indemnitee's defense costs through separate counsel of such Indemnitee's choice. If Contractor assumes the defense of such Indemnitee with acceptable counsel, such Indemnitee, at its sole option and expense, may participate in the defense with counsel of such Indemnitee's own choice without relieving Contractor of any of its obligations hereunder.

9.7. **Design Professionals.** Notwithstanding anything to the contrary set forth in this Article, if Contractor is a “design professional” (as defined in California Civil Code Section 2782.8(c)), and to the extent that it is performing any of the Services in its capacity as a design professional, Contractor’s indemnification and defense obligations under this Article with respect to such Services will be limited in accordance with, but required to the maximum extent permitted under, California Civil Code Section 2782.8.

9.8. **No Statutory Limitation; Survival.** Contractor’s obligations under this Article are not limited in any way by any limitation on the amount or type of damages, compensation, penalty, or benefits payable by or for Contractor or any Contractor Party under any statutory scheme, including any workers compensation acts, disability benefit acts or other employee benefit acts, or the expiration or termination of this Agreement.

9.9. Reserved

10. **Background and Post-Accident Drug Screening.** To the extent that Contractor Personnel are performing or will perform Services, Contractor hereby certifies each such Contractor Personnel successfully passed a pre-employment: (a) background screening, which included a review and verification of such Contractor Personnel’s (i) educational background, (ii) employment history for the three (3) year period immediately preceding such Contractor Personnel’s date of hire with Contractor or any Contractor Party, (iii) valid driver’s license and clean driving record, and (iv) court records for such Contractor Personnel’s area of residence for the seven (7) years period immediately preceding his or her date of hire with Contractor or any of Contractor Party, including verification that such Contractor Personnel was not convicted of a felony or other act involving a breach of trust or act of dishonesty. Contractor Personnel will be required to undergo controlled substance drug screening, which included the Substance Abuse and Mental Health Administration’s five categories of drugs, also known as the “SAMHSA 5”, if they are involved in an accident that results in a fatality. This includes all Contractor Personnel directly involved in the accident and any other Contractor Personnel whose performance could have contributed to the accident. In addition, a post-accident test will be conducted if an accident results in injuries requiring transportation to a medical treatment facility, or where one or more vehicles incurs disabling damage that requires towing from the site, or where the employee receives a citation under State or local law for a moving traffic violation arising from the accident. Following an accident, the employee will be tested as soon as possible, but not to exceed 32 hours for controlled substances. Any Contractor Personnel who leaves the scene of an accident without appropriate authorization prior to submission to controlled substance testing will be considered to have refused the test and is subject to termination. Please note: drug testing will not be conducted if the testing is retaliatory pursuant to the federal Occupational Safety and Health Administration’s applicable rules. If a Contractor Personnel refuses to cooperate with the administration of the drug test, the refusal will be handled in the same manner as a positive test result. For purposes of this Article, the term “Contractor Personnel” means any Contractor Party performing the Services on behalf of Contractor requiring, in Company’s sole discretion, access to Company network infrastructure remotely or on-site, Company email access, or a badge for identification purposes or otherwise.

10.1. **Right to Audit.** Company reserves the right to view or inspect Contractor’s records regarding steps taken for pre-employment screening during normal business hours after providing twenty-four (24) hour notice to Contractor. Such inspection allows Company’s employee representative(s) or Company’s contracted representative(s) to conduct a compliance review, audit, or other verification.

10.2. **Reporting Error.** If Contractor, while acting in good faith, made an error in certifying the correct pre-employment screening status of any Contractor Personnel pursuant to this Article, Contractor shall immediately notify Company upon discovery of the error. Contractor shall then immediately remove such Contractor Personnel from Company Property and provide a qualified replacement at Contractor’s sole cost and expense.

11. **Insurance.** Insurance requirements are set forth as follows, but do not limit the amount or scope of liability of Contractor under this Agreement. The following constitutes the minimum insurance and requirements relating thereto:

11.1. On or before the Effective Date, and thereafter upon Company’s request, Contractor shall provide Company with (a) current certificates of insurance and all renewals thereof, and (b) all endorsements required by this Article, in each case, executed by an authorized representative of each insurer, as evidence of all insurance policies required under this Article. Contractor shall submit such certificates via e-mail to sempraenergy@ebix.com. No insurance policy may be canceled, materially revised, or subject to non-renewal without at least thirty (30) days advance Notice being given to Company or, with respect to a non-payment of a premium, at least ten (10) days advance Notice. Insurance shall be maintained without lapse in coverage as of the Effective Date until at least the later of (i) the end of the Term and (ii) the expiration of the applicable warranty period(s) set forth in this Agreement, including any extension thereof (“Insured Period”). If Contractor’s coverage is cancelled, non-renewed, or exhausts (or is likely to exhaust) through the payment for Claims or Liabilities unrelated to this Agreement, Contractor shall obtain and have in place replacement coverage in accordance with the terms of this Article and shall provide Company with certificates of insurance and additional insured endorsements of all required insurance before termination, expiration, or exhaustion of prior coverage. Upon Company’s request, Contractor shall permit, and shall be responsible for requiring that each Contractor Party permits, Company to view copies of Contractor’s or such Contractor Party’s policies of insurance.

11.2. All required policies of insurance must be written by companies having an A.M. Best rating of “A-, VII” or better, or equivalent.

11.3. Company and its parent company, and its subsidiaries, affiliates and their respective officers, directors, and employees, shall be named as additional insureds by applicable endorsement for all policies listed in this Article except for Workers’ Compensation and Professional Liability, including on policies issued in excess of the minimum limits specified in this Article, until at least the end of the Insured Period. In the event the policies include a “blanket additional insured endorsement where required by contract,” the following language added to the certificate of insurance will satisfy Company’s requirement: “Southern California Gas Company, its parent, its affiliates, and each of their respective directors, officers, agents and employees are included as additional insured with respect to liability arising out of the work performed by Contractor or any of its subcontractors.” The insurance policies shall include (a) a severability of interest or cross-liability clause, and (b) additional insured endorsements evidencing ongoing and completed operations endorsements – ISO forms CG2010 and CG2037, or their equivalent.

11.4. Contractor’s insurance policies shall provide, and Contractor shall ensure that each Contractor Party’s insurance policies provide, that the coverage is primary for all purposes and that any insurance or self-insurance maintained by Company shall not contribute with Contractor’s or such Contractor Party’s insurance.

11.5. Contractor shall be solely responsible for any deductible or self-insured retention on insurance required hereunder this Agreement.

11.6. Each policy of insurance required to be obtained and maintained by Contractor as described herein shall contain a waiver of the insurers’ rights of subrogation against Company and its current and future direct and indirect parent company(ies), subsidiaries, affiliates, and their respective directors, officers, shareholders, employees, agents, representatives, successors, and assigns.

11.7. Contractor shall comply with all conditions in its insurance policies, including the notice and cooperation provisions, and shall promptly notify its insurers of any Claim or potential Claim in connection with, related to, or arising out of the Work.

11.8. The insurance requirements in this Article cannot be waived unless documented by a written amendment hereto.

11.9. During the Insured Period, Contractor shall provide and maintain, at Contractor’s expense, the following types of insurance:

11.9.1. **Commercial General Liability Insurance.** Contractor shall maintain commercial general liability insurance written on an occurrence basis in the amount of not less than \$2,000,000 per occurrence. If the policy maintains a policy aggregate, such aggregate shall not be less than twice the per occurrence limit. Coverage shall be at least as broad as the Insurance Services Office Commercial General Liability Coverage, with no sublimits or wildfire, explosion, collapse, or underground exclusions. Such insurance shall include coverage for products/completed operations, broad form/blanket contractual liability for written contracts, property damage and personal injury liability, premises/operations, independent contractor liability, and hostile fire liability. Defense costs shall be provided as an additional benefit and may be included within the limits of liability. Coverage limits may be satisfied using an umbrella or excess liability policy that satisfies the requirements of this Article.

11.9.2. **Commercial Automobile Liability Insurance.** Contractor shall maintain automobile liability insurance (including coverage for owned, non-owned, and hired automobiles) covering vehicles used by Contractor in connection with the Work in the amount of not less than \$1,000,000 combined single limit per occurrence for bodily injury, death and property damage (including loss of use thereof). Contractor’s automobile liability insurance coverage shall contain appropriate no-fault insurance provisions or other endorsements in accordance with Applicable Laws. Coverage shall be at least as broad as the Insurance Services Office Business Auto Coverage form covering Automobile Liability, code 1 “any auto.” Coverage limits may be satisfied using an umbrella or excess liability policy that satisfies the requirements of this Article.

11.9.3. **Workers Compensation Insurance.** In accordance with the laws of the State(s) in which the Services will be performed, Contractor shall maintain in force workers compensation insurance for all of its employees. If applicable, Contractor shall obtain U.S. Longshore and Harbor Workers compensation insurance, separately, or as an endorsement to workers compensation insurance. Contractor shall also maintain employer’s liability coverage in an amount of not less than \$1,000,000 per accident and per employee for disease. In lieu of such insurance, Contractor may maintain a self-insurance program meeting the requirements of the State(s) in which the Services will be performed along with the required employer’s liability insurance.

11.9.4. **Pollution Liability.** Reserved.

11.9.5. **Umbrella / Excess Liability.** Contractor shall maintain excess or umbrella liability insurance on an occurrence basis covering all risks, losses and liabilities in excess of the applicable underlying insurance described in this article, in the amount of not less than \$5,000,000 per occurrence, and on a following-form basis.

11.9.6. **Professional Liability.** Reserved

11.9.7. **Cyber Risk Liability Insurance.** Reserved

11.9.8. **Aviation Liability.** Reserved

11.10. **Contractor Party Insurance Obligations.** Contractor shall require each Contractor Party that performs any Work to obtain and maintain insurance policies with sufficient limits appropriate for the type of Work being performed by such Contractor Party. Unless Company specifically requires otherwise, a Contractor Party is not required to obtain) excess or umbrella liability insurance policies so long as Contractor’s excess or umbrella liability insurance provides coverage for the performance of Work by all Contractor Parties.

- 12. Compliance with Applicable Laws and Company Documentation.** At all times during Contractor's performance of its obligations under this Agreement, Contractor shall, and shall cause each Contractor Party:
- 12.1. To comply with and observe all EH&S Laws and any and all other applicable laws, permits, statutes, licenses, rules, regulations, codes, ordinances, judgments, decrees, writs, legal requirements, orders or the like, of any governmental agency, and the written interpretations thereof, including any statute, law, rule, regulation, code, ordinance, judgment, decree, writ, order or the like, regulating or relating to this Agreement, Company, Contractor, or a Contractor Party (collectively, together with the EH&S Laws, "Applicable Laws");
- 12.2. To comply with and observe the Contractor Safety Manual and all applicable Standard Practices, *provided* that neither Contractor nor any Contractor Party shall comply with the Contractor Safety Manual or the Standard Practices if and only to the extent that such compliance would violate Applicable Laws; and
- 12.3. To have and maintain in effect all licenses, permits, registrations, certificates, trainings, and approvals required by any Applicable Law or governmental agency, including all necessary and appropriate licenses issued by the Contractor's State License Board.
- 13. Default.** Contractor shall be in default under this Agreement if any of the following occurs (each such default, a "Default"): (a) Contractor becomes bankrupt or insolvent, however so evidenced; (b) Contractor fails to comply with, or otherwise breaches any representation, warranty, covenant, or obligation of Contractor under this Agreement; (c) Contractor executes any requirement or obligation of Contractor under this Agreement in bad faith; or (d) Contractor fails to make timely progress in the performance of the Services.
- 14. Remedies.** If a Default occurs, Company will have the following rights and remedies and may elect to pursue any or all (or any combination) of them: (a) Company may (i) terminate this Agreement, or may terminate Contractor's right to proceed with all or any part of the Work, by giving Notice of such termination to Contractor, with such termination to be effective upon delivery of such Notice, and (ii) seek recovery for any and all Liabilities arising out of or in connection with such Default, including Liabilities arising out of or in connection with Company's attempts to remedy such Default; (b) Company may procure, upon such terms and in such manner as Company deems appropriate, services similar to that specified in this Agreement, and Contractor shall be liable to Company for all direct and indirect losses and excess costs in procuring the same, which losses or costs Company may offset against any payments owed or due to Contractor; or (c) Company may pursue any other right or remedy that may be available to Company at law or in equity as a result of such Default. If, following the exercise of Company's termination rights provided in this Article, it is determined for any reason by a tribunal of competent jurisdiction that Contractor was not in Default under this Agreement, the Parties' rights and obligations shall be the same as if Notice of termination had been issued pursuant to the Article entitled "Termination for Convenience."
- 15. Termination for Convenience.** Company may terminate this Agreement (or any part thereof) at any time and for any reason for its sole convenience upon providing five (5) business days' advance Notice to Contractor ("Termination for Convenience"). Contractor's sole right to compensation as a result of such termination will be limited to amounts due and payable by Company under this Agreement incurred before the effective date of termination, including any such amounts for Work executed before to the effective date of termination ("Termination Charges"). Contractor shall fully justify and document to Company, in writing, any Termination Charges claimed. In no event shall Contractor be entitled to payment for Work that has not been authorized by Company, or is not yet performed, or any anticipated profits for any Work that has not been authorized or performed. Company shall make payment of Termination Charges no later than forty-five (45) days after receipt of Contractor's written submittal of charges and justification to Company's satisfaction. Company will have the right to review and verify any Termination Charges claimed by Contractor before payment.
- 16. Retention.** Company will have the right to withhold a retention from payments due Contractor. The amount of the retention will be paid within 45 days after the "date of completion," as defined by California Civil Code Section 8180, *provided* that Company may require Contractor to provide conditional or unconditional lien releases as a condition to release of the retention and such additional amounts due Contractor as necessary until such liens have been satisfied by Contractor. In addition, Company may use the retention to satisfy directly the claim of any lienor.
- 17. Audit.** Company may designate its own employee representative(s) or its contracted representative(s) with a certified public accounting firm, who will have the right to audit and to examine any cost, payment, settlement, or other supporting documentation relating to this Agreement. Any such audit(s) will be undertaken by Company or its representative from a certified public accounting firm at reasonable times during normal business hours. Contractor agrees to fully cooperate with such audit(s). Contractor shall include a clause similar to the one immediately above in its arrangements with each Contractor Party reserving the right to designate Contractor's own employee representative(s), its contracted representative(s) from a certified public accounting firm, or representative(s) from Company, who will have the right to audit and to examine any cost, payment, settlement or other supporting documentation resulting from any item related to this Agreement. Company shall provide Notice to Contractor of any exception taken as a result of an audit of Contractor, and Contractor shall refund to Company no later than ten (10) days of such Notice the amount of any such exception. If Contractor fails to make such payment, Contractor shall pay interest on any unpaid portion of such payment, accruing monthly, at a rate equal to the lesser of ten percent (10%) per annum and the maximum lawful rate. Company shall compute such interest from the date of the Notice of exception(s) to the date Contractor reimburses Company in full for such exception(s). Contractor shall reimburse Company for the cost for the performance of an audit if it discloses an overcharge of five percent (5%) or greater. Company's audit rights hereunder extend for a period of five (5) years following the date of final payment under this Agreement. Contractor shall and shall require each Contractor Party to retain all necessary records and documentation for the entire length of this audit period.
- 18. Taxes.**
- 18.1. **Contractor's Liability for Taxes.** Contractor assumes exclusive liability for and shall pay before delinquency, all federal, state, regional, municipal, or local sales, use, excise and other taxes, charges or contributions imposed on, with respect to, or measured by (a) the Services, and all other materials, supplies or labor furnished hereunder, (b) the wages, salaries or other remunerations paid to individuals employed in connection with, the performance of the Services, and (c) any failure of Contractor or any Contractor Party to comply with the Affordable Care Act with respect to individuals performing the Services.
- 18.2. **Tax Treatment of Individuals.** Without limiting the generality of this Article, Contractor agrees to treat, and shall cause each Contractor Party to treat, all individuals performing the Services as employees of Contractor or Contractor Party, as applicable, for purposes of federal and state income taxes, Social Security, and Medicare taxes, unemployment and disability insurance premiums. Contractor agrees that, at any time during the performance of this Agreement, Company will have the right to audit Contractor's compliance with this provision in accordance with the Article entitled "Audit."
- 18.3. **California Withholding.** To the extent any portion of the Services is performed in the State of California, either: (a) Contractor represents that Contractor is a California resident or registered with the California Secretary of State and shall provide Company with an original and a copy of Form 590, Withholding Exemption Certificate, in accordance with California Revenue and Taxation Code Section 18662 and regulations thereunder; or (b) seven percent (7%) of all compensation payable to Contractor for the Services performed in California shall be withheld in accordance with applicable California Franchise Tax Board ("FTB") regulations, unless Company has been notified in writing by FTB that withholding is waived or a lower rate or withholding is authorized.
- 18.4. **Minimization of Tax Liability.** Contractor and Company shall cooperate in good faith to minimize their respective tax liability to the extent legally permissible (and with no duty to increase either Party's tax liability), which, with respect to Contractor, includes separately stating taxable charges on Contractor's invoices and supplying resale and exemption certificates, if applicable, and any other information reasonably requested by Company.
- 18.5. **Confidentiality Exception.** Notwithstanding anything to the contrary set forth herein or in any other written or oral understanding or agreement to which the Parties are parties or by which they are bound, the Parties acknowledge and agree that: (a) any obligations of confidentiality contained herein and therein do not apply and have not applied from the commencement of discussions between the Parties to the tax treatment and tax structure of any transaction related to the Services or any other transactions or arrangements; and (b) each Party (and each of its employees, subcontractors, suppliers, representatives, or other agents) may disclose to any and all persons or entities, without limitation of any kind, the tax treatment and tax structure of any transaction and all materials of any kind (including opinions or other tax analyses) that are provided to such Party relating to such tax treatment and tax structure, all within the meaning of Treasury Regulations Section 1.6011-4; *provided* that the foregoing is not intended to affect any privileges that each Party is entitled, in its sole discretion, to maintain, including with respect to any confidential communications with its attorney or any confidential communications with a federally authorized tax practitioner under Internal Revenue Code ("IRC") Section 7525.
- 19. Reserved.**
- 20. Confidentiality.**
- 20.1. **Definition.** For purposes of this Agreement, the term "Confidential Information" means proprietary information concerning the business, operations, or assets of Company, its direct and indirect parent company(ies), subsidiaries or affiliates, including (a) the terms of this Agreement, (b) any information or materials prepared in connection with the performance of the Work, (c) any related agreement, designs, drawings, specifications, techniques, models, data, business plans, documentation, source code, object code, diagrams, flow charts, research, development, processes, procedures, know-how, manufacturing, development or marketing techniques and materials, development or marketing timetables, strategies, development plans, and any other information of a similar nature, (d) any data in GIS format pertaining to Company's electric or gas transmission facilities, including shapefiles for structures, biological and cultural resources survey shapefile data, timeline layers and access roads, electric transmission pole locations and any other information of a similar nature (collectively, "GIS Data"), (e) information relating to Company substation, compressor station, valve station, or pipeline pressure regulating station design (including design documents and drawings, security systems design, and operation and similar information constituting critical energy infrastructure information as defined by 18 C.F.R. §388.113(c)) (collectively, "CEII"), and (f) customer, supplier, or personnel names and other information related to customers, suppliers, or personnel, pricing policies and financial information, in each case whether or not reduced to writing or other tangible form, and any other trade secrets. Notwithstanding the foregoing, Confidential Information does not include: (i) information known to Contractor before obtaining the same from Company; (ii) information in the public domain at the time of disclosure by Contractor; (iii) information lawfully obtained by Contractor from a third party which did not receive the same, directly or indirectly, from Company; (iv) information developed independently

by Contractor without use of, reference to, or access to Confidential Information, or (v) information approved for release by express prior written consent of an authorized officer of Company. Contractor will have the burden of proof in establishing that its use of Confidential Information is permitted by any of the foregoing exceptions.

20.2. **Limited Use; Nondisclosure.** Except as expressly set forth in this Article, Contractor shall not disclose any Confidential Information to any individual or entity other than a Contractor Party, *provided* that such Contractor Party agrees to abide by the terms of this Article as if such Contractor Party were the Contractor hereunder. Contractor shall use, and shall cause each Contractor Party to use, the Confidential Information solely for the purpose of performing the Work. Contractor shall not, and shall not permit any Contractor Party to, use the Confidential Information for their own benefit other than for the limited purpose set forth herein. To prevent unauthorized use or disclosure of the Confidential Information, Contractor agrees to use the higher of (a) the same degree of care Contractor uses with respect to its own proprietary or confidential information, and (b) a reasonable standard of care. Contractor shall cause each Contractor Party receiving Confidential Information to become familiar with and abide by the terms of this Article as if such Contractor Party were the Contractor hereunder. Contractor shall be responsible for any breach of this Article by any Contractor Party.

20.3. **Court or Administrative Order.** Notwithstanding any other provisions of this Article, Contractor may disclose any of the Confidential Information in the event, but only to the extent that, based upon reasonable advice of counsel, Contractor is required to do so by the disclosure requirements of any law, rule, or regulation, or any order, decree, subpoena, or ruling or other similar process of any court, governmental agency, or regulatory authority. Before making or permitting any such disclosure, Contractor shall provide Company with prompt Notice of any such requirement so that Company (with Contractor's assistance if requested by Company) may seek a protective order or other appropriate remedy.

20.4. **Publicity.** Except in the event Contractor is required to disclose any Confidential Information in accordance with the foregoing provisions, Contractor shall not, without the prior written consent of Company, disclose to any third party (a) the fact that such Confidential Information has been made available to Contractor, or (b) the existence of any ongoing business relationship between the Parties.

20.5. **Document Retention.** Upon Company's request (and, in addition, if Contractor has obtained Confidential Customer Information, at the earlier of (a) the end of the Term, and (b) any time during the Term when such Confidential Customer Information is no longer necessary to perform the Services), Contractor shall promptly deliver to Company or destroy if so directed by Company (with such destruction to be certified to Company) all documents (and all copies thereof, however stored) furnished to or prepared by Contractor that contain or are based on or derived from Confidential Information and all other portions of documents in Contractor's possession that contain or that are based on or derived from Confidential Information. Notwithstanding the foregoing, Contractor will not be required to return or destroy Confidential Information that has been created solely by Contractor's automatic archiving and back-up procedures, but only to the extent created and retained in a manner consistent with such procedures and not for any other purpose, and *provided* that such automatically archived or backed-up copies will be subject to the confidentiality provisions of this Article.

20.6. **Survival.** Notwithstanding the return or destruction of all or any part of the Confidential Information, the provisions of this Article shall nevertheless remain in full force and effect with respect to specific Confidential Information until the date that is five (5) years after the date of disclosure of such Confidential Information, except as to GIS Data, CEII, and Confidential Information about, regarding or attributable to Company's or its affiliates' customers ("Confidential Customer Information"), for which information the provisions of this Article shall remain in full force and effect in perpetuity. Moreover, Contractor represents, warrants, and covenants that security procedures and practices appropriate to the nature of the GIS Data, CEII, and Confidential Customer Information involved are in place on the Effective Date and will be used at all times to protect the GIS Data, CEII and Confidential Customer Information from unauthorized access, destruction, use, modification, or disclosure. Without limiting the generality of the foregoing or any other provision of this Agreement, Contractor shall access, collect, store, use, and disclose the Confidential Customer Information under policies, practices, and notification requirements no less protective than those under which Company operates as required by Company's tariffs regarding privacy and security protections for energy usage data.

20.7. **Remedies.** The Parties acknowledge that the Confidential Information is valuable and unique, that damages would be an inadequate remedy for breach of this Article, and that the obligations of Contractor are specifically enforceable. Accordingly, the Parties agree that in the event of a breach or threatened breach of this Article by Contractor, Company, its direct and indirect parent company(ies), subsidiaries or affiliates, which shall be third party beneficiaries of this Agreement, shall be entitled to seek an injunction preventing such breach, without the necessity of proving damages or posting any bond. Any such relief shall be in addition to, and not in lieu of, monetary damages or any other legal or equitable remedy available to Company, its direct and indirect parent company(ies), subsidiaries or affiliates.

21. **Environmental, Health, and Safety Terms.**

21.1. **Definitions.** For purposes of this Agreement, the following terms have the following meanings:

21.1.1. **"Hazardous Materials"** means any chemical, substance, material, controlled substance, object, product, by-product, residual, condition, solid, hazardous waste, or any combination thereof, that is hazardous to human health, safety, or the environment due to its ignitability, corrosivity, reactivity, toxicity, or other harmful or potentially harmful properties or effects. Hazardous Materials include (a) any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, and substances defined as "hazardous substances," "hazardous material," "hazardous wastes," or "toxic substances" in, under, or pursuant to any EH&S Law, and (b) oil or petroleum products, asbestos, and any asbestos containing materials, radon, polychlorinated biphenyls, urea formaldehyde insulation, lead paints and coatings, and all of those chemicals, substances, materials, controlled substances, objects, conditions, and waste, or any combination thereof, that now are, or after the Effective Date become listed, defined, or regulated by any EH&S Law. "EH&S Law" means any and all applicable federal, state, regional, county, or local law, regulation, decision of the courts, ordinance, rule, code, order, directive, guideline, permit, or permit conditions, which, on or after the Effective Date relate in any way to worker or workplace safety, environmental conditions, environmental quality or policy, or health and safety issues or concerns (including product safety). EH&S Law includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, the Carpenter-Presley-Tanner Hazardous Substance Account Act, the Toxic Substance Control Act, the Safe Drinking Water and Toxic Enforcement Act, the California Hazardous Waste Control Law, the Occupational Safety and Health Act, the California Occupational Safety and Health Act, the Porter-Cologne Water Quality Control, and, in each case, applicable regulations or rules promulgated thereunder.

21.2. **Materials and Licenses.** Contractor shall ensure that (a) all materials and equipment to be supplied or used by Contractor in the performance of the Work, including vehicles, loading equipment, and containers, are in good condition and fit for the uses for which they are employed, (b) all licenses, permits, registrations, certificates, and other approvals required by any Applicable Law are procured and maintained for such materials and equipment through the later of the Term and the completion of all of Contractor's obligations hereunder, and (c) none of the materials or equipment used by Contractor with respect to this Agreement contains asbestos.

21.3. **Handling Hazardous Materials.** Contractor agrees as follows: (a) in accordance with all applicable EH&S Laws, Contractor shall promptly and properly manage, containerize, store, remove, transport, and dispose all Hazardous Materials used in connection with the Work, subject to the Section entitled "No Transportation of Company's Hazardous Materials," (b) Contractor shall not cause or permit the spillage, discharge, emissions, or release of any Hazardous Materials in the course of performing Work and, if such spillage, discharge, emission, or release accidentally occurs, Contractor shall immediately notify Company and take such actions in accordance with the Section entitled "Releases of Hazardous Materials," (c) Contractor shall not create, dispose of, recycle, treat, release, or handle any Hazardous Materials at, on, or within any Company Property, except as otherwise required as part of the Work, or (d) if Contractor encounters suspected asbestos containing material, Contractor will not undertake the management, removal, storage, transportation, or disposal of such asbestos containing material, but shall promptly notify Company.

21.4. **Storage.** To the extent applicable, Contractor agrees as follows: (a) Contractor shall not store any Hazardous Materials in a manner that violates any EH&S Laws or, for periods in excess of applicable jobsite storage limitations imposed by EH&S Law, other Applicable Laws, the Contractor Safety Manual, or the Standard Practices, whichever is most restrictive; (b) Contractor shall take, at its expense, all actions necessary to protect third parties, including Company's employees, tenants, and agents, from any exposure to, and hazards of, Hazardous Materials that are associated in any manner with any Work, including jobsite soils or groundwater contamination while they are, or should be, under Contractor's control, as well as any discharges, releases, and spills of such Hazardous Materials; and (c) Contractor shall not store any Hazardous Materials at, on, or within any Company Property without prior written authorization from Company, which authorization (if given) shall be limited solely to the minimum quantity of Hazardous Materials necessary to perform the work. Upon request by Company, Contractor shall provide a list of Hazardous Materials stored, and quantities thereof, and a description of where these Hazardous Materials are stored. **Consultation.** Contractor shall comply with all applicable EH&S Laws and the requirements of governmental agencies; *provided* that Contractor shall exert all efforts to reach and consult with Company Representative before making any report to governmental agencies pursuant thereto and shall follow Company Representative's instructions so long as they are consistent with Contractor's legal obligations.

21.5. **No Transportation of Company's Hazardous Material.** Contractor shall not (a) transport any Hazardous Material that Company generated for purposes of treatment, storage, recycling, or disposal, or (b) conduct any treatment, storage, recycling, or disposal of any Company-generated Hazardous Material, in each case unless authorized by Company to perform such activities in writing. If Contractor is authorized by Company to perform such activities, the following terms apply:

21.5.1. **Authorized Treatment Facility.** Before transporting Company-generated Hazardous Material, Contractor shall confirm that the treatment, storage, recycling, or disposal facility ("TSDF") has procured and maintained in effect all licenses, permits, registrations, certificates or other authorizations required by any EH&S Law to lawfully receive, handle, transport, store, treat, recycle, incinerate, dispose of, or otherwise manage or use such Hazardous Material. Contractor shall not transport any Company-generated

Hazardous Material to any TSDF that is unable or fails to provide such confirmation, and Contractor shall immediately notify Company. Company reserves the right at any time, in Company's sole discretion, to cancel its authorization of any TSDF by Notice to Contractor.

21.5.2. **Hazardous Waste Manifest.** Company shall, when required by EH&S Law, provide Contractor with a complete and executed Hazardous Waste manifest or other shipping documentation for Company-generated Hazardous Material to be transported for treatment, storage, recycling or disposal. Contractor's transportation, recycling, treatment, storage, or disposal of any such Hazardous Material in accordance with this Agreement shall be documented by Contractor utilizing, among other things, the Hazardous Waste Manifest tracking system or other records as required by EH&S Law, copies of which shall be provided to Company no later than ten (10) days after shipment.

22. **Hazardous Substance Information.** To the extent applicable, Contractor shall provide the following to Company for the materials or equipment (including any part thereof) delivered under this Agreement: (a) reference to the applicable Material Safety Data Sheet for each material containing a "hazardous material," as defined by California Health and Safety Code Section 25501(n)(2)(A); and (b) a written statement for each material that is a "mixture or trade name product" that contains a "toxic chemical" subject to the reporting requirements of Section 313 of the Emergency Planning and Community Right-to-Know Act, including the name and associated Chemical Abstract Services Registry number of such toxic chemical, the specific concentration at which each such toxic chemical is present in each such mixture or trade name product, and the weight of each such toxic chemical in each such mixture or trade name product. Without limiting the generality of the foregoing, if Contractor is obligated to provide a warning to pursuant to California's Safe Drinking Water and Toxic Enforcement Act (Proposition 65) to exposed individuals with respect to the materials or equipment or as part of the performance of Contractor's obligations hereunder, Contractor shall provide such warning to such individuals, including, as applicable, members of the public, Company's employees, Contractor's employees, and all other Contractor Party employees.

23. **Reserved**

24. **Offset.** Company may, upon providing Notice to Contractor, setoff any amount due from Contractor, whether or not under this Agreement, against any amount due Contractor or claimed to be due by Contractor under this Agreement. In addition, Company may withhold from Contractor any amount sufficient to reimburse Company for any Liability for Contractor's actual, alleged, or reasonably probable failure, based on factual evidence, to comply with the terms of this Agreement.

25. **Contractor Diversity.** Company's policy is to provide maximum opportunities for women, minority, and service-disabled veteran business enterprises, lesbian, gay, bisexual or transgender (LGBT) business enterprises, and socially and economically disadvantaged small business concerns (collectively, "DBEs") to participate in the performance of contracts. Company expects satisfactory performance under this Agreement, Contractor to utilize DBE Contractor Parties when feasible and to use good faith efforts to set and attain goals in parity with Company goals when contracting for work with Company. Contractor shall submit on a timely basis any documentation required by Company to report Contractor's DBE expenditures in connection with this Agreement. Contractor shall submit all documentation required by Company to report such verified DBE expenditures in accordance with Schedule D.

26. **Assignment.** Contractor shall not permit this Agreement or any of Contractor's rights or obligations hereunder to be assigned or delegated voluntarily, involuntarily, by merger, consolidation, dissolution, operation of law, or any other manner, without Company's prior written consent, and any attempted assignment without such consent will be null and void; provided that (a) no such written consent by Company shall discharge Contractor from the performance of its obligations under this Agreement, and (b) Contractor shall remain jointly and severally liable with any permitted assignee or delegate for any failure to comply fully with all obligations under this Agreement. Company may assign or delegate in whole or in part its rights and obligations under this Agreement without the consent of Contractor.

27. **Time.** Contractor agrees that the performance of the Services is essential to Company and, hence, TIME IS OF THE ESSENCE in performing all of Contractor's obligations hereunder.

28. **Governing Law.** This Agreement will be governed by the internal laws of the State of California, excluding its conflicts of law provisions.

29. **Disputes; Venue.** Any dispute will be referred to Company's Director for Supply Management and an officer of Contractor for resolution. If Company and Contractor cannot reach an agreement within a reasonable time, Company and Contractor will have the right to pursue litigation. If litigation is initiated to enforce or interpret any term of this Agreement, the Parties agree that (a) the action will be brought in the Superior Court of the County of Los Angeles, California (or, if the federal courts have exclusive jurisdiction over the subject matter of the dispute, in the U.S. District Court for the Central District of California), and the Parties submit to the exclusive jurisdiction of said court, and (b) unless Company provides Notice to Contractor to the contrary, in no event will the litigation of any controversy or the settlement thereof delay the performance of this Agreement.

30. **Survival.** The obligations imposed on Contractor pursuant to each Article, which by its terms contains or refer to subject matter which relates to time periods subsequent to the Term, including "Taxes," "Intellectual Property," "No Publicity; Ex Parte Communications," "Disputes; Venue," and this Article, will survive termination of this Agreement and final payment to Contractor.

31. **Equal Employment Opportunity.** Company is an equal opportunity employer and federal contractor or subcontractor. Consequently, the Parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The Parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

32. **Compliance with Section 889 of the National Defense Authorization Act of 2019.** Contractor acknowledges that Company is a contractor for the federal government and is therefore required to comply at all times with, among other procurement rules, Federal Acquisition Regulation ("FAR") Clauses 52.204-24 and 52.204-25. In furtherance thereof, Contractor agrees that, from and after the Effective Date: (a) neither it nor any Contractor Party will provide to Company or use in connection with any Work "covered telecommunication equipment or services" (as such term is defined in FAR Clause 52.204-25(a)) or any equipment, system, or service that uses "covered telecommunication equipment or services"; and (b) should it or any Contractor Party, in connection with the Work, identify that it provided equipment, systems, or services to Company that comprise or use any "covered telecommunication equipment or services," Contractor shall report such identification to Company within one (1) business day from the date of such identification.

33. **No Publicity; Ex Parte Communications.** Contractor shall not, without Company's prior written consent, engage in advertising, promotion, or publicity related to this Agreement, or make public use of any Company identification in any circumstances related to this Agreement or otherwise. "Identification" means any corporate name, trade name, trademark, service mark, insignia, symbol, logo, or any other product, service, or organization designation, or any specification or drawing owned by Company or its affiliates or any representation thereof. Contractor acknowledges that Company is subject to ex parte communications rules, which apply to its communications with the regulatory bodies having jurisdiction over it, including the CPUC and FERC. Contractor shall not, in the course of, or with respect to any regulatory proceeding under which such rules apply, engage in any communication with a government official relating to Company or this Agreement without Company's prior written approval.

34. **Excusable Delays.** Contractor shall notify Company in writing immediately of any delay or anticipated delay in Contractor's performance of this Agreement due to causes or circumstances beyond the reasonable control of Contractor. Notice shall include the reason for and anticipated length of the delay. Company may determine, in its sole judgment, to extend the date of performance for a period equal to the time lost by reason of the delay. Contractor shall not be eligible under any circumstances for additional compensation due to any such extension of time. Any extension of time pursuant to this Article shall be documented by a written amendment to this Agreement signed by the parties. Examples of such possibly excusable delays are natural calamities, strikes and boycotts, war or civil unrest or governmental actions and other events that are commonly deemed force majeure events. None of the foregoing, however, shall require Company to grant any extension of time for completing the Work.

35. **Reports.** Contractor shall provide periodic status reports as requested by Company Representative. The status reports shall make periodic comparisons of the Services rendered to date against the scope of work, including any milestones and costs. Such reports shall include an explanation of any significant variations, an identification of any potential or known developments that may impact Company, Contractor or the Services and any corrective actions implemented.

36. **Contractor Parties.**

36.1. **Approval of Subcontractors.** If this Agreement contains a list of Contractor Parties approved by Company for the performance of some or all of the Work, Contractor must obtain Company's written consent before retaining any subcontractor, supplier, or agent other than the those approved in this Agreement, if any. "Contractor Parties" means Contractor's agents, representatives, suppliers, subcontractors, and other individuals or entities, whether such Contractor Parties are employed directly or indirectly by Contractor to perform the Work.

36.2. **Disqualification.** Company reserves the right to disapprove of any Contractor Party, in its sole discretion, for the following reasons: (a) Company deems such Contractor Party unqualified to perform the Work; (b) such Contractor Party has a conflict of interest with Company, an employee of Company, Company's affiliates, or an agent, contractor or representative of Company; (c) Company determines that such Contractor Party has an unacceptable safety or quality history, record, or number of incidents, or fails to provide a drug-free workplace; or (d) such Contractor Party is unable or unwilling to follow Company's safety and security procedures. In the event Company disapproves a Contractor Party performing Work on Company Property, Contractor shall promptly remove such Contractor Party from the jobsite and find an appropriate replacement Contractor Party to perform the Work.

36.3. **California Labor Code Section 2775.** Without limiting the Article entitled "Compliance with Applicable Laws and Company Documentation," to the extent applicable, Contractor shall, and shall ensure that each Contractor Party ensures, that any individual performing Work is not considered to be an "independent contractor," as such term is used in Section 2775 of the California Labor Code, unless such individual is subject to an applicable exception therein.

36.4. **Incorporation into Subcontracts.** This Agreement must be incorporated by reference in any contract executed by Contractor and its Contractor Parties, and Contractor shall cause each Contractor Party to comply with the terms of this Agreement. Contractor shall at all times be responsible for the acts and omissions of its Contractor Parties, and all obligations of this Agreement will apply to each Contractor Party, whether or not such obligations explicitly refer to Contractor Parties. Contractor shall at all times be responsible for performance of all of the Work, whether performed by Contractor or any Contractor Party. Company is not responsible for the performance of any Work by any such Contractor Party. This Agreement does not give rise to any contractual relationship between Company and any Contractor Party.

37. **Suspension of Work.** Without terminating this Agreement, Company may immediately suspend the Work, or any portion thereof, by providing Contractor with Notice. Company may suspend Work for any reason, including in the event of a safety violation by Contractor or any Contractor Party, or in order to prevent an incident that threatens the health or safety of persons or property. Contractor shall thereupon immediately discontinue and suspend the Work except such operations as may be necessary to prevent damage to property or to the performance of the Work already accomplished, including securing all equipment, securing and protecting all work materials, and preparing the area so that it meets safety, health, and environmental requirements. Contractor shall resume the Work if and when Company serves Contractor with Notice lifting the suspension.

38. **Validity.** The invalidity or unenforceability of any portion or provision of this Agreement will in no way affect the validity or enforceability of any other portion or provision hereof.

39. **No Waiver.** The failure of Company to insist upon or enforce, in any instance, strict performance by Contractor of any term of this Agreement, or to exercise any rights herein conferred will not be construed as a waiver to any extent of its right to assert or rely upon any such terms or rights on any future occasion, and no waiver will be valid unless stated in a Notice.

40. **No Oral Modifications.** No modification or amendment of any provisions of this Agreement will be valid unless it is in writing and signed by authorized representatives of the Parties.

41. **Interpretation.** The term “includes” or “including” will not be deemed limited by the specific enumeration of items but will be deemed without limitation. Unless the context requires, the term “or” is not exclusive. References to “Contractor Party” or “Contractor Parties” include Contractor Parties of any tier. References containing terms such as “hereof,” “herein,” “hereto,” and other terms of like import are not limited in applicability to the specific provision within which such references are set forth but instead refer to this Agreement taken as a whole. Whenever this Agreement specifically refers to any law, tariff or government department or agency, the reference also refers to any successor to such law, tariff or organization.

42. **Counterparts.** This Agreement may be executed in counterparts which, taken together, constitutes a single instrument.

43. **Authority.** Each individual executing this Agreement represents that: (a) he or she is authorized to execute and deliver this Agreement on behalf of his or her Party, and that this Agreement is binding upon such Party in accordance with its terms; (b) each Party, and with respect to Contractor, each Contractor Party, is a validly existing business entity in good standing under the laws of the state in which it is organized (and in the state of California, if different), and has the full right, power and authority to conduct its business and execute and deliver this Agreement in accordance with its terms; and (c) the execution, delivery, and performance of this Agreement has been authorized by all requisite action of such Party, and constitutes the legal, valid, and binding obligation of such Party, enforceable against such Party in accordance with its terms.

44. **Negotiated Agreement.** The Parties have participated in negotiating and drafting this Agreement and, as such, the terms hereof will not be construed against a Party as the drafting Party.

45. **Severable Liability.** In the event that more than one legal entity acquires goods or Services hereunder from Contractor and is a party to this Agreement, compensation payable or other obligations owed by each such entity with respect to any such goods or Services shall be exclusively the obligation of the entity that acquires such goods or Services. No such entity will have any liability whatsoever (whether by direct payment, offset or otherwise) in connection with such goods or Services acquired by any other such entity. Each such entity is severally and not jointly liable to Contractor hereunder, and each such entity disclaims any and all financial or other responsibility, except with respect to goods or Services that are furnished and invoiced to such entity. If Contractor is comprised of more than one entity, all such entities shall be jointly and severally liable for all obligations of Contractor under this Agreement.

[End of Schedule A]

SCHEDULE B
Scope of Services

The Western Riverside Council of Governments (WRCOG) is pleased to submit this proposal to the Southern California Gas Company's (SoCalGas) 2023-24 Regional Energy Pathways Ambassador Program for Riverside and San Bernardino Counties in the Inland Empire region. As a regional government agency, the purpose of WRCOG is to unify Western Riverside County so that it can address important issues that transcend political and jurisdictional boundaries, including energy and environment. Representatives from 18 cities, the Riverside County Board of Supervisors, and the Eastern and Western Municipal Water Districts have seats on the WRCOG Executive Committee which sets policy for the organization, and the Riverside County Superintendent of Schools is an ex-officio member. This governing platform enables WRCOG to have a broad reach for engagement, program development and implementation across a multitude of public agencies.

Guided by its Strategic Plan, WRCOG's goals include developing and implementing programs that support resilience, and developing projects and programs that improve infrastructure and sustainable development in its subregion. Since 2014, WRCOG developed the Regional Streetlight Program to assist 11 public agencies purchase streetlights from Southern California Edison, complete a LED retrofit project, and currently provides maintenance services. Additionally, WRCOG has a variety of energy efficiency and environmental programs including the Property Assessed Clean Energy (PACE) Program, Western Riverside Energy Partnership (WREP), and Used Oil Recycling Program.

Since 2018, WRCOG, the Coachella Valley Association of Governments and San Bernardino Council of Governments, developed the Inland Regional Energy Network (I-REN) to address the CPUC's goals concerning Energy Efficiency (EE) Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues in Riverside and San Bernardino Counties. As the I-REN ramps up in 2023, outreach and engagement opportunities are starting as it seeks to conduct Orientation meetings with Public Sector customers in Riverside and San Bernardino Counties. The I-REN orientation meetings will provide a great opportunity for WRCOG to conduct outreach and engagement for the Regional Energy Pathways Program.

With over 30 years in developing and implementing programs, WRCOG is a qualified partner for the Regional Energy Pathways Ambassador Program – Inland Empire Region. WRCOG's broad outreach with public agencies, its history for developing and implementing programs, and current programmatic framework will catalyze the Regional Energy Pathways Program.

We sincerely appreciate the opportunity to apply to the Regional Energy Pathways Ambassador Program and for your time to review our proposal. For any correspondence regarding this proposal please feel free to contact me at 951-405-6738 or Dsoltero@wrcog.us.

Sincerely,

Daniel Soltero
Program Manager
Western Riverside Council of Governments
3390 University Ave, Suite 200
Riverside, CA 92501

Public Sector Region:

Indicate which region you propose to serve as Ambassador through this proposal. If you are submitting other proposals for Ambassadors in other regions, please describe. Check one only:

- ☒ Inland Region (covering Riverside County and San Bernardino County)*
- ☐ Orange County Region
- ☐ Los Angeles County Region
- ☐ Northern Region
 - Central Coast Regional Energy Efficiency (covering San Luis Obispo County, Santa Barbara County and Ventura County)
 - San Joaquin Valley & North LA County (covering Fresno County, Kern County and Kings County)

*WRCOG is submitting this proposal to serve as the Regional Energy Pathways Ambassador for Riverside and San Bernardino Counties, and excludes Imperial County.

Qualifications and Relevant Experience

Public Sector Customers	
Local Government	
Description of experience	WRCOG's Committees allow for direct communication and engagement with Elected Officials, City Managers, and executive leadership for 22 local governments. From 2013 to 2021, WRCOG, along with SoCalGas and SCE, implemented the WREP for 19 local governments. Since 2014, WRCOG has developed, implemented, and continuously operated the Regional Streetlight Program, which assisted 11 local governments purchase streetlights from SCE and complete LED retrofits. Since 2018, WRCOG, the Coachella Valley Association of Governments and San Bernardino Council of Governments, developed the I-REN to address the CPUC's goals concerning EE Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues in Riverside and San Bernardino Counties.
Contract period	2013 – 2021: Western Riverside Energy Partnership, 2014 – Present: Regional Streetlight Program, 2022 – 2027: Inland Regional Energy Network
Achievements	In 2020, the WREP assisted the Cities of San Jacinto and Eastvale participate in SoCalGas' Direct Install (DI) Program to save 2,175 therms. In 2018 the IEEP's Turning Red Tape Into Red Carpet Awards gave the Regional Streetlight Program an Honorable Mention.
K-12 Schools	
Description of experience	Through the Energy Resilience Plan, WRCOG conducted outreach and engagement with school districts and schools in Western Riverside County to seek their participation and general feedback for the facility identification and prioritization process. This process included coordinating with the Riverside County Office of Education, and Facility Managers for individual schools that participated in the engagement process. Additionally, WRCOG and EcoHero have provided environment education events at 20 schools in the subregion.
Contract period	2020 – 2022: Energy Resilience Plan; 2019 – 2021: EcoHero.
Achievements	N/A
Federal Government	
Description of experience	N/A
Contract period	N/A
Achievements	N/A
Special Districts	
Description of experience	WRCOG assists with the administration of the Riverside County Water Task Force along with EMWD, WMWD, and the County of Riverside. The Water Task Force is comprised of various public and private agencies working together to tackle water issues on a collaborative, regional basis. Additionally, WRCOG has program development and implementation experience with WMWD through the Energy Resilience Plan, and JCSD through the Regional Streetlight Program.
Contract period	2013 – 2021: Western Riverside Energy Partnership, 2020 – 2022: Energy Resilience Plan
Achievements	N/A
Contract Implementation	

Customer outreach	
Description of experience	The Used Oil Recycling Program is required to conduct outreach activities, such as social media and billboard marketing campaigns, email announcements, hosting booths at community events, and hosting monthly oil recycling events. Additionally, WRCOG's Streetlight Program, Energy Resilience Plan, and Climate Adaptation Plan/Resilient IE completed extensive outreach activities to garner agency support and participation, ongoing engagements, as well as overall development and completion of projects.
Contract period	2013 – 2021: Western Riverside Energy Partnership, 2009 – Present: Used Oil & HHW Recycling Program; 2020 – 2022 Energy Resilience Plan, 2014: Climate Action Plan; 2018: Resilient IE.
Achievements	2019: WREP heavily promoted SoCalGas' DI program and saw an increase in DI coordination and project completion with the Cities of Eastvale, Lake Elsinore, Menifee, and Temecula.
Program implementation experience	
Description of experience	WRCOG has implemented numerous programs, including BEYOND, Streetlight Program, WREP, PACE, I-REN, Clean Cities Coalition, Solid Waste Cooperative, Used Oil Recycling, Love Your Neighborhood, Fellowship Program, Grant Writing Assistance, Resilient IE/Climate Action Plan, TUMF Program, and Transportation Modeling Services. The Streetlight Program assisted 11 local government agencies to purchase SCE-owned streetlights, managed a regional LED streetlight retrofit project, and administers a maintenance contract. The Fellowship Program is a paid nine-month professional development opportunity that equips students to enter government careers.
Contract period	2013 – 2021: Western Riverside Energy Partnership, 2014 – Present: Regional Streetlight Program, 2011 – Present: PACE, 2009 – Present: Used Oil & HHW Recycling Program; 2016 – Present: Public Service Fellowship Program;
Achievements	2017: CPUC Nonresidential EE Depth Of Retrofit And Cost Effectiveness Analysis Report gave the WREP the 6th Highest DORCE ranking in California. The Fellowship Program has facilitated 6 cohorts with 75 Fellows who have contributed 72,000 hours of service.
Non-Resource Technical Assistance	
Customer Education	
Description of experience	In partnership with EcoHero, WRCOG introduces youths in Western Riverside County to different ecological and environmental topics through informational shows, including songs, dances, and music videos. Topics range from littering, oil recycling, and HHW safety tips. Prior to the COVID-19 pandemic, the WREP would host booths at community events to distribute income-based program information and Call Before You Dig information. The WREP also sponsored facility maintenance staff from member agencies to attain their Building Operator Certification (BOC).
Contract period	2013 – 2021: Western Riverside Energy Partnership, 2019 – 2021: EcoHero,
Achievements	2021: WRCOG and EchoHero performed at 20 schools in the subregion, reaching over 5,000 students.
Grant Writing	
Description of experience	The Grant Writing Assistance (GWA) Program launched in September 2017 and is designed to assist members in preparing proposals for grant opportunities. The Program provides four services: technical assistance with

	grant application development on eligible grant programs, advisory services, bi-weekly grant opportunities tables, and grant program fact sheets.
Contract period	2017 – Present.
Achievements	The GWA Program has aided on over 45 applications with over 20 applications being awarded, totaling over \$70M in grant funding.
GHG Inventorying	
Description of experience	WRCOG has experience in GHG inventories through the Subregional Climate Action Plan, which completed GHG inventories for all Member Agencies and developed strategies to reduce GHG emissions.
Contract period	2014: Subregional Climate Action Plan.
Achievements	N/A
Energy Benchmarking	
Description of experience	The WRCOG has experience in energy benchmarking through the WREP, as it partnered with the IOU's to conduct energy efficiency audits at project sites, identified retrofit equipment, and evaluate energy use pre- and post-retrofit.
Contract period	2013 – 2021: Western Riverside Energy Partnership
Achievements	N/A
Project Funding Approval Facilitation	
Description of experience	The Streetlight Program developed a financing structure that included costs and savings analyses, financing comparisons, and ultimately solicited bids from capital providers that could finance the streetlight acquisition and LED retrofit project for Member Agencies. This process included developing financing agreements, payment schedules, cost and savings analyses, and required documents to seek approval of each Member Agency's governing board (City Council, Board of Directors, etc.).
Contract period	2014 – Present
Achievements	N/A
Other	
Description of experience	N/A
Contract period	N/A
Achievements	N/A

Approach to the Scope of Work

Public Sector Customer: Local Governments

Local governments in the region: There are over 50 local government agencies across Riverside and San Bernardino Counties, including 2 Counties and 52 Cities.

Contacts in Local Government: The following are only a few of WRCOG's Local Government contacts: **City of Corona:** Councilmember, City Manager, City Engineer, Associate Engineer; **City of Lake Elsinore:** Councilmember, City Manager, City Engineer, City Planner, Public Works Manager, PW Lead Worker/Superintendent; **City of Moreno Valley:** Councilmember, City Manager, City Engineer, Electric Utility Division Manager, Sr. Management Analyst.

The approach to the scope of work will focus on marketing and outreach, with a focus on DACs, and close coordination with customers to raise awareness of SoCalGas' EE resource programs. As the Inland Regional Energy Network (I-REN) ramps up, WRCOG will utilize the I-REN's outreach and engagement activities in Riverside and San Bernardino Counties to identify Public Sector customers. WRCOG's marketing, outreach, and engagement plan will identify how the information will be dispersed with customers, which includes flyers and fact sheets, social media marketing, setting up introductory meetings, and hosting quarterly or as-needed virtual or in-person meetings to inform of EE programs and offerings.

To create awareness and support EE projects, especially in DACs and hard-to-reach customers, WRCOG will coordinate with the Customer and review Climate Action Plans and any related documents that guide the customer's EE goals and objectives. WRCOG will coordinate with the customer to review gas usage and conduct interviews to identify potential projects. As part of this process WRCOG will also identify any project funding sources, incentives or rebates applicable to the project, and assist the customer with securing those funds.

Furthermore, WRCOG will provide non-resource EE non-resource technical assistance (TA) that supports long-term EE strategies and planning within the public sector's organization, including GHG inventorying, customer education, energy benchmarking, and grant writing. GHG inventorying and energy benchmarking can be completed utilizing available tools from the US EPA and DOE. Customer education can be provided by sharing educational and seminar events, events from SoCalGas', and industry-specific organizations. Additionally, grant writing support can be provided by reviewing the grant and providing an initial findings summary to the customer, as well as coordinate with the customer to gather data, prepare and apply.

In fulfilling the duties of the scope of work and taking a collaborative approach with SoCalGas, WRCOG staff will serve as an extension of the SoCalGas Regional Energy Pathways Program Team in support of public sector customers. This can be achieved by having dedicated staff to serve as the Regional Energy Pathways Ambassador in Riverside and San Bernardino Counties, participate and facilitate meetings, prepare reports, as well as keeping close contact and coordination with the SoCalGas Regional Energy Pathways team.

Public Sector Customer: K-12 Schools

K-12 Schools in the region: In Riverside County there are 23 school districts with 500 schools, and San Bernardino County has 33 school districts with 522 schools.

Contacts within the region's K-12 Schools: **Riverside County Office of Education:** Superintendent of Schools, Director of Community Engagement and Partnerships; **Riverside USD:** Assistant Director, **Perris Elementary School District:** Director of Facilities, Maintenance, and Operations; **Hemet USD:** Director of Facilities.

WRCOG's approach to delivering the scope of work for K-12 schools will focus on marketing, outreach, and engagement. To raise awareness of SoCalGas' EE resource programs, WRCOG intends to coordinate with the County Superintendent of Schools and their individual Community Engagement and Partnerships divisions for Riverside and San Bernardino Counties. This top-down approach of starting with the Superintendent's Office, then moving down to school districts, and ending with individual schools will allow for streamlined outreach.

WRCOG will develop tailored marketing materials and engagement opportunities for K-12 schools' customers in the Inland Empire region. This approach will assist with creating awareness of SoCalGas' EE resource programs and create awareness of and support EE projects. WRCOG will designate additional resources for K-12 schools located in DACs, rural, and/or hard-to-reach communities, such as meetings to discuss customer EE goals and discuss potential projects. As it supports projects, WRCOG will ensure that any potential projects are also screened for eligibility for rebates and incentives. WRCOG will assist the customer with the rebate or incentive applications, including gathering all necessary project and customer data, and documentation to apply.

WRCOG will provide customer education, and support customers with GHG inventorying, energy benchmarking, and grant writing to support long-term EE strategies and planning with K-12 schools. WRCOG can utilize engagement activities to inventory the climate action plans that have been prepared by individual schools or school districts to identify potential EE projects. For customers that don't have existing plans or strategies in place, or are preparing to update outdated plans, WRCOG assist these customers with additional resources and staff time for to help facilitate the process.

By providing these services, WRCOG will be serving as an extension of the SoCalGas Regional Energy Pathways Program Team in support of public sector customers. WRCOG can participate in meetings, provide presentations to customers, assist with reporting, and assist with outreach and engagement activities by the Regional Energy Pathways Program Team.

Public Sector Customer: Federal Government

Federal Governments in the region: WRCOG has identified 15 Native American Tribes; 6 Military installations; 3 Federal Hospitals, and numerous Federal Agencies across Riverside and San Bernardino Counties.

Contacts in the region's Federal government: **Cybersecurity and Infrastructure Security Agency:** Protective Security Advisor.

The WRCOG's approach for Federal Government customers in the Inland Empire will rely on marketing, outreach, and engagement. While WRCOG's focus has been with local government agencies, it's 2022-2027 Strategic Plan establishes a goal to serve as a champion at the regional, state, and federal level for the Western Riverside subregion. Through this effort, WRCOG will engage any existing and new contacts from Federal Government customers that are in the Inland Empire region to create awareness of SoCalGas' EE resource programs. WRCOG will create a tailored approach for customer subtypes, including email and flyer campaigns, as well as setting up introductory meetings with relevant staff and management.

WRCOG will create awareness and support EE projects, especially in DACs or hard to reach customers, by discussing existing EE goals, review facilities, and identify potential projects. WRCOG will allocate resources such as staff time for marketing, outreach, engagement activities, identifying potential projects, securing project funding sources, and assisting with securing incentives or rebates upon project completion.

To support long-term EE planning and strategies, WRCOG will provide customers with GHG inventorying, customer education, and energy benchmarking of existing buildings and operations. WRCOG's approach will start with inventorying existing climate adaption plans or related strategies that the customers may have in place. Any customers that don't have a CAP or similar strategy in place, or are currently updating an outdated plan, will be primary contacts for non-resource EE non-resource technical assistance.

Overall, WRCOG will provide these services to customers and serve as an extension of the SoCalGas Regional Energy Pathways team. This will come in the form of participating and supporting meetings, assisting and/or preparing reports, giving presentations, and facilitating consultations with customers.

Public Sector Customer: Special Districts

Special Districts in the region: WCOG has identified 119 special districts in Riverside and San Bernardino Counties, including conservation districts, community services districts, cemetery districts, utilities districts, library districts, water districts, and vector control districts.

Contacts at Special Districts in the region: **EMWD:** Board member, General Manager; **WMWD:** Board member, General Manager; **Jurupa Community Services District:** Director of Finance & Admin., Financial Analyst, Management Analyst; **CAL FIRE / Riverside County Fire Department:** Fire Facilities Manager.

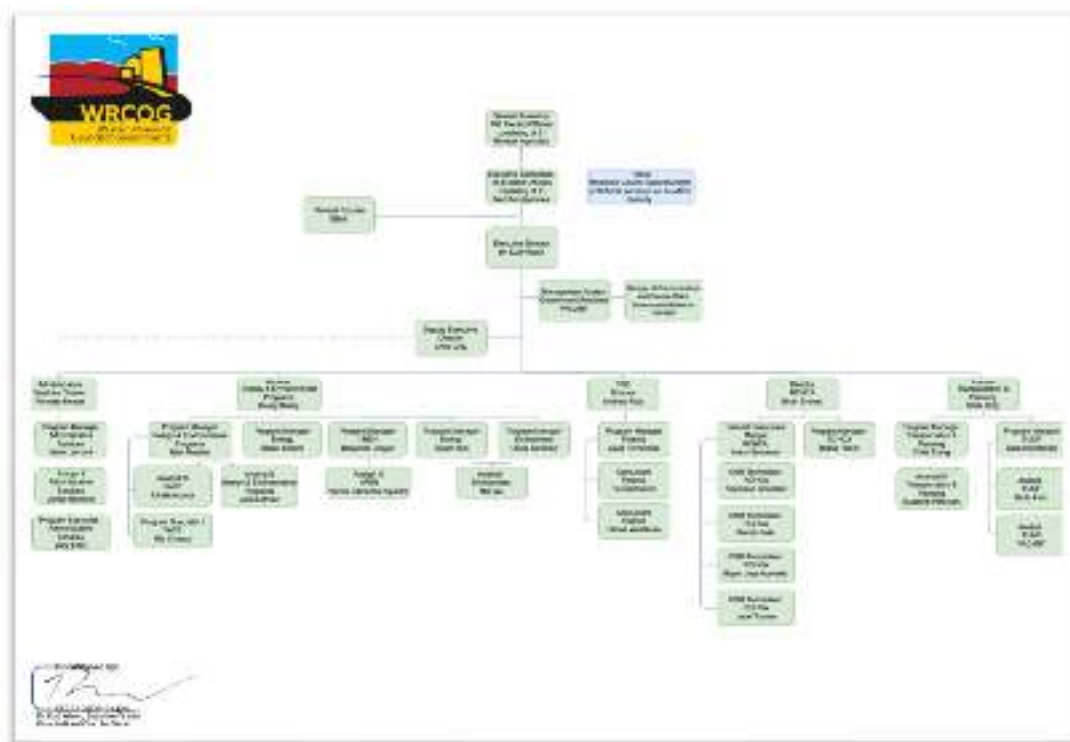
The approach to the scope of work for Special Districts will follow similar strategies as the Local Governments. A marketing, outreach, and engagement plan will be identified that will be suited for the various customer subtypes such as Police and Fire organizations, Transportation agencies, and Joint Powers Authorities to create awareness of SoCalGas' EE resource programs.

WRCOG will setup meetings with customers to identify existing EE plans or strategies, create awareness of and identify areas for potential EE projects. Any potential EE projects will receive WRCOG's support throughout the process, from securing an investment for the project through to completion of the project and submitting any available rebate or incentive applications.

In order to support long term EE strategies and planning within Special District customers, WRCOG will provide non-resource EE non-resource technical assistance, with a focus on DACs and hard-to-reach communities. Any customers that do not have an existing EE strategy or plan will be a primary focus for the technical assistance services, including customer education, GHG inventorying and energy benchmarking for existing buildings, and support with grant writing.

Throughout the process of providing services, WRCOG will serve as an extension of the SoCalGas Regional Energy Pathways Program Team in support of public sector customers. It is recognized that some Special District customers may be served by Statewide Programs, however, WRCOG can fill gaps in those programs. WRCOG will be prepared to participate in meetings with SoCalGas, provide support during consultations with customers, prepare reports, and conduct presentations.

Staffing



Key Staff:

Daniel Soltero, Program Manager: Daniel Soltero joined WRCOG in 2018 and is responsible for planning and implementation of energy, smart city, and broadband initiatives for WRCOG's member agencies. He implemented the Regional Streetlight Program, which facilitated the sale of over 50,000 utility-owned streetlights to 11 local governments, completed a streetlight LED conversion and currently manages a regional maintenance services contract for participating agencies. Daniel also leads the development and implementation of the Energy Resilience Plan, which serves as a resource for identifying and prioritizing local government critical facilities, and designing for energy resilience solutions in response to power interruptions. He holds a B.A. in Public Policy from the University of California, Riverside, and has interests in energy efficiency, DER's, the nexus between energy and grid infrastructure with the environment, as well as climate adaptation planning.

Casey Dailey, Director of Energy & Environmental Programs: Casey Dailey serves as Director of Energy and Environmental Programs for the Western Riverside Council of Governments. In this capacity, he oversees a number of regional and statewide programs that serve the public sector, residential and business communities to reduce energy consumption, greenhouse gases and landfill waste, as well as to increase the use of alternative fueled vehicles and spark economic development through sustainable initiatives. Casey oversees a statewide Commercial Property Assessed Clean Energy (C-PACE) Program that provides competitive financing for energy efficient, renewable energy, water conservation and seismic improvements to businesses. Other programs that Casey is responsible for include: Inland Regional Energy Network (I-REN), Regional Streetlights Program, Energy Resiliency, Solid Waste & Used Motor Oil Programs and the Clean Cities Coalition.

Pricing:

The budget for each Regional Ambassador is in the range of \$120,000 per year. Bidders will develop an annual budget using this template:

Scope	WRCOG's Proposed Budget
Task 1: Program Start-Up	\$ 8,000
Task 2: Implementation of Work Plan	
Task 2a: Awareness and Outreach	\$ 43,000
Task 2b: EE Project Assistance	\$ 41,000
Task 2c: Non-Resource Technical Assistance	\$ 18,000
Task 3: Reporting	\$ 5,000
TOTAL	\$ 115,000

Rate Card

Bidder to provide the rate card for their proposed team. Rates must be fixed through the contract period.

Labor Category	Billable Rate
Program Manager	\$122.11
Director	\$171.90

Appendix

Disclosures of Affiliations and Conflicts of Interest**i. DISCLOSURE OF AFFILIATIONS**

1. CPUC Decision 05-01-055 prohibits any transaction between a California IOU and any program implementer for EE that is a California affiliate of an IOU.[2] All Bidders must acknowledge that they are not an affiliate of any IOU. Such disclosure will be included in the response hereto. Failure to accurately respond will result in immediate rejection and disqualification from this RFP.* (asterisk reference is found at the end of this section)

WRCOG's Response: In an effort to promote transparency the WRCOG is hereby acknowledging that it is one of three administrators of the Inland Regional Energy Network (I-REN), and that SoCalGas is the Fiscal Agent for the I-REN. The I-REN Business Plan aligns with the CPUC in Decision 12-11-015, Decision 16-08-019, Decision 18-05-041, and refined in decision 19-1-021, that REN activities focus on three areas: 1) Activities that utilities or CCA program administrators cannot or do not intend to undertake; 2) Pilot activities where there is no current utility or CCA program offering, and where there is potential for scalability to a broader geographic reach, if successful; and 3) Activities serving hard-to-reach markets, whether or not there is another utility or CCA program that may overlap. The I-REN governing agencies have coordinated, developed, and refined I-REN's portfolio to ensure they do not overlap, and instead fill clear gaps, address hard-to-reach communities, and assess opportunities that could be scaled.

2. The CPUC determined that allowing consultants and/or firms who perform program and portfolio impact-related studies to also perform program delivery creates a conflict of interest[3] for those involved in evaluating energy efficiency programs and portfolios in California. These groups, including Energy Efficiency Independent Evaluators and members of the Energy Efficiency Procurement Review Group, are excluded from participating in this solicitation. However, Bidders that have implemented a "firewall" between the parts of their business performing program delivery and those performing any program and portfolio impacts-related studies (i.e., types of studies that are designed to produce findings (that may be favorable or unfavorable) on program or portfolio accomplishments) are welcome to respond.[4] Bidder must describe their firewall.

WRCOG's Response: The WRCOG does not perform program and portfolio impact-related studies.

3. Bidders whose organizations have performed program and/or portfolio impact-related studies within California for any other agency or organization in the last five (5) years must disclose such activity in their response to this RFP, regardless of whether or not a "firewall" is in place.

At a minimum, Bidders that have engaged in impact-related studies over the last five years should be able to clearly demonstrate that their organizational, reporting, and performance-management structures for each side of the business are completely separated and that non-disclosure agreements are in place to prevent the sharing of information across

business lines. Failure to accurately respond to this requirement will result in immediate rejection and disqualification from this RFP.

WRCOG's Response: The WRCOG does not perform program and portfolio impact-related studies.

4. Bidders must also acknowledge in their Proposals that they do not have any "Affiliate Relationships." An "Affiliate Relationship" is when a person or firm is, will be, or has within the last six (6) months been, doing work for SoCalGas at the same time it is working with (or has any material ownership in other firms which may be working directly with) San Diego Gas & Electric Company, Sempra Energy, or another SoCalGas affiliate.

WRCOG's Response: The WRCOG does not have Affiliate Relationships with SoCalGas, San Diego Gas & Electric Company, Sempra Energy, or another SoCalGas affiliate.

ii. CONFLICTS OF INTEREST

1. Bidder must identify and disclose all potential conflicts of interest between the Bidder and Company. This includes stock ownership and influential personal relationships between the Bidder and Company, and any of their respective employees, agents, board directors, affiliates, or subsidiaries.*

WRCOG's Response: In an effort to promote transparency the WRCOG is hereby acknowledging that it is one of three administrators of the Inland Regional Energy Network (I-REN), and that SoCalGas is the Fiscal Agent for the I-REN.

2. In D.05-01-055, the CPUC determined that allowing consultants and/or firms who perform energy efficiency program and portfolio impact-related studies to also perform energy efficiency program delivery creates a conflict of interest. Therefore, consultants and firms involved in the evaluation of energy efficiency programs and portfolios in California are excluded from participating in this RFP and the Solicitation unless they are able to clearly demonstrate that their organizational, reporting, and performance-management structures for each side of the business are completely separated (where separation must include the use of "ethics walls" similar to those used by legal services firms) and non-disclosure agreements are in place to prevent the sharing of information across business lines.

In addition, Bidders must disclose if they or their subcontractors' organizations include any individuals who may have served as an IE or PRG member during the prior six (6) months.

WRCOG's Response: The WRCOG does not perform program and portfolio impact-related studies.

Budget Considerations

Three different methods were considered when developing the proposed budget to serve as the Regional Energy Pathways Ambassador for Riverside and San Bernardino Counties: 1) [Gas Consumption per County](#); 2) [Land Area per County](#); and 3) [Population per County](#). The details for each budgeting method are pictured below:

Budget based on Gas Consumption				
Source: California Energy Commission Energy Reports				
*All Usage Expressed in Millions of Therms				
	Imperial County	Riverside County	San Bernardino County	Total
Gas Usage (2021)	41.022103	430.843598	561.360617	1,033.226318
Share of Total Gas Usage	4%	42%	54%	100%
Available Budget for Regional Ambassadors	\$ 120,000.00			
Budget per County based on Share of Total Gas Usage	\$ 4,764.35	\$ 50,038.63	\$ 65,197.02	\$ 120,000.00
WRCOG Proposed Budget (Riverside & San Bernardino Counties)	\$ 115,235.65			

Budget based on Land Area				
Source: US Census Bureau				
	Imperial County	Riverside County	San Bernardino County	Total
Land Area in Sq. Miles (2020)	4,175.54	7,209.27	20,068.01	31,452.82
Share of Total Land Area	13.28%	22.92%	63.80%	100%
Available Budget for Regional Ambassadors	\$ 120,000.00			
Budget Allocation per County based on Share of Total Land Area	\$ 15,930.68	\$ 27,505.08	\$ 76,564.24	\$ 120,000.00
WRCOG Proposed Budget (Riverside & San Bernardino Counties)	\$ 104,069.32			

Budget based on Population				
Source: US Census Bureau				
	Imperial County	Riverside County	San Bernardino County	Total
Population (2022)	178,713	2,473,902	2,193,656	4,846,271
Share of Total Population	4%	51%	45%	100%
Available Budget for Regional Ambassadors	\$ 120,000.00			
Budget Allocation Per County based on Share of Total Population	\$ 4,425.17	\$ 61,257.04	\$ 54,317.79	\$ 120,000.00
WRCOG Proposed Budget (Riverside & San Bernardino Counties)	\$ 115,574.83			

SCHEDULE C
Compensation

Rate Schedule with NTE Amount. Company shall compensate Contractor for the Services at the rates set forth below in an amount not to exceed **\$120,000.00** (as may be revised from time to time in accordance with this Section, the “NTE Amount”). Contractor shall notify Company in writing when the costs incurred under this Agreement based upon this section equal 90 percent of the NTE Amount. Company will not be required to pay Contractor in excess of the NTE Amount unless and until, at Company’s sole option, Company elects in writing to increase the NTE Amount.

Pricing:

The budget for each Regional Ambassador is in the range of \$120,000 per year. Bidders will develop an annual budget using this template:

Scope	WRCOG’s Proposed Budget
Task 1: Program Start-Up	\$ 8,000
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Rate Card

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Labor Category	Billable Rate
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Director	\$171.90

Attachment

Framework Regarding New
Programs: Southern California Gas
Company Regional Energy
Pathways Ambassador Program

Framework Regarding New Programs: Southern California Gas Company Regional Energy Pathways Ambassador Program

	Questions	Low	Medium	High	Analysis
1	What is the level of regional concern regarding this issue?	Issue is discussed rarely within the WRCOG subregion. Low awareness among Agency Staff and Elected Officials.	Some discussion but not seen as a regional priority. Moderate level of awareness among Agency Staff and Elected Officials.	Regular discussion of the issue and high level of awareness among Agency Staff and Elected Officials. Seen as a regional priority.	Previously, the Western Riverside Energy Partnership (WREP) raised awareness and helped implement Natural Gas EE measures for Member Agencies. However, gas EE measures were not as popular nor easy to implement as electric EE measures. Due to this previous work, I will rank this issue as Medium.
2	How consistent is this issue with the WRCOG Strategic Plan?	Not directly addressed	Indirectly addressed	Specifically listed in Strategic Plan	Although not specifically listed in the Strategic Plan, the Regional Energy Pathways Ambassador Program can assist Member Agencies to implement natural gas EE measures
3	Has WRCOG received requests to address this issue?	WRCOG has not received direct requests related to this item	WRCOG has received a limited number of requests related to this item	WRCOG has received a significant number of requests related to this item	Since the sunset of the WREP, we have not received requests from Member Agencies specifically for natural gas EE measures.
4	Is this issue being addressed by other agencies in the WRCOG region?	High number of agencies currently addressing this issue.	Limited number of agencies addressing this issue.	No other agencies are currently addressing this issue in the region.	The I-REN will support Member Agencies with natural gas energy efficiency measures that are not already provided by SoCalGas EE Programs. As such, SoCalGas' Regional Energy Pathways will provide most of the EE gas measures that Member Agencies can implement.
5	What is the track record of other agencies implementing similar efforts?	Recent efforts by others have not been successful or no comparable examples.	Moderate level of success by others.	Similar efforts have a demonstrated track record of success.	Prior to the sunset of the WREP, WRCOG was able to assist some Member Agencies with implementing gas EE measures. Natural gas EE measures have always been difficult to implement across the state due to limited EE savings and incentives/rebates being small or not as impactful as electric EE measures. Other agencies outside of WRCOG subregion are implementing similar partnerships.
6	What is the level of Staff expertise in this area?	Low level of staff expertise.	Some staff in WRCOG have moderate level of experience.	Multiple staff members have high level of expertise in this issue area.	Daniel Soltero is new to assisting Member Agencies implement natural gas energy efficiency measures. Benjamin Druyon has high level of experience in implementing natural gas energy efficiency measures.

7	What is the level of available funding to start this initiative?	Limited funding available for start-up/initiation costs.	Some funding available but would require reallocation of resources.	Sufficient funding available to initiate this effort.	The Regional Energy Pathways Ambassador Program would be in effect for one calendar year, and would <u>reimburse</u> WRCOG for eligible staff time, material, and marketing costs up to \$120,000. SoCalGas has selected WRCOG's proposal for one calendar year from the Effective Date of the Service Agreement.
8	What is the level of available funding to maintain this initiative?	Additional funds will have to be secured to implement this effort.	On-going funding is available but some effort require to secure the funding.	Initiative has secured sufficient funding to be self-sustaining for the foreseeable future.	The Regional Energy Pathways Ambassador Program would be in effect for one calendar year, and would <u>reimburse</u> WRCOG for eligible staff time, material, and marketing costs up to \$120,000. After the first calendar, SoCalGas will have the option to renew the Service Agreement with WRCOG, or may ask WRCOG to submit a new proposal for the next calendar year.
9	Do the fund associated with this effort carry significant restrictions on their use by WRCOG?	Fund carry high levels of reporting requirements or other similar restrictions.	Additional requirements for funds associated with this effort but can be addressed through existing processes.	No additional restrictions beyond those imposed on government agencies related to fiscal matters.	Since compensation is based on a reimbursement basis, WRCOG will need to submit invoices to SoCalGas through its proprietary invoicing software on a monthly basis. All billings must be related to the SoCalGas Regional Energy Pathways and similar SoCalGas energy efficiency programs.
10	How much control does WRCOG have over any implementation activities?	Implementation activities will be conducted by other parties with limited oversight/control by WRCOG. Implementation will be done by 3rd parties not associated with WRCOG.	WRCOG has some level of control over implementation through reporting or other oversight mechanisms.	WRCOG has direct control over the implementation activities related to this program.	WRCOG would only be doing outreach and engagement, energy efficiency project assistance, and assist with incentives/rebates. SoCalGas or their contractor that will be implementing the energy efficiency measures in the field or at the facilities.
11	What is the level of regulatory complexity?	Heavily regulated topic by Federal/State/Regional agencies. Will require significant legal and consultant assistance to address regulatory requirements.	Some regulation by Federal/State/Regional agencies. Some level of complexity that requires assistance by legal and consultants for regulatory issues.	Nominal level of complexity. Limited support needed from legal and consultants to address regulatory issues.	Once the Service Agreement is executed we anticipate very little to no legal and consultant assistance needed.
12	How challenging are the administrative requirements associated with this initiative?	Will require dedicated staff to meet administrative requirements.	Administrative requirements can be met through reallocation of existing staff.	Administrative requirements can be met through existing staff with little disruption to existing work.	WRCOG staff (Daniel Soltero) will be able to handle administrative requirements with assistance from Fiscal team staff. This was done previously through the WREP, so it is anticipated that it can be done again.

13	How consistent is this initiative with existing WRCOG programs?	No relationship with existing WRCOG programs.	Indirect relationship with existing WRCOG programs/efforts.	Directly related to existing WRCOG programs/efforts.	The SoCalGas Regional Energy Pathways Ambassador Program is directly related to the I-REN, as they are working in conjunction with each other to implement natural gas energy efficiency measures for Member Agencies.
14	Is there documentation which describes WRCOG's roles and responsibilities?	Limited documntation regarding WRCOG's roles and responsibilities.	Some documentation with funding or regulatory agency but no documentation with other parties.	Agreements with funding/regulatory agencies and member agencies which clearly delineate roles and responsibilities.	If approved, the Service Agreement with SoCalGas includes WRCOG's proposals which detail WRCOG's scope of work for the Regional Energy Pathways Ambassador Program.
15	What is the level of negative outcomes if WRCOG chooses not to act?	No negative outcomes for WRCOG members if WRCOG does not act.	Limited number of negative outcomes for WRCOG members associated with not acting.	Multiple negative consequents for WRCOG Member agencies and others if WRCOG fails to act	No negative impacts to WRCOG if we choose not to particpate
16	What are the financial impacts to WRCOG to discontinue the effort if WRCOG nitiates this work?	High level of financial impacts to WRCOG if the initiative/effort is discontinued such as long-term financial obligations or revenue loss to WRCOG. Limited ability to mitigate those impacts.	Finanical impact to WRCOG but impact can be mitigated through various strategies.	Limited financial impacts to WRCOG to discontnue this effort.	WRCOG included revenues from this Program in the FY 23-24 budget. If WRCOG discontinues the effort, it would impact the budget revenues and staff time allocation, but can be mitigated by allocating staff time to the I-REN.
17	What are the legal impacts for WRCOG to discontinue the effort if WRCOG nitiates this work?	Long-term legal implications for WRCOG to discontinue the program. Limited abiltiy to mitigate those impacts.	Legal impacts to WRCOG can be mitigated through various stategies.	Limited legal impacts to WRCOG is we discontinue this effort.	There are no legal impacts to WRCOG to discontinue the Regional Energy Pathways Ambassador Program.
18	Does WRCOG have clearly stated and understood goals for this initiative?	Goals are not well defined or there is not significant agreement on goals for the effort.	Some clarity on effort goals but there is some level of ambiguity.	Clearly defined goals for this effort.	There are some goals and Key Performance Indicators (KPI) for this Service Agreement, however, SoCalGas has not clarified specific goals and KPI's in the Service Agreement.
19	Does the initiative provide deliverables or services which directly benefit WRCOG member agencies?	Effort produces few tangible products which benefit WRCOG member agenices.	Products/services provide some value to limited nubmer of WRCOG agencies.	Products/services would be widely used by WRCOG members.	The Regional Energy Pathways Ambassador Program could provide energy efficiency project assistance, assistance with incentives/rebates, and assistance with long-term strategies for energy efficiency specifically to natural gas for all WRCOG Member Agencies, as well as other public sector agencies including Special Districts, K-12, State and Federal customers.

20	What is the level of external stakeholder support for this effort?	External stakeholders are directly opposed to this effort.	Indifference by external stakeholders for this effort.	High level of support for this effort by external stakeholders.	External stakeholders have not been identified. External stakeholders could benefit from the Regional Energy Pathways Ambassador Program if they implement projects, or request assistance with long-term strategies for energy efficiency such as benchmarking for buildings or GHG inventories.



Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: TUMF Program Activities Update: Approval of Two TUMF Reimbursement Agreement Amendments and One TUMF Credit Agreement

Contact: Brian Piche-Cifuentes, Transportation Analyst I, bpiche-cifuentes@wrcog.us, (951) 405-6705

Date: November 6, 2023

Recommended Action(s):

1. Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Menifee increasing the Construction Phase of the Holland Road / I-215 Overpass Project in an amount not to exceed \$1,000,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$11,255,000.
2. Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Temecula increasing the Right-of-Way Phase with the French Valley Parkway Phase III Project in an amount not to exceed \$1,500,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$3,000,000.
3. Authorize the Executive Director to execute a TUMF Credit Agreement with the County of Riverside and Pulte Home Company, LLC, for the widening of Pigeon Pass Road from Highgrove Boulevard to 1635 feet south for a maximum credit of \$1,288,136.

Summary:

The City of Menifee is requesting additional funding for the Holland Road / I-215 Overpass project to improve the safety and mobility of all travel modes in the city by amending the original agreement.

The City of Temecula is requesting additional funding for the French Valley Parkway Project by amending the original agreements and entering the Right-of-Way phase.

The County of Riverside would like to enter the Improvement and Credit Agreement with Pulte Home Company, LLC, for the widening of Pigeon Pass Road from Highgrove Boulevard to 1635 feet south.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to request approval of two TUMF Reimbursement Agreement Amendments and one TUMF Credit Agreement. This effort supports WRCOG's 2022-2027 Strategic Plan Goal #5 (Develop projects and programs that improve infrastructure and sustainable development in our subregion).

Discussion:

WRCOG's TUMF Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in western Riverside County. A Reimbursement Agreement is a document between WRCOG and a member agency and allows WRCOG to provide funding for TUMF expenses incurred for the Planning, Design, Engineering, and/or Construction of a TUMF project. To enter into a Reimbursement Agreement, the funding for the project must first be allocated in the appropriate TUMF Zone Transportation Improvement Program (TIP). TUMF Agreements and Amendments are initiated by their respective agencies when that agency is ready for the infrastructure development.

Reimbursement Agreement Amendment

Two Reimbursement Agreement Amendments are being presented for approval, as listed below.

City of Menifee:

1. The Holland Road / I-215 Overpass Project (18-CN-MEN-1181) sets the amount of funding in the Construction Phase to an amount not to exceed \$10,255,000. This project funding has now been requested to increase the Construction Phase by the City in an Amendment to an amount not to exceed \$1,000,000, for a total of \$11,255,000. This change is programmed in the approved Fiscal Year 2023/2024 Central Zone 5-Year TIP.

City of Temecula:

1. The French Valley Parkway Phase III Project (20-SW-TEM-1197) set the amount of funding in the Right-of-Way Phase to an amount not to exceed \$1,500,000. This project funding has now been requested to increase the Right-of-Way by the City in an Amendment to an amount not to exceed \$1,500,000, for a total of \$3,000,000. This change is programmed in the approved Fiscal Year 2023/2024 Southwest Zone 5-Year TIP.

TUMF Credit Agreement

1. The TUMF Credit Agreement between the County of Riverside and Pulte Home Company, LLC, will have the project work done on Pigeon Pass Road, by widening the street from Highgrove Blvd to 1635 feet south. Pulte Home Company will be given credit up to a maximum amount of \$1,288,136 for TUMF eligible work.

Prior Action(s):

November 7, 2022: The Executive Committee authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment No. 2 with the City of Menifee for Holland Road/I-215 Project in an amount not to exceed \$10,255,000.

October 4, 2021: The Executive Committee authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment No. 1 with the City of Menifee for Holland Road / I-215 Project in an amount not to exceed \$8,255,000.

February 9, 2021: The Executive Committee authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Temecula for French Valley Parkway project in an amount not to exceed \$1,500,000.

March 2, 2020: The Executive Committee authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Menifee for Holland Road / I-215 Project in an amount not to exceed \$6,455,000.

Financial Summary:

TUMF-related activities are included in the Agency's most recently approved Transportation Improvement Plan (TIP) under their respective Zones.

Attachment(s):

[Attachment 1 - TUMF Reimbursement Agreement Amendment 3 - Holland Road/I-215 Overpass](#)

[Attachment 2 - TUMF Reimbursement Agreement Amendment 1 - French Valley Parkway Phase III](#)

[Attachment 3 - TUMF Credit Agreement - Pulte Home Company](#)

Attachment

TUMF Reimbursement Agreement Amendment No. 3 – Holland Road/I-215 Overpass

**AMENDMENT NO. 3 TO TRANSPORTATION UNIFORM MITIGATION FEE
PROGRAM AGREEMENT**

HOLLAND ROAD / I-215 OVERPASS

This Amendment No. 3 to Transportation Uniform Mitigation Fee Program Agreement (“Amendment No. 3”) is entered into this _____ day of _____, 2023, by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“WRCOG”) and the **CITY OF MENIFEE** (“AGENCY”). WRCOG and the AGENCY are sometimes referred to individually as “Party” and collectively as “Parties.”

RECITALS

A. WRCOG and AGENCY have entered into an agreement numbered 18-CN-MEN-1181 titled “Transportation Uniform Mitigation Fee Program Agreement” that is dated **3/30/2020** (“Agreement”), Amendment 1 that is dated **11/17/2021**, and Amendment 2 that is dated **10/19/2022** (“Amendments”). The Agreement and Amendments provide the terms and conditions, scope of work, schedule and funding amount for the CON (construction) Phase of the **Holland Road / I-215 Overpass** (hereinafter the “Project”).

B. The Parties desire to amend the Agreement and Amendments by increasing the original construction funding amount pursuant to Sections 6 and 33 of the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the Parties hereby agree as follows:

1. The Funding Amount contained in Section 2 of the Agreement and additional funding amount in the Amendments is hereby increased by One Million Dollars (\$1,000,000) for the construction phase of the project which includes the Holland Road segment from Antelope Road to Haun Road, for a total of **Eleven Million Two Hundred Fifty-Five Thousand Dollars (\$11,255,000)**.

2. The foregoing increase in the Funding Amount is within the Maximum TUMF Share.

3. The change in scope for this project is amended to include acquisition of needed right-of-way.

4. Exhibits “A-1” and “A-2” of the Agreement are hereby replaced in their entirety by Exhibits “A-1” and “A-2” of this Amendment No. 3, which are attached hereto and incorporated by reference.

5. The above-stated Recitals are hereby fully incorporated into this Amendment No. 3.

6. Except to the extent specifically modified or amended hereunder, all of the terms, covenants and conditions of the Agreement shall remain in full force and effect between the Parties hereto.

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 3 to be executed by their duly authorized representatives to be effective on the day and year first written above.

**WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS**

CITY OF MENIFEE

By: _____
Dr. Kurt Wilson,
Executive Director

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

By: _____
Armando Villa, City Manager

Approved to Form:

By: _____
Jeffrey T. Melching, City Attorney

Attest:

By: _____
Sarah Manwaring, City Clerk

EXHIBIT “A”

SCOPE OF WORK

1. **SCOPE OF WORK:** The Scope of Work as contained in the original agreement shall remain intact. The amounts included in table A-1 and A-2 are being increased as follows:

EXHIBIT “A-1”**ESTIMATE OF COST**

Phase	TUMF	LOCAL	TOTAL
PA&ED		\$ 800,000	\$ 800,000
PS&E		\$ 1,538,190	\$ 1,538,190
RIGHT OF WAY		\$3,110,000	\$ 3,110,000
CONSTRUCTION	\$11,255,000	\$18,517,421	\$26,772,421
TOTAL	\$11,255,000	\$23,965,611	\$32,220,611

EXHIBIT “A-2”**PROJECT SCHEDULE****TIMETABLE:**

Phase	Estimated Completion Date	Estimated Cost	Comments
PA&ED	October 2020	\$ 800,000	Completed
PS&E	February 2022	\$ 1,538,190	Completed
RIGHT OF WAY	October 2021	\$ 3,110,000	Completed
CONSTRUCTION	July 2024	\$26,772,421	In Process
TOTAL		\$32,220,611	

Attachment

TUMF Reimbursement Agreement Amendment No. 1 – French Valley Parkway Phase III

**AMENDMENT NO. 1 TO TRANSPORTATION UNIFORM MITIGATION FEE
PROGRAM AGREEMENT TO REIMBURSE TUMF FUNDS**

French Valley Parkway Phase III

Right-of-Way (ROW)

This Amendment No. 1 to Transportation Uniform Mitigation Fee Program Agreement (“Amendment No. 1”) is entered into this 24th day of October 2023, by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“WRCOG”) and the CITY OF TEMECULA (“AGENCY”). WRCOG and the AGENCY are sometimes referred to individually as “Party” and collectively as “Parties.”

RECITALS

A. WRCOG and AGENCY have entered into an agreement titled “Transportation Uniform Mitigation Fee Program Agreement” that is dated **February 9, 2021** (“Agreement”). The Agreement provides the terms and conditions, scope of work, schedule, and funding amount for the **French Valley Parkway Phase III** (hereinafter the “Project”).

B. The Parties desire to amend the Agreement by increasing the funding amount pursuant to Sections 6 and 33 of the Agreement.

C. Funds are being increased for this Project in order to account for the Right-of-Way Phase of the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the Parties hereby agree as follows:

1. The Funding Amount contained in Section 2 of the Agreement, as amended by Amendment No. 1, is hereby increased by **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$1,500,000.00)** from **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$1,500,000.00)** to an amount not to exceed **THREE MILLION DOLLARS AND ZERO CENTS (\$3,000,000.00)**.

2. The foregoing increase in the Funding Amount is within the Maximum TUMF Share.

3. Exhibits “A”, “A-1”, and “A-2” of the Agreement are hereby replaced in their entirety by Exhibits “A”, “A-1”, and “A-2” of this Amendment No. 1, which are attached hereto and incorporated by reference.

4. The above-stated Recitals are hereby fully incorporated into this Amendment No. 1.

5. Except to the extent specifically modified or amended hereunder, all of the terms, covenants, and conditions of the Agreement, as amended, shall remain in full force and effect between the Parties hereto.

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 1 to be executed
by their duly authorized representatives to be effective on the day and year first written above.

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

CITY OF TEMECULA

By: _____
Dr. Kurt Wilson, Executive Director

By: _____ Date: _____
Aaron Adams, City Manager

Approved to Form:

Attest:

By: _____
Steven C. DeBaun
General Counsel

By: _____ Date: _____
Randi Johl, City Clerk

Approved to Form:

By: _____ Date: _____
Peter M. Thorson, City Attorney

Exhibit “A”

SCOPE OF WORK

1. **SCOPE OF WORK:** Right of Way (ROW) – to process right of way requirements necessary for acquisitions, easements, temporary construction easements, and impacts to existing improvements, to include but not limited to, obtain title reports, perform appraisals, negotiate for the purchase and sale of real property/ies, relocation assistance including research for comparable properties and engineering for individual site plan revisions, if applicable or as necessary.

EXHIBIT “A-1”

ESTIMATE OF COST

Phase	TUMF	LOCAL	TOTAL
PA&ED	\$0	\$0	
PS&E	\$0	\$0	
RIGHT OF WAY	\$3,000,000	\$0	\$3,000,000
CONSTRUCTION	\$0	\$0	
TOTAL	\$3,000,000	\$0	\$3,000,000

EXHIBIT “A-2”

PROJECT SCHEDULE

TIMETABLE:

Phase	Estimated Completion Date
PA&ED	FY26/27
PS&E	FY26/27
RIGHT OF WAY	FY26/27
CONSTRUCTION	FY29/30

Attachment

TUMF Improvement and Credit Liability Agreement

CLERK'S COPY

in Riverside County Clerk of the Board, Stop 1010
Post Office Box 1147, Riverside, Ca 92502-1147
Thank you.

Trans Contract No. 23-03-001

**IMPROVEMENT AND CREDIT / REIMBURSEMENT AGREEMENT
TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM**

This **IMPROVEMENT AND CREDIT AGREEMENT** ("Agreement") is entered into this 12 day of September, 2023 (the "Effective Date") by and between the County of Riverside, a political subdivision of the State of California ("AGENCY"), the Western Riverside Council of Governments, a joint powers Agency, ("WRCOG") and Pulte Home Company, LLC, a Michigan limited liability company, with its principal place of business at 27401 Los Altos, Suite 400, Mission Viejo, CA, 92691 ("Developer"). AGENCY, WRCOG, and Developer are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

WHEREAS, Developer owns 45.57 acres of real property located within the AGENCY of Riverside County, California, which is more specifically described in the legal description set forth in Exhibit "A", attached hereto and incorporated herein by this reference ("Property");

WHEREAS, Developer has requested from AGENCY certain entitlements and/or permits for the construction of improvements on the Property, which are more particularly described as Summit Canyon, a total of one hundred thirty-eight (138) single-family residential units in Tract No. 33410 ("Project");

WHEREAS, the AGENCY is a member agency of WRCOG, a joint powers agency comprised of the County of Riverside and 18 cities located in Western Riverside County. WRCOG is the administrator for the Transportation Uniform Mitigation Fee ("TUMF") Program;

WHEREAS, as part of the TUMF Program, the AGENCY has adopted "Transportation Uniform Mitigation Fee Nexus Study: 2016 Update" ("2016 Nexus Study")

WHEREAS, as a condition to AGENCY's approval of the Project, AGENCY has required Developer to construct certain street and transportation system improvement(s) of regional importance ("TUMF Improvements");

WHEREAS, pursuant to the TUMF Program, the AGENCY requires Developer to pay the TUMF which covers the Developer's fair share of the costs to deliver those TUMF Improvements that help mitigate the Project's traffic impacts and burdens on the Regional System of Highways and Arterials (also known as the "TUMF Network"), generated by the Project and that are necessary to protect the safety, health and welfare of persons that travel to and from the Project using the TUMF Network;

WHEREAS, the TUMF Improvements have been designated as having Regional or Zonal Significance as further described in the 2016 Nexus Study and the 5 year Transportation Improvement Program as may be amended;

WHEREAS, AGENCY, WRCOG, and Developer now desire to enter into this Agreement for the following purposes: (1) to provide for the timely delivery of the TUMF Improvements, (2) to ensure that delivery of the TUMF Improvements is undertaken as if the TUMF Improvements

-1-

TUMF Improvement and Credit Agreement
Pulte Home Company, LLC
Tract No. 33410
Pigeon Pass Road

SEP 12 2023 3.33

were constructed under the direction and authority of the AGENCY, (3) to provide a means by which the Developer's costs for project delivery of the TUMF Improvements and related right-of-way is offset against Developer's obligation to pay the applicable TUMF for the Project in accordance with the TUMF Administrative Plan adopted by WRCOG, and (4) to provide a means, subject to the separate approval of WRCOG, for Developer to be reimbursed to the extent the actual and authorized costs for the delivery of the TUMF Improvements exceeds Developer's TUMF obligation.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, Developer and AGENCY hereby agree as follows:

TERMS

1.0 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 Construction of TUMF Improvements. Developer shall construct or have constructed at its own cost, expense, and liability certain street and transportation system improvements generally described as the construction of Pigeon Pass Road from Highgrove Pass Road one (1) southbound lane of approximately one thousand six hundred thirty-five (1,635) linear feet and one (1) northbound lane of approximately one thousand six hundred thirty-five (1,635) linear feet including curb and gutter, and sidewalk on the east side of the constructed Pigeon Pass Road, and as shown more specifically on the plans, profiles, and specifications which have been or will be prepared by or on behalf of Developer and approved by AGENCY, and which are incorporated herein by this reference ("TUMF Improvements"). Construction of the TUMF Improvements shall include any transitions and/or other incidental work deemed necessary for drainage or public safety. Developer shall be responsible for the replacement, relocation, or removal of any component of any existing public or private improvement in conflict with the construction or installation of the TUMF Improvements. Such replacement, relocation, or removal shall be performed to the complete satisfaction of AGENCY and the owner of such improvement. Developer further promises and agrees to provide all equipment, tools, materials, labor, tests, design work, and engineering services necessary to fully and adequately complete the TUMF Improvements.

2.1 Pre-approval of Plans and Specifications. Developer is prohibited from commencing work on any portion of the TUMF Improvements until all plans and specifications for the TUMF Improvements have been submitted to and approved by AGENCY. Approval by AGENCY shall not relieve Developer from ensuring that all TUMF Improvements conform with all other requirements and standards set forth in this Agreement.

2.2 Permits and Notices. Prior to commencing any work, Developer shall, at its sole cost, expense, and liability, obtain all necessary permits and licenses and give all necessary and incidental notices required for the lawful construction of the TUMF Improvements and performance of Developer's obligations under this Agreement. Developer shall conduct the work in full compliance with the regulations, rules, and other requirements contained in any permit or license issued to Developer.

-2-

2.3 Public Works Requirements. In order to insure that the TUMF Improvements will be constructed as if they had been constructed under the direction and supervision, or under the authority of, AGENCY, Developer shall comply with all of the following requirements with respect to the construction of the TUMF Improvements:

(a) Developer shall obtain bids for the construction of the TUMF Improvements, in conformance with the standard procedures and requirements of AGENCY, with respect to its public works projects, or in a manner which is approved by the Public Works Department.

(b) The contract or contracts for the construction of the TUMF Improvements shall be awarded to the responsible bidder(s) submitting the lowest responsive bid(s) for the construction of the TUMF Improvements.

(c) Developer shall require, and the specifications and bid and contract documents shall require, all such contractors to pay prevailing wages (in accordance with Articles 1 and 2 of Chapter 1, Part 7, Division 2 of the Labor Code) and to otherwise comply with applicable provisions of the Labor Code, the Government Code and the Public Contract Code relating to public works projects of cities/counties and as required by the procedures and standards of AGENCY with respect to the construction of its public works projects or as otherwise directed by the Public Works Department.

(d) All such contractors shall be required to provide proof of insurance coverage throughout the term of the construction of the TUMF Improvements which they will construct in conformance with AGENCY's standard procedures and requirements.

(e) Developer and all such contractors shall comply with such other requirements relating to the construction of the TUMF Improvements which AGENCY may impose by written notification delivered to Developer and each such contractor at any time, either prior to the receipt of bids by Developer for the construction of the TUMF Improvements, or, to the extent required as a result of changes in applicable laws, during the progress of construction thereof.

Developer shall provide proof to AGENCY, at such intervals and in such form as AGENCY may require that the foregoing requirements have been satisfied as to the TUMF Improvements.

2.4 Quality of Work; Compliance With Laws and Codes. The construction plans and specifications for the TUMF Improvements shall be prepared in accordance with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements. The TUMF Improvements shall be completed in accordance with all approved maps, plans, specifications, standard drawings, and special amendments thereto on file with AGENCY, as well as all applicable federal, state, and local laws, ordinances, regulations, codes, standards, and other requirements applicable at the time work is actually commenced.

2.5 Standard of Performance. Developer and its contractors, if any, shall perform all work required, constructing the TUMF Improvements in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same

discipline in the State of California. Developer represents and maintains that it or its contractors shall be skilled in the professional calling necessary to perform the work. Developer warrants that all of its employees and contractors shall have sufficient skill and experience to perform the work assigned to them, and that they shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the work, and that such licenses, permits, qualifications and approvals shall be maintained throughout the term of this Agreement.

2.6 Alterations to TUMF Improvements. All work shall be done and the TUMF Improvements completed as shown on approved plans and specifications, and any subsequent alterations thereto. If during the course of construction and installation it is determined that the public interest requires alterations in the TUMF Improvements, Developer shall undertake such design and construction changes as may be reasonably required by AGENCY. Any and all alterations in the plans and specifications and the TUMF Improvements to be completed may be accomplished without first giving prior notice thereof to Developer's surety for this Agreement.

3.0 Maintenance of TUMF Improvements. AGENCY shall not be responsible or liable for the maintenance or care of the TUMF Improvements until AGENCY approves and accepts them. AGENCY shall exercise no control over the TUMF Improvements until accepted. Any use by any person of the TUMF Improvements, or any portion thereof, shall be at the sole and exclusive risk of Developer at all times prior to AGENCY's acceptance of the TUMF Improvements. Developer shall maintain all of the TUMF Improvements in a state of good repair until they are completed by Developer and approved and accepted by AGENCY, and until the security for the performance of this Agreement is released. It shall be Developer's responsibility to initiate all maintenance work, but if it shall fail to do so, it shall promptly perform such maintenance work when notified to do so by AGENCY. If Developer fails to properly prosecute its maintenance obligation under this section, AGENCY may do all work necessary for such maintenance and the cost thereof shall be the responsibility of Developer and its surety under this Agreement. AGENCY shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the TUMF Improvements or their condition prior to acceptance. In no event shall WRCOG be responsible for the maintenance, operation or care of the TUMF Improvements

4.0 Fees and Charges. Developer shall, at its sole cost, expense, and liability, pay all fees, charges, and taxes arising out of the construction of the TUMF Improvements, including, but not limited to, all plan check, design review, engineering, inspection, sewer treatment connection fees, and other service or impact fees established by AGENCY.

5.0 AGENCY Inspection of TUMF Improvements. Developer shall, at its sole cost, expense, and liability, and at all times during construction of the TUMF Improvements, maintain reasonable and safe facilities and provide safe access for inspection by AGENCY of the TUMF Improvements and areas where construction of the TUMF Improvements is occurring or will occur.

6.0 Liens. Upon the expiration of the time for the recording of claims of liens as prescribed by Sections 8412 and 8414 of the Civil Code with respect to the TUMF Improvements, Developer shall provide to AGENCY such evidence or proof as AGENCY shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment to the construction of the TUMF Improvements, have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation. Rather than await the expiration of the said time

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for the recording of claims of liens, Developer may elect to provide to AGENCY a title insurance policy or other security acceptable to AGENCY guaranteeing that no such claims of liens will be recorded or become a lien upon any of the Property.

7.0 Acceptance of TUMF Improvements; As-Built or Record Drawings. If the TUMF Improvements are properly completed by Developer and approved by AGENCY, and if they comply with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements, AGENCY shall be authorized to accept the TUMF Improvements. AGENCY may, in its sole and absolute discretion, accept fully completed portions of the TUMF Improvements prior to such time as all of the TUMF Improvements are complete, which shall not release or modify Developer's obligation to complete the remainder of the TUMF Improvements. Upon the total or partial acceptance of the TUMF Improvements by AGENCY, Developer shall file with the Recorder's Office of the County of Riverside a Notice of Completion for the accepted TUMF Improvements in accordance with California Civil Code sections 8182, 8184, 9204, and 9208 ("Notice of Completion"), at which time the accepted TUMF Improvements shall become the sole and exclusive property of AGENCY without any payment therefore. Notwithstanding the foregoing, AGENCY may not accept any TUMF Improvements unless and until Developer provides one (1) set of "as-built" or record drawings or plans to the AGENCY for all such TUMF Improvements. The drawings shall be certified and shall reflect the condition of the TUMF Improvements as constructed, with all changes incorporated therein.

8.0 Warranty and Guarantee. Developer hereby warrants and guarantees all the TUMF Improvements against any defective work or labor done, or defective materials furnished in the performance of this Agreement, including the maintenance of the TUMF Improvements, for a period of one (1) year following completion of the work and acceptance by AGENCY ("Warranty"). During the Warranty, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the TUMF Improvements, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of AGENCY, and to the approval of AGENCY. All repairs, replacements, or reconstruction during the Warranty shall be at the sole cost, expense, and liability of Developer and its surety. As to any TUMF Improvements which have been repaired, replaced, or reconstructed during the Warranty, Developer and its surety hereby agree to extend the Warranty for an additional one (1) year period following AGENCY's acceptance of the repaired, replaced, or reconstructed TUMF Improvements. Nothing herein shall relieve Developer from any other liability it may have under federal, state, or local law to repair, replace, or reconstruct any TUMF Improvement following expiration of the Warranty or any extension thereof. Developer's warranty obligation under this section shall survive the expiration or termination of this Agreement.

9.0 Administrative Costs. If Developer fails to construct and install all or any part of the TUMF Improvements, or if Developer fails to comply with any other obligation contained herein, Developer and its surety shall be jointly and severally liable to AGENCY for all administrative expenses, fees, and costs, including reasonable attorney's fees and costs, incurred in obtaining compliance with this Agreement or in processing any legal action or for any other remedies permitted by law.

10.0 Default; Notice; Remedies.

10.1 Notice. If Developer neglects, refuses, or fails to fulfill or timely complete any obligation, term, or condition of this Agreement, or if AGENCY determines there is a violation of any federal, state, or local law, ordinance, regulation, code, standard, or other requirement, AGENCY may at any time thereafter declare Developer to be in default or violation of this Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation (“Notice”). Developer shall substantially commence the work required to remedy the default or violation within five (5) days of the Notice. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, AGENCY may provide the Notice verbally, and Developer shall substantially commence the required work within twenty-four (24) hours thereof. Immediately upon AGENCY’s issuance of the Notice, Developer and its surety shall be liable to AGENCY for all costs of construction and installation of the TUMF Improvements and all other administrative costs or expenses as provided for in this Section 10.0 of this Agreement.

10.2 Failure to Remedy; AGENCY Action. If the work required to remedy the noticed default or violation is not diligently prosecuted to a completion acceptable to AGENCY within the time frame contained in the Notice, AGENCY may complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity as in its sole and absolute discretion it believes is required to remedy the default or violation. All such work or remedial activity shall be at the sole and absolute cost, expense, and liability of Developer and its surety, without the necessity of giving any further notice to Developer or surety. AGENCY’s right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any of the TUMF Improvements at the time of AGENCY’s demand for performance. In the event AGENCY elects to complete or arrange for completion of the remaining work and the TUMF Improvements, AGENCY may require all work by Developer or its surety to cease in order to allow adequate coordination by AGENCY.

10.3 Other Remedies. No action by AGENCY pursuant to this Section 10.0 et seq. of this Agreement shall prohibit AGENCY from exercising any other right or pursuing any other legal or equitable remedy available under this Agreement or any federal, state, or local law. AGENCY may exercise its rights and remedies independently or cumulatively, and AGENCY may pursue inconsistent remedies. AGENCY may institute an action for damages, injunctive relief, or specific performance.

11.0 Security; Surety Bonds. Prior to the commencement of any work on the TUMF Improvements, Developer or its contractor shall provide AGENCY with surety bonds in the amounts and under the terms set forth below (“Security”). The amount of the Security shall be based on the estimated actual costs to construct the TUMF Improvements, as determined by AGENCY after Developer has awarded a contract for construction of the TUMF Improvements to the lowest responsive and responsible bidder in accordance with this Agreement (“Estimated Costs”). If AGENCY determines, in its sole and absolute discretion, that the Estimated Costs have changed, Developer or its contractor shall adjust the Security in the amount requested by AGENCY. Developer’s compliance with this Section 11.0 et seq. of this Agreement shall in no way limit or modify Developer’s indemnification obligation provided in Section 12.0 of this Agreement.

11.1 Performance Bond. To guarantee the faithful performance of the TUMF Improvements and all the provisions of this Agreement, to protect AGENCY if Developer is in default as set forth in Section 10.0 et seq. of this Agreement, and to secure the one-year guarantee and warranty of the TUMF Improvements, Developer or its contractor shall provide AGENCY a faithful performance bond in an amount which sum shall be not less than one hundred percent (100%) of the Estimated Costs. The AGENCY may, in its sole and absolute discretion, partially release a portion or portions of the security provided under this section as the TUMF Improvements are accepted by AGENCY, provided that Developer is not in default on any provision of this Agreement and the total remaining security is not less than one hundred percent (100%) of the Estimated Costs. All security provided under this section shall be released at the end of the Warranty period, or any extension thereof as provided in Section 11.0 of this Agreement, provided that Developer is not in default on any provision of this Agreement.

11.2 Labor & Material Bond. To secure payment to the contractors, subcontractors, laborers, materialmen, and other persons furnishing labor, materials, or equipment for performance of the TUMF Improvements and this Agreement, Developer or its contractor shall provide AGENCY a labor and materials bond in an amount which sum shall not be less than one hundred percent (100%) of the Estimated Costs. The security provided under this section may be released by written authorization of AGENCY after six (6) months from the date AGENCY accepts the TUMF Improvements. The amount of such security shall be reduced by the total of all stop notice or mechanic's lien claims of which AGENCY is aware, plus an amount equal to twenty percent (20%) of such claims for reimbursement of AGENCY's anticipated administrative and legal expenses arising out of such claims.

11.3 Additional Requirements. The surety for any surety bonds provided as Security shall have a current A.M. Best rating of at least "A" and FSC-VIII, shall be licensed to do business in California, and shall be satisfactory to AGENCY. As part of the obligation secured by the Security and in addition to the face amount of the Security, Developer, its contractor or the surety shall secure the costs and reasonable expenses and fees, including reasonable attorney's fees and costs, incurred by AGENCY in enforcing the obligations of this Agreement. Developer, its contractor and the surety shall stipulate and agree that no change, extension of time, alteration, or addition to the terms of this Agreement, the TUMF Improvements, or the plans and specifications for the TUMF Improvements shall in any way affect its obligation on the Security.

11.4 Evidence and Incorporation of Security. Evidence of the Security shall be provided on the forms set forth in Exhibit "B", unless other forms are deemed acceptable by the AGENCY, and when such forms are completed to the satisfaction of AGENCY, the forms and evidence of the Security shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

12.0 Indemnification. Developer shall defend, indemnify, and hold harmless AGENCY, the Western Riverside Council of Governments (WRCOG), their elected officials, board members, employees, and agents (collectively, "Indemnitees") from any and all actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state, or local governmental agency, arising out of or incident to any acts, omissions, negligence, or willful misconduct of Developer, its employees, contractors, or agents in connection with the

performance of this Agreement, or arising out of or in any way related to or caused by the TUMF Improvements or their construction, maintenance or condition prior to AGENCY's approval and acceptance of the TUMF Improvements ("Claims"). This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorney fees, and related costs or expenses, and the reimbursement of AGENCY, WRCOG, their elected officials, board members, employees, and/or agents for all legal expenses and costs incurred by each of them. This indemnification excludes only such portion of any Claim which is caused solely and exclusively by the negligence or willful misconduct of AGENCY as determined by a court or administrative body of competent jurisdiction.

Developer may adjust, settle, or compromise any such Claim only with prior consent of AGENCY. Any adjustment, settlement, or compromise shall not in any manner whatsoever limit or circumscribe Developer's indemnification obligations as set forth herein. No settlement on behalf of AGENCY shall be effective unless and until the settlement agreement is agreed to in writing by the Board of Supervisors on behalf of AGENCY.

Developer's indemnification obligations hereunder shall be satisfied when Developer has provided to AGENCY and WRCOG the appropriate form of dismissal (or similar document) relieving AGENCY or WRCOG from liability for the claim, proceeding or action involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe Developer's obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

In the event there is conflict between this section and California Civil Code Section 2782, this section shall be interpreted to comply with California Civil Code Section 2782. Such interpretation shall not relieve Developer from indemnifying indemnitees to the fullest extent allowed by law.

Developer's obligation to indemnify shall survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by AGENCY, WRCOG, their elected officials, board members, employees, or agents.

13.0 Insurance.

13.1 Types; Amounts. Developer shall procure and maintain, and shall require its contractors to procure and maintain, during performance of this Agreement, insurance of the types and in the amounts described below ("Required Insurance"). If any of the Required Insurance contains a general aggregate limit, such insurance shall apply separately to this Agreement or be no less than two times the specified occurrence limit.

13.1.1 General Liability. Occurrence form general liability insurance at least as broad as Insurance Services Office Form CG 00 01, or equivalent form, with an occurrence limit of Two Million Dollars (\$2,000,000) and aggregate limit of Four Million Dollars (\$4,000,000) for bodily injury, personal injury, and property damage.

13.1.2 Business Automobile Liability. Business automobile liability insurance at least as broad as Insurance Services Office Form CA 00 01 (coverage symbol 1 – any auto), or

equivalent form, with a combined single limit of not less than Two Million Dollars (\$2,000,000) per occurrence and aggregate limit of Four Million Dollars (\$4,000,000). Such insurance shall include coverage for the ownership, operation, maintenance, use, loading, or unloading of any auto owned, leased, hired, or borrowed by the insured or for which the insured is responsible.

13.1.3 Workers' Compensation. Workers' compensation insurance with limits as required by the Labor Code of the State of California and employers' liability insurance with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and aggregate limit of Four Million Dollars (\$4,000,000), at all times during which insured retains employees.

13.1.4 Professional Liability. For any consultant or other professional who will engineer or design the TUMF Improvements, liability insurance for errors and omissions with limits not less than Two Million Dollars (\$2,000,000) per occurrence and aggregate limit of Four Million Dollars (\$4,000,000), shall be procured and maintained for a period of five (5) years following completion of the TUMF Improvements. Such insurance shall be endorsed to include contractual liability.

13.2 Deductibles. Any deductibles or self-insured retentions must be declared to and approved by AGENCY. At the option of AGENCY, either: (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects AGENCY, its elected officials, officers, employees, agents, and volunteers; or (b) Developer and its contractors shall provide a financial guarantee satisfactory to AGENCY guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

13.3 Additional Insured; Separation of Insureds. The Required Insurance, except for the professional liability and workers' compensation insurance, shall name AGENCY, WRCOG, their elected officials, board members, officers, employees, and agents as additional insureds with respect to work performed by or on behalf of Developer or its contractors, including any materials, parts, or equipment furnished in connection therewith. For Required Insurance provided by Developer's contractors, WRCOG shall be added as an additional insured using ISO CG 2038 or an exact equivalent. The Required Insurance shall contain standard separation of insureds provisions and shall contain no special limitations on the scope of its protection to AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents.

13.4 Primary Insurance; Waiver of Subrogation. The Required Insurance, except for the professional liability and workers' compensation insurance shall be primary with respect to any insurance or self-insurance programs covering AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents. The Required Insurance, except for the professional liability insurance, shall provide that the insurance company waives all right of recovery by way of subrogation against AGENCY and WRCOG in connection with any damage or harm covered by such policy.

13.5 Certificates; Verification. Developer and its contractors shall furnish AGENCY with original certificates of insurance and endorsements effecting coverage for the Required Insurance. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by AGENCY before work pursuant to this Agreement can begin.

AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time.

13.6 Term; Cancellation Notice. Developer and its contractors shall maintain the Required Insurance for the term of this Agreement and shall replace any certificate, policy, or endorsement which will expire prior to that date. All policies shall be endorsed to provide that the Required Insurance shall not be suspended, voided, reduced, canceled, or allowed to expire except on thirty (30) days' prior written notice to AGENCY. If such notice of cancellation endorsements are unavailable, Developer shall provide such thirty (30) days' written notice of cancellation.

13.7 Insurer Rating. Unless approved in writing by AGENCY, all Required Insurance shall be placed with insurers licensed to do business in the State of California and with a current A.M. Best rating of at least "A" and FSC-VIII.

14.0 TUMF Credit.

14.1 Developer's TUMF Obligation. Developer hereby agrees and accepts that as of the date of this Agreement, the amount Developer is obligated to pay to AGENCY pursuant to County Ordinance No. 824 as part of the TUMF Program is **ONE MILLION THREE HUNDRED NINETY-FOUR THOUSAND THREE HUNDRED FIFTY-TWO DOLLARS (\$1,394,352)** ("TUMF Obligation"). This TUMF Obligation shall be initially determined under the TUMF fee schedule in effect for the AGENCY at the time the Developer submits a building permit application for the TUMF Improvement. Notwithstanding, this TUMF Obligation does not have to be paid until the Certificate of Occupancy is obtained.

14.2 Fee Adjustments. Notwithstanding the foregoing, Developer agrees that this Agreement shall not estop AGENCY from adjusting the TUMF in accordance with the provisions of County Ordinance No. 824.

14.3 Credit Offset Against TUMF Obligation. Pursuant to County Ordinance No. 824 and in consideration for Developer's obligation under this Agreement for the delivery of TUMF Improvements, credit shall be applied by AGENCY to offset the TUMF Obligation ("Credit") subject to adjustment and reconciliation under Section 14.5 of this agreement. Developer hereby agrees that the amount of the Credit shall be applied after Developer has initiated the process of project delivery of TUMF Improvements to the lowest responsible bidder in accordance with this Agreement. Developer further agrees that the dollar amount of the Credit shall be equal to the lesser of: (A) the bid amount set forth in the contract awarded to the lowest responsible bidder, or (B) the unit cost assumptions for the TUMF Improvement in effect at the time of the contract award, as such assumptions are identified and determined in the most recent TUMF Nexus Study and the TUMF Administrative Plan adopted by WRCOG ("Unit Cost Assumptions").

The bid amount and the Unit Cost Assumptions shall hereafter be collectively referred to as "Estimated Credit" and is estimated in the attached Exhibit "G". At no time will the Credit exceed the Developer's TUMF Obligation. If the dollar amount of the Estimated Credit exceeds the dollar amount of the TUMF Obligation, Developer will be deemed to have completely satisfied its TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. If the dollar amount of the

Estimated Credit is less than the dollar amount of the TUMF Obligation, the Developer agrees the Credit shall be applied to offset the TUMF Obligation as follows:

(i) For residential units in the Project, the Credit shall be applied to all residential units to offset and/or satisfy the TUMF Obligation. The residential units for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to each unit, shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

(ii) For commercial and industrial structures in the Project, the Credit shall be applied to all commercial and industrial development to offset and/or satisfy the TUMF Obligation. The commercial or industrial structure(s) for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to such structure(s), shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section, including how the Credit is applied to offset the TUMF Obligation as described above.

14.4 Verified Cost of the TUMF Improvements. Upon recordation of the Notice of Completion for the TUMF Improvements and acceptance of the TUMF Improvements by AGENCY, Developer shall submit to the AGENCY Public Works Director the information set forth in the attached Exhibit "C". The AGENCY Public Works Director, or his or her designee, shall use the information provided by Developer to calculate the total actual costs incurred by Developer in delivering the TUMF Improvements covered under this Agreement ("Verified Costs"). The AGENCY Public Works Director will use his or her best efforts to determine the amount of the Verified Costs and provide Developer written notice thereof within thirty (30) calendar days of receipt of all the required information from Developer. The AGENCY may request that WRCOG calculate the amount of the Verified Cost. In this case, the AGENCY shall provide WRCOG written notice and all necessary documentation and allow WRCOG fifteen (15) days to determine costs. AGENCY will notify the Developer within the previous thirty (30) day deadline.

14.5 Reconciliation; Final Credit Offset Against TUMF Obligation. The Developer is aware of and accepts the fact that Credits are speculative and conceptual in nature. The actual amount of Credit that shall be applied by AGENCY to offset the TUMF Obligation shall be equal to the lesser of: (A) the Verified Costs or (B) Unit Cost Assumptions for the TUMF Improvements as determined in accordance with Section 14.3 of this Agreement ("Actual Credit"). No Actual Credit will be awarded until the Verified Costs are determined through the reconciliation process. Please be advised that while a Developer may use an engineer's estimates in order to estimate Credits for project planning purposes, the Actual Credit awarded will only be determined by the reconciliation process.

(a) TUMF Balance. If the dollar amount of the Actual Credit is less than the dollar amount of the TUMF Obligation, the AGENCY Public Works Director shall provide written notice to Developer of the amount of the difference owed ("TUMF Balance") and

Developer shall pay the TUMF Balance in accordance with County Ordinance No. 824 to fully satisfy the TUMF Obligation (see Exhibit "F" - Example "A").

(b) TUMF Reimbursement. If the dollar amount of the Actual Credit exceeds the TUMF Obligation, Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section (see Exhibit "F" - Example "B").

(c) TUMF Overpayment. If the dollar amount of the Actual Credit exceeds the Estimated Credit, but is less than the TUMF Obligation, and the Actual Credit plus additional monies collected by AGENCY from Developer for the TUMF Obligation exceed the TUMF Obligation ("TUMF Overpayment"), Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may be entitled to a refund. The AGENCY's Public Works Director shall provide written notice to WRCOG and the Developer of the amount of the TUMF Overpayment and AGENCY shall direct WRCOG to refund the Developer in accordance with County Ordinance No. 824 (see Exhibit "F" - Example C)

14.6 Reimbursement Agreement. If authorized under either Section 14.3 or Section 14.5 Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the Actual Credit exceeds the TUMF Obligation, as determined pursuant to Section 14.3 of this Agreement, County Ordinance No 824, and the TUMF Administrative Plan adopted by WRCOG ("Reimbursement Agreement"). If AGENCY and WRCOG agree to a Reimbursement Agreement with Developer, the Reimbursement Agreement shall be executed on the form set forth in Exhibit "D," and shall contain the terms and conditions set forth therein. The Parties agree that the Reimbursement Agreement shall be subject to all terms and conditions of this Agreement, and that upon execution, an executed copy of the Reimbursement Agreement shall be attached hereto and shall be incorporated herein as a material part of this Agreement as though fully set forth herein.

15.0 Miscellaneous.

15.1 Assignment. Developer may, as set forth herein, assign all or a portion of its rights pursuant to this Agreement to a purchaser of a portion or portions of the Property ("Assignment"). Developer and such purchaser and assignee ("Assignee") shall provide to AGENCY such reasonable proof as it may require that Assignee is the purchaser of such portions of the Property. Any assignment pursuant to this Section shall not be effective unless and until Developer and Assignee have executed an assignment agreement with AGENCY in a form reasonably acceptable to AGENCY, whereby Developer and Assignee agree, except as may be otherwise specifically provided therein, to the following: (1) that Assignee shall receive all or a portion of Developer's rights pursuant to this Agreement, including such credit as is determined to be applicable to the portion of the Property purchased by Assignee pursuant to Section 14.0 et seq. of this Agreement, and (2) that Assignee shall be bound by all applicable provisions of this Agreement.

15.2 Relationship Between the Parties. The Parties hereby mutually agree that this Agreement shall not operate to create the relationship of partnership, joint venture, or agency

between or among AGENCY, WRCOG and Developer. Developer's contractors are exclusively and solely under the control and dominion of Developer. Nothing herein shall be deemed to make Developer or its contractors an agent or contractor of AGENCY. This Agreement shall be interpreted and administered in a manner consistent with the TUMF Administrative Plan in effect at the time this Agreement is executed.

15.3 Warranty as to Property Ownership; Authority to Enter Agreement. Developer hereby warrants that it owns fee title to the Property and that it has the legal capacity to enter into this Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority make this Agreement and bind each respective Party.

15.4 Prohibited Interests. Developer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Developer, to solicit or secure this Agreement. Developer also warrants that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Developer, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon the making of this Agreement. For breach of this warranty, AGENCY shall have the right to rescind this Agreement without liability.

15.5 Notices. All notices, demands, invoices, and written communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To AGENCY: County of Riverside Transportation Department
Attention: Alvin Medina
4080 Lemon Street, 8th Floor
Riverside, CA 92501
Phone No. (951) 955-1667

To WRCOG Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attention: Executive Director
Phone: (951) 405-6700
Fax No. (951) 223-9720

To Developer: Pulte Home Company, LLC
Attn: Matt Matson
27401 Los Altos, Suite 400
Mission Viejo, CA 92691
Phone No. (562) 441-2050

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent; by messenger, as of the date delivered; and by U.S. Mail first class postage prepaid, as of 72 hours after deposit in the U.S. Mail.

15.6 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

15.7 Construction; References; Captions. It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days, or period for performance shall be deemed calendar days and not work days. All references to Developer include all personnel, employees, agents, and contractors of Developer, except as otherwise specified in this Agreement. All references to AGENCY include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

15.8 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

15.9 Termination. This Agreement shall terminate 10 years after the Effective Date, unless extended in writing by the Parties. In addition, this Agreement shall terminate 5 years after the Effective Date in the event that the TUMF Improvements as specified in the Credit Agreement is not commenced within 5 years of the Effective Date.

15.9.1 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual right by custom, estoppel, or otherwise.

15.9.2 Binding Effect. Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

15.9.3 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

15.9.4 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

15.9.5 Consent to Jurisdiction and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Riverside, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a

governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, Developer expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

15.9.6 Time is of the Essence. Time is of the essence in this Agreement, and the Parties agree to execute all documents and proceed with due diligence to complete all covenants and conditions.

15.9.7 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

15.9.8 Entire Agreement. This Agreement contains the entire agreement between AGENCY, WRCOG and Developer and supersedes any prior oral or written statements or agreements between AGENCY and Developer.

[SIGNATURES OF PARTIES ON NEXT PAGE]

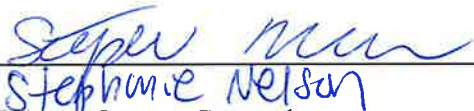
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

COUNTY OF RIVERSIDE

RECOMMENDED FOR APPROVAL:

By: 
Mark Lancaster
Director of Transportation

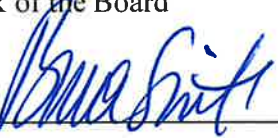
APPROVED AS TO FORM:

By: 
Stephanie Nelson
Deputy County Counsel

APPROVAL BY THE COUNTY BOARD OF SUPERVISORS:

By: 
KEVIN JEFFRIES
Chairman, County Board of Supervisors

ATTEST:
Kimberly Rector
Clerk of the Board

By: 
Deputy

DEVELOPER

Pulte Home Company, LLC, a Michigan limited liability company

By: 
Darren Warren
Vice President

WESTERN RIVERSIDE COUNCIL OF GOVERNMENT

By: _____
Kurt Wilson
Executive Director

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange

On July 7, 2023 before me, Taylor Colleen Block, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Darren Warren
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal and/or Stamp Above

Signature Taylor Colleen Block
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Improvement and Credit/Reimbursement Agreement
Document Date: Transportation Uniform Mitigation Fee Program Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

EXHIBIT “A”

LEGAL DESCRIPTION OF PROPERTY

[ATTACH BEHIND THIS PAGE]

EXHIBIT A-1

Legal Description of the Property

Real property in the unincorporated area of the County of Riverside, State of California, described as follows:

BEING A PORTION OF THE SOUTH ½ OF SECTION 10, AND THE NORTH ½ OF SECTION 15, TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBE
AS FOLLOWS:

BEGINNING AT THE SOUTH¼ CORNER OF SECTION 10, AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 96, PAGES 29 THROUGH 35, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA.

THENCE NORTH 89° 21' 29" WEST ALONG THE SOUTH LINE OF SAID SECTION 10, A DISTANCE OF 658.68 FEET; THENCE NORTH 00° 57' 57" EAST, A DISTANCE OF 197.28 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVED SOUTHWESTERLY, HAVING A RADIUS OF 1530.00 FEET, TO WHICH A RADIAL BEARS SOUTH 72° 41' 33" WEST;

THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 163.80 FEET, THROUGH A CENTRAL ANGLE OF 06° 08' 03", TO A POINT ON THE SOUTHERLY RIGHT OF WAY (R/W) LINE OF HIGHGROVE PASS ROAD;

THENCE NORTH 88° 07' 47" EAST, A DISTANCE OF 226.65 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 470 FEET;

THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 175.74 FEET, THROUGH A CENTRAL ANGLE OF 21 ° 23' 24";

THENCE SOUTH 61 ° 17' 00" EAST, A DISTANCE OF 359.44 FEET;
THENCE SOUTH 38° 30' 10" EAST, A DISTANCE OF 211.84 FEET;
THENCE SOUTH 23° 00' 36" EAST, A DISTANCE OF 742.17 FEET;
THENCE NORTH 67° 08' 38" EAST, A DISTANCE OF 382.28 FEET;
THENCE SOUTH 31 ° 02' 24" EAST, A DISTANCE OF 714.53 FEET;
THENCE SOUTH 25° 22' 56" EAST, A DISTANCE OF 457.70 FEET;
THENCE SOUTH 83° 22' 56" WEST, A DISTANCE OF 794.26 FEET;
THENCE NORTH 89° 12' 52" WEST, A DISTANCE OF 574.67 FEET;
THENCE NORTH 00° 47' 08" EAST, A DISTANCE OF 401.99 FEET;
THENCE NORTH 00° 47' 08" EAST, A DISTANCE OF 1242.14 FEET TO THE POINT OF BEGINNING.

EXHIBIT A-2

TOGETHER WITH

THE NORTHWEST $\frac{1}{4}$ OF SECTION 15, TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO BASE AND MERIDIAN LYING NORTHEASTERLY OF THE CENTERLINE OF PIGEON PASS ROAD, AS SHOWN ON SAID RECORD OF SURVEY BOOK 96, PAGES 29 THROUGH 35, INCLUSIVE, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM THAT PORTION IN THE EUREKA SUBDIVISION, AS SHOWN BY MAP ON FILE IN BOOK 4, PAGE 67 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

APN'S: 255-240-016-9, 255-240-022-4, 257-180-011-3, 257-180-013-5, 257-180-015-7 AND 255-230-024-5

EXHIBIT A-3

EXHIBIT “B”
FORMS FOR SECURITY
[ATTACHED BEHIND THIS PAGE]

EXHIBIT B-1

PAYMENT BOND

(Public Work – California Civil Code Section 9550 *et seq.*)

The makers of this Bond are _____ (Contractor Name) _____ as Principal and Original Contractor and _____ (Name of Surety) _____, a corporation, authorized to issue Surety Bonds in California, as Surety, are held and firmly bound unto _____ (Owner/Awarding Body Name) _____ hereinafter called the Owner/Awarding Body, and unto the County of Riverside, the County of Riverside Transportation Department, WRCOG, hereinafter referred to as additional obligees and this Bond is issued in conjunction with that certain public works contract dated as of _____, 20____, between Principal and Owner/Awarding Body, for _____ dollars (\$ _____) the total amount payable. THE AMOUNT OF THIS BOND IS 100% OF SAID SUM. Said contract is for public work of those certain County Facilities as defined and described in said agreement entitled: "Improvement and Credit/Reimbursement Agreement Transportation Uniform Mitigation Fee Program" by and among the Western Riverside Council of Governments, a joint powers agency organized and existing pursuant to the laws of the State, County of Riverside, a political subdivision of the State of California, and Pulte Home Company, LLC, a Michigan limited liability company dated as of _____, 20____.

The beneficiaries of this Bond are as is stated in Section 9554 of the Civil Code and the requirements and conditions of this Bond are as is set forth in Sections 9550 through 9566 of said Code. Without notice, Surety consents to extension of time for performance, change in requirements, amount of compensation, or prepayment under said Contract.

Signed and Sealed this _____ Day of _____ 20____

(Firm Name - Principal)

(Business Address)

By: _____
(Signature - Attach Notary's Acknowledgment)

(Title)

Affix Seal
if
Corporation

(Corporation Name - Surety)

(Business Address)

By: _____
(Signature - Attached Notary's Acknowledgment)
ATTORNEY-IN-FACT
(Title-Attach Power of Attorney)

Affix
Corporate
Seal

PERFORMANCE BOND

The makers of this Bond, _____ (Contractor Name) _____ as Principal and Original Contractor, and _____ (Name of Surety) _____ as Surety, are held and firmly bound unto _____ (Owner/Awarding Body) _____, hereinafter called the Owner/Awarding Body, and unto the County of Riverside, the County of Riverside Transportation Department, WRCOG as additional obligees, _____ in the _____ sum _____ of _____ Dollars (\$ _____) for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

The condition of this obligation is such, that whereas the Principal entered into a certain contract, hereto attached, with the Owner/Awarding Body, dated as of _____, 20____, for those certain County Facilities as defined and described in said agreement entitled: " Improvement and Credit/Reimbursement Agreement Transportation Uniform Mitigation Fee Program" by and among the Western Riverside Council of Governments, a joint powers agency organized and existing pursuant to the laws of the State, County of Riverside, a political subdivision of the State of California and Pulte Home Company, LLC, a Michigan limited liability company " dated as of _____, 20____.

Now therefore, if the Principal shall well and truly perform and fulfill all the undertakings covenants, terms, conditions and agreements of said Contract during the original term of said Contract and any extension thereof that may be granted by the Owner, with or without notice to the Surety, and during the file of any guarantee required under the Contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said Contract that may thereafter be made, then this obligation to be void, otherwise to remain in full force and virtue. Without notice, Surety consents to extension of time for performance, change in requirements, change in compensation or prepayment under said Contract.

Signed and Sealed this _____ Day of _____ 20____

(Firm Name - Principal)

(Business Address)

Affix Seal
if
Corporation

By: _____
(Signature - Attach Notary's Acknowledgment)

(Title)

(Corporation Name - Surety)

(Business Address)

Affix
Corporate
Seal

By: _____
(Signature - Attached Notary's Acknowledgment)
ATTORNEY-IN-FACT
(Title-Attach Power of Attorney)

EXHIBIT “C”

DOCUMENTATION TO BE PROVIDED TO AGENCY BY DEVELOPER FOR DETERMINATION OF VERIFIED COSTS

To assist AGENCY in determining the Verified Costs for a completed TUMF Improvement, Developer shall provide the following documents to AGENCY:

1. Plans, specifications and Developer’s civil engineer’s cost estimate;
2. If Developer is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvement. Only actual, documented and reasonable costs directly related to the TUMF Improvement will be considered. Costs should be documented as specified below.
3. Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.
4. List of bidders from whom bids were requested;
5. Construction schedules and progress reports;
6. Contracts, insurance certificates and change orders with each contractor, consultant, service provider or vendor;
7. Invoices received from all contractors, consultants, service providers and vendors;
8. Canceled checks for payments made to contractors, consultants, service providers and vendors (copy both front and back of canceled checks);
9. Spreadsheet showing total costs incurred in and related to the construction of each TUMF Improvement and the check number for each item of cost and invoice;
10. Final lien releases from each contractor and vendor; and
11. Such further documentation as may be reasonably required by AGENCY to evidence the completion of construction and the payment of each item of cost and invoice.

EXHIBIT C-1

EXHIBIT "D"

REIMBURSEMENT AGREEMENT TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM

THIS REIMBURSEMENT AGREEMENT ("Agreement") is entered into this ____ day of _____, 20____, by and between the [INSERT "City" OR "County"] of _____, [****INSERT "a California municipal corporation" FOR CITY OR "a political subdivision of the State of California" FOR COUNTY****] ("AGENCY"), the Western Riverside Council of Governments ("WRCOG"), a Joint Powers Agency and _____, a California [****INSERT TYPE OF ENTITY - corporation, partnership, sole proprietorship or other legal entity****], with its principal place of business at [****ENTER ADDRESS****] ("Developer"). AGENCY and Developer are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

WHEREAS, AGENCY, WRCOG and Developer are parties to an agreement dated _____, 20____, entitled "Improvement and Credit Agreement - Transportation Uniform Mitigation Fee Program" (hereinafter "Credit Agreement");

WHEREAS, Sections 14.1 through 14.3 of the Credit Agreement provide that Developer is obligated to pay AGENCY the TUMF Obligation, as defined therein, but shall receive credit to offset the TUMF Obligation if Developer constructs and AGENCY accepts the TUMF Improvements in accordance with the Credit Agreement;

WHEREAS, Section 14.5 of the Credit Agreement provides that if the dollar amount of the credit to which Developer is entitled under the Credit Agreement exceeds the dollar amount of the TUMF Obligation, Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the credit exceeds the TUMF Obligation;

WHEREAS, Section 14.5 additionally provides that a reimbursement agreement executed pursuant to the Credit Agreement (i) shall be executed on the form attached to the Credit Agreement, (ii) shall contain the terms and conditions set forth therein, (iii) shall be subject to all terms and conditions of the Credit Agreement, and (iv) shall be attached upon execution to the Credit Agreement and incorporated therein as a material part of the Credit Agreement as though fully set forth therein; and

WHEREAS, AGENCY and WRCOG have consented to execute a reimbursement agreement with Developer pursuant to the Credit Agreement, (insert appropriate reference for city or county), and the TUMF Administrative Plan adopted by WRCOG.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

EXHIBIT D-1

TERMS

1.0 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 Effectiveness. This Agreement shall not be effective unless and until the Credit Agreement is effective and in full force in accordance with its terms.

3.0 Definitions. Terms not otherwise expressly defined in this Agreement, shall have the meaning and intent set forth in the Credit Agreement.

4.0 Amount of Reimbursement. Subject to the terms, conditions, and limitations set forth in this Agreement, the Parties hereby agree that Developer is entitled to receive the dollar amount by which the Actual Credit exceeds the dollar amount of the TUMF Obligation as determined pursuant to the Credit Agreement, (insert appropriate reference for city or county), and the TUMF Administrative Plan adopted by WRCOG (“Reimbursement”). The Reimbursement shall be subject to verification by WRCOG. AGENCY and Developer shall provide any and all documentation reasonably necessary for WRCOG to verify the amount of the Reimbursement. The Reimbursement shall be in an amount not exceeding [INSERT DOLLAR AMOUNT] (“Reimbursement Amount”). WRCOG shall, upon receipt and approval of information requested by WRCOG, shall be responsible for transmitting the Reimbursement Amount to the Developer. In no event shall the dollar amount of the Reimbursement exceed the difference between the dollar amount of all credit applied to offset the TUMF Obligation pursuant to Section 14.3, 14.4, and 14.5 of the Credit Agreement, and one hundred (100%) of the approved unit awarded, as such assumptions are identified and determined in the Nexus Study and the TUMF Administrative Plan adopted by WRCOG.

5.0 Payment of Reimbursement; Funding Contingency. The payment of the Reimbursement Amount shall be subject to the following conditions:

5.1 Developer shall have no right to receive payment of the Reimbursement unless and until (i) the TUMF Improvements are completed and accepted by AGENCY in accordance with the Credit Agreement, (ii) the TUMF Improvements are scheduled for funding pursuant to the five-year Transportation Improvement Program adopted annually by WRCOG, (iii) WRCOG has funds available and appropriated for payment of the Reimbursement amount.

5.2 Developer shall not be entitled to any interest or other cost adjustment for any delay between the time when the dollar amount of the Reimbursement is determined and the time when payment of the Reimbursement is made to Developer by WRCOG through AGENCY.

6.0 Affirmation of Credit Agreement. AGENCY and Developer represent and warrant to each other that there have been no written or oral modifications or amendments of the Credit Agreement, except by this Agreement. AGENCY and Developer ratify and reaffirm each and every one of their respective rights and obligations arising under the Credit Agreement. AGENCY and Developer represent and warrant that the Credit Agreement is currently an effective, valid, and binding obligation.

EXHIBIT D-2

7.0 Incorporation Into Credit Agreement. Upon execution of this Agreement, an executed original of this Agreement shall be attached as Exhibit “D” to the Credit Agreement and shall be incorporated therein as a material part of the Credit Agreement as though fully set forth therein.

8.0 Terms of Credit Agreement Controlling. Each Party hereby affirms that all provisions of the Credit Agreement are in full force and effect and shall govern the actions of the Parties under this Agreement as though fully set forth herein and made specifically applicable hereto, including without limitation, the following sections of the Credit Agreement: Sections 10.0 through 10.3, Section 12.0, Sections 13.0 through 13.7, Sections 14.0 through 14.6, and Sections 15.0 through 15.17.

[SIGNATURES OF PARTIES ON NEXT PAGE]

EXHIBIT D-3

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

("Developer")

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

[INSERT "City" OR "County") of _____

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

EXHIBIT D-4

EXHIBIT "E"

TUMF CREDIT / REIMBURSEMENT ELIGIBILITY PROCESS

1. Prior to the construction of any TUMF Improvement, Developer shall follow the steps listed below:

- (a) Prepare a separate bid package for the TUMF Improvements.
- (b) The plans, cost estimate, specifications and contract document shall require all contractors to pay prevailing wages and to comply with applicable provisions of the Labor Code, Government Code, and Public Contract Code relating to Public Works Projects.
- (c) Bids shall be obtained and processed in accordance with the formal public works bidding requirements of the AGENCY.
- (d) The contract(s) for the construction of TUMF Improvements shall be awarded to the lowest responsible bidder(s) for the construction of such facilities in accordance with the AGENCY's requirements and guidelines.
- (e) Contractor(s) shall be required to provide proof of insurance coverage throughout the duration of the construction.

2. Prior to the determination and application of any Credit pursuant to a TUMF Improvement and Credit Agreement executed between AGENCY and Developer ("Agreement"), Developer shall provide the AGENCY and WRCOG with the following:

- (a) Copies of all information listed under Item 1 above.
- (b) Surety Bond, Letter of Credit, or other form of security permitted under the Agreement and acceptable to the AGENCY and WRCOG, guaranteeing the construction of all applicable TUMF Improvements.

3. Prior to the AGENCY's acceptance of any completed TUMF Improvement, and in order to initiate the construction cost verification process, the Developer shall comply with the requirements as set forth in Sections 7, 14.2 and 14.3 of the Agreement, and the following conditions shall also be satisfied:

- (a) Developer shall have completed the construction of all TUMF Improvements in accordance with the approved Plans and Specifications.
- (b) Developer shall have satisfied the AGENCY's inspection punch list.
- (c) After final inspection and approval of the completed TUMF Improvements, the AGENCY shall have provided the Developer a final inspection release letter.

EXHIBIT E-1

(d) AGENCY shall have filed a Notice of Completion with respect to the TUMF Improvements pursuant to Section 3093 of the Civil Code with the County Recorder's Office, and provided a copy of filed Notice of Completion to WRCOG.

(e) Developer shall have provided AGENCY a copy of the As-Built plans for the TUMF Improvements.

(f) Developer shall have provided AGENCY copies of all permits or agreements that may have been required by various resource/regulatory agencies for construction, operation and maintenance of any TUMF Improvements.

(g) Developer shall have submitted a documentation package to the AGENCY to determine the final cost of the TUMF Improvements, which shall include at a minimum, the following documents related to the TUMF Improvements:

(i) Plans, specifications, and Developer's Civil Engineer's cost estimates; or Engineer's Report showing the cost estimates.

(ii) If Developer is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvements. Only actual, documented and reasonable costs directly related to the TUMF Improvements will be considered. Costs should be documented as specified below.

(iii) Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.

(iv) Contracts/agreements, insurance certificates and change orders with each vendor or contractor.

(v) Invoices from all contractors, consultants, service providers and vendors.

(vi) Copies of cancelled checks, front and back, for payments made to contractors, consultants, service providers and vendors.

(vii) Final lien releases from each contractor and vendor (unconditional waiver and release).

(viii) Certified contract workers payroll for AGENCY verification of compliance with prevailing wages.

(ix) A total cost summary, in spreadsheet format (MS Excel is preferred) and on disk, showing a breakdown of the total costs incurred. The summary should include for each item claimed the check number, cost, invoice numbers, and name of payee.

EXHIBIT E-2

EXHIBIT "F"

RECONCILIATION EXAMPLES

All examples are based on a single family residential development project of 200 dwelling units:
200 SF dwelling units @ \$6,650 / dwelling unit = \$1,330,000 in fees (TUMF Obligation)

Example A: TUMF BALANCE

CREDIT

TUMF Obligation:	\$1,330,000
Estimated Cost: Bid (\$1,500,000) or unit Cost Assumption (\$1,600,000) whichever is less:	<u>\$1,500,000</u>
Potential Reimbursement:	<u>(\$170,000)</u>

RECONCILIATION

TUMF Obligation:	\$1,330,000
Actual Credit:	<u>\$1,200,000</u>
TUMF Balance (Payment to TUMF):	\$130,000

Example B: REIMBURSEMENT

CREDIT

TUMF Obligation:	\$1,330,000
Estimated Cost: Bid (\$1,500,000) or unit Cost Assumption (\$1,600,000) whichever is less:	<u>\$1,500,000</u>
Potential Reimbursement:	<u>(\$170,000)</u>

RECONCILIATION

TUMF Obligation:	\$1,330,000
Actual Credit:	<u>\$1,500,000</u>
Reimbursement Agreement with Developer (Based on Priority Ranking):	(\$170,000)

Example C: TUMF OVERPAYMENT

CREDIT

TUMF Obligation:	\$1,330,000
Estimated Cost: Bid (\$1,200,000) or unit Cost Assumption (\$1,500,000) whichever is less:	<u>\$1,200,000</u>
Remaining TUMF Obligation:	\$130,000
Prorated Fee: \$130,000 / 200 du =	\$650 / du

RECONCILIATION

Actual Credit:	\$1,300,000
TUMF payments from Developer (\$650 per unit x 200 units):	<u>\$130,000</u>
Actual Credit plus TUMF Payment:	\$1,430,000
TUMF Obligation:	\$1,330,000
Actual Credit plus TUMF Payment:	<u>\$1,430,000</u>
TUMF Overpayment (Refund to Developer):	(\$100,000)

EXHIBIT F

EXHIBIT "G"

Estimated TUMF Credit / Reimbursement Summary

Pulte Home Company LLC
Tract No. 33410
IP180078

List of Eligible Streets/Facilities under the TUMF Network:

Pigeon Pass Road (Central TUMF Zone)

TUMF Credit Cost Factors:

Paid TUMF (see next page for details)	\$	-
Estimated TUMF Obligation (see next page for details)	\$	1,394,352
TUMF Unit Cost Assumptions (see next page for details)	\$	1,288,136
Estimated Improvement Costs (see below for details)	\$	851,606

Estimated Improvement Costs Breakdown

Street Improvement Construction Costs (Engineer's Estimate)	\$	681,285
Planning and Engineering Costs (Estimate)	\$	170,321
Estimated Improvement Costs Total	\$	851,606

Estimated TUMF Credit:

Estimated Credit (Lesser of Obligation, Bid Amount, or Unit Cost Assumptions)	\$	851,606
Estimated number of remaining units		138
Prorated Credit per each remaining unit (up to max TUMF fee per unit)	\$	6,171
Estimated Credit to be applied to remaining units		\$851,606

TUMF Overpayment / Refund:

Estimated TUMF Obligation	\$	1,394,352
Estimated Credit amount + Paid TUMF amount	\$	851,606
Estimated Refund (Credit + Paid TUMF amount that exceeds Obligation amount)		\$0

TUMF Reimbursement:

Estimated TUMF Obligation	\$	1,394,352
Estimated Cost (Lesser of Bid Amount or Unit Cost Assumptions)	\$	851,606
Estimated TUMF Reimbursement (Cost exceeding Obligation amount)		\$0

Note: The amounts shown in this Exhibit are subject to cost validation and reconciliation.

Pulte Home Company LLC
Tract No. 33410
IP180078

ESTIMATED TUMF OBLIGATION CALCULATION

Paid TUMF	Fee per Unit	Units	Amount
	\$ -	0	\$ -
	Paid Subtotal	0	\$ -

Unpaid TUMF - Estimated Remaining Units	Fee per Unit	Units	Amount
Single Family Residential	\$ 10,104	138	\$ 1,394,352
	Estimated Subtotal	138	\$ 1,394,352
	Obligation Total	138	\$ 1,394,352

TUMF UNIT COST ASSUMPTION CALCULATION (January 1, 2022 Network Costs)

TUMF Network Road Segment applicable to Proposed Improvements	Cost Item	Amount
Pigeon Pass Road/CETAP, Cantarini to Mt Vernon		
Network Distance: 3.38 miles	Road Const	\$ 15,519,000
Existing Lanes: 0	ROW/Utilities	\$ 5,128,000
Increase in Lanes: 4	Planning (10%)	\$ 1,552,000
	Engring (25%)	\$ 3,880,000
	Conting (10%)	\$ 2,065,000
	Network Road Segment Cost Est	\$ 28,144,000
	Network Unit Cost per Lane mile	\$ 2,081,657
	Network Unit Cost per Lane foot	\$ 394

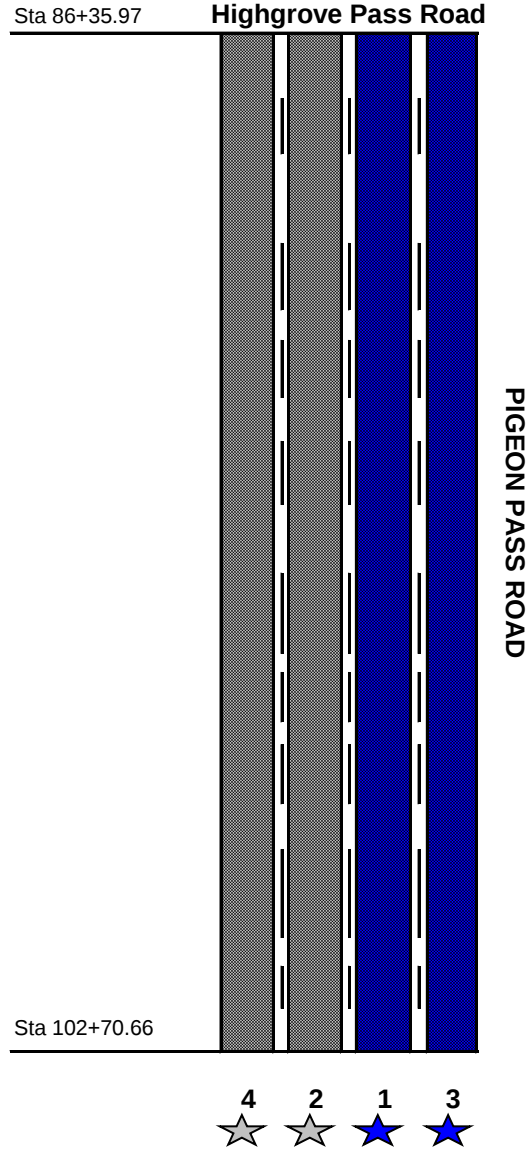
Road Improvement Cost Estimate (based on Network Unit Cost per Lane foot)

Lane	Construction Limits (Sta. to Sta.)	Linear Feet	Amount
1	86+35.97 102+70.66	1,634.69	\$ 644,068
3	86+35.97 102+70.66	1,634.69	\$ 644,068
	TUMF Road Total	3,269.38	\$ 1,288,136

TOTAL TUMF UNIT COST ASSUMPTION FOR ELIGIBLE IMPROVEMENTS	\$ 1,288,136
--	---------------------

Pigeon Pass Road (TR33410)

(IP180078)

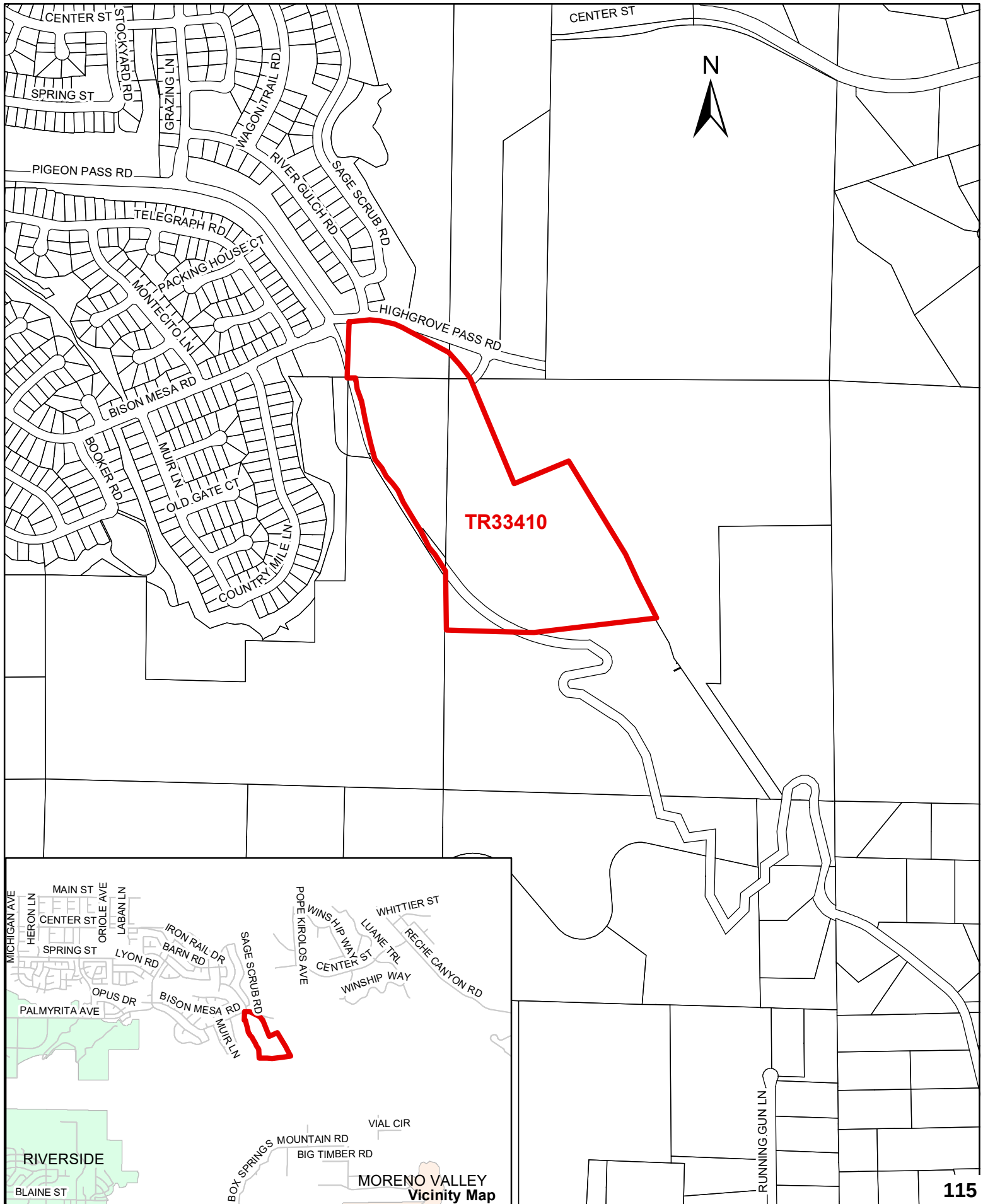


Tract No. 33410

- ★ Lanes 1 and 3 new roadway covered under TUMF
- ★ Lanes 2 and 4 not constructed

Vicinity Map Tract No. 33410

The County of Riverside assumes no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates, modifications and may not be complete or appropriate for all purposes. County GIS and other sources should be queried for the most current information. Do not copy or resell this map.





Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: VMT Mitigation Program Activities Update
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: November 6, 2023

Recommended Action(s):

1. Receive and file.

Summary:

Senate Bill (SB) 743, which was implemented on July 1, 2020, requires development projects to utilize Vehicle Miles Traveled (VMT), rather than Level of Service (LOS), as the metric to determine its transportation impacts under the California Environmental Quality Act. WRCOG assisted in preparing its member agencies in the implementation of SB 743 with guidance on meeting the requirements of the Bill. To continue with the implementation of VMT as a metric, WRCOG has conducted due diligence on a potential regional VMT mitigation program that each member agency and regional partners may opt-in when available. WRCOG intends to continue to move forward and develop a program guide.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to provide an update and next steps of the potential regional VMT mitigation program which would be available to each member agency and partner agency to opt-in when available. This report is not requesting any approval of a program at this time. Any approval will be brought forth to this Committee at the appropriate time. This effort aligns with WRCOG's 2022-2027 Strategic Plan Goal #5 (Develop Projects and Programs That Improve Infrastructure and Sustainable Development in our Region).

Discussion:

Background

One of WRCOG's Local Transportation Funds (LTF) Program objectives with the Riverside County Transportation Commission (RCTC) is to continue to assist member agencies with SB 743 implementation. As part of this, WRCOG conducted initial research on a possible VMT mitigation program or bank strategies for development projects as part of its SB 743 implementation activities. This initial research was presented to the WRCOG Public Works Committee (PWC) in May 2021, and, as a result, WRCOG received inquiries from member agencies regarding the development of a potential regional VMT mitigation program for western Riverside County.

During WRCOG's work on SB 743 implementation, the issue of VMT mitigation was noted to be problematic. The main reason is that most land-use projects cannot implement transportation system improvements or directly influence the travel of its occupants. VMT is a function of the intensity of use, type of use, and location, so the main challenge is that VMT is ultimately a regional, not local, concern. In comparison, LOS-based impacts are relatively easy to mitigate since payment of fees for improvements or construction of improvements, or some combination thereof, are appropriate mitigation.

WRCOG staff received direction from the Executive Committee at its October 4, 2021, meeting to evaluate options to mitigate VMT impacts from new development. WRCOG commenced an effort to develop a potential program for western Riverside County and has been evaluating the different elements and options. Participation in any potential program will be on a voluntary basis, so agencies will participate in a program only if they decide to opt-in.

Since this due diligence process has taken place, the project team has looked at potential benefits and challenges to the different types of mitigation programs and its framework, such as banks, exchanges, and impact fee programs. In addition, the project team has been exploring potential governing structures of the program and the different elements of operating a program.

The mitigation measures included will influence the type of program, so the project team has been working with member and partner agencies to identify potential mitigation measures to be included. WRCOG reached out to interested PWC members in February 2023 to solicit potential projects and programs that could be included in a program to serve as an initial project list. Additional projects and programs may be added. The project team is in the process of estimating the potential VMT reduction associated with the projects and programs, determining which projects and programs will be most effective throughout the subregion, and identifying specific areas that should be targeted for participation to maximize the benefits of the program. Lastly, the project team is developing documentation on how a program will approach ongoing monitoring, data collection, and verification of VMT reduction.

Present Situation

WRCOG is currently developing a proposed approach to a regional VMT mitigation program and has met with regional agencies, WRCOG member agencies, developers, and other stakeholders to discuss how best to address this topic. Based on these conversations, WRCOG has commenced work on a program guide which would be used to implement this program. It is anticipated that a draft program guide will be available for review by this Committee in mid-2024.

Some key elements of the effort proposed by WRCOG are as follows:

- The program would be a regional effort, with WRCOG serving as the Program Administrator.
- Other regional agencies and WRCOG member agencies would opt-in to participate in this program.
- The effort would be structured as an exchange instead of a bank or fee.
- The PDC would provide direct oversight of the program with the Executive Committee retaining final jurisdiction as with all WRCOG activities.
- Agencies would agree to join the program by executing an agreement with WRCOG.
- Agencies which have formally joined the program can then submit VMT-reducing projects to be included in the program.

- Only public agencies can submit VMT-reducing projects to be included in the program.
- WRCOG would compile a list of VMT-reducing projects.
- These VMT-reducing projects would then be available to be purchased to generate VMT credits.
- Any public or private entity can purchase VMT credits by selecting one or more projects from those available on the list WRCOG maintains.
- WRCOG would collect a nominal administrative fee (estimated as 2% - 4%) based on the program costs for this transaction.
- WRCOG would refresh the program list as appropriate.

A general outline of how the VMT program would operate is provided below. For purposes of this discussion, let's assume the following:

- VMT credit generator: the City of Temecula has a bicycle lane project (VMT-reducing project) it desires to get VMT credits for.
- VMT credit user: the City of Perris has a residential project which needs VMT credits.

The City of Temecula, as a VMT credit generator, would first enter into an agreement with WRCOG to participate in the program. The City of Temecula would then submit the bicycle lane to be included in the VMT program. WRCOG would evaluate the project submittal and confirm it meets program requirements. Once those requirements are met, WRCOG would add that project to the list of VMT-reducing projects. When that addition is made, WRCOG would verify the bicycle lane cost and VMT reduction.

The City of Perris would then direct the developer of the residential project, as a VMT credit user, to contact WRCOG. WRCOG would provide the list of VMT-reducing projects to the developer, who would identify the bicycle lane as a VMT-reducing project they want to purchase from the list of available VMT-reducing projects. WRCOG would then receive funds from the developer. The bicycle lane would then be removed from the list of VMT-reducing projects. WRCOG would then provide those funds back to the City of Temecula, minus the administrative costs. As projects are completed, additional projects will be solicited to refresh the list.

WRCOG has completed an initial evaluation of this effort through its New Program Framework. The results of that evaluation is provided as Attachment 1 to this Staff Report. Some key aspects of that evaluation include:

- Criteria #3 - Has WRCOG received requests to address this issue? WRCOG has received requests from 12 member agencies which have expressed interest in a regional VMT mitigation program (Positive).
- Criteria #4 - Is this issue being addressed by other agencies in the WRCOG region? No regional mitigation program is currently being evaluated. This issue is only being addressed on a project-by-project basis (Positive).
- Criteria #6 - What is the level of staff expertise in this area? Staff members have extensive experience in transportation planning, land use planning, and regional mitigation programs.

The evaluation concluded that this effort has numerous positive aspects and few aspects which are neutral or negative.

Prior Action(s):

October 12, 2023: The Planning Directors Committee received and filed.

October 12, 2023: The Public Works Committee received and filed.

February 10, 2022: The Planning Directors Committee received and filed.

May 13, 2021: The Public Works Committee received and filed.

Financial Summary:

Costs for initial program evaluation and development are funded by LTF (Fund 210) and included in the Fiscal Year 2023/2024 Agency Budget. Should WRCOG elect to implement a program, on-going funding would be provided by an Administrative Fee which would be assessed on credits purchased by public sector and private sector entities.

Attachment(s):

[Attachment 1 - VMT Mitigation Evaluation](#)

New Program Evaluation Framework- VMT Mitigation Program

	Criteria	Con (Negative)	Neutral	Pro (Positive)	Analysis
1	What is the level of regional concern regarding this issue?	Issue is discussed rarely within the WRCOG subregion. Low awareness among Agency Staff and Elected Officials.	Some discussion but not seen as a regional priority. Moderate level of awareness among Agency Staff and Elected Officials.	Regular discussion of the issue and high level of awareness among Agency Staff and Elected Officials. Seen as a regional priority.	This issue is regularly discussed by various agencies at both the Staff and Elected official level. Previous discussion by WRCOG EC. Also addressed by RCTC, RCA, and other agencies.
2	How consistent is this issue with the WRCOG Strategic Plan?	Not directly addressed	Indirectly addressed	Specifically listed in Strategic Plan	Addressed in 5.1.1 as related to infrastructure but not specifically list in Strategic Plan.
3	Has WRCOG received requests to address this issue?	WRCOG has not received direct requests related to this item	WRCOG has received a limited number of requests related to this item	WRCOG has received a significant number of requests related to this item	12 member agencies have indicated an interest in a regional VMT mitigation approach.
4	Is this issue being addressed by other agencies in the WRCOG region?	High number of agencies currently addressing this issue.	Limited number of agencies addressing this issue.	No other agencies are currently addressing this issue in the region.	No active VMT programs in the WRCOG region.
5	What is the track record of other agencies implementing similar efforts?	Recent efforts by others have not been successful or no comparable examples.	Moderate level of success by others.	Similar efforts have a demonstrated track record of success.	VMT mitigation is a new effort but regional mitigation programs have a track record of success.
6	What is the level of Staff expertise in this area?	Low level of staff expertise.	Some staff in WRCOG have moderate level of experience.	Multiple staff members have high level of expertise in this issue area.	Staff have significant experience in land use, transportation planning, and mitigation programs.
7	What is the level of available funding to start this initiative?	Limited funding available for start-up/initiation costs.	Some funding available but would require reallocation of resources.	Sufficient funding available to initiate this effort.	LTF program provides sufficient fund for program initiation.
8	What is the level of available funding to maintain this initiative?	Additional funds will have to be secured to implement this effort.	On-going funding is available but some effort require to secure the funding.	Initiative has secured sufficient funding to be self-sustaining for the foreseeable future.	Program could be self-funded. Funding would scale as program activities increase or decrease.
9	Do the fund associated with this effort carry significant restrictions on their use by WRCOG?	Fund carry high levels of reporting requirements or other similar restrictions.	Additional requirements for funds associated with this effort but can be addressed through existing processes.	No additional restrictions beyond those imposed on government agencies related to fiscal matters.	WRCOG would serve as program administrator with the majority of the funding passing through WRCOG to the implementing agency. WRCOG would retain small percentage of funds for administrative purposes.
10	How much control does WRCOG have over any implementation activities?	Implementation activities will be conducted by other parties with limited oversight/control by WRCOG. Implementation will be done by 3rd parties not associated with WRCOG.	WRCOG has some level of control over implementation through reporting or other oversight mechanisms.	WRCOG has direct control over the implementation activities related to this program.	Implementation of actual VMT mitigation projects would be through agencies implementing those projects.
11	What is the level of regulatory complexity?	Heavily regulated topic by Federal/State/Regional agencies. Will require significant legal and consultant assistance to address regulatory requirements.	Some regulation by Federal/State/Regional agencies. Some level of complexity that requires assistance by legal and consultants for regulatory issues.	Nominal level of complexity. Limited support needed from legal and consultants to address regulatory issues.	VMT mitigation is a new issue and there are some regulatory issues to address related to the use as CEQA mitigation.
12	How challenging are the administrative requirements associated with this initiative?	Will require dedicated staff to meet administrative requirements.	Administrative requirements can be met through reallocation of existing staff.	Administrative requirements can be met through existing staff with little disruption to existing work.	Limited administrative requirements for this program. Majority of program support would be provided by consultants and legal counsel.
13	How consistent is this initiative with existing WRCOG programs?	No relationship with existing WRCOG programs.	Indirect relationship with existing WRCOG programs/efforts.	Directly related to existing WRCOG programs/efforts.	VMT mitigation program would be similar to other regional efforts such as TUMF. WRCOG previously completed a regional assessment of VMT and assisted members with implementation of State VMT mandates.
14	Is there documentation which describes WRCOG's roles and responsibilities?	Limited documentation regarding WRCOG's roles and responsibilities.	Some documentation with funding or regulatory agency but no documentation with other parties.	Agreements with funding/regulatory agencies and member agencies which clearly delineate roles and responsibilities.	VMT program would require the development of agreements with partner agencies, developers and other participants. A program manual would be developed that clearly identifies WRCOG's roles and responsibilities.
15	What is the level of negative outcomes if WRCOG chooses not to act?	No negative outcomes for WRCOG members if WRCOG does not act.	Limited number of negative outcomes for WRCOG members associated with not acting.	Multiple negative consequences for WRCOG Member agencies and others if WRCOG fails to act	Development and infrastructure projects currently have to mitigate VMT impacts through costly, project specific mitigation. Several development projects are unable to proceed due to lack of VMT mitigation.
16	What are the financial impacts to WRCOG to discontinue the effort if WRCOG initiates this work?	High level of financial impacts to WRCOG if the initiative/effort is discontinued such as long-term financial obligations or revenue loss to WRCOG. Limited ability to mitigate those impacts.	Financial impact to WRCOG but impact can be mitigated through various strategies.	Limited financial impacts to WRCOG to discontinue this effort.	If WRCOG implements a VMT mitigation program and then discontinues it, there would be limited financial impact. Program is intended to operate on a pass-through basis and funds collected will be provided to the agency implementing the project.
17	What are the legal impacts for WRCOG to discontinue the effort if WRCOG initiates this work?	Long-term legal implications for WRCOG to discontinue the program. Limited ability to mitigate those impacts.	Legal impacts to WRCOG can be mitigated through various strategies.	Limited legal impacts to WRCOG if we discontinue this effort.	WRCOG would have limited legal impacts if program is initiated and later discontinued. Such impacts can be mitigated through the agreements between WRCOG and the implementing agency.
18	Does WRCOG have clearly stated and understood goals for this initiative?	Goals are not well defined or there is not significant agreement on goals for the effort.	Some clarity on effort goals but there is some level of ambiguity.	Clearly defined goals for this effort.	Goal is to address VMT mitigation and program would directly address that goal.
19	Does the initiative provide deliverables or services which directly benefit WRCOG member agencies?	Effort produces few tangible products which benefit WRCOG member agencies.	Products/services provide some value to limited number of WRCOG agencies.	Products/services would be widely used by WRCOG members.	Multiple member agencies have indicated an interest in this program. We anticipate that a regional program could be widely used to mitigate VMT impacts which majority of projects will have.
20	What is the level of external stakeholder support for this effort?	External stakeholders are directly opposed to this effort.	Indifference by external stakeholders for this effort.	High level of support for this effort by external stakeholders.	Multiple developers have expressed interest in this program. Program would also be structured as an opt-in program meaning that developers could choose to participate or choose to continue with the current approach.



Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: I-REN Programmatic Activities Updates
Contact: Benjamin Druyon, Program Manager, bdruyon@wrcog.us, (951) 405-6727
Date: November 6, 2023

Recommended Action(s):

1. Receive and file.
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Summary:

The Inland Regional Energy Network (I-REN) Program, which is a consortium between the Western Riverside Council of Governments (WRCOG), the Coachella Valley Association of Governments (CVAG), and the San Bernardino Council of Governments (SBCOG), continues to make significant strides in its Program goals. Staff will share the successes of the Program to date, including its outreach efforts, codes and standards trainings, Building Upgrade Concierge software development, the I-REN Fellowship, and next steps for the I-REN Program.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to present an update of recent I-REN activities. I-REN supports WRCOG's 2022-2027 Strategic Plan Goal #6 (Develop and implement programs that support resilience for our region).

Discussion:

Background

Initiated in 2019, I-REN serves the Counties of Riverside and San Bernardino in the implementation of energy efficiency programs and services to support its respective member agencies and the public. These partners joined together and submitted a Business Plan to the California Public Utilities Commission (CPUC) in order to establish locally administered, designed, and delivered energy efficiency programs. On November 18, 2021, the CPUC formally approved the I-REN Business Plan through program year 2027.

On February 21, 2023, the Executive Committee approved contract award recommendations for I-REN's Business Plan Sector program implementers. The Energy Coalition (TEC) was selected to develop and implement I-REN's Public Sector programs, and Alternative Energy Systems Consulting (AESC) was selected for I-REN's Building Upgrade Concierge Software Development Services. Frontier Energy was

selected for I-REN's Codes & Standards Sector. WRCOG and SBCOG staff are co-leading the Workforce Education & Training Sector. The final consultant selected was ICF, which will be responsible for providing marketing support across all sectors. Since contract approvals, staff and implementers have been diligently working to roll out I-REN programs.

iren.gov Website

On August 24, 2023, I-REN launched its website, [iren.gov](https://www.iren.gov), which broadcasts information about I-REN, I-REN's sectors, and houses a calendar of trainings and events that I-REN will host throughout the year. The website was developed with I-REN's brand palette and is consistent with the marketing materials used throughout the orientations, adding familiarity and trust to member agencies who visit the site. The website will be used as I-REN's one-stop-shop destination for visitors to acquire information on energy efficiency, grant opportunities, available rebates, incentives, and as a storage library for a host of trainings, educational videos, and CPUC regulatory filings that I-REN is a party to.

Building Upgrade Concierge (BUC) Software Development

The BUC software has been developed and is now available for use by all agencies within I-REN's service territory. A presentation and live demonstration has been provided at each orientation, showing the versatility and adaptability of the BUC software. It will provide member agencies with the capability to benchmark their existing buildings, allowing them to create a baseline record of energy usage for those buildings and compare them with similar buildings of size and age. By using the BUC software, member agencies will be able to track energy usage patterns and identify inconsistencies in their buildings, potentially saving them money. The BUC software can also forecast savings of energy projects to help member agencies determine the priority of the deployment of projects.

Codes & Standards Trainings

At the time of writing this Staff Report, I-REN has hosted six Codes & Standards training courses on 2022 Energy Code changes for nonresidential, heat pump water heaters, and residential load calculations. Fifty-five people participated in the training courses, including building department staff, permit technicians, and other local government staff. Participants are also eligible to earn Continuing Education Units for the completion of I-REN Codes & Standards training courses. The Codes & Standards team also provided an Implementation Plan Webinar for the California Energy Efficiency Coordinating Committee, in which eight individuals participated. I-REN is planning to host seven more Codes & Standards training courses from now through the end of 2023. Staff anticipates that the I-REN Codes & Standards topics will include residential new construction, residential envelop compliance, electrification, and more updates on the 2022 Energy Code.

Workforce Education & Training

The first round of I-REN Energy Fellows officially started working in late September 2023. At the time of writing this Staff Report, there are nine fellows currently placed at local agencies. Four other agencies are still interested in hosting a Fellow and have submitted a host application or are in the process of interviewing potential Fellows. The Program Administrator, CivicSpark, is allowing I-REN Energy Fellows to start in January 2024 for an 8-month fellowship. I-REN staff are actively recruiting potential Fellow applicants to start in January and engaging future applicants for next year's application cycle. I-REN staff have and are expecting to continue attending eight career fairs throughout the region through

early October and November 2023, including the Valley-Wide Employment Expo in Indio, the California State University, San Bernardino job fair, and the Greater Riverside Chamber of Commerce job fair at the Tyler Galleria Mall. I-REN is also exploring options to expand energy related opportunities for K-12 students.

Orientations

From June to October 2023, I-REN staff have hosted 15 orientations throughout San Bernardino and Riverside Counties. One-hundred and twenty-five agency staff have participated from 39 jurisdictions as well as participation from 15 other agencies. Other agency staff range from a community college district, unified school districts, water districts, chamber of commerce, and the CPUC. At the time of writing this Staff Report, there are two more pending orientations to be hosted in the City of Rialto and the County of San Bernardino.

Public Sector Offerings and Next Steps

Consultant TEC is the main implementer for I-REN's Public Sector and is developing a wide array of offerings and services for public agencies. TEC and I-REN staff have been meeting one-on-one with agencies to continue to discuss their unique energy needs. As of October 2023, staff have met with 15 jurisdictions and agencies for an I-REN Public Sector kick-off meeting. Local agencies are currently requesting historical energy data from SoCalGas and Southern California Edison and sharing these findings with the I-REN team. Once the data is available, TEC will work to analyze energy consumption trends and make recommendations on next steps for long-term energy planning, facility benchmarking, and energy efficiency project services. As part of the energy efficiency project services, TEC will support individual projects with site visits, energy modeling, funding, financing applications, and project management. TEC is developing potential policy options on how to distribute project support throughout the region within the current 2023-2027 program years' budget. These policy options will be presented to the I-REN Executive Committee for consideration, direction, and approval.

Prior Action(s):

June 14, 2023: The Administration & Finance Committee received and filed a report on I-REN orientation meetings.

March 8, 2023: The Administration & Finance Committee received and filed a report on I-REN programmatic activities.

Financial Summary:

All costs associated with the development and implementation of I-REN are included in WRCOG's adopted Fiscal Year 2023/2024 Agency Budget under the I-REN budget (Fund 180) in the Energy & Environmental Department.

Attachment(s):

None.



Western Riverside Council of Governments Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Staff Report

Subject: 2023 and 2024 WRCOG General Assembly & Leadership Address Activities Updates and Speaker Agreement

Contact: Bonnie Woodrome, Manager of Communications and External Affairs, bwoodrome@wrcog.us, (951) 405-6752

Date: November 6, 2023

Recommended Action(s):

1. Authorize the Executive Director / Supporting Foundation Secretary to execute a speaker agreement between the WRCOG Supporting Foundation and the Harry Walker Agency Speakers Bureau to engage Sean McVay for the 2024 General Assembly in an amount not to exceed \$125,000 plus travel and lodging expenses.

Summary:

The WRCOG General Assembly is the business meeting where members vote on the agency budget, Executive Committee leadership, and minutes from the previous meeting. Due to the logistical challenges of convening up to 108 voting members of the General Assembly for a short business meeting, the event has expanded over the years to include social and inspirational components.

The 2023 General Assembly & Leadership Address, held at the Pechanga Resort Casino, attracted nearly 700 attendees, comprised of community stakeholders, elected officials, and dignitaries from around the region, while generating \$357,000 in revenue and netting an income of \$73,000 after expenses.

With the 2024 General Assembly & Leadership Address scheduled for June 20, 2024, plans are developing. One key component of planning Currently, staff has received direction from the Administration & Finance (A&F) Committee to secure a speaker via the Harry Walker Agency (HWA) and is currently seeking direction from the Executive Committee to confirm and finalize the speaker.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to provide an update on the 2023 and 2024 WRCOG General Assembly & Leadership Addresses. This item aligns with WRCOG's 2022-2027 Strategic Plan Goal #4 (Communicate proactively about the role and activities of the Council of Governments).

Discussion:

The 2023 General Assembly & Leadership Address was held on July 29, 2023, at Pechanga Resort Casino. In total, 651 people attended the event. Registration prior to the event was slightly higher at 755 people. Attendance was comprised of 40% sponsors, 33% affiliated with member agencies, and 10% individuals who purchased tickets. The remainder of the attendees were WRCOG staff, volunteers working at the event, and people who received a complementary registration.

The attendee arrival pattern is as follows:

- 77 attendees arrived before 4 p.m. These attendees were mostly WRCOG staff and volunteers.
- 195 attendees arrived between 4 p.m. and 5 p.m.
- 285 attendees arrived between 5 p.m. and 6 p.m.
- 86 attendees arrived between 6 p.m. and 7 p.m.
- 8 attendees arrived after 7 p.m.

A total of 76 firms, agencies, or other groups sponsored the event. The sponsorship total included an in-kind sponsorship from Pechanga Resort Casino. Other key sponsors included the Ontario International Airport, the Riverside County Executive Office, the Morongo Band of Mission Indians, Best, Best & Krieger, and Tim Howard Industrial Partners. There were nine Silver Sponsors and 36 Bronze Sponsors.

In addition to the sponsors listed above, custom sponsorships, ad sponsorships, and table sponsorships were also available and assisted in meeting the financial goal of the event. Four WRCOG member agencies also provided a sponsorship for the event:

- Eastern Municipal Water District
- Western Municipal Water District
- City of San Jacinto
- City of Norco

Supporting Foundation sponsorships generated \$348,500 in revenue with an additional \$8,500 in individual ticket sales. Total event revenue was \$357,000. Total Supporting Foundation expenses for the event were \$284,000. The total net income for the event was \$73,000.

The 2024 General Assembly & Leadership Address, scheduled for June 20, 2024, is under active planning. Traditionally, the speaker selection is managed by the A&F Committee. Within the A&F Committee, a General Assembly Ad Hoc Committee was created to streamline the selection process. The WRCOG Chair has appointed members Rita Rogers, Brenda Dennstedt, Crystal Ruiz, and himself, to review selections and make recommendations.

In alignment with current procurement processes and to avoid evergreen contracts, the Ad Hoc Committee reviewed several speaker bureau agencies. After evaluating various speaker bureaus based on their services, selections, and reliability in providing speakers, the Ad Hoc Committee engaged HWA for assistance in selecting and securing a speaker this year.

Over recent weeks, the Ad Hoc Committee and HWA representatives have considered numerous keynote speakers, informed by polling data from WRCOG's Executive Committee, sponsors, and staff. HWA has checked the availability of potential speakers and gathered pricing information. The information was shared at the A&F Committee meeting in October. The Ad Hoc Committee narrowed

down the speakers to two candidates. Staff is currently working with HWA to secure one of the speakers for the event.

Staff is requesting direction from the WRCOG Supporting Foundation for the Executive Director to proceed with a contract once a specific speaker is determined through the HWA Speakers Bureau. As the WRCOG Supporting Foundation is now the financial steward for the General Assembly event, the final decision will ultimately require approval by the Supporting Foundation Board of Directors.

Prior Action(s):

October 12, 2023: The Administration & Finance Committee received and filed.

Financial Summary:

Estimated costs associated with the General Assembly & Leadership Address for Fiscal Year 2023/2024 are included in the adopted budget for Fiscal year 2023/2024 under the WRCOG Supporting Foundation. If needed, budget amendments will be considered at a future meeting.

Attachment(s):

None.