



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

**Wednesday, December 13, 2023
12:00 PM**

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

Remote Locations:

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

**3655 S Las Vegas Blvd
Las Vegas, NV 89109**

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: 838 9129 5207

Passcode: 487167

Dial in: 669 900 9128 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 Administration & Finance 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.

The Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

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 agendized 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 November 8, 2023, Administration & Finance Committee Meeting

Requested Action(s): 1. Approve the Action Minutes from the November 8, 2023, Administration & Finance Committee meeting.

B. Finance Department Activities Update

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

C. Approval of a Professional Services Agreement with the EcoHero for School Outreach Presentations – Used Oil and Stormwater Litter / Pollution Prevention

Requested Action(s): 1. Recommend that the Executive Committee authorize the Executive Director to execute a Professional Services Agreement, substantially as to form, with the EcoHero.

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. Commercial PACE Activities Update

Requested Action(s):

1. Recommend that the Executive Committee direct the Executive Director to develop a resolution authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto and approve amendments to the Program Reports to include Direct Capital Provider.

7. REPORT FROM THE COMMITTEE CHAIR

Chris Barajas, City of Jurupa Valley

8. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson

9. ITEMS FOR FUTURE AGENDAS

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

10. GENERAL ANNOUNCEMENTS

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

11. NEXT MEETING

The next Administration & Finance Committee meeting is scheduled for Wednesday, February, 14, 2024, at 12:00 p.m., in WRCOG's office at 3390 University Avenue, Suite 200, Riverside.

12. CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Section 54957

Title: Executive Director

CONFERENCE WITH LABOR NEGOTIATORS pursuant to Section 54957.6

Agency designated representatives: Chair and General Counsel

Unrepresented employee: Executive Director

13. ADJOURNMENT

Administration & Finance Committee

Action Minutes

1. CALL TO ORDER

The meeting of the WRCOG Administration & Finance Committee was called to order by Chair Chris Barajas at 12:00 p.m. on November 8, 2023, in WRCOG's office.

2. PLEDGE OF ALLEGIANCE

Chris Gray, Deputy Executive Director, led the Committee members and guests in the Pledge of Allegiance.

3. ROLL CALL

- City of Corona- Jacque Casillas*
- City of Eastvale - Christian Dinco
- City of Jurupa Valley - Chris Barajas
- City of Lake Elsinore- Brian Tisdale
- City of San Jacinto - Crystal Ruiz
- City of Wildomar - Joseph Morabito
- County, District 2 - Karen Spiegel
- Western Water - Brenda Dennstedt*

*Arrived after Roll Call

Absent:

- City of Norco - Kevin Bash
- City of Perris - Rita Rogers
- County, District 3 - Chuck Washington

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	San Jacinto
SECONDER:	Lake Elsinore
AYES:	Eastvale, Jurupa Valley, Lake Elsinore, San Jacinto, Wildomar, District 2
ABSTAIN:	District 2 abstained from item 5.A only

A. Action Minutes from the October 11, 2023, Administration & Finance Committee Meeting

Action:

1. Approved the Action Minutes from the October 11, 2023, Administration & Finance Committee meeting.

B. Finance Department Activities Update

Action:

1. Received and filed.

6. REPORTS / DISCUSSION

A. Climate Pollution Reduction Grants Funding Opportunity

Action:

1. Received and filed.

7. REPORT FROM THE COMMITTEE CHAIR

Chair Barajas had nothing to report.

8. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson had nothing to report.

9. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

10. GENERAL ANNOUNCEMENTS

Committee member Brian Tisdale wished everyone a happy Veteran's Day and Marine Corps birthday.

11. NEXT MEETING

The next Administration & Finance Committee meeting is scheduled for Wednesday, December 13, 2023, at 12:00 p.m., in WRCOG's office.

12. ADJOURNMENT

The meeting was adjourned at 12:57 p.m.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Finance Department Activities Update
Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741
Date: December 13, 2023

Recommended Action(s):

1. Receive and file.

Summary:

The Finance Department has now closed its book for Fiscal Year 2022/2023 and is currently working through its annual audit and issuance of its Annual Comprehensive Financial Report.

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 process. It is anticipated to be completed with the Agency's Annual Comprehensive Financial Report to be issued by the end of calendar year 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 Administration & Finance Committee

Staff Report

Subject: Approval of a Professional Services Agreement with the EcoHero for School Outreach Presentations – Used Oil and Stormwater Litter / Pollution Prevention

Contact: Olivia Sanchez, Program Manager, osanchez@wrcog.us, (951) 405-6721

Date: December 13, 2023

Recommended Action(s):

1. Recommend that the Executive Committee authorize the Executive Director to execute a Professional Services Agreement, substantially as to form, with the EcoHero.

Summary:

In October 2023, WRCOG staff issued a Request for Proposals (RFP) for School Outreach Presentations – Used Oil and Stormwater Litter / Pollution Prevention. WRCOG received three proposals outlining scope, cost, experience, and outcomes. WRCOG staff, along with reviewers from member agencies, scored those RFPs and conducted interviews. The winning proposal is EcoHero.

Funding for this Program is through a grant from CalRecycle for Used Oil Recycling and an agreement with Riverside County Flood Control and Water Conservation District (Flood Control) as a part of the Pollution Prevention Initiative funding.

A focus for the WRCOG Environmental Department is on school outreach programs designed to educate students about environmental conservation, sustainability, and eco-friendly practices. Through these outreach programs, WRCOG collaborates with local schools to organize interactive sessions that raise awareness about environmental issues, such as used oil recycling and stormwater pollution prevention. These initiatives aim to instill a sense of environmental responsibility among students. By actively engaging with schools, WRCOG fosters an environmentally conscious mindset among students, encouraging them to become future leaders in sustainability. For five years, WRCOG has worked with an outside vendor to provide these educational assemblies and programs.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to provide an update of current Environmental Department activities. This effort aligns with WRCOG's 2022-2027 Strategic Plan Goal #6 (Develop and implement programs that support resilience for our region) and sub-goal, 6.3 (Continuing to support the solid waste and recycling program).

Discussion:

Background

In March 2021, WRCOG and the Riverside County Flood Control and Water Conservation District (Flood Control) entered into an agreement establishing the Pollution Prevention Initiative and the formation of the Love Your Neighborhood Program (LYN). The region-wide Initiative supports marketing and awareness on illegal disposal and littering, using online platforms. Program goals include quantifiable result tracking of litter removal, increased stormwater pollution prevention, meeting objectives with the Municipal Separate Storm Sewer System (MS4) Permits, and complying with California mandates related to solid waste, recycling, and proper household hazardous waste disposal, which aligns with WRCOG's Energy & Environmental Programs.

WRCOG and Flood Control collaborated on program elements to determine interested cities' participation and providing members with necessary resources, assisting with the administration of a stand alone LYN website, updating the LYN toolkit to include a DIY section, data reporting, and educational outreach.

WRCOG also administers the Used Oil Payment Program (OPP) on behalf of member agencies, that includes the Cities of Banning, Calimesa, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, and Wildomar. Funds are provided from CalRecycle and are allocated on a per capita basis. Funding from the OPP is used to provide used oil recycling events and educational outreach at regional schools.

The outreach presentations to schools focusing on both stormwater pollution prevention and recycling used motor oil were conducted by the vendor EcoHero. There were 30 schools events that received presentations, reaching 5,313 students in Fiscal Year 2022/2023.

The contract with EcoHero expired on June 30, 2023, and WRCOG staff issued an RFP in October for an environmental education outreach provider.

Present Situation

Proposers were asked to provide a detailed scope and budget addressing the following items:

- Overview of outreach presentations for K-6 students for used oil recycling education and stormwater / litter pollution prevention education.
 - Incorporating examples of interactive engagement for students during presentations
 - Length of presentations
 - In-person and virtual formats
 - Maximum number of presentations
- Sample school scheduling matrix from November 2023 to June 2024.
 - Outline of communication with schools, including promotion, scheduling, logistics and data collection.
 - Sample communication schedule of events
- Budget for each in-person and virtual presentation cost.

- Include school-wide and individual classroom costs
- Costs for additional materials if any
- Handouts and other materials related to the program. Marketing materials and other similar items are not to be distributed
- Reporting
 - Provide end of the year reports outlining the number of schools, students reached, testimonials, and survey results.

The RFP closed on October 27, 2023. WRCOG received three proposals. WRCOG staff along with members from the Solid Waste Committee assisted in scoring the proposals. Interviews were held the week of November 13. The winning bid based on score was EcoHero. A professional services agreement was drafted for work to commence in February 2024 to begin scheduling presentations in member agencies' school districts.

Prior Action(s):

None.

Financial Summary:

The costs related to this agreement are included in the Fiscal Year 2023/2024 Agency budget under Used Oil (Fund 140) and the Love Your Neighborhood (Fund 110) Programs

Attachment(s):

[Attachment - 1 WRCOG PSA with EcoHero re School Outreach Presentations for Used Oil Stormwater Litter Pollution Prevention](#)

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROFESSIONAL SERVICES AGREEMENT**

1. PARTIES AND DATE.

This Agreement is made and entered into this day ___4th___ of _____December____, 2023, by and between the Western Riverside Council of Governments, a California public agency (“WRCOG”), and EcoHero Show, a Limited Liability Company (“Consultant”). WRCOG and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by WRCOG on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing a youth education program on used oil recycling and stormwater pollution prevention/litter abatement, is licensed in the State of California, and is familiar with the plans of WRCOG.

2.2 Project.

WRCOG desires to engage Consultant to render such professional services for the School Outreach Presentations – Used Oil and Stormwater Litter/Pollution Prevention (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to WRCOG all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply an education program on used oil recycling and stormwater pollution prevention/litter abatement for K-6 school children either virtually and/or in person (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference, and which are stated in the proposal to WRCOG and approved by WRCOG’s Executive Committee. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from November 13, 2023 to June 30, 2024, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods, and details of performing the Services subject to the requirements of this

Agreement. WRCOG retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of WRCOG and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to, social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, WRCOG shall respond to Consultant's submittals in a timely manner. Upon request of WRCOG, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of WRCOG.

3.2.4 Substitution of Key Personnel. Consultant has represented to WRCOG that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of WRCOG. In the event that WRCOG and Consultant cannot agree as to the substitution of key personnel, WRCOG shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to WRCOG, or who are determined by the WRCOG to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the WRCOG. The key personnel for performance of this Agreement are as follows: Brett Edwards.

3.2.5 WRCOG's Representative. WRCOG hereby designates Kurt Wilson, or his or her designee, to act as its representative for the performance of this Agreement ("WRCOG's Representative"). WRCOG's Representative shall have the power to act on behalf of WRCOG for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than WRCOG's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Brett Edwards, or his or her designee, to act as its Representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures, and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with WRCOG

staff in the performance of Services and shall be available to WRCOG's staff, consultants, and other staff at all reasonable times.

3.2.8 Standard of Care: Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and sub- contractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and sub-contractors have all licenses, permits, qualifications, and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense, and without reimbursement from WRCOG, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by WRCOG to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to WRCOG, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules, and/or regulations, and without giving written notice to WRCOG, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify, and hold WRCOG, its Directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Agreement until it has provided evidence satisfactory to WRCOG that it has secured all insurance required under this section, in a form and with insurance companies acceptable to WRCOG. In addition, Consultant shall not allow any sub-contractor to commence work on any subcontract until it has provided evidence satisfactory to WRCOG that the sub-contractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or sub-contractors. Consultant shall also require all of its sub-contractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office

Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement / location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by WRCOG to add the following provisions to the insurance policies:

(A) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) Bodily Injury and Property Damage; (2) Personal Injury / Advertising Injury; (3) Premises / Operations Liability; (4) Products / Completed Operations Liability; (5) Aggregate Limits that Apply per Project; (6) Explosion, Collapse and Underground (UCX) exclusion deleted; (7) Contractual Liability with respect to this Agreement; (8) Broad Form Property Damage; and (9) Independent Consultants Coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

(iii) The policy shall give WRCOG, its Directors, officials, officers, employees, volunteers and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be "primary and non-contributory" and will not seek contribution from WRCOG's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(B) Automobile Liability.

(i) The automobile liability policy shall be endorsed to state that: (1) WRCOG, its Directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired, or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects WRCOG, its Directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by WRCOG, its Directors,

officials, officers, employees, agents, and volunteers shall be in excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against WRCOG, its Directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Defense costs shall be payable in addition to the limits set forth hereunder. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to WRCOG, its Directors, officials, officers, employees, volunteers and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named insured; whichever is greater.

(i) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of WRCOG (if agreed to in a written contract or agreement) before WRCOG's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella / excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(ii) Consultant shall provide WRCOG at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to WRCOG at least ten (10) days prior to the effective date of cancellation or expiration.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by WRCOG, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(v) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, WRCOG has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by WRCOG will be promptly reimbursed by Consultant or WRCOG will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, WRCOG may cancel this Agreement. WRCOG may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(vi) Neither WRCOG nor any of its Directors, officials, officers, employees, volunteers or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

3.2.10.4 Separation of Insureds: No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to WRCOG, its Directors, officials, officers, employees, agents, and volunteers.

3.2.10.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by WRCOG. Consultant shall guarantee that, at the option of WRCOG, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects WRCOG, its Directors, officials, officers, employees, agents, and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

3.2.10.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, licensed to do business in California, and satisfactory to WRCOG.

3.2.10.7 Verification of Coverage. Consultant shall furnish WRCOG with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to WRCOG. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf and shall be on forms provided by WRCOG if requested. All certificates and endorsements must be received and approved by WRCOG before work commences. WRCOG reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.8 Sub-consultant Insurance Requirements. Consultant shall not allow any sub-contractors or sub-consultants to commence work on any sub-contract until they have provided evidence satisfactory to WRCOG that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such sub-contractors or sub-consultants shall be endorsed to name WRCOG as an additional insured using ISO Form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, WRCOG may approve different scopes or minimum limits of insurance

for particular sub-contractors or sub-consultants.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state, and federal laws, rules, and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life-saving equipment and procedures; (B) instructions in accident prevention for all employees and sub-contractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment, and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed twenty thousand dollars (\$20,000) per year without written approval of WRCOG's Executive Director. Extra Work may be authorized, as described below, and, if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to WRCOG a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall contain the invoice number and date; remittance address; Agreement number 2024-80-1038-001, and invoice total. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. WRCOG shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by WRCOG.

3.3.4 Extra Work. At any time during the term of this Agreement, WRCOG may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by WRCOG to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from WRCOG's Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. WRCOG shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing

rates of per diem wages for each craft, classification, or type of worker needed to execute the Services available to interested parties upon request, and post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify, and hold WRCOG, its Directors, officials, officers, employees, volunteers, and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of WRCOG during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. WRCOG may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to WRCOG, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, WRCOG may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, WRCOG may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Consultant: The EcoHero Show
2012 W. Alluvial
Fresno, CA 93711**

**WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attn: Kurt Wilson**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data: Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for WRCOG to copy, use, modify, reuse, or sub-license any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all sub-contractors to agree in writing that WRCOG is granted a non-exclusive and perpetual license for any Documents & Data the sub-contractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by WRCOG. WRCOG shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at WRCOG's sole risk.

3.5.3.2 Intellectual Property. In addition, WRCOG shall have and retain all right, title, and interest (including copyright, patent, trade secret, and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media ("Intellectual Property") prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

WRCOG shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether or not paid for wholly or in part by WRCOG, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of WRCOG.

Consultant shall also be responsible to obtain in writing separate written assignments from any sub-contractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of the WRCOG.

All materials and documents which were developed or prepared by the Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

WRCOG further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property otherwise owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

3.5.3.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of WRCOG, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use WRCOG's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television, or radio production or other similar medium without the prior written consent of WRCOG.

3.5.3.4 Infringement Indemnification. Consultant shall defend, indemnify, and hold WRCOG, its Directors, officials, officers, employees, volunteers, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by WRCOG of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.5.4 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.

3.5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative, or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. Consultant shall defend, indemnify, and hold WRCOG, its Directors, officials, officers, consultants, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions, or willful misconduct of Consultant, its officials, officers, employees, agents, consultants and contractors, arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense, and risk, any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against WRCOG, its Directors, officials, officers, consultants, employees, agents or volunteers. Consultant shall pay and satisfy any judgment, award, or decree that may be rendered against WRCOG or its Directors, officials, officers, consultants, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse WRCOG and its Directors, officials, officers, consultants, employees, agents, or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith.

or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by WRCOG, its Directors, officials, officers, consultants, employees, agents, or volunteers. This section shall survive any expiration or termination of this Agreement. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 WRCOG's Right to Employ Other Consultants. WRCOG reserves the right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of WRCOG. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction: References: Captions. Since the Parties or their agents have participated fully 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 Consultant include all personnel, employees, agents, and sub-contractors of Consultant, except as otherwise specified in this Agreement. All references to WRCOG include its Directors, 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.

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

3.5.15 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 rights by custom, estoppel, or otherwise.

3.5.16 No Third-Party Beneficiaries. There are no intended third-party

beneficiaries of any right or obligation assumed by the Parties.

3.5.17 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.

3.5.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, WRCOG shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, Director, officer, official, agent volunteer, or employee of WRCOG, during the term of his or her service with WRCOG, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer, and it shall not discriminate against any sub-contractor, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination. Consultant shall also comply with all relevant provisions of any of WRCOG's Minority Business Enterprise Program, Affirmative Action Plan, or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Workers' Compensation, or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of WRCOG. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE TO

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROFESSIONAL SERVICES AGREEMENT**

IN WITNESS WHEREOF, the Parties hereby have made and executed this Agreement as of the date first written above.

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Dr. Kurt Wilson

Executive Director

THE ECOHERO SHOW

By: Brett Edwards

Title: CEO

APPROVED AS TO FORM:

By: [Signature]

General Counsel
Best Best & Krieger LLP

ATTEST:

By: _____

Its: _____

*A corporation requires the signatures of two corporate officers.

One signature shall be that of the Chairman of Board, the President or any Vice President, and the second signature (on the attest line) shall be that of the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to WRCOG.

EXHIBIT “A” SCOPE OF SERVICES

ECO Approach and Understanding of the Scope of Work Plan

We (EcoHero) believe monumental change begins with youth and combined our passions for hip-hop and sustainability to create The EcoHero Show. Since 2015, Mr. Eco and his EcoHero sidekicks have performed for schools around the globe, with the philosophy that every kid can change the world! Through our program, we introduce students to sustainability issues and how they can get involved. Performers teach dances or call & responses to each of their music videos. Between songs, various topics are discussed through storytelling & trivia to illustrate how students can have an impact on their ecosystem at home and at school.

Our Whole School Assemblies are 40 minutes long and developed for students in K – 6th grades. These are presented either virtually or in person. We will reach schools based on their preference this upcoming school year as there are still many uncertainties. Our Classroom Presentations are 40 minutes long and developed for students in 2nd – 5th grades. These are presented virtually by streaming directly into individual classes.

Following our presentations, we distribute post-show curriculum to all teachers to make it easy for them to continue teaching about these topics after the shows are complete. We also conduct surveys to receive immediate feedback from students, teachers, and assembly coordinators. The results of these surveys, as well as any testimonials received, will be included in the Impact Report sent to WRCOG staff.

Our program will accomplish the following:

- " Reinforce and create a sustainable culture at schools
- " Education on used motor oil & filter recycling
- " Education on hazards to watershed & natural environments
- " Promote personal behavior change to adopt at school and home
- " Inspire EcoHero leaders for their life

We only charge for the performances after they are fully completed. So if we are unable to book the amount of schools originally agreed upon, you can then reallocate those funds to other projects. We provide booking updates throughout the year so you can plan accordingly.

EXHIBIT “B” SCHEDULE OF SERVICES

Outreach and Education Matrix:

" **Pre-Outreach Stage: November 13 - December 30**

- # We (EcoHero) will meet with WRCOG Staff to obtain direction on messaging preferences, presentation goals, and any restrictions imposed by funding sources.
- # We will create a custom show that adheres to these guidelines while also incorporating WRCOG priorities. Materials, such as presentation slides, videos, handouts and activities, will be sent to the WRCOG for pre-approval before presenting to the schools.
- # We will consult with WRCOG Staff regarding a list of any performances or schools that should receive priority scheduling.

Key Staff: Monique Figueiredo & Brett Edwards

" **Outreach Stage: January 1 - June 15**

- # We will create and maintain a database of schools (and community school groups, if desired) via Salesforce. This will be used to organize school data and track outreach progress, such as: school name, school address, key contacts, contact phone number, contact email address, outreach dates, outreach types, and outreach notes.
- # We will send an introduction email to all eligible schools in all member jurisdictions with presentation information and details on how to schedule a show via email and Calendly.
- # We will send four targeted emails to the school contact over the course of 3 weeks with information and updates on newly available dates.
- # We will follow up with regular calls to the schools we have not heard back from until the target number of schools are scheduled for the contract period.
- # We will document interaction with schools (calls, emails, etc) via Salesforce.
- # Presentations will be scheduled on a first-come, first-served basis, until all spots allowed by budgetary limitations are filled.
- # We will notify WRCOG Staff via email of presentations scheduled and budgeted funds allocated, which are tracked in a shared Google Sheet document. Staff are welcome to attend presentations in whichever format they are being offered (virtually or in-person).
- # We will perform pre-approved content at eligible schools on their scheduled day. We will manage all presentation materials, from powerpoint slides to technology, to ensure an engaging, smooth performance can be given.
- # **Key Staff:** Andreea Botea, Monique Figueiredo, & Performers

" **Post-Outreach Stage: June 15 - June 30**

- # We will distribute ongoing learning materials to teachers, which includes in-class curriculum on the topics taught.
- # We will distribute surveys at the end of the performance and compile responses received.

Exhibit “A”

- # We will provide the WRCOG with an Impact Report, which includes a summary of services completed, including metrics for number of students reached, testimonials, and survey responses.
- # **Key Staff:** Andreea Botea & Monique Figueiredo

" **Outreach** and **Post-Outreach Stages** will repeat the following school year until contract terminates or all available presentation slots are filled based on allocated budget amount

EXHIBIT "C"

COMPENSATION BILLING RATES

Detailed and Itemized Pricing

We (EcoHero) reach communities using the three methods below, while remaining within the allotted budget provided. We always prioritize In-Person Whole School Assemblies during the outreach process. Our Classroom Presentations serve as an alternative source of both education and outreach, and are a critical option for ensuring messaging reaches students. The pricing listed below covers all costs related to booking and performing at schools, including: staff salary, mileage, lodging, insurance, reporting, etc.

- " **In-Person Whole School Assemblies:** \$1,200 per school
- " **Live-Streaming Whole School Assemblies:** \$900 per school
- " **Live-Streaming Classroom Presentations:** \$300 per class
- * \$150 per hour if any original creation materials are needed.

We only charge for the performances after they are fully completed. So if we are unable to book the amount of performances originally agreed upon, you can then reallocate those funds to other aspects of this project. We provide booking updates throughout the year so you can plan accordingly.

For a budget of \$20,000, we could provide the following number of performances per school year:

- " Up to **16** In-Person Whole School Assemblies
- " Up to **22** Live-Streaming Whole School Assemblies
- " Up to **66** Live-Streaming Classroom Presentations
- " *Or a mix of above offerings, not to exceed allocated yearly budget*



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Commercial PACE Activities Update

Contact: Casey Dailey, Director of Energy & Environmental Programs, cdailey@wrcog.us, (951) 405-6720

Date: December 13, 2023

Recommended Action(s):

1. Recommend that the Executive Committee direct the Executive Director to develop a resolution authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto and approve amendments to the Program Reports to include Direct Capital Provider.

Summary:

WRCOG's Commercial Property Assessed Clean Energy (C-PACE) Program offers commercial property owners financing options for energy efficiency, water conservation, seismic strengthening, and electrical vehicle charging infrastructure improvements. The Program is currently operating with only one partner, Nuveen Green Capital. This item is intended to provide an option to expand the number of partners in order to operate the Program in a way that is more consistent with best practices and is more fiscally sustainable.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to provide an update on Commercial PACE activities and seek direction about the future of the Program. This effort aligns with WRCOG's 2022-2027 Strategic Plan Goal #5 (To develop projects and programs that improve infrastructure and sustainable development in the subregion).

Discussion:

Background

PACE Programs are authorized by several states to offer property-based financing assistance to residential and/or commercial property owners seeking to implement energy saving, renewable energy, water conservation, new construction, electric vehicle charging stations, and seismic strengthening improvements. For both residential and commercial projects, improvements installed utilizing PACE financing are secured by placing a lien on the underlying property and are paid back through a line-item charge on the secured property tax bill. California began authorizing PACE financing in 2008 and is currently one of 37 states to authorize this type of financing for commercial projects and one of only three states offering the program for residential projects. WRCOG began offering PACE financing for local residential and commercial projects in 2011. In 2014, the WRCOG Program offerings expanded beyond the WRCOG boundaries to include much of the state - 384 of the 482 cities and 35 of the 58 counties in California. This was accomplished by enrolling the extra-territorial jurisdictions as Associate Members of WRCOG. The residential program was closed to new participants in 2021 at the direction of the Executive Committee; however, the commercial program remains active and the Associate Member designations also remain active.

The commercial program operates in partnership with external vendors, or providers, who provide C-PACE Program design and administrative services that include setting and adhering to processes and procedures to review eligibility of potential improvements, marketing the program, approving property owner applications, providing origination services related to financing eligible C-PACE improvements, and developing of a standard set of documents documenting the legal requirements of the transaction.

Until recently, this partner list included Nuveen Green Capital (formerly Greenworks Lending), CleanFund, and Twain Financial Partners Holding. Two of the three partners are no longer participating in the Program. As a result, there is currently only one provider partnering with WRCOG for C-PACE projects. Having a sole provider is contrary to best practices and reminiscent of the former residential (HERO) program's relationship with a single provider. Fortunately, staff have received high levels of interest from potential partners looking to participate with WRCOG's commercial program. There was no clearly defined path to determine whether, and under which circumstances, new providers should be permitted to participate. As a result the below question was posed to the Executive Committee.

What's the Difference Between Residential PACE and Commercial PACE (C-PACE)?

Residential and C-PACE Programs within the state of California were enacted from the same Legislation (AB 811). The PACE Program concept and purpose of both types of programs are similar, as they both provide a financing option to property owners for eligible energy efficiency, renewable, and water conservation. Beyond this general framework; however, C-PACE firstly differentiates from residential PACE in that C-PACE can support financing eligible projects within new construction, can provide a 36-month look-back retroactive financing for eligible products, and can provide financing for seismic and fire-hardening improvements, which residential PACE does not. C-PACE projects more closely align with local government economic development efforts by offering competitive financing to businesses seeking to develop or expand new commercial facilities within its jurisdictions.

Additionally, C-PACE differentiates itself from residential PACE in the financing closing processes in the following important ways:

1. Lender consent - existing lienholders are required to acknowledge and consent to C-PACE

financing. This requires acknowledgement of senior lien holder prior to finance closing.

2. Enhanced underwriting standards - C-PACE works with businesses and corporations, and as such, the underwriting process includes businesses and PACE legal counsels, and typically takes a longer process. Typical underwriting processes include the legal review of multiple projects, financing, and legal documents which, in many cases, can take up to a few months.

C-PACE Project Update

In Fiscal Year (FY) 2020/2021, the C-PACE Program financed 11 projects for a total amount of \$79M and covered five energy efficiency projects (two with seismic improvements), three renewable system projects, and three refinance projects. Over \$8M in C-PACE financing was used by business owners in two WRCOG subregional projects:

1. A retrofit project at an exotic car dealership in the City of Murrieta covering HVAC, electrical, lighting, plumbing, and roofing improvements.
2. A new construction apartment project in the City of Corona covering HVAC, plumbing, seismic, electrical, and windows.

In FY 2021/2022, 11 C-PACE projects were completed, totaling \$68M, and covered six energy efficiency projects (five with seismic improvements), three renewable system projects, and two new construction projects. Over \$12M in C-PACE financing was used by business owners in two WRCOG subregional projects:

1. An energy efficiency project converting vacant space for a brewery in the City of Temecula covering HVAC, building envelope, and installation.
2. A new construction project converting a senior living center in the City of Temecula covering HVAC, lighting / electrical, building envelope, and plumbing.

In FY 2022/2023, three C-PACE projects have been completed, totaling \$15.3M, and covered two new construction and one retrofit project:

1. A new construction, 914-unit self-storage facility in the City of El Cajon, covering HVAC, plumbing, seismic, building envelope, and electrical improvements.
2. A retrofit project of an existing 135-room hotel, comprised of 54,102 square feet in the City of Santa Rosa, covering electrical, lighting, plumbing, building envelope improvements and related soft costs.
3. A new construction project with Everhome Suites Hotel located in Temecula. The projects energy improvements are eligible measures, envelope, concrete, steel, windows, and lighting.

In FY 2023/2024, one C-PACE project has been completed, totaling \$2.3M, and covered one renewable project:

1. A renewable solar array atop a ground up new development in the City of Carlsbad covering solar improvements.

As shown below, the frequency, volume, and value of closed C-PACE projects vary greatly and do not appear to follow a predictable pattern or cycle.

Fiscal Year	Completed Projects	Amount of C-PACE Financing
2017/2018	1	\$1,806,854.50
2018/2019	9	\$6,247,153.44
2019/2020	7	\$19,017,439.00
2020/2021	11	\$79,428,418.98
2021/2022	11	\$67,767,734.03
2022/2023	3	\$15,347,209.00
2023/2024	1	\$2,266,961.00
Total	43	\$191,881,769.95

Additionally, there is some volatility among the various companies that offer C-PACE financing. In 2022, one of WRCOG's C-PACE partners, Clean Fund, withdrew from the industry and, this past summer 2023, Twain Financial Partners, announced it was no longer going to offer C-PACE financing. This volatility does appear to be limited to a small number of companies and appears to be balanced by the continued growth of C-PACE throughout the nation and the continued interest WRCOG receives from interested parties as further discussed below.

Continued Interest to Participate in WRCOG C-PACE Program

Over the last year, staff have received **25** requests from additional service providers and potential capital providers regarding interest in participating in WRCOG's C-PACE Program, most notably from large investment banks developing C-PACE groups, such as JP Morgan. Previously, staff informed these providers that it is the current direction of the Executive Committee not to expand the C-PACE Program to additional providers. Additionally, it has been brought to staff's attention that many PACE providers (WRCOG's existing provider included) across the state have increased their minimum thresholds for C-PACE project financing / participation from \$500,000 to \$2,000,000. This change leaves a gap in the market across California to provide C-PACE financing to commercial projects that eligible project costs under the \$2M threshold.

Additionally, Nuveen Green Capital, WRCOG's existing C-PACE partner, expressed interest in adding additional jurisdictions (currently 384 jurisdictions across California) to WRCOG's approved jurisdictional list.

C-PACE Expansion to Partner Directly with Capital Providers

On April 5, 2021, the Executive Committee received a report that would have expanded the C-PACE Program to create a pathway to partner directly with investment and commercial banks and other financial institutions (Direct Capital Providers) in which there would be no administrators or program administration agreements needed. The analyzed benefits include:

- Working with capital providers subject to federal banking regulations and audited by the federal government.
- Typically, with capital providers, PACE financing constitutes only a small portion of its portfolio and, as such, there is a diversification of capital provider's investments / assets.
- Capital providers with a commercial lending platform could offer PACE as an additional lending option to projects. As such, banks would conduct their own due diligence of projects and would have established underwriting criteria.

- With no program administrator for these projects, interest rates and fees would be lower as the financing is directly placed with the capital provider.
- Potentially, the capital provider could also serve as the fiscal agent / trustee and thereby reduce the costs of financing as well.
- Increased minimum project size leads to more sophisticated property owners.

Additionally, in 2021, staff analyzed potential risks and developed mitigation measures through program design and additional effort management and reassessment. Potential risks could include:

- No indemnification of projects.
- Failed or fraudulent projects.
- Increase in annual administrative costs to property owners.

Mitigation measures of identified risks include:

- Indemnification risk:
 - Require investor letter clearly describing bank roles / responsibilities
 - Partnership with stables and diverse capital providers
- Failed or fraudulent project risk:
 - Same compliance process as with current providers
- Risk of potential increase in annual administrative costs
 - Property owners could be subject to increase in annual administrative costs
- Additional management of efforts:
 - Add additional requirements for Capital Providers
 - Must be federally regulated institution
 - 2+ years of C-PACE experience
 - 10+ years of commercial banking experience
 - Minimum of \$10M in capital available for financing C-PACE loans

Ultimately, the Executive Committee took no action at that time and until C-PACE introductory item was provided to the Committee, and past projects were analyzed. Staff began to provide semi-annual updates to the Committee on C-PACE projects.

Present Situation

Ad Hoc Committee: At the request of the Executive Committee, Chair Barajas convened an Ad Hoc committee, consisting of members from the Cities of Eastvale, Temecula, and Wildomar, tasked with 1) evaluating the program benefits and risks, 2) making a recommendation about whether or not to continue the commercial program, 3) considering whether to allow new Direct Capital Providers and/or additional C-PACE providers to participate in the program.

The Ad Hoc committee met on October 26, November 13, and November 16, 2023, to gain a deeper understanding of the Program and evaluate the current Program along with the merits of expanding the pool of partners offering services. The general consensus was to continue the Program and invite new Direct Capital Providers, but the addition of new C-PACE providers was conditioned on additional safeguards and transparency requirements. Following a lengthy effort to compare and contrast the former residential (HERO) program and the commercial program, additional layers of protections were recommended.

Specifically, based on those recommendations, the Program's primary purpose would be to explicitly benefit property owners and not to provide a growing revenue source for WRCOG. The Program would also take specific steps to limit any program-dependency, risk, or liability for WRCOG. Pending further policy and legal review, this may be accomplished by adding additional language binding the actions of partners in a way that protects property owners and WRCOG.

Additionally, the Ad Hoc Committee representatives that requested staff include some of the following information as part of the discussion: 1) requirements of adding Direct Capital providers into the Program, 2) the average length of payback, 3) the default rate for C-PACE statewide and nationally, 4) how WRCOG and member agencies benefit, and 5) what are WRCOG's one- and five-year C-PACE goals.

In summary, the Ad Hoc Committee is recommending that the WRCOG Administration & Finance Committee provide a recommendation to the the Executive Committee for the Executive Director to 1) prepare a resolution amending the Program Report to include Direct Capital Provider and 2) the expansion of program administration services to include additional C-PACE providers within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program.

Prior Action(s):

November 7, 2022: The Executive Committee received and filed.

March 17, 2022: The Technical Advisory Committee received and filed.

March 9, 2022: The Administration & Finance Committee received and filed.

April 5, 2021: The Executive Committee continued this item until after an audit of the seven projects has been conducted as well as information gathered on past projects as discussed during the meeting and directed staff to return with an overview of the C-PACE Program and how it works.

March 10, 2021: The Administration & Finance Committee recommended that the Executive Committee adopt Resolution Number 02-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto and approve amendments to the Program Reports to include Direct Capital Provider.

February 16, 2021: The PACE Ad Hoc Committee recommended that the Executive Committee adopt a resolution amending the Program Report to include Direct Capital Provider.

Financial Summary:

PACE Program Activities are included in the Agency's adopted FY 2023/2024 Budget under the Energy & Environmental Department (Fund 110).

Attachment(s):

None.