



Western Riverside Council of Governments Executive Committee

AMENDED AGENDA

**Monday, August 5, 2019
2:00 p.m.**

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

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) 405-6703. 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 450, Riverside, CA, 92501.

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

1. CALL TO ORDER / ROLL CALL (Bonnie Wright, Chair)

At this time, please select “yes” on the screen in front of you to register and indicate your presence.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENTS

At this time members of the public can address the Executive Committee regarding any items within the subject matter jurisdiction of the Executive 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 Executive Committee in writing and only pertinent points presented orally.

4. MINUTES

- A. Summary Minutes from the June 3, 2019, Executive Committee Meeting are Available for Consideration.**

Requested Action: 1. *Approve the Summary Minutes from the June 3, 2019, Executive Committee meeting.*

- B. Summary Minutes from the June 21, 2019, Executive Committee Meeting are Available for Consideration. P. 13**

Requested Action: 1. *Approve the Summary Minutes from the June 21, 2019, Executive Committee meeting.*

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 Executive Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Executive Committee request specific items be removed from the Consent Calendar.

Action items:

- A. Approval of Second Amendment to Professional Services Agreement with Kearns and West, Inc., for On-Call Planning Professional Services for Member Jurisdictions Kyle Rodriguez P. 17**

Requested Action: 1. *Approve the Second Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc., to provide WRCOG planning support and advisory services in an amount not to exceed \$60,925 for the WRCOG Clean Cities Program, taking the amended contract in a not to exceed amount of \$206,485 in total, and to extend the term of the Agreement through June 30, 2020.*

- B. TUMF Program Activities Update: Approval of Proposed TUMF Exemption for Transitional Housing for the Homeless, one Reimbursement Agreement, and two Reimbursement Agreement Amendments Christopher Gray P. 29**

Requested Actions: 1. *Approve the proposed TUMF exemption for specially built homes that serve as transitional housing for homeless individuals or families.*
2. *Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Moreno Valley for the Right-of-Way and Construction Phases of the Nason Street / SR-60 Interchange in an amount not to exceed \$11,261,500.*
3. *Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Moreno Valley for the Moreno Beach Drive / SR-60 Interchange in an amount not to exceed \$20,758,480.*
4. *Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Temecula for the Planning and Engineering Phases of the Diaz Road (Western Bypass) Widening in an amount not to exceed \$1,065,923.*

- C. **Approval of 4th Quarter Draft Budget Amendment for Fiscal Year 2018/2019** **Andrew Ruiz** **P. 77**

Requested Action: 1. *Approve the 4th Quarter Draft Budget Amendment for Fiscal Year 2018/2019.*

Information items:

- D. **Finance Department Activities Update** **Andrew Ruiz** **P. 107**

Requested Action: 1. *Receive and file.*

- E. **WRCOG Committees and Agency Activities Update** **Christopher Gray** **P. 115**

Requested Action: 1. *Receive and file.*

- F. **Western Riverside Energy Partnership Program Activities Update** **Anthony Segura** **P. 141**

Requested Action: 1. *Receive and file.*

- G. **Single Signature Authority Report** **Andrew Ruiz** **P. 143**

Requested Action: 1. *Receive and file.*

- H. **Report out of WRCOG Representatives on Various Committees** **Rick Bishop** **P. 145**

Requested Action: 1. *Receive and file.*

- I. **California Public Employees Retirement System Unfunded Accrued Liability Update** **Andrew Ruiz** **P. 153**

Requested Action: 1. *Receive and file.*

6. REPORTS / DISCUSSION

- A. **Report from the League of California Cities** **Erin Sasse, League of California Cities** **P. 155**

Requested Action: 1. *Receive and file.*

- B. **Regional Water Supply Update: Presentation from Eastern Municipal Water District and Western Municipal Water District** **Paul Jones, EMWD, and Craig Miller, WMWD** **P. 157**

Requested Action: 1. *Receive and file.*

C. **Regional Streetlight Program Activities Update** **Daniel Soltero, WRCOG** **P. 159**

Requested Action: 1. *Receive and file.*

D. **PACE Program Activities Update: Request for Revisions to HERO Program Residential Dealer Fees, and Approval of Amended Program Reports, Debt Management Policy, and Authorized Maximum Bonding Amounts** **Casey Dailey, WRCOG** **P. 163**

Requested Actions: 1. *Approve updates to the HERO Residential Dealer Fee.*
 2. *Adopt Resolution Number 26-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving a Debt Management Policy and taking other actions related thereto.*
 3. *Adopt Resolution Number 27-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments increasing maximum bond authorization for its PACE Programs and making certain required disclosures.*
 4. *Approve the amended California HERO Program Report and the WRCOG Energy Efficiency and Water Conservation Program Report to increase the maximum bond indebtedness.*

E. **Adoption of Resolution Proclaiming October 2, 2019, as California Clean Air Day** **Casey Dailey, WRCOG** **P. 197**

Requested Action: 1. *Adopt Resolution Number 30-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments Proclaiming October 2, 2019, as California Clean Air Day.*

7. **REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR** **Chris Lopez**

8. **REPORT FROM COMMITTEE REPRESENTATIVES**

SCAG Regional Council and Policy Committee Representatives
SCAQMD, Ben Benoit
CALCOG, Brian Tisdale
SAWPA OWOW Committee, Rusty Bailey
SANDAG Borders Committee, Crystal Ruiz

9. **REPORT FROM THE EXECUTIVE DIRECTOR** **Rick Bishop**

10. **ITEMS FOR FUTURE AGENDAS** **Members**

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

11. **GENERAL ANNOUNCEMENTS** **Members**

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

12. CLOSED SESSION

**CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
PURSUANT TO SECTION 54956.9(D)**

Case No. 37-2018-00044500-CU-MC-CTL

- 13. NEXT MEETING:** The next Executive Committee meeting is scheduled for Monday, September 9, 2019, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor Board Chambers.

14. ADJOURNMENT

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Western Riverside Council of Governments

4.A

Regular Meeting

~ Minutes ~

Monday, June 3, 2019

2:00 PM

County Administrative Center

1. CALL TO ORDER

The meeting was called to order by Chair Chuck Washington at 2:02 p.m. on June 3, 2019, at the Riverside County Administrative Center, 4080 Lemon Street, Riverside.

Jurisdiction	Attendee Name	Status	Arrived / Departed
City of Banning	Daniela Andrade	Present	1:55 PM / 3:11 PM
City of Beaumont	Mike Lara	Present	1:55 PM
City of Calimesa		Absent	
City of Canyon Lake	Jordan Ehrenkranz	Present	1:55 PM
City of Corona		Absent	
City of Eastvale		Absent	
City of Hemet	Bonnie Wright	Present	1:55 PM
City of Jurupa Valley	Micheal Goodland	Present	1:55 PM
City of Lake Elsinore	Brian Tisdale	Present	1:55 PM
City of Menifee	Matt Liesemeyer	Present	1:55 PM
City of Moreno Valley	Victoria Baca	Present	1:55 PM
City of Murrieta	Kelly Seyarto	Present	1:55 PM
City of Norco	Kevin Bash	Present	1:55 PM
City of Perris	Marisela Magaña	Present	1:55 PM
City of Riverside	Rusty Bailey	Present	1:55 PM
City of San Jacinto	Crystal Ruiz	Present	1:55 PM
City of Temecula		Absent	
City of Wildomar	Ben Benoit	Present	1:55 PM
District 1		Absent	
District 2		Absent	
District 3	Chuck Washington	Present	1:55 PM
District 5	Jeff Hewitt	Present	1:55 PM / 3:08 PM
EMWD	David Slawson	Present	1:55 PM
WMWD	Brenda Dennstedt	Present	1:55 PM
Morongo Band of Mission Indians		Absent	
Office of Education (ex-officio)	Dr. Judy White	Present	1:55 PM
TAC Chair	George Johnson	Present	1:55 PM
Executive Director		Absent	

Note: Times above reflect when the member logged in; they may have arrived at the meeting earlier.

2. PLEDGE OF ALLEGIANCE

Committee member Brian Tisdale led members and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

Arnold San Miguel, Southern California Association of Governments (SCAG), announced that SCAG is now accepting input for the Connect SoCal Workshop. If you want something entered for the long-range transportation plan and Sustainable Communities Strategy, now is the time to tell SCAG staff. Workshops are scheduled for June 5 and 11, 2019.

Free for elected officials is the 30th Annual Demographic Workshop, Make it Count – The Impact of Census 2020 & Connect SoCal on our Future, taking place on Tuesday, June 11, 2019.

4. MINUTES

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Wildomar
SECONDER:	District 3
AYES:	Banning, Beaumont, Canyon Lake, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Riverside, San Jacinto, Wildomar, District 3, District 5, EMWD
ABSTAIN:	Perris, WMWD
ABSENT:	Calimesa, Corona, Eastvale, Temecula, District 1, District 2, and the Morongo Band of Mission Indians

A. Summary Minutes from the May 6, 2019, Executive Committee Meeting are Available for Consideration

Action: 1. *Approved the Summary Minutes from the May 6, 2019, Executive Committee meeting.*

5. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Moreno Valley
SECONDER:	San Jacinto
AYES:	Banning, Beaumont, Canyon Lake, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Wildomar, District 3, District 5, EMWD, WMWD
ABSENT:	Calimesa, Corona, Eastvale, Temecula, District 1, District 2, and the Morongo Band of Mission Indians

A. Approval of Updated Agency Personnel Policies and Procedures

Action: 1. *Approved the updated WRCOG Personnel Policies and Procedures.*

B. Approval of Professional Services Agreement for Update to WRCOG's Subregional Climate Action Plan

Action: 1. *Authorized the Executive Director to execute a Professional Services Agreement between WRCOG and Environmental Science Associates to*

update WRCOG's Subregional Climate Action Plan in an amount not to exceed \$362,423.

C. Request for Authorization to Enter into a Professional Services Agreement for Phase II Development of the Experience Subregional Innovation Center

Action: 1. *Authorized the Executive Director to enter into a Professional Services Agreement between WRCOG and Network for Global Innovation to lead Phase II development of Experience subregional innovation center in an amount not to exceed \$200,000.*

D. Approval of 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019

Action: 1. *Approved the 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019.*

E. Approval of Draft Fiscal Year 2019/2020 Agency Budget to be Forwarded to General Assembly for Consideration

Action: 1. *Recommended that the General Assembly approve the Fiscal Year 2019/2020 Agency Budget.*

F. Action to Decline Subregional Delegation for RHNA Preparation and Housing Legislative Priority Activities Update

Action: 1. *Directed staff to notify the Southern California Association of Governments that WRCOG will not be assuming responsibility for subregional delegation for RHNA Cycle 6.*

G. PACE Programs Activities Update: Requests to Authorize Annual Levy Assessments and to Authorize Refinancing for Commercial PACE (C-PACE) Projects

Actions:

1. *Adopted Resolution Number 08-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving the modification of the WRCOG Program Report and the California HERO Program Report to authorize the refinancing of authorized improvements.*
2. *Adopted Resolution Number 09-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties.*
3. *Adopted Resolution Number 10-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Butte County and certifying to Butte County the validity of the legal process used to place direct charges on the secured tax roll.*
4. *Adopted Resolution Number 11-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments certifying compliance with state law with respect to the levying of special assessments in Monterey County.*
5. *Adopted Resolution Number 12-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making*

- certain representations and authorizing the placement of assessments on the tax roll in the Sutter County and certifying to the Sutter County the validity of the legal process used to place direct charges on the secured tax roll.*
6. *Adopted Resolution Number 13-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Amador County.*
 7. *Adopted Resolution Number 14-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in the Glenn County.*
 8. *Adopted Resolution Number 15-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Humboldt County.*
 9. *Adopted Resolution Number 16-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Kern County.*
 10. *Adopted Resolution Number 17-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Madera County.*
 11. *Adopted Resolution Number 18-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Mendocino County.*
 12. *Adopted Resolution Number 19-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments certain representations and authorizing the placement of assessments on the tax roll in Merced County.*
 13. *Adopted Resolution Number 20-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Nevada County.*
 14. *Adopted Resolution Number 21-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in San Mateo County.*
 15. *Adopted Resolution Number 22-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Yolo County.*
 16. *Adopted Resolution Number 23-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Yuba County.*

H. Finance Department Activities Update

- Action:** 1. Received and filed.

I. WRCOG Committees and Agency Activities Update

Action: 1. Received and filed.

J. Regional Streetlight Program Activities Update

Action: 1. Received and filed.

K. Western Riverside Energy Partnership Program Activities Update

Action: 1. Received and filed.

L. Report out of WRCOG Representatives on Various Committees

Action: 1. Received and filed.

6. REPORTS / DISCUSSION**A. Report from the League of California Cities**

Erin Sasse, League of California Cities, reported that last week was the deadline for bills to be heard in their house of origin. At its June meeting, CalPERS pulled an agenda item regarding the ability for cities to contract for employees, and the League does not think this item will return.

The Governor's Budget still includes the trailer bill which ties housing production to transportation. The League believes this will be removed.

SB 50 (Wiener) was killed; unfortunately, there is an Assembly Bill (AB 1279, as introduced, (Bloom) Planning and zoning: housing development: high-resource areas) that has a lot of similar components and did make it out of Assembly. The one difference is that it would likely apply to all cities. Jurisdictions should be watching this bill.

SB 330 (Skinner) made it out of the Senate and will place a moratorium for five years for imposing parking requirements and freezes fees and charges. The League does not support this bill and jurisdictions are encouraged to send in letters of opposition.

AB 849 (Bonta) made it out of the Assembly. While amended, it still requires four different public hearings, one to be held either on a weekend or after 6:00 p.m. and requires live translation services for all applicable languages when going through a redistricting process. The League does not support this bill and jurisdictions are encouraged to send in letters of opposition.

AB 516 (Chiu) made it out of the Assembly. This bill eliminates jurisdictions' ability to enforce vehicle violations. The League does not support this bill and is asking jurisdictions to make phone calls to their respective Senators; there is a tight timeline. This item will likely be heard next week.

AB 1356 (Ting) is dead for the year but may come back next year.

AB 392 (Weber) made it out of the Assembly. The League does not support this bill and is asking jurisdictions to make phone calls and/or write letters of opposition.

SB 5 (Wiener) made it out of the Senate. The League is requesting support of this bill.

AB 1112 (Friedman) made it out of the Assembly and would eliminate the ability of jurisdictions to regulate motorized scooters. The League does not support this bill and is asking jurisdictions to make phone calls and/or write letters of opposition.

Action: 1. *Received and filed.*

B. TUMF Program Activities Update

Daniel Ramirez-Cornejo, WRCOG Program Manager, reported that approximately \$45M in TUMF has been collected through March 2019. Staff anticipates that Fiscal Year (FY) 2018/2019 revenues will exceed those of FY 2017/2018. Single-family residential continues to be the largest contributor, followed by industrial land use. Multi-family collections have more than doubled from collections in FY 2017/2018.

The Northwest, Southwest, and Central Zones are the major revenue contributors at approximately 90% of the total TUMF collected.

In October 2018, this Committee approved a revision to the TUMF Calculation / Collection Policy to allow WRCOG to calculate and collect TUMF on behalf of those agencies that wish to do so; 16 member agencies have shifted TUMF collections responsibility to WRCOG.

Since WRCOG began collecting TUMF on behalf of 16 member agencies, approximately \$4M in TUMF has been collected on more than 80 new development projects. Staff turnaround on calculation requests have occurred within an hour of receiving worksheets. Most fee payments by developers have been made electronically.

WRCOG is working with Viewpoint Government solutions to create an online fee collection portal for member jurisdictions to submit worksheets and for developers to submit payment. It is anticipated that the portal will be completed by August 2019.

A TUMF Reimbursement Agreement with the City of Eastvale is being presented for approval for the Planning and Engineering Phases of the Limonite Avenue Extension Project.

A TUMF Reimbursement Agreement with the City of Menifee is being presented for approval for the Planning and Engineering Phases of the Scott Road Widening Project.

Committee member Matt Liesemeyer asked if developers are able to contact WRCOG for fee calculations.

Mr. Ramirez-Cornejo responded that developers can contact WRCOG directly. Last fall a fee calculation tool was developed which is accessible on WROG's website. When contacted, staff directs developers to that tool.

Actions:

1. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Eastvale for the Planning and Engineering Phases of the Limonite Avenue Extension Project in an amount not to exceed \$1,540,000.*
2. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Menifee for the Planning and Engineering Phases of the Scott Road Widening in an amount not to exceed \$2,370,000.*

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Banning
SECONDER:	Moreno Valley
AYES:	Banning, Beaumont, Canyon Lake, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Wildomar, District 3, District 5, EMWD, WMWD
ABSENT:	Calimesa, Corona, Eastvale, Temecula, District 1, District 2, and the Morongo Band of Mission Indians

C. TUMF Fee Calculation Handbook Updates: High-Cube Warehouse Fee Calculation Adjustment and Administrative Updates

Christopher Gray, WRCOG Director of Transportation & Planning, reported that the TUMF Program originally had one industrial use category. In the mid-2000s, High-Cube warehouses were created. High-Cube warehouses have very low employment and are basically used for loading and unloading trucks. Staff conducted a study and determined that high cube warehouses need its own fee calculation.

Within the past 10 years or so, another type of industrial use has come about – fulfillment and distribution centers, such as Amazon facilities. These types of facilities have minimal passenger parking and a large amount of truck storage and loading areas. Staff was asked to look into a different type of fee calculation is necessary for this type of use.

WRCOG received a request from the County of Riverside District 1 to research and address the impacts of industrial land uses in the region. Additionally, several stakeholders asked if WRCOG is addressing industrial uses in an equitable fashion.

WRCOG's consultant conducted data counts at 16 separate locations in a 72-hour weekday period near distribution / fulfillment centers and parcel hubs.

Surprisingly, these types of facilities do not generate more truck trips than typical use; however, they do generate a lot more activity in terms of passenger cars. These facilities have a high number of employees, and the employees are asked to make deliveries.

This justifies a change in how the calculation is done; however, there is not enough separation to require a new category.

Jurisdictions do not always know the type of warehouse being built. Sometimes, the use changes over time. Therefore, it is better to adjust how the calculation is done.

The fiscal impact on a High-Cube warehouse from start to finish is approximately \$136 per square foot for construction, entitlement, land purchase, and other costs. A 1 million square foot building would have a total cost of \$136M.

Origin / destination data was collected, and it was determined that trips leaving an Amazon facility are travelling throughout the region. These types of facilities really are regional facilities.

In many cases, these facilities are being built on TUMF facilities and/or major regional arterials, further justifying a higher fee level.

Committee member Victoria Baca asked when the increase would go into effect.

Mr. Gray responded that it would become effective upon approval of this Committee.

Committee member Baca indicated that it should be effective in the future so that for projects currently underway, there would be no surprises for the developer.

Mr. Gray responded that an alternative motion to the requested action could be made.

Committee member Mike Lara asked if this adjustment will require any adjustment to local ordinances.

Mr. Gray responded that the language in the ordinances indicate that the fee is calculated based upon the Fee Calculation Handbook. Any changes to the Handbook are effective upon action from this Committee.

Committee member Lara asked if staff will be reviewing fast food restaurants that utilize services such as Grubhub.

Mr. Gray responded that if one or more member jurisdictions request WRCOG to look into it, staff will do so.

Committee member Daniela Andrade asked for clarifications purposes if a project has already been approved, will it fall under the new fee adjustment?

Mr. Gray responded that if a developer has already paid its fees, no additional fee would be imposed. Having said that, most developers pay their fee at the absolute last minute.

Committee member Andrade clarified that if a city has already provided an amount due, and that amount has not yet been paid, they will now have to pay the additional amount.

Mr. Gray responded that that is correct. Most cities, when providing a fee amount, inform the developer that it is an estimate, and the final fee will be determined at the time permits are being issued.

Committee member Jeff Hewitt indicated that he has a problem approving this for projects that are already under way, unless the action is revised to add not changing the fee for any projects that have already been issued permits or know what the costs are ahead of time.

Chair Chuck Washington asked for a point of clarification in that if the developer has not yet paid the fees prior to pulling permits, then they would pay the new fee when they do pull their permits.

Mr. Gray responded that there are different types of permits. What most developers will do is pull a building permit, which allows them to do grading and construction, and pay some of their fees at that point. They will hold off on paying any other fees until they are issued their Certificate of Occupancy; this is usually part of the leasing process with their tenant(s). This is the point in which the developer usually pays all the remaining fees, which are calculated for what fees are due at that point. Sometimes city fees or other fees will change during this process. This is why all developers are initially told that the provided fee is an estimate. Large complex projects are usually calculated at multiple points during the processes.

Committee member Rusty Bailey asked how long it would take staff to notify the developers of the new fee so that they have they opportunity to pay their fees at the current rate.

Mr. Gray responded that it could take affect on the fiscal year, or the first of any given month. There are always developers with projects in the pipeline at any given point.

Committee member Kevin Bash indicated that this is a way to mitigate impacts and addresses something happening right now. The developers already know that fees may increase.

Committee member Crystal Ruiz asked if fees have been raised mid-stream before, and why this has not been an issue before.

Mr. Gray responded that fees have been adjusted mid-stream. Analyses show that given the magnitude of the overall cost of a project, the change to a fee is relatively nominal, and that he was unsure if it has ever been an issue.

Chair Washington indicated that the purpose of the fee is to mitigate development impacts. Changes to the TUMF Program cannot be made arbitrarily, they must be supported by a study. When the study determines a need for an increase to the fee, and this Committee does not implement an increase, it is a political decision of this Committee to not do so. As a result, projects on the list to be funded take longer to get funded. Chair Washington asked the percentage of projects are funded.

Mr. Gray responded that since development of the Program, certain developers have been exempted from certain projects, and that has cost the Program approximately \$100M. At one point, jurisdictions were allowed to decrease their fees by 50%; this cost the Program approximately \$20M or \$30M. If the fee is delayed, it will have a nominal effect on the Program, but there is not a current single TUMF project that does not need more money.

Committee member Hewitt made an amended motion that for any developer who has already pulled permits or is in the process of doing so, they will be provided the option to pay their full fees within 60 days in order to save money.

Committee member Lara indicated that in the past there has always been a timeframe to provide various notices that the fee will be increasing. There is a concern that the Program does not allow for pre-payments. For jurisdictions that utilize software to provide fee estimates, the software would need to be updated with the new fee; jurisdictions need time to do this.

Committee member Kelly Seyarto indicated that it all comes down to whether or not WRCOG will collect the fee to mitigate the project or absorb the cost.

Committee member Micheal Goodland suggested a 90-day versus 60-day delay in a fee increase.

- Actions:**
1. *Approved an adjustment to the High-Cube Warehouse component of the TUMF Calculation Handbook; any increase to the fee would be delayed until August 1, 2019, for any developer which has already pulled a permit to begin construction, but not yet paid the fees.*
 2. *Directed staff to conduct a review of the available data for High-Cube Warehouses in 24 months.*

RESULT: APPROVED AS RECOMMENDED
MOVER: District 5
SECONDER: Moreno Valley
AYES: Banning, Beaumont, Canyon Lake, Hemet, Jurupa Valley, Lake Elsinore, Moreno Valley, Murrieta, Perris, Riverside, San Jacinto, Wildomar, District 3, District 5
NAYS: Norco, Menifee
ABSENT: Calimesa, Corona, Eastvale, Temecula, District 1, District 2, and the Morongo Band of Mission Indians
The Water Districts do not vote on TUMF matters

D. Nominations for Chair, Vice-Chair, and 2nd Vice-Chair Positions for Fiscal Year 2019/2020

Chair Washington called for a vote on this item.

Action: 1. *Recommended the following to the General Assembly for leadership positions for Fiscal Year 2019/2020:*

Chair: Bonnie Wright, Mayor, City of Hemet
Vice-Chair: Kevin Bash, Council member, City of Norco
2nd Vice-Chair: Kelly Seyarto, Mayor, City of Murrieta

RESULT: APPROVED AS RECOMMENDED
MOVER: Moreno Valley
SECONDER: Wildomar
AYES: Banning, Beaumont, Canyon Lake, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Wildomar, District 3, District 5, EMWD, WMWD
ABSENT: Calimesa, Corona, Eastvale, Temecula, District 1, District 2, and the Morongo Band of Mission Indians

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

The Technical Advisory Committee Chair had no report to provide.

8. REPORT FROM COMMITTEE REPRESENTATIVES

Brian Tisdale, California Association of Councils of Governments (CALCOG) representative, reported that CALCOG lists on its website, www.calcog.org, a listing of bills it supports. The Governor is listening to southern California and has now taken an approach that the housing issue is not a one size fits all. CALCOG continues to push for local control. CALCOG's next Leadership Academy will begin soon. CALCOG's annual budget was recently approved, as was the extended contract for its Executive Director. The Executive Directors for both the California State Association of Counties and the League of California Cities are working with the CALCOG Executive Director on various matters, which is a good thing.

Rusty Bailey, Santa Ana Watershed Project Authority (SAWPA) One Water One Watershed (OWOW) Committee representative reported that \$23M from Proposition 1 bond proceeds of 2014 have been

awarded to SAWPA. Funding across the board has been awarded. The OWOW Committee is a united voice for the Santa Ana River Watershed and received \$16.7M to remain a participant. Evans Lake Tributary Restoration and Camp Evans Recreation received funding to address supply, conservation, recreation, and protection. The Santa Ana Mountains Watershed Protection Project maintains 651 acres of forest fire fuel breaks along the crest of the Santa Ana Mountains over the next seven years. The SAWPA Regional Comprehensive Landscape Rebate Program has been provided funding for accelerated leak detection and metering. A joint project between the Inland Empire Utilities Agency and the Jurupa Valley Community Services District received funding for a regional water recycling program. Enhancements to a Watershed-wide water budget decision support tool develops an urban landscape assessment tool that measures, classifies, monitors, and reports on landscape water demands for SAWPA; over 70 retail agencies will benefit from this. Lastly, funding has been awarded for the removal of excess algae growth from Lake Elsinore.

Crystal Ruiz, San Diego Association of Governments Borders Committee representative, reported that one of the main concerns is the border with Riverside County. The Committee is discussing an inter-regional park-and-ride strategy from Riverside County to San Diego County and alleviating traffic.

9. REPORT FROM THE EXECUTIVE DIRECTOR

Barbara Spoonhour, WRCOG Deputy Executive Director – Operations, reported that staff will be at the Storm Stadium on June 7, 2019, giving away items directed for individuals who change their own vehicle oil. The City of Murrieta has completed approximately 70% of its streetlights under WRCOG's Streetlight Program; the City of Moreno Valley is approximately 50% complete; the City of Eastvale is scheduled to begin retrofitting on June 4, 2019, and remaining jurisdictions are in the process of selecting and placing orders for LED fixtures. This year's General Assembly has been extended to a full day and will include a Future of Cities Symposium.

10. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

11. GENERAL ANNOUNCEMENTS

There were no general announcements.

12. NEXT MEETING

The next Executive Committee meeting is scheduled for Friday, June 21, 2019, at 10:00 a.m., at Pechanga Resort Casino, 45000 Pechanga Parkway, Temecula, CA 92592.

13. ADJOURNMENT

The meeting was adjourned at 3:14 p.m.

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Western Riverside Council of Governments

4.B

Regular Meeting

~ Minutes ~

Friday, June 21, 2019

10:00 AM

Pechanga Resort Casino

1. CALL TO ORDER

The meeting was called to order by Chair Bonnie Wright at 10:00 a.m. on June 21, 2019, at Pechanga Resort Casino, Elderberry Meeting Room, 2nd Floor, 45000 Pechanga Parkway, Temecula.

Jurisdiction	Attendee Name	Status	Arrived / Departed
City of Banning		Absent	
City of Beaumont	Mike Lara	Present	9:58 AM
City of Calimesa	Larry Smith	Present	9:58 AM
City of Canyon Lake	Jordan Ehrenkranz	Present	9:58 AM
City of Corona	Jason Scott	Present	9:58 AM
City of Eastvale		Absent	
City of Hemet	Bonnie Wright	Present	9:58 AM
City of Jurupa Valley	Micheal Goodland	Present	9:58 AM
City of Lake Elsinore	Brian Tisdale	Present	9:58 AM
City of Menifee		Absent	
City of Moreno Valley	Victoria Baca	Present	9:58 AM
City of Murrieta	Kelly Seyarto	Present	9:58 AM / 10:32 AM
City of Norco	Kevin Bash	Present	9:58 AM
City of Perris	Rita Rogers	Present	9:58 AM
City of Riverside	Rusty Bailey	Present	9:58 AM
City of San Jacinto	Crystal Ruiz	Present	9:58 AM
City of Temecula	Zak Schwank	Present	9:58 AM
City of Wildomar	Ben Benoit	Present	9:58 AM
District 1		Absent	
District 2	Karen Spiegel	Present	9:58 AM
District 3		Absent	
District 5	Jeff Hewitt	Present	9:58 AM
EMWD		Absent	
WMWD	Brenda Dennstedt	Present	9:58 AM
Morongo Band of Mission Indians		Absent	
Office of Education (ex-officio)		Absent	
TAC Chair		Absent	
Executive Director	Rick Bishop	Present	9:58 AM

2. PLEDGE OF ALLEGIANCE

Vice-Chair Kevin Bash led members and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Murrieta
SECONDER:	Perris
AYES:	Beaumont, Calimesa, Canyon Lake, Corona, Hemet, Jurupa Valley, Lake Elsinore, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, District 2, District 5, WMWD
ABSENT:	Banning, Eastvale, Menifee, District 1, District 3, EMWD, Morongo Band of Mission Indians

A. Used Oil and Oil Filter Recycling Program Activities Update

Action: 1. *Adopted Resolution Number 29-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments to support Regional Application – Used Oil Payment Program – 10.*

B. Approval of Fiscal Year 2019/2020 Agency Salary Schedule

Action: 1. *Adopted Resolution Number 25-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting the Fiscal Year 2019/2020 publicly available salary schedule effective July 1, 2019, as required by the California Public Employee's Retirement System.*

C. Adoption of Resolution Providing for Smart Climate-Resilient Transportation Planning and Investments Project.

Action: 1. *Adopted Resolution Number 24-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the Executive Director to execute agreements with the California Department of Transportation for the Analyses for Smart Climate-Resilient Transportation Planning and Investments Project.*

5. REPORTS / DISCUSSION**A. Report from the League of California Cities**

Erin Sasse, League of California Cities, shared that AB 1279 (Bloom) is now a two-year bill.

SB 5 (Beall) "hot" bill, is moving forward and the League needs cities in this region to submit support letters.

AB 516 (Chiu) is flying through legislation. Committee members are urged to get their opposition letters in as soon as possible.

The State's Fiscal Year 2019/2020 Budget was passed and includes additional funding for homeless crisis, plan for housing, and infrastructure to support and fund affordable housing. More details on the Budget are located in the agenda packet.

The next Division meeting will be held on July 8, 2019, in Temecula at the South Coast Winery at 5:00 p.m. The San Diego and Orange County Divisions were invited.

Action: 1. *Received and filed.*

B. Resilient IE Project Activities Update

Andrea Howard shared a video on the Resilient IE project that emphasized how resiliency planning effects our everyday lives. The video shared ways that Caltrans helps when it comes to transportation infrastructure.

Tammy Seale, PlaceWorks Associate Principal, and Aaron Pfannenstiel, Atlas Planning Solutions Principal, continued the presentation on Resilient IE. Ms. Seale shared that with a SB 1 grant and joint efforts between WRCOG and SBCTA, regional vulnerabilities to climate change have been identified and the team is working to develop resources and tools to improve resiliency.

Ms. Seale shared some problems that resonate in the region along with some solutions that Resilient IE is addressing. Resilient IE is a regional climate collaboration with three areas of interest that consist of Evacuation Mapping, Climate Vulnerability Assessments, and a Climate Resilient Transportation Guidebook. Resilient IE is addressing resiliency by guiding and responding to state laws that will strengthen community resources.

Mr. Pfannenstiel provided a timeline that Resilient IE will be following, starting with a Vulnerability Assessments Evacuation Mapping Infrastructure Guidebook in July 2019.

The Guidebook will provide strategies using green sheets infrastructure, which aims to harness the efficacy of natural processes to manage flooding and extreme heat, mitigate identified risks and provide resiliency to climate change effects on the transportation system.

Action: 1. *Received and filed.*

6. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop, WRCOG Executive Director, thanked everyone involved with Future of Cities Symposium, including Brian Tisdale for facilitating the event, and Mayor Bailey, Mayor Wright and Supervisor Spiegel for participating on the elected official's panel. He also thanked Committee member Ben Benoit for taking over for Supervisor Washington during the General Assembly discussion, and thanked staff and Pechanga for everything that went into such a great and successful event.

7. ITEMS FOR FUTURE AGENDAS

Supervisor Hewitt requested a presentation on what WRCOG's unfunded CalPERS liability currently is and what staff are doing to decrease that amount.

8. GENERAL ANNOUNCEMENTS

Many Committee members shared their experiences at General Assembly and noted how pleased they were with the venue and guest speaker, Josh Earnest.

Committee member Brian Tisdale shared that he has accepted a position at Emergency Management and is no longer working for Supervisor Washington.

9. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, August 5, 2019, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor Board Chambers.

10. ADJOURNMENT

The meeting was adjourned at 10:45 a.m.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Approval of Second Amendment to Professional Services Agreement with Kearns and West, Inc., for On-Call Planning Professional Services for Member Jurisdictions

Contact: Kyle Rodriguez, Staff Analyst, krodriguez@wrcog.us, (951) 405-6721

Date: August 5, 2019

The purpose of this item is to approve an Amendment to the existing Professional Services Agreement for On-Call Planning Services with Kearns and West, Inc. to assist with WRCOG's Clean Cities Program.

Requested Action:

1. Approve the Second Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc., to provide WRCOG planning support and advisory services in an amount not to exceed \$60,925 for the WRCOG Clean Cities Program, taking the amended contract in a not to exceed amount of \$206,485 in total, and to extend the term of the Agreement through June 30, 2020.

Background

WRCOG utilizes various consultants for a range of on-call planning activities to assist member agencies.

Per WRCOG policy, the Executive Director has a Single Signature Authority for contracts up to \$100,000. contracts between \$100,001 and \$200,000 are to be approved by the Administration & Finance Committee, and contracts amounting to greater than \$200,000 are to be approved by the Executive Committee.

On-Call Planning Professional Services – Amendment to Kearns and West, Inc., Agreement

WRCOG entered into an Agreement for On-Call Professional Services with Kearns and West, Inc. in August 2017. The Agreement incorporated duties in the Clean Cities Coalition discipline for On-Call Planning Services. WRCOG conducts the coordinator duties for the Western Riverside County Clean Cities Coalition that provides outreach on alternative fuel vehicles (AFVs) to Coalition members and the general public. The Coalition is increasing its activities and trying to bring additional value to its members with increased services for AFVs in the subregion in order to capitalize on the upcoming increases in funding from the Department of Energy. Namely, a mapping tool to analyze alternative fueling infrastructure and vehicles is being developed and will be a task that requires more attention in order to obtain valuable data from members. Additionally, Clean Cities Coalition will be hosting the SoCal AltCar Expo, October 16, 2019. An AFV expo, conference, and ride-and-drive for member agencies and community members to learn about alternative fuel best practices, technologies, and to test various alternative fuel technologies (lawn and construction equipment, vehicles, etc.). Kearns and West, Inc. is assisting WRCOG on some of these tasks.

In June 2018, the Executive Committee received a report requesting approval of an Amendment to the existing Professional Services Agreement for On-Call Planning Services with Kearns and West, Inc. The First Amendment to the Professional Services Agreement provided WRCOG planning support and advisory services in an amount not to exceed \$50,000 and \$145,560 in total, and extended the term of the Agreement through June 30, 2019.

In order to allow Kearns and West, Inc. to continue to be on-call to provide WRCOG assistance as it relates to project management of projects and studies, it is requested that a contract amendment be approved in an additional amount not to exceed \$60,925.

Prior Actions:

July 18, 2019: The Technical Advisory Committee recommended that the Executive Committee approve the Second Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc., to provide WRCOG planning support and advisory services in an amount not to exceed \$60,925 for WRCOG Clean Cities Program, taking the amended contract in an not to exceed amount of \$206,485 in total, and to extend the term of the Agreement through June 30, 2020.

July 10, 2019: The Administration & Finance Committee recommended that the Executive Committee approve the Second Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc., to provide WRCOG planning support and advisory services in an amount not to exceed \$60,925 for WRCOG Clean Cities Program, taking the amended contract in an not to exceed amount of \$206,485 in total, and to extend the term of the Agreement through June 30, 2020.

Fiscal Impact:

Expenditures for On-Call Engineering Services are included in the Fiscal Year 2019/2020 Agency Budget under the Energy & Environmental Department.

Attachment:

1. Second Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc.

Item 5.A

Approval of Second Amendment to Professional Services Agreement with Kearns and West, Inc., for On-Call Planning Professional Services for Member Jurisdictions

Attachment 1

Second Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc.

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**SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
KEARNS AND WEST, INC.**

1. PARTIES AND DATE.

This Second Amendment is made and entered into this 1st day of July, 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG"), and Kearns and West, Inc., a Massachusetts corporation ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Professional Services Agreement dated August 11, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant have entered into that certain First Amendment dated June 30, 2018, for the purpose of extending the term of the Master Agreement and providing additional compensation for professional services, on an on-call basis.

2.3 Second Amendment.

WRCOG and Consultant desire to enter into this Second Amendment for the purposes extending the term of the Master Agreement and providing additional compensation for professional services, on an on-call basis ("Services").

3. TERMS.

3.1 Term.

The term of the Master Agreement shall be amended to extend the term to June 30, 2020, (the "Second Extended Term"), unless earlier terminated as provided in the Master Agreement.

3.2 Additional Compensation.

The maximum compensation for Services performed under this Second Amendment shall not exceed Sixty Thousand Nine Hundred Twenty-Five Dollars (\$60,925) without written approval of WRCOG's Executive Director. The Task Order for the Master Agreement shall be amended to provide for additional services, as more particularly described in the Task Order attached to this Amendment as Attachment 1. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibit "A", respectively, to the Master Agreement. **No Services shall be performed unless authorized by a fully executed Task Order.**

The total not-to-exceed value of this Second Amendment shall be increased from One Hundred Forty-Five Thousand Five Hundred Sixty Dollars (\$145,560) to Two Hundred Six Thousand Dollars Four Hundred Eighty-Five Dollars (\$206,485).

3.3 Continuation of Existing Provisions.

Except as amended by this Second Amendment, all provisions of the Master Agreement, including without limitation the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the Parties under this Second Amendment.

3.4 Counterparts.

This Second Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute one instrument.

[Signature on following page]

IN WITNESS WHEREOF, the Parties hereto have made and executed this Second Amendment as of the date first written above.

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

KEARNS AND WEST, INC.,
a Massachusetts corporation

By: _____
Taylor York
Senior Associate

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

**“Exhibit A”
Scope of Work**

Kearns & West

Monthly Task Breakdown and Budget - Clean Cities Coalition Facilitation July 1, 2019 – June 30, 2020

Fee not to exceed: \$60,925

Labor: \$59,100

ODCs: \$1,825

Note: Costs are estimates and may differ depending on actual monthly scope. ODCs include travel and lodging costs for ACT Expo and the Clean Cities National Workshop.

July 2019 - \$5,700

- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Assistance with preparation of quarterly reports and mid-year sub task reporting.
- Assistance with preparation for and facilitation of Clean Cities Coalition meeting, including review of preparation of materials.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular checkin call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate

August 2019 - \$7,000

ODCs for National Meeting - \$500 (Flight – Ontario to Salt Lake City), \$500 (Lodging)

- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular checkin call with WRCOG staff.
- Participate in networking and Coalition building and strategy activities as appropriate • Attend and provide EEMS presentation at Clean Cities Coordinator National Workshop.

September 2019 - \$5,000

- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Assistance with planning, attending, and facilitating National Drive Electric Week event.
- Conduct activities related to GIS planning tool, including applications and updates.

- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular checkin call with WRCOG staff.
- Participate in networking and Coalition building and strategy activities as appropriate

October 2019 - \$5,000

- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Attendance and assist with facilitation and logistics for Southern California Alt Car Expo.
- Coalition Meeting preparation and facilitation.
- Assist with preparation for Technology Focus Group (Task 3.1) preparation and facilitation
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular checkin call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate

November 2018 - \$4,700

- Participate in networking and Coalition building and strategy activities as appropriate
- Technology Focus Group (Sub-Task 3.1) prep and facilitation.
- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Assist with planning and facilitating Technology Focus Group for Subtask.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate

December 2019 - \$2,000

- Participate in networking and Coalition building and strategy activities as appropriate.
- Assist with planning and facilitating Technology Focus Group for Subtask.
- Assist with collection of data for Coalition Annual Report.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.

- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate

January 2020 - \$2,500

- Assist with collection of data for Coalition Annual Report.
- Assist with preparation and submittal of Coalition Reporting.
- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate

February 2020 - \$5,500

- Assist with collection of data for Coalition Annual Report.
- Assist with preparation and submittal of Coalition Reporting.
- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate.

March 2020 - \$5,700

- Assist with collection of data for Coalition Annual Report.
- Assist with preparation and submittal of Coalition Reporting.
- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Assistance with preparation and submittal of Quarterly Alternative Fuel Price Report.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate

April 2020 - \$5,000

- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate.

May 2020 - \$6,000

ODCs for ACT Expo - \$325 (Registration), \$500 (Lodging)

- Attend ACT Expo in Long Beach, including attendance at California Region annual meeting, assistance with staffing Clean Cities booth in expo, and networking with industry stakeholders to increase Coalition visibility and resources.
- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.
- Participate in networking and Coalition building and strategy activities as appropriate.

June 2020 - \$5,000

- Assist with preparation and submittal of Coalition Reporting
- Assistance with planning Southern California AltCar Expo, including attendance at planning meeting.
- Conduct activities related to GIS planning tool, including applications and updates.
- Track webinar and resource opportunities and forward to WRCOG staff and members as appropriate.
- Assist with tracking AFV funding.
- Participate in monthly California Region call.
- Participate in regular check in call with WRCOG staff.
- Assistance with preparation and submission of the Quarterly Alternative Fuel Price Report.
- Participate in networking and Coalition building and strategy activities as appropriate.

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: TUMF Program Activities Update: Approval of Proposed Exemption for Transitional Housing for the Homeless, one Reimbursement Agreement, and two Reimbursement Agreement Amendments

Contact: Christopher Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710

Date: August 5, 2019

The purpose of this item is to request approval of 1) a revision to the TUMF Administrative Plan to exempt specially built homes intended to serve the homeless population and 2) TUMF Reimbursement Agreements with the Cities of Moreno Valley and Temecula.

Requested Actions:

1. Approve the proposed TUMF exemption for specially built homes that serve as transitional housing for homeless individuals or families.
2. Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Moreno Valley for the Right-of-Way and Construction Phases of the Nason Street / SR-60 Interchange in an amount not to exceed \$11,261,500.
3. Authorize the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Moreno Valley for the Moreno Beach Drive / SR-60 Interchange in an amount not to exceed \$20,758,480.
4. Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Temecula for the Planning and Engineering Phases of the Diaz Road (Western Bypass) Widening in an amount not to exceed \$1,065,923.

WRCOG's Transportation Uniform Mitigation Fee (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. The Administrative Plan includes basic program guidelines, including a section that outlines exemptions from TUMF. Questions or issues periodically arise that, when resolved, result in a revision to the Administrative Plan.

Proposed TUMF Exemption Revision

WRCOG staff received an inquiry from a member agency regarding discounting or specifically exempting construction of transitional housing projects aimed at providing short-term shelter for homeless individuals or families to facilitate their transition to stable housing.

The 2018 County of Riverside Homeless Count and Survey showed that 10 of WRCOG's member agencies had increases in their unsheltered homeless count. Several initiatives are being pursued throughout the region to address homelessness, and WRCOG staff recommends an exemption for transitional housing in support of these regional efforts. Additionally, trip generation rates from transitional housing are lower than the rates for standard single-family or multi-family developments; therefore, these project types have a lower impact on the TUMF Network.

The Grove Church in the City of Riverside proposed in June 2018 to construct four small self-contained cottages, the Grove Village, on an area of its campus previously developed as two volleyball courts. The Grove agreed to restrict the four units for five years as housing first units that will assist persons experiencing homelessness and only need assistance until permanent housing can be found. Residents of the cottages sign an agreement with the Grove agreeing to terms and conditions aimed at facilitating the transition to stable housing. This project was completed in December 2018 and thus far has housed five to ten people transitioning from homelessness.

The Grove Village and supportive service component are operated by a third-party service; the Grove and other non-profit organizations and public agencies also provide supportive services. Case managers coordinate on- and off-site supportive services based on an assessment of the client's individual needs. In exchange for receiving shelter and supportive services, clients are required to commit to transitioning to permanent housing and stable employment during the course of their 6- to 24-month stay.

Definition of Transitional Housing: The California Health and Safety Code Section 50801 defines transitional housing to alleviate homelessness and facilitate transition to stable housing as:

Housing with supportive services for up to 24 months that is exclusively designated and targeted for recently homeless persons. Transitional housing includes self-sufficiency development services, with the ultimate goal of moving recently homeless persons to permanent housing as quickly as possible, and limits rents and service fees to an ability-to-pay formula reasonably consistent with the United States Department of Housing and Urban Development's requirements for subsidized housing for low-income persons. Rents and service fees paid for transitional housing may be reserved, in whole or in part, to assist residents in moving to permanent housing.

Also, Health and Safety Code 50675.2 defines transitional housing more generally as:

"Transitional housing" and "transitional housing development" means buildings configured as rental housing developments but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.

Staff propose adding the definition of "transitional housing" from the Health and Safety Code Section 50801 to the TUMF Administrative Plan, Exhibit "D" TUMF Program Definitions.

Likewise, staff proposes adding language to the exemption for low income residential housing in the TUMF Administrative Plan, Exhibit "E" TUMF Program Exemptions, to explicitly include transitional housing as follows (additional text shown in underline):

1. Low income residential housing and transitional housing to serve the homeless population as defined in Exhibit E, Section G of the Administrative Plan.

Staff is in support of providing an exemption for transitional housing since these projects will help to alleviate the region's homelessness problem. Additionally, trip generation rates from transitional housing are likely lower than those associated with a typical single-family or multi-family residence.

TUMF Reimbursement Agreements

One Reimbursement Agreement and Two Reimbursement Agreement Amendments for TUMF projects are summarized below.

City of Moreno Valley (two amendments):

1. Nason Street / SR-60 Interchange, *Right-of-Way and Construction* Phases, in an amount not to exceed

\$11,261,500: The City completed the project in 2014 which included the reconstruction of the bridge structure and ramp improvements. Reimbursement of the TUMF has occurred based on allocations on the 5-Year Central Zone Transportation Improvement Program. During review of an invoice submitted by the City, it was determined that expenses submitted against the Construction Phase should be allocated to the Right-of-Way Phase. This Reimbursement Agreement Amendment transfers funding from the Construction Phase to cover the expenses.

2. Moreno Beach Drive / SR-60 Interchange, *Planning, Engineering, Right-of-Way, and Construction* Phases, in an amount not to exceed \$20,758,480: The City completed Phase 1 of the interchange, which included ramps improvements on Moreno Beach Drive. This Amendment would allocate an additional \$7,500,000 for Construction Phase 2, which will include the replacement of the two-lane overcrossing on Moreno Beach Drive. The City was successful in securing \$16.8M from the Trade Corridor Enhancement Program and the TUMF will fully fund Phase 2.

City of Temecula (one agreement):

1. Diaz Road (Western Bypass), *Planning and Engineering* Phases, in an amount not to exceed \$1,065,923: The City is currently in the Planning Phase of improving Diaz Road to four lanes between Rancho California Road and Cherry Street. The Planning and Engineering Phases for the project are expected to be completed in June 2021.

Prior Actions:

July 18, 2019: The Technical Advisory Committee recommended that the Executive Committee approve the proposed TUMF exemption for specially built homes that serve as transitional housing for homeless individuals or families.

June 13, 2019: The Public Works Committee recommended that the Executive Committee approve the proposed TUMF exemption for specially built homes that serve as transitional housing for homeless individuals or families.

Fiscal Impact:

Revenue loss of \$8,873 per single-family transitional housing unit, or \$6,134 per multi-family transitional housing unit, constructed and exempted from TUMF. Due to the restrictions on transitional housing units and the limited financial gain of these project types, it is not anticipated that a significant number of such units would be constructed.

Attachments:

1. TUMF Reimbursement Agreement Amendment with the City of Moreno Valley for the Nason Street Interchange.
2. TUMF Reimbursement Agreement Amendment with the City of Moreno Valley for the Moreno Beach Drive Interchange.
3. TUMF Reimbursement Agreement with the City of Temecula for the Diaz Road Expansion.

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Item 5.B

TUMF Program Activities Update:
Approval of Proposed Exemption for
Transitional Housing for the
Homeless, one Reimbursement
Agreement, and two Reimbursement
Agreement Amendments

Attachment 1

TUMF Reimbursement Agreement
Amendment with the City of Moreno
Valley for the Nason Street
Interchange

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**AMENDMENT NO. 2 TO TRANSPORTATION UNIFORM MITIGATION FEE
PROGRAM AGREEMENT**

NASON STREET/SR-60 INTERCHANGE

RIGHT-OF-WAY AND CONSTRUCTION PHASES

This Amendment No. 2 to Transportation Uniform Mitigation Fee Program Agreement (“Amendment No. 2”) is entered into this XX day of XXX 2019, by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“WRCOG”) and **City of Moreno Valley** (“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 to Reimburse TUMF Funds” that is dated **May 23, 2011** (“Agreement”). The Agreement provides the terms and conditions, scope of work, schedule, and funding amount for the construction of the **NASON STREET/SR-60 INTERCHANGE** (hereinafter the “Project”).

B. WRCOG and AGENCY have entered into an amendment to the Agreement titled “Amendment No. 1 to Transportation Uniform Mitigation Fee Program Agreement to Reimburse TUMF Funds” that is dated December 27, 2016 (“Amendment No. 1”).

C. The Parties desire to amend the Agreement, as amended by Amendment No. 1, by decreasing the funding amount in the Construction Phase and increasing the funding amount in the Right-of-Way Phase by the same amount as set forth in Exhibit “A-2” of this Amendment. This transfer of TUMF funding is has been approved by the TUMF Central Zone

and WRCOG Executive Committee.

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 Amendment No. 1 of Eleven Million Two Hundred Sixty One Thousand and Five Hundred Dollars (\$11,261,500) for the Construction Phase is hereby decreased by Eight Hundred Thirty Six Thousand Five Hundred Thirty Four Dollars (\$836,534) to an amount not to exceed Ten Million Four Hundred Twenty Four Thousand Nine Hundred Sixty Six Dollars (\$10,424,966). Funding is hereby reallocated to the Right-of-Way Phase in the amount of Eight Hundred Thirty Six Thousand Five Hundred Thirty Four Dollars (\$836,534). The Total Funding Amount of Eleven Million Two Hundred Sixty One Thousand and Five Hundred Dollars (\$11,261,500) remains the same.

2. The foregoing reallocation of the Funding Amount is within the Maximum TUMF Share.

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

4. The above-stated Recitals are hereby fully incorporated into this Amendment No. 2.

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. 2 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 MORENO VALLEY

By: _____
Rick Bishop
Executive Director

By: _____
Thomas M. DeSantis
City Manager

Approved to Form:

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

By: _____
Martin Koczanowicz
City Attorney

Attest:

By: _____
Pat Jacquez-Nares
City Clerk

Exhibit “A-1”

SCOPE OF SERVICES

SCOPE OF WORK:

The Project scope consisted of design, right-of-way acquisition, construction, and all construction phase services, including advertisement and award. The Nason Street/SR-60 Interchange was completed as of July 20, 2014.

The purpose of the overall project was to alleviate congestion, enhance freeway access, and increase vertical clearance for the SR-60/Nason Street Interchange. The purpose of the project was achieved, in general, by realigning the SR-60/Nason ramps, adding auxiliary lanes, and replacing the overcrossing structure.

EXHIBIT “A-2”

ESTIMATE OF TUMF COST

Phase	TUMF
RIGHT OF WAY*	\$836,534
CONSTRUCTION*	\$10,424,966
TOTAL	\$11,261,500

*Programmed Phase Cost: CON Phase \$11,261,500 was decreased by \$836,534 and reallocated to ROW Phase of this agreement.

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Item 5.B

TUMF Program Activities Update:
Approval of Proposed Exemption for
Transitional Housing for the
Homeless, one Reimbursement
Agreement, and two Reimbursement
Agreement Amendments

Attachment 2

TUMF Reimbursement Agreement
Amendment with the City of Moreno
Valley for the Moreno Beach
Drive Interchange

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**AMENDMENT NO. 5 TO TRANSPORTATION UNIFORM MITIGATION FEE
PROGRAM AGREEMENT**

MORENO BEACH/SR-60 INTERCHANGE

This Amendment No. 5 to Transportation Uniform Mitigation Fee Program Agreement (“Amendment No. 5”) is entered into this ___ day of ___, 2019, by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“WRCOG”) and **CITY OF MORENO VALLEY** (“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 **MARCH 14, 2006** (“Agreement”). The Agreement provides the terms and conditions, scope of work, schedule and funding amount for the construction of the **MORENO BEACH/SR-60 INTERCHANGE** (hereinafter the “Project”).

B. WRCOG and AGENCY have entered into an amendment to the Agreement titled “Amendment No. 1 to Transportation Uniform Mitigation Fee Program Agreement” that is dated **JULY 24, 2008** (“Amendment No. 1”).

C. WRCOG and AGENCY have entered into an amendment to the Agreement titled “Second Amendment to Transportation Uniform Mitigation Fee Program Reimbursement Agreement” that is dated **AUGUST 18, 2010** (“Amendment No. 2”).

D. WRCOG and AGENCY have entered into an amendment to the Agreement titled

“Amendment No. 3 to Transportation Uniform Mitigation Fee Program Agreement” that is dated **AUGUST 5, 2013** (“Amendment No. 3”).

E. WRCOG and AGENCY have entered into an amendment to the Agreement titled “Amendment No. 4 to Transportation Uniform Mitigation Fee Program Agreement” that is dated **JULY 26, 2017** (“Amendment No. 4”).

F. AGENCY has been awarded a Sixteen Million Eight Hundred Thousand Dollar (\$16,800,000) Trade Corridor Enhancement Program (TCEP) federal grant for Phase 2 of the interchange and therefore has lessened the amount of TUMF funds that the Central Zone would have to allocate to construct the project. As a result, the Parties desire to further amend the Agreement, as amended by Amendment Nos. 1, 2, 3, and 4, by increasing the TUMF funding amount pursuant to Sections 7 and 33 of the Agreement, to provide local match funds for the construction of Phase 2 of the interchange as set forth in Exhibit A-1 of the Agreement. This amendment does not supersede the reimbursement obligations of the previous agreement and amendments.

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 Nos. 1, 2, 3, and 4, is hereby increased by **Seven Million Five Hundred Thousand Dollars (\$7,500,000) from Thirteen Million Two Hundred Fifty Eight Thousand Four Hundred Eighty Dollars (\$13,258,480) to an amount not to exceed Twenty Million Seven**

Hundred Fifty Eight Thousand Four Hundred Eighty Dollars (\$20,758,480).

2. The foregoing increase in the Funding Amount is within the Maximum TUMF Share. As stated in Amendment No. 4, the Agreement, Amendments, and Project are grandfathered under the 2009 Nexus Study acknowledging the Maximum TUMF Share in the 2009 Nexus Study as “Thirty Two Million Three Hundred Six Thousand Dollars (\$32,306,000).”

3. Section 10 of the Agreement as amended, is hereby deleted in its entirety and replaced with the following provision:

WRCOG shall provide for Phase 2 at least Seven Million Five Hundred Thousand Dollars (\$7,500,000) toward the Work as shown in Exhibit “A-1.” If the total construction phase costs (all costs regardless of reimbursement eligibility) exceed Twenty Four Million Dollars (\$24,000,000), AGENCY is eligible for and may request additional TUMF funds through the TUMF Zone process up to the maximum TUMF share.. WRCOG shall not reasonably withhold additional funds.

4. Exhibits “A”, “A-1”, and “A-2” of the Agreement as amended by Amendments Nos. 1, 2, 3, and 4, are hereby replaced in their entirety by Exhibits “A”, “A-1”, and “A-2” of this Amendment No. 5, which are attached hereto and incorporated by reference.

5. Release of TUMF Program Funds. The amount of the annual reimbursement shall be determined based on the Central Zone five-year Transportation Improvement Plan (TIP) approved by the Central Zone Committee and the WRCOG Executive Committee. The total reimbursement shall not be less than Seven Million Five Hundred Thousand Dollars (\$7,500,000) for the Work.

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

7. 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. 5 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 MORENO VALLEY

By: _____
Rick Bishop, Executive Director

By: _____
Michael L. Wolfe, P.E.
Public Works Director/City Engineer

Approved to Form:

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

By: _____
Martin D. Koczanowicz
City Attorney

Attest:

By: _____
Pat Jacquez-Nares
City Clerk

Exhibit A

SCOPE OF SERVICES

The Project scope consists of construction phase services, including advertising, awarding, and administering Phase 2 construction.

The purpose of the overall project is to alleviate congestion, enhance freeway access, and increase vertical clearance for the SR-60/Moreno Beach Drive Interchange. The purpose of the project will be achieved, in general, by realigning the SR-60/Moreno Beach Drive ramps, adding auxiliary lanes, and replacing the overcrossing structure at SR-60/Moreno Beach Drive.

The scope of work for Phase 2 consists of the following: 1) reconstruction and realignment of the SR-60/Moreno Beach Drive westbound freeway ramps including addition of a westbound loop on-ramp; 2) construction of a westbound auxiliary lane, 3) installation of signalization at the intersection of the westbound ramp and Moreno Beach Drive, 4) provision for California Highway Patrol (CHP) enforcement areas, 5) addition of ramp metering, 6) replacement of the SR-60/Moreno Beach Drive overcrossing structure including raising the roadway profile and adjusting the eastbound ramps, traffic signals, and Moreno Beach Drive to grade, 7) utility relocations, 8) provision for highway planting and irrigation, and/or hardscape for the entire interchange, 9) accommodation of off-site drainage including Line K-1 along Ironwood Avenue (non-TUMF funded), 10) addition of bike lanes and sidewalks on Moreno Beach Drive, and 11) related work as required. Utility coordination is included to bring design plans up to date.

The project's Phase 1 was completed in 2013, constituting the eastbound ramps, eastbound auxiliary lane, Eucalyptus extension improvements, and related utility relocations. Phase 2 constitutes all remaining work. All work will be performed in accordance with the requirements of the California Department of Transportation (Department), City of Moreno Valley, and/or other agencies as required.

EXHIBIT “A-1”**ESTIMATE OF TUMF COST**

Phase	TUMF
PA&ED	\$500,000
PS&E	\$3,632,480
RIGHT OF WAY	\$5,626,000
CONSTRUCTION Phase 1	\$3,500,000
CONSTRUCTION Phase 2	\$7,500,000
TOTAL	\$20,758,480

EXHIBIT “A-2”**PROJECT SCHEDULE – PHASE 2**

Phase	Estimated Completion Date
PS&E	April 2020
RIGHT OF WAY	December 2019
CONSTRUCTION	July 2022

Item 5.B

TUMF Program Activities Update:
Approval of Proposed Exemption for
Transitional Housing for the
Homeless, one Reimbursement
Agreement, and two Reimbursement
Agreement Amendments

Attachment 3

TUMF Reimbursement Agreement
with the City of Temecula for the Diaz
Road Expansion

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**TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM
AGREEMENT TO REIMBURSE TUMF FUNDS
Diaz Road Expansion
(Western Bypass - Rancho California to Cherry)**

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is entered into as of this day of ____, 20__, by and between the Western Riverside Council of Governments (“WRCOG”), a California joint powers authority and CITY OF TEMECULA (AGENCY), a California municipal corporation. WRCOG and AGENCY are sometimes hereinafter referred to individually as “Party” and collectively as “Parties”.

RECITALS

A. WRCOG is the Administrator of the Transportation Uniform Mitigation Fee Program of Western Riverside County (“TUMF Program”).

B. WRCOG has identified and designated certain transportation improvement projects throughout Western Riverside County as projects of regional importance (“Qualifying Projects” or “Projects”). The Qualifying Projects are more specifically described in that certain WRCOG study titled “TUMF Nexus Study”, as may be amended from time to time. Qualifying Projects can have Regional or Zonal significance as further described in the TUMF Nexus Study.

C. The TUMF Program is funded by TUMF fees paid by new development in Western Riverside County (collectively, “TUMF Program Funds”). TUMF Program Funds are held in trust by WRCOG for the purpose of funding the Qualifying Projects.

D. The AGENCY proposes to implement a Qualifying Project, and it is the purpose of this Agreement to identify the project and to set forth the terms and conditions by which WRCOG will release TUMF Program Funds.

AGREEMENT

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

1. Description of the Qualifying Project. This Agreement is intended to distribute TUMF Program Funds to the AGENCY for the **Diaz Road Expansion (Western Bypass - Rancho California to Cherry)** (the “Project”), a Qualifying Project. The Work, including a timetable and a detailed scope of work, is more fully described in Exhibit “A” attached hereto and incorporated herein by reference and, pursuant to Section 20 below, is subject to modification if requested by the AGENCY and approved by WRCOG. The work shall be consistent with one or more of the defined WRCOG Call for Projects phases detailed herein as follows:

- 1) PA&ED – Project Approvals & Environmental Document
- 2) PS&E – Plans, Specifications and Estimates

2. WRCOG Funding Amount. WRCOG hereby agrees to distribute to AGENCY, on the terms and conditions set forth herein, a sum not to exceed **ONE MILLION SIXTY FIVE THOUSAND NINE HUNDRED TWENTY THREE DOLLARS AND ZERO CENTS (\$1,065,923.00)** to be used for reimbursing the AGENCY for eligible Project expenses as described in Section 3 herein (“Funding Amount”). The Parties acknowledge and agree that the Funding Amount may be less than the actual cost of the Project. Nevertheless, the Parties acknowledge and agree that WRCOG shall not be obligated to contribute TUMF Program Funds in excess of the maximum TUMF share identified in the TUMF Nexus Study (“Maximum TUMF Share”), as may be amended from time to time.

3. Project Costs Eligible for Advance/Reimbursement. The total Project costs (“Total Project Cost”) may include the following items, provided that such items are included in the scope of work attached hereto as Exhibit “A” (“Scope of Work”): (1) AGENCY and/or consultant costs associated with direct Project coordination and support; (2) funds expended in preparation of preliminary engineering studies; (3) funds expended for preparation of environmental review documentation for the Project; (4) all costs associated with right-of-way acquisition, including right-of-way engineering, appraisal, acquisition, legal costs for condemnation procedures if authorized by the AGENCY, and costs of reviewing appraisals and offers for property acquisition; (5) costs reasonably incurred if condemnation proceeds; (6) costs incurred in the preparation of plans, specifications, and estimates by AGENCY or consultants; (7) AGENCY costs associated with bidding, advertising and awarding of the Project contracts; (8) construction costs, including change orders to construction contract approved by the AGENCY; (9) construction management, field inspection and material testing costs; and (10) any AGENCY administrative cost to deliver the Project.

4. Ineligible Project Costs. The Total Project Cost shall not include the following items which shall be borne solely by the AGENCY without reimbursement: (1) any AGENCY administrative fees attributed to the reviewing and processing of the Project; and (2) expenses for items of work not included within the Scope of Work in Exhibit “A”.

5. Procedures for Distribution of TUMF Program Funds to AGENCY.

(a) Initial Payment by the AGENCY. The AGENCY shall be responsible for initial payment of all the Project costs as they are incurred. Following payment of such Project costs, the AGENCY shall submit invoices to WRCOG requesting reimbursement of eligible Project costs. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to the AGENCY, and documents evidencing the AGENCY’s payment of the invoices or demands for payment. Documents evidencing the AGENCY’S payment of the invoices shall be retained for four (4) years and shall be made available for review by WRCOG. The AGENCY shall submit invoices not more often than monthly and not less often than quarterly.

(b) Review and Reimbursement by WRCOG. Upon receipt of an invoice from the AGENCY, WRCOG may request additional documentation or explanation of the Project costs for which reimbursement is sought. Undisputed amounts shall be paid by WRCOG to the AGENCY within thirty (30) days. In the event that WRCOG disputes the eligibility of the AGENCY for reimbursement of all or a portion of an invoiced amount, the Parties shall meet

and confer in an attempt to resolve the dispute. If the meet and confer process is unsuccessful in resolving the dispute, the AGENCY may appeal WRCOG's decision as to the eligibility of one or more invoices to WRCOG's Executive Director. The WRCOG Executive Director shall provide his/her decision in writing. If the AGENCY disagrees with the Executive Director's decision, the AGENCY may appeal the decision of the Executive Director to the full WRCOG Executive Committee, provided the AGENCY submits its request for appeal to WRCOG within ten (10) days of the Executive Director's written decision. The decision of the WRCOG Executive Committee shall be final. Additional details concerning the procedure for the AGENCY's submittal of invoices to WRCOG and WRCOG's consideration and payment of submitted invoices are set forth in Exhibit "B", attached hereto and incorporated herein by reference.

(c) Funding Amount/Adjustment. If a post Project audit or review indicates that WRCOG has provided reimbursement to the AGENCY in an amount in excess of the Maximum TUMF Share of the Project, or has provided reimbursement of ineligible Project costs, the AGENCY shall reimburse WRCOG for the excess or ineligible payments within 30 days of notification by WRCOG.

6. Increases in Project Funding. The Funding Amount may, in WRCOG's sole discretion, be augmented with additional TUMF Program Funds if the TUMF Nexus Study is amended to increase the maximum eligible TUMF share for the Project. Any such increase in the Funding Amount must be approved in writing by WRCOG's Executive Director. In no case shall the amount of TUMF Program Funds allocated to the AGENCY exceed the then-current maximum eligible TUMF share for the Project. No such increased funding shall be expended to pay for any Project already completed. For purposes of this Agreement, the Project or any portion thereof shall be deemed complete upon its acceptance by WRCOG's Executive Director which shall be communicated to the AGENCY in writing.

7. No Funding for Temporary Improvements. Only segments or components of the construction that are intended to form part of or be integrated into the Project may be funded by TUMF Program Funds. No improvement which is temporary in nature, including but not limited to temporary roads, curbs, tapers or drainage facilities, shall be funded with TUMF Program Funds, except as needed for staged construction of the Project.

8. AGENCY's Funding Obligation to Complete the Project. In the event that the TUMF Program Funds allocated to the Project represent less than the total cost of the Project, the AGENCY shall provide such additional funds as may be required to complete the Project.

9. AGENCY's Obligation to Repay TUMF Program Funds to WRCOG; Exception For PA&ED Phase Work. Except as otherwise expressly excepted within this paragraph, in the event that: (i) the AGENCY, for any reason, determines not to proceed with or complete the Project; or (ii) the Project is not timely completed, subject to any extension of time granted by WRCOG pursuant to the terms of this Agreement; the AGENCY agrees that any TUMF Program Funds that were distributed to the AGENCY for the Project shall be repaid in full to WRCOG, and the Parties shall enter into good faith negotiations to establish a reasonable repayment schedule and repayment mechanism. If the Project involves work pursuant to a PA&ED phase,

AGENCY shall not be obligated to repay TUMF Program Funds to WRCOG relating solely to PA&ED phase work performed for the Project.

10. AGENCY's Local Match Contribution. AGENCY local match funding is not required, as shown in Exhibit "A" and as called out in the AGENCY's Project Nomination Form submitted to WRCOG in response to its Call for Projects.

11. Term/Notice of Completion. The term of this Agreement shall be from the date first herein above written until the earlier of the following: (i) the date WRCOG formally accepts the Project as complete, pursuant to Section 6; (ii) termination of this Agreement pursuant to Section 15; or (iii) the AGENCY has fully satisfied its obligations under this Agreement. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

12. Representatives of the Parties. WRCOG's Executive Director, or his or her designee, shall serve as WRCOG's representative and shall have the authority to act on behalf of WRCOG for all purposes under this Agreement. The AGENCY hereby designates Aaron Adams, City Manager, or his or her designee, as the AGENCY's representative to WRCOG. The AGENCY's representative shall have the authority to act on behalf of the AGENCY for all purposes under this Agreement and shall coordinate all activities of the Project under the AGENCY's responsibility. The AGENCY shall work closely and cooperate fully with WRCOG's representative and any other agencies which may have jurisdiction over or an interest in the Project.

13. Expenditure of Funds by AGENCY Prior to Execution of Agreement. Nothing in this Agreement shall be construed to prevent or preclude the AGENCY from expending funds on the Project prior to the execution of the Agreement, or from being reimbursed by WRCOG for such expenditures. However, the AGENCY understands and acknowledges that any expenditure of funds on the Project prior to the execution of the Agreement is made at the AGENCY's sole risk, and that some expenditures by the AGENCY may not be eligible for reimbursement under this Agreement.

14. Review of Services. The AGENCY shall allow WRCOG's Representative to inspect or review the progress of the Project at any reasonable time in order to determine whether the terms of this Agreement are being met.

15. Termination.

(a) Notice. Either WRCOG or AGENCY may, by written notice to the other party, terminate this Agreement, in whole or in part, in response to a material breach hereof by the other Party, by giving written notice to the other party of such termination and specifying the effective date thereof. The written notice shall provide a 30 day period to cure any alleged breach. During the 30 day cure period, the Parties shall discuss, in good faith, the manner in which the breach can be cured.

(b) Effect of Termination. In the event that the AGENCY terminates this Agreement, the AGENCY shall, within 180 days, repay to WRCOG any unexpended TUMF

Program Funds provided to the AGENCY under this Agreement and shall complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. In the event that WRCOG terminates this Agreement, WRCOG shall, within 90 days, distribute to the AGENCY TUMF Program Funds in an amount equal to the aggregate total of all unpaid invoices which have been received from the AGENCY regarding the Project at the time of the notice of termination; provided, however, that WRCOG shall be entitled to exercise its rights under Section 5(b), including but not limited to conducting a review of the invoices and requesting additional information. Upon such termination, the AGENCY shall, within 180 days, complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. This Agreement shall terminate upon receipt by the non-terminating Party of the amounts due to it hereunder and upon completion of the segment or portion of Project work for which TUMF Program Funds have been provided.

(c) Cumulative Remedies. The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

16. Prevailing Wages. The AGENCY and any other person or entity hired to perform services on the Project are alerted to the requirements of California Labor Code Sections 1770 et seq., which would require the payment of prevailing wages were the services or any portion thereof determined to be a public work, as defined therein. The AGENCY shall ensure compliance with these prevailing wage requirements by any person or entity hired to perform the Project. The AGENCY shall defend, indemnify, and hold harmless WRCOG, its officers, employees, consultants, and agents from any claim or liability, including without limitation attorneys, fees, arising from its failure or alleged failure to comply with California Labor Code Sections 1770 et seq.

17. Progress Reports. WRCOG may request the AGENCY to provide WRCOG with progress reports concerning the status of the Project.

18. Indemnification.

(a) AGENCY Responsibilities. In addition to the indemnification required under Section 16, the AGENCY agrees to indemnify and hold harmless WRCOG, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of the AGENCY or its subcontractors. The AGENCY will reimburse WRCOG for any expenditures, including reasonable attorneys' fees, incurred by WRCOG, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of the AGENCY.

(b) WRCOG Responsibilities. WRCOG agrees to indemnify and hold harmless the AGENCY, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of WRCOG or its sub-consultants. WRCOG will reimburse the

AGENCY for any expenditures, including reasonable attorneys' fees, incurred by the AGENCY, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of WRCOG.

(c) Effect of Acceptance. The AGENCY shall be responsible for the professional quality, technical accuracy and the coordination of any services provided to complete the Project. WRCOG's review, acceptance or funding of any services performed by the AGENCY or any other person or entity under this Agreement shall not be construed to operate as a waiver of any rights WRCOG may hold under this Agreement or of any cause of action arising out of this Agreement. Further, the AGENCY shall be and remain liable to WRCOG, in accordance with applicable law, for all damages to WRCOG caused by the AGENCY's negligent performance of this Agreement or supervision of any services provided to complete the Project.

19. Insurance. The AGENCY shall require, at a minimum, all persons or entities hired to perform the Project to obtain, and require their subcontractors to obtain, insurance of the types and in the amounts described below and satisfactory to the AGENCY and WRCOG. Such insurance shall be maintained throughout the term of this Agreement, or until completion of the Project, whichever occurs last.

(a) Commercial General Liability Insurance. Occurrence version commercial general liability insurance or equivalent form with a combined single limit of not less than \$1,000,000.00 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Project or be no less than two times the occurrence limit. Such insurance shall:

(i) Name WRCOG and AGENCY, and their respective officials, officers, employees, agents, and consultants as insured with respect to performance of the services on the Project and shall contain no special limitations on the scope of coverage or the protection afforded to these insured;

(ii) Be primary with respect to any insurance or self-insurance programs covering WRCOG and AGENCY, and/or their respective officials, officers, employees, agents, and consultants; and

(iii) Contain standard separation of insured provisions.

(b) Business Automobile Liability Insurance. Business automobile liability insurance or equivalent form with a combined single limit of not less than \$1,000,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

(c) Professional Liability Insurance. Errors and omissions liability insurance with a limit of not less than \$1,000,000.00 Professional liability insurance shall only be required of design or engineering professionals.

(d) Workers' Compensation Insurance. Workers' compensation insurance with statutory limits and employers' liability insurance with limits of not less than \$1,000,000.00 each accident.

20. Project Amendments. Changes to the characteristics of the Project, including the deadline for Project completion, and any responsibilities of the AGENCY or WRCOG may be requested in writing by the AGENCY and are subject to the approval of WRCOG's Representative, which approval will not be unreasonably withheld, provided that extensions of time for completion of the Project shall be approved in the sole discretion of WRCOG's Representative. Nothing in this Agreement shall be construed to require or allow completion of the Project without full compliance with the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*; "CEQA") and the National Environmental Policy Act of 1969 (42 USC 4231 *et seq.*), if applicable, but the necessity of compliance with CEQA and/or NEPA shall not justify, excuse, or permit a delay in completion of the Project.

21. Conflict of Interest. For the term of this Agreement, no member, officer or employee of the AGENCY or WRCOG, during the term of his or her service with the AGENCY or WRCOG, as the case may be, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

22. Limited Scope of Duties. WRCOG's and the AGENCY's duties and obligations under this Agreement are limited to those described herein. WRCOG has no obligation with respect to the safety of any Project performed at a job site. In addition, WRCOG shall not be liable for any action of AGENCY or its contractors relating to the condemnation of property undertaken by AGENCY or construction related to the Project.

23. Books and Records. Each party shall maintain complete, accurate, and clearly identifiable records with respect to costs incurred for the Project under this Agreement. They shall make available for examination by the other party, its authorized agents, officers or employees any and all ledgers and books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or related to the expenditures and disbursements charged to the other party pursuant to this Agreement. Further, each party shall furnish to the other party, its agents or employees such other evidence or information as they may require with respect to any such expense or disbursement charged by them. All such information shall be retained by the Parties for at least four (4) years following termination of this Agreement, and they shall have access to such information during the four-year period for the purposes of examination or audit.

24. Equal Opportunity Employment. The Parties represent that they are equal opportunity employers and they shall not discriminate against any employee or applicant of reemployment because of race, religion, color, national origin, 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.

25. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California.

26. Attorneys' Fees. If either party commences an action against the other party 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 attorneys' fees and costs of suit.

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

28. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

29. Public Acknowledgement. The AGENCY agrees that all public notices, news releases, information signs and other forms of communication shall indicate that the Project is being cooperatively funded by the AGENCY and WRCOG TUMF Program Funds.

30. No Joint Venture. This Agreement is for funding purposes only and nothing herein shall be construed to make WRCOG a party to the construction of the Project or to make it a partner or joint venture with the AGENCY for such purpose.

31. Compliance With the Law. The AGENCY shall comply with all applicable laws, rules and regulations governing the implementation of the Qualifying Project, including, where applicable, the rules and regulations pertaining to the participation of businesses owned or controlled by minorities and women promulgated by the Federal Highway Administration and the Federal Department of Transportation.

32. Notices. All notices hereunder and communications regarding interpretation of the terms of this Agreement or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

If to AGENCY: City of Temecula
 41000 Main Street
 Temecula, CA 92590
 Attn: Mr. Aaron Adams, City Manager
 Telephone: (951) 694-6426

If to WRCOG: Western Riverside Council of Governments
 3390 University Avenue; Suite 450
 Riverside, California 92501
 Attention: Christopher Gray, Director of Transportation
 Telephone: (951) 405-6710
 Facsimile: (951) 223-9720

Any notice so given shall be considered served on the other party three (3) days after deposit in the U.S. mail, first class postage prepaid, return receipt requested, 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.

33. Integration; Amendment. This Agreement contains the entire agreement between the PARTIES. Any agreement or representation respecting matters addressed herein that are not expressly set forth in this Agreement is null and void. This Agreement may be amended only by mutual written agreement of the PARTIES.

34. Severability. If any term, provision, condition or covenant of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

35. Conflicting Provisions. In the event that provisions of any attached appendices or exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the Agreement.

36. Independent Contractors. Any person or entities retained by the AGENCY or any contractor shall be retained on an independent contractor basis and shall not be employees of WRCOG. Any personnel performing services on the Project shall at all times be under the exclusive direction and control of the AGENCY or contractor, whichever is applicable. The AGENCY or contractor shall pay all wages, salaries and other amounts due such personnel in connection with their performance of services on the Project and as required by law. The AGENCY or consultant shall be responsible for all reports and obligations respecting such personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance and workers' compensation insurance.

37. Effective Date. This Agreement shall not be effective until executed by both Parties. The failure of one party to execute this Agreement within forty-five (45) days of the other party executing this Agreement shall render any execution of this Agreement ineffective.

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective on the day and year first above-written.

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

CITY OF TEMECULA

By: _____ Date: _____
Rick Bishop
Executive Director

By: _____ Date: _____
Aaron Adams
City Manager

Approved to Form:

Attest:

By: _____ Date: _____
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

SCOPE OF WORK: Project scope of work to include environmental review (PA & ED), and design (PS & E) for improvements to Diaz Road, between Cherry Street and Rancho California Road.

EXHIBIT “A-1”**ESTIMATE OF COST**

Phase	TUMF	LOCAL	TOTAL
PA&ED/PS & E	\$1,065,923	\$0.00	\$1,065,923
TOTAL	\$1,065,923	\$0.00	\$1,065,923

EXHIBIT “A-2”
PROJECT SCHEDULE

TIMETABLE:

PA & ED – ESTIMATED START DATE - AUGUST 2019
ESTIMATED END DATE – JUNE 2021

PS & E - ESTIMATED START DATE – AUGUST 2019
ESTIMATED END DATE – JUNE 2021

Phase	Estimated Cost	Comments
PA&ED/PS & E	\$1,065,923	
TOTAL	\$1,065,923	

Elements of Compensation

EXHIBIT “B”

PROCEDURES FOR SUBMITTAL, CONSIDERATION AND PAYMENT OF INVOICES

1. For professional services, WRCOG recommends that the AGENCY incorporate this Exhibit “B-1” into its contracts with any subcontractors to establish a standard method for preparation of invoices by contractors to the AGENCY and ultimately to WRCOG for reimbursement of AGENCY contractor costs.
2. Each month the AGENCY shall submit an invoice for eligible Project costs incurred during the preceding month. The original invoice shall be submitted to WRCOG’s Executive Director with a copy to WRCOG’s Project Coordinator. Each invoice shall be accompanied by a cover letter in a format substantially similar to that of Exhibit “B-2”.
3. For jurisdictions with large construction projects (with the total construction cost exceeding \$10 million) under construction at the same time, may with the approval of WRCOG submit invoices to WRCOG for payment at the same time they are received by the jurisdiction. WRCOG must receive the invoice by the 5th day of the month in order to process the invoice within 30 days. WRCOG will retain 10% of the invoice until all costs have been verified as eligible and will release the balance at regular intervals not more than quarterly and not less than semi-annually. If there is a discrepancy or ineligible costs that exceed 10% of the previous invoice WRCOG will deduct that amount from the next payment.
4. Each invoice shall include documentation from each contractor used by the AGENCY for the Project, listing labor costs, subcontractor costs, and other expenses. Each invoice shall also include a monthly progress report and spreadsheets showing the hours or amounts expended by each contractor or subcontractor for the month and for the entire Project to date. Samples of acceptable task level documentation and progress reports are attached as Exhibits “B-4” and “B-5”. All documentation from the Agency’s contractors should be accompanied by a cover letter in a format substantially similar to that of Exhibit “B-3”.
5. If the AGENCY is seeking reimbursement for direct expenses incurred by AGENCY staff for eligible Project costs, the AGENCY shall provide the same level of information for its labor and any expenses as required of its contractors pursuant to Exhibit “B” and its attachments.
6. Charges for each task and milestone listed in Exhibit “A” shall be listed separately in the invoice.
7. Each invoice shall include a certification signed by the AGENCY Representative or his or her designee which reads as follows:

"I hereby certify that the hours and salary rates submitted for reimbursement in this invoice are the actual hours and rates worked and paid to the contractors or subcontractors listed.

Signed _____

Title _____

Date _____

Invoice No. _____

8. WRCOG will pay the AGENCY within 30 days after receipt by WRCOG of an invoice. If WRCOG disputes any portion of an invoice, payment for that portion will be withheld, without interest, pending resolution of the dispute, but the uncontested balance will be paid.
9. The final payment under this Agreement will be made only after: (I) the AGENCY has obtained a Release and Certificate of Final Payment from each contractor or subcontractor used on the Project; (ii) the AGENCY has executed a Release and Certificate of Final Payment; and (iii) the AGENCY has provided copies of each such Release to WRCOG.

EXHIBIT “B-1”
[Sample for Professional Services]

For the satisfactory performance and completion of the Services under this Agreement, Agency will pay the Contractor compensation as set forth herein. The total compensation for this service shall not exceed (____INSERT WRITTEN DOLLAR AMOUNT____) (\$____INSERT NUMERICAL DOLLAR AMOUNT____) without written approval of Agency’s City Manager [or applicable position] (“Total Compensation”).

1. ELEMENTS OF COMPENSATION.

Compensation for the Services will be comprised of the following elements: 1.1 Direct Labor Costs; 1.2 Fixed Fee; and 1.3 Additional Direct Costs.

1.1 DIRECT LABOR COSTS.

Direct Labor costs shall be paid in an amount equal to the product of the Direct Salary Costs and the Multiplier which are defined as follows:

1.1.1 DIRECT SALARY COSTS

Direct Salary Costs are the base salaries and wages actually paid to the Contractor's personnel directly engaged in performance of the Services under the Agreement. (The range of hourly rates paid to the Contractor's personnel appears in Section 2 below.)

1.1.2 MULTIPLIER

The Multiplier to be applied to the Direct Salary Costs to determine the Direct Labor Costs is _____, and is the sum of the following components:

1.1.2.1 Direct Salary Costs _____

1.1.2.2 Payroll Additives _____

The Decimal Ratio of Payroll Additives to Direct Salary Costs. Payroll Additives include all employee benefits, allowances for vacation, sick leave, and holidays, and company portion of employee insurance and social and retirement benefits, all federal and state payroll taxes, premiums for insurance which are measured by payroll costs, and other contributions and benefits imposed by applicable laws and regulations.

1.1.2.3 Overhead Costs _____

The Decimal Ratio of Allowable Overhead Costs to the Contractor Firm's Total Direct Salary Costs. Allowable Overhead Costs include general, administrative and overhead costs of maintaining and operating established offices, and consistent with established firm policies, and as defined in the Federal Acquisitions Regulations, Part 31.2.

Total Multiplier
(sum of 1.1.2.1, 1.1.2.2, and 1.1.2.3) _____

1.2 FIXED FEE.

1.2.1 The fixed fee is \$_____.

1.2.2 A pro-rata share of the Fixed Fee shall be applied to the total Direct Labor Costs expended for services each month, and shall be included on each monthly invoice.

1.3 ADDITIONAL DIRECT COSTS.

Additional Direct Costs directly identifiable to the performance of the services of this Agreement shall be reimbursed at the rates below, or at actual invoiced cost.

Rates for identified Additional Direct Costs are as follows:

<u>ITEM</u>	<u>REIMBURSEMENT RATE</u>
	<u>[__insert charges__]</u>
Per Diem	\$ /day
Car mileage	\$ /mile
Travel	\$ /trip
Computer Charges	\$ /hour
Photocopies	\$ /copy
Blueline	\$ /sheet
LD Telephone	\$ /call
Fax	\$ /sheet
Photographs	\$ /sheet

Travel by air and travel in excess of 100 miles from the Contractor's office nearest to Agency's office must have Agency's prior written approval to be reimbursed under this Agreement.

2. DIRECT SALARY RATES

Direct Salary Rates, which are the range of hourly rates to be used in determining Direct Salary Costs in Section 1.1.1 above, are given below and are subject to the following:

- 2.1 Direct Salary Rates shall be applicable to both straight time and overtime work, unless payment of a premium for overtime work is required by law, regulation or craft agreement, or is otherwise specified in this Agreement. In such event, the premium portion of Direct Salary Costs will not be subject to the Multiplier defined in Paragraph 1.1.2 above.
- 2.2 Direct Salary Rates shown herein are in effect for one year following the effective date of the Agreement. Thereafter, they may be adjusted annually to reflect the Contractor's adjustments to individual compensation. The Contractor shall notify Agency in writing prior to a change in the range of rates included herein, and prior to each subsequent change.

<u>POSITION OR CLASSIFICATION</u>	<u>RANGE OF HOURLY RATES</u>
-----------------------------------	------------------------------

[__sample__]

Principal	\$.00 - \$.00/hour
Project Manager	\$.00 - \$.00/hour
Sr. Engineer/Planner	\$.00 - \$.00/hour
Project Engineer/Planner	\$.00 - \$.00/hour
Assoc. Engineer/Planner	\$.00 - \$.00/hour
Technician	\$.00 - \$.00/hour
Drafter/CADD Operator	\$.00 - \$.00/hour
Word Processor	\$.00 - \$.00/hour

- 2.3 The above rates are for the Contractor only. All rates for subcontractors to the Contractor will be in accordance with the Contractor's cost proposal.

3. INVOICING.

- 3.1 Each month the Contractor shall submit an invoice for Services performed during the preceding month. The original invoice shall be submitted to Agency's Executive Director with two (2) copies to Agency's Project Coordinator.
- 3.2 Charges shall be billed in accordance with the terms and rates included herein, unless otherwise agreed in writing by Agency's Representative.
- 3.3 Base Work and Extra Work shall be charged separately, and the charges for each task and Milestone listed in the Scope of Services, shall be listed separately. The charges for each individual assigned by the Contractor under this Agreement shall be listed separately on an attachment to the invoice.

- 3.4 A charge of \$500 or more for any one item of Additional Direct Costs shall be accompanied by substantiating documentation satisfactory to Agency such as invoices, telephone logs, etc.
- 3.5 Each copy of each invoice shall be accompanied by a Monthly Progress Report and spreadsheets showing hours expended by task for each month and total project to date.
- 3.6 If applicable, each invoice shall indicate payments to DBE subcontractors or supplies by dollar amount and as a percentage of the total invoice.
- 3.7 Each invoice shall include a certification signed by the Contractor's Representative or an officer of the firm which reads as follows:

I hereby certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed.

Signed _____
 Title _____
 Date _____
 Invoice No. _____

4. PAYMENT

- 4.1 Agency shall pay the Contractor within four to six weeks after receipt by Agency of an original invoice. Should Agency contest any portion of an invoice, that portion shall be held for resolution, without interest, but the uncontested balance shall be paid.
- 4.2 The final payment for Services under this Agreement will be made only after the Contractor has executed a Release and Certificate of Final Payment.

EXHIBIT B-2
Sample Cover Letter to WRCOG

Date
Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Deputy Executive Director
ATTN: Accounts Payable

Re: Project Title - Invoice #__

Enclosed for your review and payment approval is the AGENCY’s invoice for professional and technical services that was rendered by our contractors in connection with the 2002 Measure “A” Local Streets and Roads Funding per Agreement No. _____ effective (Month/Day/Year) . The required support documentation received from each contractor is included as backup to the invoice.

Invoice period covered is from Month/Date/Year to Month/Date/Year .

Total Authorized Agreement Amount:	\$0,000,000.00
Total Invoiced to Date:	\$0,000,000.00
Total Previously Invoiced:	\$0,000,000.00
Balance Remaining:	\$0,000,000.00

Amount due this Invoice:	\$0,000,000.00 =====
---------------------------------	--------------------------------

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the contractors listed.

By: _____
Name
Title

cc:

EXHIBIT B-3
Sample Letter from Contractor to AGENCY

Month/Date/Year

Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Deputy Executive Director
Attn: Accounts Payable

Invoice # _____

For **[type of services]** rendered by **[contractor name]** in connection with **[name of project]**
This is per agreement No. XX-XX-XXX effective Month/Date/Year .

Invoice period covered is from Month/Date/Year to Month/Date/Year .

Total Base Contract Amount:	\$000,000.00
Authorized Extra Work (if Applicable)	\$000,000.00

TOTAL AUTHORIZED CONTRACT AMOUNT:	\$000,000.00
 Total Invoice to Date:	 \$000,000.00
Total Previously Billed:	\$000,000.00
Balance Remaining:	\$000,000.00
 Amount Due this Invoice:	 \$000,000.00
	=====

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed,

By: _____
Name
Title

EXHIBIT B-4
SAMPLE TASK SUMMARY SCHEDULE
(OPTIONAL)

EXHIBIT B-5
Sample Progress Report

REPORTING PERIOD: Month/Date/Year to Month/Date/Year
 PROGRESS REPORT: #1

A. Activities and Work Completed during Current Work Periods

TASK 01 – 100% PS&E SUBMITTAL

1. Responded to Segment 1 comments from Department of Transportation
2. Completed and submitted Segment 1 final PS&E

B. Current/Potential Problems Encountered & Corrective Action

Problems	Corrective Action
None	None

C. Work Planned Next Period

TASK 01 – 100% PS&E SUBMITTAL

1. Completing and to submit Traffic Signal and Electrical Design plans
2. Responding to review comments

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Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Approval of 4th Quarter Draft Budget Amendment for Fiscal Year 2018/2019

Contact: Andrew Ruiz, Interim Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741

Date: August 5, 2019

The purpose of this item is to request approval of WRCOG's 4th Quarter Draft Budget Amendment for Fiscal Year (FY) 2018/2019. The staff report includes a summary of increases and/or decreases to both revenues and expenditures by department.

Requested Action:

1. Approve the 4th Quarter Draft Budget Amendment for Fiscal Year 2018/2019.

Administration Department

Administration Department expenditures exceeded the budgeted amount by \$4,647, primarily due to costs associated with insurance premiums. These expenditures will be offset by an increase in revenues from the Administration Program. Revenues exceeded the budgeted amount by \$44,229. WRCOG now has its reserves in CAMP, where it is generating interest revenue.

Net Revenue increase to the Administration Department: \$44,229

Transportation & Planning Department

Transportation & Planning Department expenditures exceeded the budgeted amount by \$158,295, primarily due to software costs associated with the TUMF fee collection portal. In October 2018, the Executive Committee approved an update to the TUMF calculation and collection process to allow an option for member agencies to shift the responsibility for TUMF calculation and collection to WRCOG. Sixteen-member agencies have indicated to WRCOG their intention to shift responsibility for fee calculation and collection to WRCOG. Implementation of the new TUMF calculation and collection process began on March 1, 2019. WRCOG is working with a vendor to develop a fee portal which would allow developers to make TUMF payments online. The online fee portal will provide TUMF participating agency staff the option to prepare reports of fee payments that have been made in their specific agency. The additional costs for the software will be offset by the additional TUMF revenues collected, as the TUMF Program has collected over \$10 million more than anticipated in FY 2018/2019, which is also reflected in the budget amendment.

Net Revenue increase to Transportation & Planning Department: \$11,365,553

Energy Department

Energy Department expenditures exceeded the budgeted amount by \$51,485, primarily due to costs associated with PACE provider PACE Funding in the amount of \$11,271. The PACE Funding Program had more activity than anticipated, and in turn had more costs than originally budgeted. The additional expenses will be offset by the additional revenues collected. Additionally, there were additional staffing costs in both the

Edison (\$7,067) and Gas Company (\$7,384) partnerships (WREP) more than originally anticipated, but these costs will be reimbursed through the partnerships.

Energy Department revenues are being reduced by \$401,822. The WRCOG HERO Program revenues have declined nearly 70% from FY 2017/2018 and the budgeted revenues will be reduced by \$214,680. The CA HERO program revenues have declined nearly 60% from FY 2017/2018 and the budgeted revenues will be reduced by \$502,753. PACE provider PACE Funding exceeded its budgeted revenues by \$41,801. Ygrene did not complete any projects in FY 2018/2019 and the budgeted revenues will be reduced by \$35,000.

In FY 2017/2018, Senate Bill (SB) 2, the Building Homes and Jobs Act, imposed a fee on the recording of real estate transactions. Since the PACE home improvement loans are tied to the property, each time a PACE loan is created, a new document is recorded in each jurisdiction. During FY 2017/2018, the PACE Programs had to pay an additional \$150 per recording for every new project. This amount totaled over \$300,000. WRCOG was able to get an exemption from paying the additional SB 2 fees and began collecting refunds in FY 2018/2019. The SB 2 refunds totaled \$308,810.

The revenue decreases will be offset by a reduction in expenses. While the HERO Program did not meet its budgeted goals in the year, the net HERO revenues remain positive for the fiscal year as staff reduced program costs by negotiating a reduced rate with consultants and by down-sizing staff.

Net Expenditure decrease to the Energy Department: \$188,174

Environmental Department

Environmental Department expenditures exceeded the budgeted amount by \$128,106, primarily due to write-offs of old receivables on the Clean Cities and Solid Waste Programs in the amount of \$78,238. The Clean Cities Program also had additional consulting expenses in the amount of \$28,862, which will be offset by a reduction in salaries expense, as the Clean Cities Program required more consulting time than WRCOG staff originally anticipated. Lastly, the Used Oil Programs had additional expenses related to hosting events in the amount of \$18,780. WRCOG switched advertising to a local firm and was able to realize cost savings in advertising, which allowed for the Program to purchase more supplies to be able to do more events. These expenditures will be offset by a decrease in advertising and salaries expenses.

Net Expenditure increase to the Environment Department: \$8,719

Prior Action:

July 25, 2019: The Finance Directors Committee recommended that the Executive Committee approve the 4th Quarter Draft Budget Amendment for Fiscal Year 2018/2019.

Fiscal Impact:

For the 4th Quarter of Fiscal Year 2018/2019, there will be a net total agency increase in revenues of \$11,401,063.

Attachment:

1. Fiscal Year 2018/2019 4th Quarter Draft Budget amendment.

Item 5.C

Approval of 4th Quarter Draft Budget
Amendment for Fiscal Year
2018/2019

Attachment 1

Fiscal Year 2018/2019 4th Quarter
Draft Budget amendment

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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: General Fund



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Revenues

Interest Revenue	128,942	80,066	48,876
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Expenditures

General Legal Services	75,608	75,000	(608)
Auto Maintenance	89	84	(5)
Computer Supplies	1,286	1,000	(286)
Web Site Hosting	8,063	8,000	(63)
Insurance - Errors & Omissions	9,255	9,000	(255)
Insurance - Business Liability	82,364	79,115	(3,249)
Lodging	1,809	1,628	(181)

Total net (increase)/decrease		44,229
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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Planning



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Expenditures

Salaries & Wages	204,007	542,237	(2,304)
Travel - Ground Transportation	3	-	(3)
BEYOND Reimbursement	1,706,449	2,302,917	5,407
Event Support	1,607	1,000	(607)
Meeting Support Services	2,493	-	(2,493)

Total net (increase)/decrease -

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Government Relations (BEYOND - 4600)



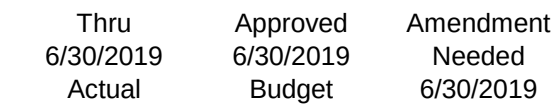
Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Expenditures

Salaries & Wages	4,302	3,506	(796)
Travel - Ground Transportation	3	-	(3)
BEYOND Reimbursement	1,706,449	2,302,917	5,407

Total net (increase)/decrease	4,608
--------------------------------------	--------------

Department: Government Relations (Fellowship - 4700)



Salaries & Wages	192,709	533,850	607
Event Support	1,607	1,000	(607)
Total net (increase)/decrease			-

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Planning (Experience - 4900)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Expenditures

Salaries and Wages	6,996	4,881	(2,115)
Meeting Support Services	2,493	-	(2,493)

Total net (increase)/decrease	(4,608)
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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Transportation



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Revenue

Industrial	9,538,038	6,543,923	2,994,114
Single Family Residential	27,516,865	27,469,233	47,632
Multi Family Residential	11,304,318	3,409,088	7,895,230
Industrial - Admin Portion	397,418	272,663	124,755
Single Family Residential - Admin Portion	1,146,536	1,144,551	1,985
Multi Family Residential - Admin Portion	471,013	142,045	328,968
LTF Revenue	775,500	675,000	100,500

Expenditures

Salaries & Wages	194,449	264,610	25,257
General Legal Services	53,889	50,000	(3,889)
Computer Software	66,061	1,124	(64,937)
Subscriptions/Publications	892	392	(500)
Other Household Expenses	404	250	(154)
Other Incidentals	1,069	675	(394)
Consulting Expense	661,057	612,157	(81,757)
Event Support	20	-	(20)
Mileage Reimbursement	1,708	1,429	(279)
Ground Transportation	89	53	(36)
Lodging	1,461	640	(821)
Meals	176	75	(101)

Total net (increase)/decrease 11,365,553

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Transportation (TUMF - 1148)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Revenues

Industrial	9,538,038	6,543,923	2,994,114
Single Family Residential	27,516,865	27,469,233	47,632
Multi Family Residential	11,304,318	3,409,088	7,895,230
Industrial - Admin Portion	397,418	272,663	124,755
Single Family Residential - Admin Portion	1,146,536	1,144,551	1,985
Multi Family Residential - Admin Portion	471,013	142,045	328,968

Expenditures

General Legal Services	53889	50000	(3,889)
Computer Software	66,061	1,124	(64,937)
Subscriptions/Publications	892	392	(500)
Other Household Expenses	404	250	(154)
Other Incidentals	1069	675	(394)
Consulting Expense	436515	378758	(57,757)

Total net (increase)/decrease 11,265,053

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Transportation (Transportation Planning)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Revenues

LTF Revenue	775,500	675,000	100,500
-------------	---------	---------	---------

Expenditures

Salaries & Wages	194,449	264,610	25,257
Event Support	20	-	(20)
Mileage Reimbursement	1,708	1,429	(279)
Ground Transportation	89	53	(36)
Lodging	1,461	640	(821)
Meals	176	75	(101)
Consulting Labor	224,542	233,399	(24,000)

Total net (increase)/decrease			100,500
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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Revenues

WRCOG HERO Sponsor Revenue	175,025	400,000	(224,975)
WRCOG HERO Recording Revenue	120,295	110,000	10,295
SB2 Recording Fee Refunds	308,810	-	308,810
PACE Funding Sponsor Revenue	46,723	41,238	5,485
PACE Funding Recording Revenue	47,770	11,454	36,316
Ygrene Commercial Sponsor Revenue	-	10,000	(10,000)
Ygrene Commercial Recording Revenue	-	25,000	(25,000)
CA HERO Admin Revenue	150,823	149,833	990
CA HERO Sponsor Revenue	1,080,342	1,650,000	(569,658)
CA HERO Recording Revenue	665,915	600,000	65,915

Expenditures

Salaries	437,795	562,372	97,376
Overhead Allocation	67,029	72,835	5,806
Fringe Benefits	18,018	13,068	(4,950)
Legal Services	37,213	25,269	(11,944)
Bank Fees	26,569	24,965	(1,604)
Parking Validations	210	3,500	2,500
Event Support	21,695	23,496	1,425
Computer Supplies	1,461	4,500	1,500
Computer Software	2,400	5,000	2,600
Meeting Support Services	396	2,532	2,136
Postage	-	265	265
Computer/Hardware	-	1,500	1,500
Recording Expense	277,606	482,740	151,274
Seminar/Conferences	933	587	(346)
Travel - Airfare	6,755	5,361	(1,394)
Travel - Ground Transportation	18	500	482
Travel - Mileage Reimbursement	1,671	1,268	(403)
Lodging	3,575	2,500	(1,075)
Meals	794	500	(294)
Other Incidentals	3,969	8,500	3,978
Training	149	3,500	3,000
Equipment Maintenance	-	1,000	1,000
Consulting Expense	244,972	644,244	327,640
Computer Equipment	-	3,500	3,500
Telephone Services	1,836	3,500	1,000
Computer Services	3,436	2,936	(500)
Membership Dues	1,000	-	(1,000)

Supplies/Materials

627	25,000	6,524
		188,174

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (WRCOG HERO - 2006)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Revenues

WRCOG HERO Sponsor Revenue	175,025	400,000	(224,975)
WRCOG HERO Recording Revenue	120,295	110,000	10,295
SB2 Recording Fee Refunds	81,225	-	81,225

Expenditures

Salaries	58,813	71,743	8,000
Bank Fees	-	5,000	5,000
Parking Validations	-	500	500
Event Support	247	-	(247)
Computer Supplies	-	500	500
Computer Software	2,400	5,000	2,600
Meeting Support Services	-	250	250
Postage	-	265	265
Computer/Hardware	-	1,500	1,500
Recording Expense	31,281	88,000	48,000
Seminar/Conferences	-	500	500
Travel - Ground Transportation	18	500	482
Other Incidentals	1,522	3,000	1,478
Training	-	1,000	1,000
Consulting Expense	35,974	128,827	88,000
Computer Equipment	-	1,500	1,500

Total net (increase)/decrease 25,873

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (WREP Partnership - 2010)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Expenditures

Salaries	27,109	20,450	(6,658)
Overhead Allocation	34,742	37,900	3,158
Event Support	\$13,087	\$12,798	(289)
Lodging	\$120		(120)

Total net (increase)/decrease (3,909)

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (Gas Co. Partnership - 2020)



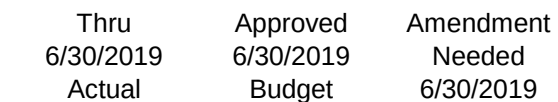
Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Expenditures

Salaries	24,991	21,025	(3,966)
Fringe Benefits	14,788	11,409	(3,379)
Overhead Allocation	32,288	34,935	2,648
Event Support	\$7,737	\$7,698	(39)

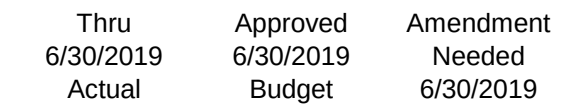
Total net (increase)/decrease (4,737)

Department: Energy (Streetlights - 2026)



Bank Fees	7,899	4,625	(3,274)
Membership Dues	1,000	-	(1,000)
Meeting Support Services	-	2,000	2,000
Seminars/Conferences	933	87	(846)
Travel - Mileage Reimbursement	1,671	1,268	(403)
Supplies/Materials	-	20,000	3,524

Department: Energy (California First - 2103)



Fringe Benefits	1,674	948	(726)
Recording Expense	4,139	10,000	2,076
Consulting Labor	3,530	2,180	(1,350)

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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (PACE Funding - 2104)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Revenues

PACE Funding Sponsor Revenue	46,723	41,238	5,485
PACE Funding Recording Revenue	47,770	11,454	36,316
PACE Funding SB2 Refunds	3,532	-	3,532

Expenditures

Fringe Benefits	1,556	711	(845)
Meeting Support Services	396	282	(114)
Recording Fees	8,542	7,240	(1,302)
Consulting Labor	16,388	7,378	(9,010)

Total net (increase)/decrease		34,062
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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (Ygrene - 2106)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Revenues

Ygrene Commercial Sponsor Revenue	-	10,000	(10,000)
Ygrene Commercial Recording Revenue	-	25,000	(25,000)

Expenditures

General Legal Services	25,566	25,269	(297)
Recording	-	2,500	2,500

Total net (increase)/decrease (32,797)

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (Lord Capital - 2110)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Expenditures

General Legal Services	2,947	-	(2,947)
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Total net (increase)/decrease			(2,947)
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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (Twain - 2115)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Expenditures

General Legal Services	8,700	-	(8,700)
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Total net (increase)/decrease			(8,700)
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**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy (California HERO - 5000)



Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
-----------------------------	---------------------------------	----------------------------------

Revenues

CA HERO Admin Revenue	150,823	149,833	990
CA HERO Sponsor Revenue	1,080,342	1,650,000	(569,658)
CA HERO Recording Revenue	665,915	600,000	65,915
SB2 Recording Fee Refunds	224,053	-	224,053

Expenditures

Salaries & Wages	326,882	449,153	100,000
Bank Fees	18,670	15,340	(3,330)
Parking Validations	210	3,000	2,000
Event Support	624	3,000	2,000
General Supplies	627	3,000	2,000
Computer Supplies	1,461	4,000	1,000
Computer Services	3,436	2,936	(500)
Travel - Airfare	6,755	5,361	(1,394)
Travel - Lodging	3,455	2,500	(955)
Meals	794	500	(294)
Other Expenses	-	500	500
Telephone Services	1,836	3,500	1,000
Equipment Maintenance	-	1,000	1,000
Recording Fee	233,644	375,000	100,000
Other Incidentals	2,447	5,000	2,000
Training	149	2,500	2,000
Supplies/Materials	-	2,000	1,000
Computer Equipment	-	2,000	2,000
Consulting Labor	189,080	505,859	250,000

Total net (increase)/decrease 694,339

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Environmental



	Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
Revenues			
Clean Cities Revenues	181,770	132,500	49,270
Solid Waste	122,248	107,313	14,935
Expenditures			
Salaries & Wages	120,196	159,690	36,451
Fringe Benefits	1,988	3,768	1,523
Overhead Allocation	2,200	2,400	200
Event Support	71,440	62,149	(9,291)
Office Supplies	42	1,250	1,208
Parking Validations	233	225	(8)
Mileage Reimbursement	610	987	377
Ground Transportation	95	88	7
Lodging	570	-	(570)
Meals	207	180	(27)
Other Incidentals	437	583	146
Cellular Phones	307	128	(179)
Supplies/Materials	-	500	500
Consulting Labor	69,530	42,668	(26,862)
Bad Debt Expense	78,238	-	(78,238)
Meeting Support Services	-	2,081	2,081
Storage	5,251	6,500	843
Printing Services	521	2,500	1,979
Supplies/Materials	12,840	4,000	(8,840)
Advertisement - Radio & TV	26,820	32,432	5,612
Insurance - Gen/Bus Liab	185	350	165
Total net (increase)/decrease			(8,719)

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Environmental (Clean Cities - 1010)



	Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
Revenues			
Clean Cities Revenues	181,770	132,500	49,270
Expenditures			
Salaries & Wages	32,848	52,783	19,935
Event Support	634	1,283	649
Office Supplies	-	250	250
Mileage Reimbursement	276	750	474
Ground Transportation	95	88	7
Lodging	570	-	(570)
Meals	207	180	(27)
Other Incidentals	54	450	396
Supplies/Materials	-	500	500
Consulting Labor	69,530	42,668	(26,862)
Bad Debt Expense	75,000	-	(75,000)
Total net (increase)/decrease			(30,979)

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Environmental (Solid Waste - 1038)



	Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
Revenues			
Solid Waste	122,248	107,313	14,935
Expenditures			
Salaries & Wages	27,369	39,847	11,000
Parking Validations	233	225	(8)
Other Expenses	383	133	(250)
Cellular Phones	307	128	(179)
Bad Debt Expense	3238	0	(3,238)
Total net (increase)/decrease			22,260

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Environmental (Statewide UO - 2051)



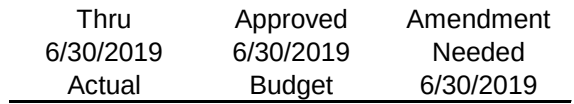
Thru 6/30/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 6/30/2019
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Expenditures

Salaries & Wages - Fulltime	54,918	58,654	2,000
Event Support	62,751	54,918	(7,833)
Program/Office Supplies	42	1,000	958
Meeting Support Services	-	2,081	2,081
Storage	5,251	6,500	843
Printing Services	521	2,500	1,979
Supplies/Materials	12,840	4,000	(8,840)
Advertisement - Radio & TV	20,270	29,082	8,812

Total net (increase)/decrease -

Department: Environmental (Riverside UO - 2052)



Salaries & Wages	5,060	8,407	3,516
Fringe Benefits	1,988	3,768	1,523
Overhead Allocation	2,200	2,400	200
Event Support	8,055	5,948	(2,107)
Insurance - Gen/Bus Liab	185	350	165
Travel - Mileage Reimbursement	334	237	(97)
Advertisement - Radio & TV	6,550	3,350	(3,200)

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Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Finance Department Activities Update

Contact: Andrew Ruiz, Interim Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741

Date: August 5, 2019

The purpose of this item is to provide an update on the Fiscal Year (FY) 2018/209 Agency Audit and the Agency Financial Report summary through May 2019.

Requested Action:

1. Receive and file.

FY 2018/2019 Agency Audit

WRCOG's annual Agency Interim Audit was completed on June 12, 2019. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit, which involves preliminary audit work that is conducted prior to fiscal year end. The interim audit tasks are conducted in order to compress the period needed to complete the final audit after fiscal year end. In September, RAMS will return to finish its second round, which is known as "fieldwork." It is anticipated that the final Audit will be presented to this Committee in December 2019.

Financial Report Summary through May 2019

The Agency Financial Report summary through May 2019, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Agency Relocation Update

During Fiscal Year 2018/2019, WRCOG began subleasing approximately 2,000 square feet of its office space to David Taussig and Associates (DTA). Building ownership also proposed an offer for WRCOG to relocate its offices to the 2nd floor, where there is 4,000 square feet less than the 4th floor, and would net WRCOG approximately \$1 million in savings. The Executive Committee took action to allow for the move, and WRCOG has since entered into an agreement to relocate.

While the 2nd floor is 4,000 square feet less than the 4th floor, staff is working with an architect to compress the current open space concept into a more compact workplace while still retaining the same number of offices and workspaces and the two large conference rooms. There will still be enough space on the 2nd floor to accommodate growth when the Regional Energy Network (REN) and/or Western Community Energy (WCE) launches. The savings in relocating to the 2nd floor represents a 20% reduction in the overall lease cost. While the savings are one area of focus when considering relocating, the larger issue at hand is the PACE revenues that have continually declined year after year. The savings could also be diverted to ever-increasing CalPERS obligations, which staff is currently reviewing options to reduce its Unfunded Accrued Liability. Due to the uncertainty of PACE and no excess Program funding guaranteed in the near future, staff believes that relocating is fiscally prudent. The anticipated move-in date is in late fall 2019.

Prior Actions:

- July 25, 2019: The Finance Directors Committee received and filed.
- July 18, 2019: The Technical Advisory Committee received and filed.
- July 10, 2019: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – May 2019.

Item 5.D

Finance Department Activities Update

Attachment 1

Financial Report summary – May 2019

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Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending May 31, 2019

Total Agency			
	Approved Budget 6/30/2019	Thru Actual 5/31/2019	Remaining Budget 6/30/2019
Revenues			
Member Dues	311,410	311,410	-
PACE Residential Revenue	480,573	236,430	244,143
WRELP Phase 2 Revenue	86,750	81,502	5,248
Statewide HERO Revenue	1,650,000	1,046,015	603,985
Gas Co. Prtnrshp Revenue	86,676	61,993	24,683
PACE Commercial Revenue	46,499	30,844	15,655
WRCOG HERO-Recording Revenue	122,500	167,283	(44,783)
PACE Commercial Recording Revenue	11,454	1,361	10,093
Statewide Recording Revenue	600,000	641,520	(41,520)
Active Transportation Revenue	71,443	71,443	-
Regional Streetlights Revenue	300,000	294,730	5,270
Solid Waste	107,313	122,248	(14,935)
Used Oil Grants	228,820	225,480	3,340
NW Clean Cities - Air Quality	132,500	181,770	(49,270)
LTF Revenue	675,000	775,500	(100,500)
Adaptation Grant Revenue	-	97,632	(97,632)
CAP Grant Revenue	-	4,977	(4,977)
RivTAM Revenue	150,000	112,600	37,400
General Assembly Revenue	300,000	228,175	71,825
PACE Admin Requisition Fee	25,000	25,000	-
Commerical/Service	110,645	90,801	19,844
Retail	130,094	106,474	23,620
Industrial	272,663	377,098	(104,435)
Residential/Multi/Single	1,144,551	1,036,468	108,083
Multi-Family	142,045	366,490	(224,445)
Interest Revenue - Other	80,066	80,077	(11)
HERO - Other Revenue	149,833	150,823	(990)
Commercial/Service - Non-Admin Portion	2,655,491	2,179,224	476,267
Retail - Non-Admin Portion	3,122,265	2,555,376	566,889
Industrial - Non-Admin Portion	6,543,923	9,050,352	(2,506,429)
Residential/Multi/Single - Non-Admin Portion	27,469,233	24,875,232	2,594,001
Multi-Family - Non-Admin Portion	3,409,088	8,795,760	(5,386,672)
FY 17/18 Carryover Funds Transfer in	945,845	945,845	-
Carryover Funds Transfer in	4,268,757	4,268,757	-
Overhead Transfer in	2,084,260	1,910,572	173,688
Total Revenues and Carryover Funds	58,937,742	61,775,647	(3,300,724)
Expenditures			
Wages and Benefits	Approved 6/30/2019	Actual 5/31/2019	Remaining Budget
Salaries & Wages	2,863,402	2,077,863	785,539
Fringe Benefits	903,736	760,844	142,892

Overhead Allocation	2,084,260	1,910,572	173,688
Total Wages, Benefits and Overhead	6,001,857	4,749,279	1,102,119
General Legal Services	641,447	427,122	214,325
PERS Unfunded Liability	198,823	152,327	46,496
Audit Svcs - Professional Fees	27,500	25,480	2,020
Bank Fees	25,252	26,986	(1,734)
Commissioners Per Diem	62,500	53,864	8,636
Office Lease	400,000	369,578	30,422
WRCOG Auto Fuels Expenses	1,250	1,195	55
WRCOG Auto Maintenance Expense	84	89	(5)
Parking Validations	27,244	15,487	11,757
Staff Recognition	800	408	392
Coffee and Supplies	3,000	1,322	1,678
Event Support	166,229	165,882	347
Program/Office Supplies	24,017	14,656	9,361
Computer Equipment/Supplies	8,207	3,074	5,133
Computer Software	31,111	68,064	(36,953)
Rent/Lease Equipment	30,000	13,657	16,343
Membership Dues	33,000	23,307	9,693
Subscription/Publications	1,448	1,525	(77)
Meeting Support Services	9,776	2,696	7,080
Postage	6,198	2,477	3,721
Other Household Exp	975	679	296
COG HERO Share Expenses	15,000	4,468	10,532
Storage	7,500	5,251	2,249
Printing Services	4,777	2,190	2,587
Computer Hardware	14,100	2,664	11,436
Communications - Regular Phone	15,000	14,517	483
Communications - Cellular Phones	20,200	8,450	11,750
Communications - Computer Services	57,936	36,935	21,001
Communications - Web Site	8,000	8,063	(63)
Equipment Maintenance - General	10,000	5,396	4,604
Equipment Maintenance - Comp/Software	21,000	17,920	3,080
Insurance - Gen/Busi Liab/Auto	94,334	103,497	(9,163)
PACE Residential Recording	485,240	270,784	214,456
Seminars/Conferences	12,887	5,930	6,957
General Assembly Expenses	300,000	101,417	198,583
Travel - Mileage Reimbursement	24,052	13,570	10,482
Travel - Ground Transportation	4,985	2,695	2,290
Travel - Airfare	13,361	11,458	1,903
Lodging	9,518	11,505	(1,987)
Meals	7,497	4,169	3,328
Other Incidentals	10,531	7,131	3,400
Training	9,250	745	8,505
Supplies/Materials	33,181	28,072	5,109
Advertisement Radio & TV Ads	47,886	25,220	22,666
Staff Education Reimbursement	12,500	-	12,500
Consulting Labor	2,934,856	1,881,765	1,053,091
TUMF Project Reimbursement	38,000,000	26,781,690	11,218,310
BEYOND Program REIMB	2,799,015	1,831,037	967,978
Computer Equipment/Software	3,500	3,207	293
Misc Equipment Purchased	3,000	2,735	265

Total General Operations	47,676,204	32,562,355	14,807,664
Total Expenditures and Overhead	53,678,061	37,311,634	15,909,783

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: WRCOG Committees and Agency Activities Update

Contact: Christopher Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710

Date: August 5, 2019

The purpose of this item is to provide updates on noteworthy actions and discussions held in recent standing Committee meetings, and to provide general project updates.

Requested Action:

1. Receive and file.
-

Attached are summary of actions and activities from recent WRCOG standing Committee meetings that have taken place for meetings which have occurred during the month of June and July.

Prior Action:

July 18, 2019: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachments:

1. WRCOG June Committees Activities Matrix (Action items only).
2. WRCOG July Committees Activities Matrix (Action items only).
3. Summary recaps from June Committee meetings.
4. Summary recaps from July Committee meetings.

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Item 5.E

WRCOG Committees and Agency
Activities Update

Attachment 1

WRCOG June Committees Activities
Matrix (Action items only)

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WRCOG Committees Activities Matrix (Action Items Only)	Executive Committee	Administration & Finance Committee	Technical Advisory Committee	Planning Directors Committee	Public Works Committee	Finance Directors Committee	Solid Waste Committee
Date of Meeting:	6/3/19	6/12/19	Did not meet	6/13/19	6/13/19	Did not meet	Did not meet
Current Programs / Initiatives:							
Regional Streetlights Program	Received and filed.	n/a		n/a	n/a		
Property Assessed Clean Energy (PACE) Programs	1) Authorized the refinancing of authorized improvements; 2) authorized the placement of assessments on the tax roll in various counties; and 3) certified compliance with state law with respect to the levying of special assessments.	Recommended that the Executive Committee 1) approve a Debt Management Policy and taking other actions related thereto; 2) increase the maximum bond authorization for its PACE Programs and making certain required disclosures; and 3) approve the amended CA HERO Program Report and Energy Efficiency and Water Conservation Program Report to increase the maximum bond indebtedness.		n/a	n/a		
TUMF	1) Approved reimbursement agreements with the Cities of Eastvale and Menifee; 2) approved an adjustment to the TUMF Calculation Handbook related to the fee calculation for High-Cube Warehouses.	n/a		Received and filed.	Recommended that the Executive Committee approve a proposed TUMF Exemption for transitional housing for homeless individuals.		
Fellowship	n/a	n/a		n/a	n/a		
New Programs / Initiatives:							
EXPERIENCE	Authorized Executive Director to enter into a PSA with NGIN for Phase II development of of Experience innovation center.	n/a		n/a	n/a		

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Item 5.E

WRCOG Committees and Agency
Activities Update

Attachment 2

WRCOG July Committees Activities
Matrix (Action items only)

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WRCOG Committees Activities Matrix (Action Items Only)	Executive Committee	Administration & Finance Committee	Technical Advisory Committee	Planning Directors Committee	Public Works Committee	Finance Directors Committee	Solid Waste Committee
Date of Meeting:	Did not meet	7/10/19	7/18/19	Did not meet	Did not meet	7/25/19	Did not meet
Current Programs / Initiatives:							
Regional Streetlights Program		n/a	Received and filed.			Received and filed.	
Property Assessed Clean Energy (PACE) Programs		Recommended the Executive Committee approve updated revisions to the HERO Residential Dealer Fee.	n/a			n/a	
TUMF			Recommended that the Executive Committee approve the proposed TUMF exemption for specially built homes that serve as transitional housing for homeless individuals or families.			n/a	
Fellowship		n/a	n/a			n/a	
New Programs / Initiatives:							
EXPERIENCE		Received and filed.	Received and filed.			n/a	

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Item 5.E

WRCOG Committees and Agency
Activities Update

Attachment 3

Summary recaps from June
Committee meetings

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**Western Riverside Council of Governments
Executive Committee
Meeting Recap
June 3, 2019**

Following is a summary of key items discussed at the last Executive Committee meeting. To review the full agenda and staff reports for all items, please click [here](#). To review the meetings PowerPoint presentation, please click [here](#).

Professional Services Agreements (PSAs) Approved

- In November 2018, WRCOG's Executive Committee directed staff to move forward with the next phase of Experience, working collaboratively with the City of Riverside as the designated Experience host jurisdiction and contracting with a dedicated professional to lead the effort. In response, staff contacted Fred Walti of Network for Global Innovation (NGIN), an innovation facility entrepreneur who helped found and directed the Los Angeles Cleantech Incubator for its first six years of operation. The Committee authorized a PSA with NGIN.
- WRCOG is updating and expanding the 2014 subregional Climate Action Plan to include all 18-member cities and the County and identify new opportunities to reduce greenhouse gas emissions and comply with state mandates. The update, CAPtivate 2.0, will be partially funded by a \$344,900 grant from Caltrans. The Committee authorized a PSA with Environmental Science Advisors, following a competitive selection process.

3rd Quarter Budget Amendment Approved

- The single largest amendment was to the Transportation Department expenditures. The Transportation Department has been tasked to perform a portion of the Riverside Transportation Model update (RIVTAM) and incurred costs of approximately \$100k. These costs will be reimbursed by through a joint funding agreement involving WRCOG, RCTC, Riverside County, and CVAG.
- Overall, there was a net expenditure increase of \$24,870, which is from the RIVTAM update.

Recommended Approval of Fiscal Year 2019/2020 Agency Budget Moving Forward to General Assembly

- The Executive Committee approved the draft Fiscal Year 2019/2020 Agency Budget, which will be presented to the General Assembly on June 20, 2019, for final approval.
- WRCOG is pursuing three fiscal goals to decrease expenditures and increase revenues: 1) to reduce PERS unfunded liability, 2) to sublease excess square feet of existing office space, and 3) to expand the PACE Program commercial footprint.

Subregional Delegation for RHNA Preparation Declined

- The Executive Committee recommended that WRCOG notify SCAG that the sub-regional will not be pursuing its own RHNA allocation process, which is known as sub-regional delegation

PACE Levy Assessments and Refinancing of C-PACE Projects Approved

- A series of Resolutions were adopted allowing for the placement of Annual Levy Assessments within various member jurisdictions participating in the California HERO Program.
- Authorized the refinancing of Commercial PACE (C-PACE) Assessments.

TUMF Reimbursement Agreements Approved

- The Executive Committee approved TUMF Reimbursement Agreements with the Cities of Eastvale and Menifee.
- The Reimbursement Agreement with the City of Eastvale is for the planning and engineering phases of the Limonite Avenue extension project. The Reimbursement Agreement is in the amount of \$1,540,000.
- The Reimbursement Agreement with the City of Menifee is for the planning and engineering phases of the Scott Road widening project. The Reimbursement Agreement is in the amount of \$2,370,000.

TUMF Fee Calculation Handbook Updates Approved

- The Executive Committee approved an update to the TUMF Fee Calculation Handbook to adjust the fee calculation for new high-cube warehouses that pull building permits after June 3, 2019. For high-cube warehouses that have pulled building permits, but not paid TUMF, the Executive Committee directed staff to provide these projects until August 1, 2019, to pay TUMF based on the previous high-cube warehouse methodology. This adjustment is based on a recent study completed by WRCOG which collected data on specific types of warehouses in Riverside and San Bernardino County.
- The Executive Committee also requested that staff revisit this issue in two years to account for future changes in travel patterns at these facilities in the future.

Recommendation of Fiscal Year 2019/2020 Leadership Positions Moving Forward to General Assembly

- The following slate of individuals are being recommended for FY 2019/2020 Leadership:
- Chair: Bonnie Wright, Mayor, City of Hemet
- Vice-Chair: Kevin Bash, Council member, City of Norco
- 2nd Vice-Chair: Kelly Seyarto, Mayor, City of Murrieta

Next Meeting

The next Executive Committee meeting is scheduled for Friday, June 21, 2019, at 10:00 a.m., at the Pechanga Resort Casino, Elderberry Meeting Room, 2nd Floor, 45000 Pechanga Parkway, Temecula.



**Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
June 12, 2019**

Following is a summary of key items discussed at the last Administration & Finance Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint presentation, please click [here](#).

Amendments to PSAs Approved for On-Call Planning Services

- The Committee approved several Professional Service Agreements to continue economic development activities, demographic forecasting services, grant writing assistance, and transportation, planning, and housing services.

Fiscal Year 2019/2020 Agency Salary Structure Moving Forward

- The Committee recommended that the Executive Committee approve the publicly available salary schedule for FY 2019/2020.

PACE Program Reports and Policy Moving Forward

- The Committee recommended that the Executive Committee approve a Debt Management Policy, increase the maximum bond authorization, and amend the Program Report to increase the maximum bond indebtedness for the Program.

Agency Office Relocation

- The Committee received an update on the Agency's relocation to the 2nd Floor.
- Staff anticipates moving by October 2019.

Next Meeting

The next Administration & Finance Committee meeting is scheduled for Wednesday, July 10, 2019, at 12:00 p.m. in WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.



**Western Riverside Council of Governments
Planning Directors Committee
Meeting Recap
June 13, 2019**

Following is a summary of key items discussed at the last Planning Directors Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint presentation, please click [here](#).

Presentation on Cannabis Activity in the City of Desert Hot Springs

- Representatives from the City of Desert Hot Springs presented on their proactive approach to regulating cannabis activity in the City.
- The City passed a comprehensive Marijuana Tax Measure in 2014 with overwhelming support, opening the door for a variety of marijuana-related commercial operations, including dispensaries, cultivation facilities, manufacturing, distribution, retail, and lab testing.

Presentation on Affordable Housing and Sustainable Communities (AHSC) Grant Program

- Alejandro Huerta of Enterprise Community Partners, which has an outreach contract with the State for the AHSC program, presented on AHSC and highlighted strategies for bringing these dollars to member jurisdictions.

TUMF Program Development Agreements Update

- Staff reported on the final analysis conducted of development agreements in the subregion with TUMF exemptions.
- Based on staff review, only the Harveston / Winchester Hills Development Agreement in the City of Temecula remains active with a TUMF exemption.

Housing Element Annual Progress Reports

- Committee members discussed their experiences submitting the Annual Housing Progress Reports following implementation of new reporting requirements.
- Staff shared that, as part of its contract with Department of Housing and Community Development (HCD) to support Senate Bill 2, PlaceWorks is able to assist cities complete their 2018 Annual Report.

Next Meeting

The July meeting for the Planning Directors Committee was adjourned. The next Planning Directors Committee meeting is scheduled for Thursday, August 8, 2019, at 9:00 a.m. at WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.



**Western Riverside Council of Governments
Public Works Committee
Meeting Recap
June 13, 2019**

Following is a summary of key items discussed at the last Public Works Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint presentation, please click [here](#).

Western Riverside Energy Partnership Update on Energy Efficiency Benchmarking

- WRCOG is looking to provide Benchmarking services to its members that will consist of data tracking and reporting out on each agency's energy consumption for its municipal facilities. Benchmarking is a useful tool that can lead to the identification of a facilities overconsumption of energy / gas.
- Staff will be working with member agencies to submit the Customer Information Service Request Form to both SCE and SoCal Gas to request energy / gas data on its municipal owned facilities for Benchmarking services.
- SoCal Gas is looking to extend the Partnership into 2020 and would like to enroll new members that have not been involved in the past with the Local Government Partnership. Staff will be working with current and new members to focus on gas efficiency projects for the upcoming year.

2019 TUMF Construction Cost Index Adjustment

- Staff reported on the TUMF Construction Cost Index (CCI) adjustment to the fee schedule in the 2016 Nexus Study.
- Staff presented options for potential implementation of the CCI based on direction provided by the Public Works Committee in May 2019.
- The Public Works Committee recommended that the Executive Committee implement the CCI with the actions approved by the Executive Committee as part of the 2016 Nexus Study in July 2017 (maintain the retail reduction and continue the phase-in for single-family residential).

TUMF Exemption Proposed for Transitional Housing for the Homeless

- Staff reported on a proposed revision to the TUMF exemption for low incoming housing to include supportive transitional housing and recommends utilizing the California Health and Safety Code Section 50801 as the definition for transitional housing to be included in the TUMF Ordinance/Administrative Plan.
- The Public Works Committee recommended that the Executive Committee approve the proposed revision to the TUMF exemption to include transitional supportive housing.

TUMF Regional Arterial Program Update – Cycle 2

- Riverside County Transportation Commission (RCTC) staff reported on initial project submittals for potential inclusion as part of Cycle 2 to the TUMF Regional Arterial Program.
- RCTC has not made a formal decision on the selection criteria or timeline for Cycle 2.
- RCTC staff will continue providing updates on Cycle 2 as the Commission approves the criteria and timeline.

TUMF Program Development Agreements Update

- Staff reported on the final analysis conducted of development agreements in the subregion with TUMF exemptions.
- Based on staff review, only the Harveston / Winchester Hills Development Agreement in the City of Temecula remains active with a TUMF exemption.

RIVCOM TAZ Data Review Session Scheduled for July 11, 2019

- Instead of the regularly scheduled Public Works Committee meeting on July 11, 2019, WRCOG will utilize the day for jurisdictions to review TAZ data with the RIVCOM project team.
- TAZ data should be reviewed because it provides inputs for the model to produce traffic forecasts that are utilized in important studies, such as Circulation Element updates and large infrastructure projects.
- The project team will be at WRCOG's office from 11:00 a.m. through 3:00 p.m. and sessions will be set-up in 30-minute intervals. Please reach out to Christopher Tzeng (ctzeng@wrcog.us) to schedule a session.

Next Meeting

The July meeting for the Public Works Committee was adjourned. The next Public Works Committee meeting is scheduled for Thursday, August 8, 2019, at 2:00 p.m., in WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.

Item 5.E

WRCOG Committees and Agency
Activities Update

Attachment 4

Summary recaps from July
Committee meetings

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**Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
July 10, 2019**

Following is a summary of key items discussed at the last Administration & Finance Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint presentation, please click [here](#).

CalPERS Liability Update

- Staff provided an overview of WRCOG's CalPERS Unfunded Accrued Liability (UAL) and provided a number of options for reducing / eliminating the liability.
- Staff was directed to solicit input on approaches being taken by member agencies, and to add details to the options provided for future consideration.

PACE Program Activities Update: Revisions to HERO's Residential Dealer Fees

- Renovate America provided a presentation to request an update to its Dealer Fee Program that would allow continuous enrollment within interest rate bands, instead of a 90-day lock-in period.
- This change would allow HERO to remain competitive in the marketplace, offer property owners more payment options for their projects and provide contractors more flexibility.
- Renovate America will continue to use its Contractor Management System to track and prevent any pricing discrimination.

28th Annual General Assembly & Leadership Conference Recap and Financial Report

- The 28th Annual General Assembly & Leadership Conference took place on Thursday, June 20, 2019, at Pechanga Resort Casino featuring a full-day format.
- The morning Future of Cities Symposium attracted over 250 people and showcased a variety of panels and presentations surrounding some of the top issues our subregion will face in the coming years.
- The evening General Assembly and Keynote Address was attended by over 850 people. The keynote address was delivered by Josh Earnest, Press Secretary under President Barack Obama (2014-2017). Other highlights include three community service award winner presentations, and a special musical performance by Kodi Lee.
- Altogether, revenues exceeded expenditures by approximately \$20k.
- Staff has distributed a satisfaction survey to all sponsors and attendees seeking feedback for areas of improvement.

Next Meeting

The Administration & Finance Committee meeting is DARK in the month of August. The next Administration & Finance Committee meeting is scheduled for Wednesday, September 11, 2019, at 12:00 p.m. in WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.



**Western Riverside Council of Governments
Technical Advisory Committee
Meeting Recap
July 18, 2019**

Following is a summary of key items discussed at the last Technical Advisory Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint presentation, please click [here](#).

Fiscal Year 2019/2020 Leadership Selected

- The Committee selected the following leadership positions for Fiscal Year 2019/2020:
 - Chair: Chris Lopez, City of Hemet
 - Vice-Chair: Andy Okoro, City of Norco
 - 2nd Vice-Chair: Kim Summers, City of Murrieta

Professional Services Agreement Amendment with Kearns and West, Inc.

- Once approved by the Executive Committee, Kearns and West, Inc. will continue to provide planning support and advisory services for the Clean Cities Program.

TUMF Exemption for Transitional Housing for the Homeless

- The Committee recommended that the Executive Committee approve the proposed TUMF exception for specially built homes that serve as transitional housing for homeless individuals or families.
- The exemption will be effective once approved by the Executive Committee.

Joint Presentation by Eastern and Western Water Districts on Water Supply

- Paul Jones, Eastern Municipal Water District General Manager, and Craig Miller, Western Municipal Water District General Manager, provided an update on the status of State and local water supply and projects.
- As of July 10, 2019, the State is out of long-term drought conditions due to the past rainy season. Locally, the Diamond Valley Reservoir, which predominantly serves southern California area, is at 94% capacity.
- Local projects for both Eastern and Western Municipal Water Districts continue to diversify the water supply portfolio and increase system reliability.
- The Committee also received a presentation on Per- and Poly-fluoroalkyl Substances (PFAS), an emerging contaminant issue, which has recently received growing media attention due to potential adverse health implications. Upon research, PFAS were not detected in imported water from the Metropolitan Water District, and WMWD and EMWD are taking the necessary precautions to preserve the public health of the communities served.

Experience Subregional Innovation Center

- WRCOG has executed an MOU with the City of Riverside to implement a Feasibility Study and hired Network for Global Innovation (NGIN) to assist with the implementation of the project.
- Consultant Fred Walti, President and CEO of NGIN, presented on current efforts undertaken to develop the programmatic elements of Experience.

2019 TUMF Construction Cost Index Adjustment Moving Forward for Approval

- Staff reported on the TUMF Construction Cost Index (CCI) adjustment to the fee schedule in the 2016 Nexus Study.

- Staff presented options for potential implementation of the CCI along the recommended option by the Public Works Committee in June 2019.
- The Technical Advisory Committee recommended that the Administration & Finance Committee consider implementing the CCI with the actions approved by the Executive Committee as part of the 2016 Nexus Study in July 2017 (maintain the retail reduction and continue the phase-in for single-family residential).
- The recommendation from the September Administration & Finance Committee will be forwarded to the Executive Committee for review in October.

Regional Streetlight Program is Retrofitting the Subregion

- Streetlight retrofits have begun in various participating agencies including the Cities of Eastvale, Moreno Valley, and Murrieta. The City of Wildomar is projected to begin its retrofits this month.
- With retrofits underway, constituents have responded positively towards the streetlight improvements. One Eastvale resident noted on Facebook, "The enhanced lighting is a great improvement for public safety. Great job Eastvale."
- Since 2017, federal tariffs imposed have impacted General Electric and other lighting manufacturers, forcing them to increase pricing 6% - 10%. In response, WRCOG has negotiated a price lock resulting in savings of approximately \$370,000 for participating jurisdictions.

Resolution in Support of California Clean Air Day Moving Forward for Approval

- The second annual California Clean Air Day will be October 2, 2019, which encourages communities to act and improve air quality.
- The Committee recommended that the Executive Committee adopt a resolution proclaiming October 2, 2019, as California Clean Air Day.
- WRCOG is encouraging member agencies to pass similar resolutions to embrace California Clean Air Day. Cities that adopt a similar resolution will be provided resources to host a tree planting ceremony at City Hall or local park. Interested member agencies should reach out to WRCOG staff.

Next Meeting

The Technical Advisory Committee meeting has been cancelled for the month of August. The next Technical Advisory Committee meeting is scheduled for Thursday, September 19, 2019, at 9:30 a.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.



**Western Riverside Council of Governments
Finance Directors Committee
Meeting Recap
July 25, 2019**

Following is a summary of key items discussed at the last Finance Directors Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint Presentation, please click [here](#).

Finance Directors Committee Leadership Selected

- Chair: Lorena Rocha, City of Hemet
- Vice-Chair: Matthew Schenk, March JPA
- 2nd Vice-Chair: Stacey Stevenson, City of Murrieta

4th Quarter Draft Budget Amendment for Fiscal Year (FY) 2018/2019 Recommended for Approval

- Staff provided an overview of the 4th quarter budget with two major amendments:
 1. Transportation Department Revenues: Transportation Uniform Mitigation Fee (TUMF) Program has collected over \$11 million more than anticipated in FY 2018/2019.
 2. Energy Department Revenues: The HERO Program has continued to experience a decline in revenues and will be reduced by \$752K.
- Overall, there was a net revenue increase of \$11.4M to the Agency.

CalPERS Unfunded Accrued Liability

- Staff provided an overview of WRCOG's CalPERS Unfunded Accrued Liability (UAL) and options for reducing / eliminating the liability.
- The committee discussed agency specific approaches to UAL and staff will present this information to the Administration & Finance committee to make a recommendation on how WRCOG should proceed.

Presentation on the Economy and Financial Markets

- Richard Babbe, Public Financial Management, presented on the state of the national economy and highlighted that unemployment is at a 49-year low and basic market conditions remain favorable. However, he also noted that trade concerns, higher interest rates, and geo-political events could impact long-term economic growth.

Regional Streetlight Program Update

- Streetlight retrofits have begun in various participating agencies including the Cities of Eastvale, Moreno Valley, and Murrieta. Retrofits are projected to begin in Wildomar this month.
- Since 2017, federal tariffs imposed have impacted General Electric and other lighting manufacturers, forcing them to increase pricing 6% - 10%. In response, WRCOG has negotiated a price lock resulting in savings of approximately \$370,000 for participating jurisdictions.

Presentation on Generally Accepted Accounting Principles

- Brianna Schultz, Rogers, Anderson, Malody and Scott, presented on two upcoming changes to the Governmental Accounting Standards Board (GASB): GASB 84, Fiduciary Activities and 87, Leases.

Next Meeting

The next meeting of the Finance Directors Committee is scheduled for Thursday, October 24, 2019, at 1:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Western Riverside Energy Partnership Program Activities Update

Contact: Anthony Segura, Senior Staff Analyst, asegura@wrcog.us, (951) 405-6733

Date: August 5, 2019

The purpose of this item is to provide information on the recent 2019 SEEC Forum and Western Riverside Energy Partnership's Program extension with SoCal Gas for 2020.

Requested Action:

1. Receive and file.

The Western Riverside Energy Partnership (WREP) responds to Executive Committee direction for WRCOG, SCE, and SoCal Gas to seek ways to improve marketing and outreach to the WRCOG subregion regarding energy efficiency. WREP is designed to help local governments set an example for their communities to increase energy efficiency, reduce greenhouse gas emissions, increase renewable energy usage, and improve air quality.

2019 SEEC Forum

The 10th Annual Statewide Energy Efficiency Forum (SEEC) was held in Long Beach June 26 and 27, 2019, at the Westin Long Beach. This year's event was offered at no-cost to local government staff and officials and featured updates from key state agencies that highlighted innovative local energy and sustainability approaches / projects. The theme of this year's forum was "Transforming Energy Efficiency: Bridging Opportunity and Community Need" and was aimed at providing learning, sharing, and networking opportunities to assist local governments save energy, reduce greenhouse gas emissions in their communities, and learn about new technologies for the field of sustainability.

The breakout sessions were developed by subject matter and provided attendees an opportunity to participate in accordance with their skill / knowledge level.

The plenary sessions included speakers from Southern California Edison (SCE), Southern California Gas Company (SoCal Gas), California Public Utilities Commission, California Energy Commission, Local Government Commission, California Green Business Network, Strategic Growth Council, Natural Resources Defense Council, Center for Sustainable Energy, County of Ventura, and the Association of Bay Area Governments / Metropolitan Transportation Commission to talk about the State of California's energy supply, climate goals, individual jurisdictional initiatives that can be replicated, and regulatory framework (i.e., what's working and what's not).

The subject matter and forum tracks included:

- The Future Decarbonization of California's Energy: SCE and SoCal Gas representatives spoke of their vision of expanding clean energy choices to the state. SCE is working to make cleaner energy options easier and more affordable for building through the adoption of electric heat pumps as there are recent

case studies supporting heat pumps to be a more cost-effective way to reduce emissions in buildings. In addition to this new technology for buildings, SCE is working on advancing its grid to support its customers through energy storage, electric vehicles, solar, demand response, and energy efficiency. SoCal Gas is looking at renewable natural gas and renewable energy storage as a potential solution to help meet the states greenhouse gas goals.

- Regional Energy Network (REN) – Lessons Learned and the Future of Energy Efficiency: The focus of this forum track was to provide attendees updates on the REN vision and how its programs are leveraged to meet community needs and address climate change. RENs are seen as the future of energy programs as they are addressing the gaps in the energy efficiency market place and serve residential business and public sector customers which have been traditionally underserved. Attendees learned about how the three active RENs were first formed, what programs they are currently offering to its members, and its vision of having new RENs join in the role of providing programs to customers in the state.
- Legacy of Local Government Partnership (LGP): Attendees were able to participate and engage in this session which highlighted the success that LGPs have achieved since its inception in the early 2000s. Speakers from the County of Ventura, Redwood Coast Energy Authority, Port of San Diego, and the San Joaquin Valley Clean Energy Organization talked about how local governments became leaders through innovative planning and support to its cities, residents, and businesses within the field of energy efficiency. Energy support through projects and community outreach provided valuable resources to the communities which led to project installations such as LED lighting retrofits, pool heater replacements, and HVAC upgrades, which helped to pave the way towards electric / gas savings.

For more information on specific sessions or topics, please contact WRCOG staff. The presentations are posted on the [Local Government Commissions](#) website.

SoCal Gas Partnership Extension into 2020

Over the past year, the future of LGPs has been somewhat unknown due to program structural changes that the Investor Owned Utilities (IOUs) have been implementing. These changes have come in the form of budget cuts and/or elimination of programs, and for some IOUs within the state, there have been ongoing communications from the IOUs to the LGPs that there will not be a renewal of Partnership contracts into 2020.

In June 2019, SoCal Gas informed WRCOG that it would like to continue its LGP with WRCOG through 2020. It is still uncertain at this point if SCE will follow the same path as SoCal Gas, but WRCOG would like to work with its currently enrolled WREP members, as well as those who are not enrolled with WREP, by providing an all gas energy partnership through 2020. This energy partnership will consist of SoCal Gas, WRCOG, and member agencies that will focus on gas-related projects, community outreach support, benchmarking, and new pilot programs that SoCal Gas will offer such as its School Energy Efficiency Program (SEEP).

Staff are currently engaging with enrolled and non-enrolled WREP members to begin communicating what an all gas partnership would look like and the potential projects that can be implemented through the collaboration with SoCal Gas.

Prior Action:

July 18, 2019: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Single Signature Authority Report

Contact: Andrew Ruiz, Interim Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741

Date: August 5, 2019

The purpose of this item is to notify the Committee of contracts recently signed under the Single Signature Authority of the Executive Director.

Requested Action:

1. Receive and file.

The Executive Director has Single Signature Authority for contracts up to \$100,000. For the months of April 2019 through June 2019, five contracts, three of which were solely term extensions, were signed by the Executive Director. These are summarized below.

1. In June 2019, an Amendment to an existing Professional Services Agreement (PSA) was executed with KTUA. The purpose of this amendment is to extend the term of the existing On-Call Planning Agreement to provide grant writing assistance and transportation planning assistance to WRCOG and its member agencies.
2. In June 2019, an Amendment to an existing PSA was executed with KOA. The purpose of this amendment is to extend the term of the existing On-Call Planning Agreement to provide transportation planning assistance to WRCOG and its member agencies.
3. In June 2019, an Amendment to an existing PSA was executed with Omar M. Dandashi. The purpose of this amendment is to extend the term of the existing On-Call Planning Agreement to provide advisory services on stormwater compliance to WRCOG and its member agencies.
4. In June 2019, an Amendment to an existing PSA was executed with Birchline Planning, LLC. The purpose of this amendment is to increase the total not-to-exceed-value of the PSA from \$20,000 to \$50,000 and extend the term of the Agreement, so that Birchline can continue to provide stormwater project analyses and advisory services to WRCOG and its member agencies.
5. In June 2019, an Amendment to an existing PSA was executed with AECOM. The purpose of this amendment is to increase the total not-to-exceed-value of the PSA from \$50,000 to \$100,000 and extend the term of the Agreement, so that AECOM can continue to provide economic and demographic forecasting services, staff support, and advisory services to WRCOG and its member agencies.

Prior Action:

July 10, 2019: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachment

None.



Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Report out of WRCOG Representatives on Various Committees

Contact: Rick Bishop, Executive Director, rbishop@wrcog.us, (951) 405-6701

Date: August 5, 2019

The purpose of this item is to inform the Executive Committee of activities occurring on the various Committees in which WRCOG has an appointed representative.

Requested Action:

1. Receive and file.

This item is held as a placeholder for WRCOG representatives' use in providing materials pertaining to meetings of the Committee they have been appointed to.

SAWPA OWOW Steering Committee (Rusty Bailey)

Meeting held on July 25, 2019. [Agenda packet](#) highlights include:

- Disadvantaged Community Involvement Program Technical Assistance Criteria
- Disadvantaged Community Involvement Program Technical Assistance Criteria Project – Soboba Band of Luiseno Indians Residential Asbestos Cement Pipe Abandonment and Replacement Project
- Final report from departing CivicSpark Water Fellows
- Review of OWOW Plan Update 2018

The next meeting of the SAWPA OWOW Committee is scheduled for Thursday, September 26, 2019, at 11:00 a.m.

Prior Action:

June 3, 2019: The Executive Committee received and filed.

Fiscal Impact:

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

Attachment:

1. SAWPA OWOW Committee Agenda of July 25, 2019.

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Item 5.H

Report out of WRCOG
Representatives on Various
Committees

Attachment 1

SAWPA OWOW Committee Agenda
of July 25, 2019

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...A United Voice for the Santa Ana River Watershed

OWOW Steering Committee Members

Kati Parker, Convener | SAWPA Commissioner

Denis A. Bilodeau, SAWPA Commissioner

Doug Chaffee, Orange County Supervisor

Vacant, Riverside County Supervisor

Curt Hagman, San Bernardino County Supervisor

Rusty Bailey, Mayor, City of Riverside

Jose Solorio, Councilmember, City of Santa Ana

James Hessler, Altman Plants

Garry W. Brown, Orange County Coastkeeper

Linda Ackerman, Regional Water Quality Control Board

Deborah Robertson, Mayor, City of Rialto

PLEASE NOTE CHANGE IN MEETING LOCATION

REGULAR MEETING OF THE OWOW STEERING COMMITTEE

Thursday, July 25, 2019 – 11:00 a.m.

**at WESTERN MUNICIPAL WATER DISTRICT
14205 MERIDIAN PARKWAY
RIVERSIDE, CALIFORNIA 92518**

and via telephone conference at

**300 N. Flower Street, Room 788
Santa Ana, CA 92703**

and

**20 Civic Center Plaza, Conference Room 815
Santa Ana, CA 92701**

AGENDA

1. WELCOME AND INTRODUCTIONS

2. PUBLIC COMMENTS

Members of the public may address the Committee on items within the jurisdiction of the Committee; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

3. APPROVAL OF MEETING MINUTES: May 23, 2019 [Page No. 5]



...A United Voice for the Santa Ana River Watershed

4. BUSINESS ITEMS

- A. [Disadvantaged Community Involvement \(DCI\) Program Technical Assistance Criteria \(SC#2019.9\) \[Page No. 9\]](#) Matthew Howard
Recommendation: Receive and file.
- B. [Soboba Band of Luiseno Indians Residential Asbestos Cement Pipe Abandonment and Replacement Project – Disadvantaged Communities Involvement \(DCI\) Program Technical Assistance Project \(SC#2019.8\) \[Page No. 19\]](#) Matthew Howard
Recommendation: Consider recommending the proposed Soboba Band of Luiseno Indians Residential Asbestos Cement Pipe Abandonment and Replacement Project to the SAWPA Commission for funding under the Disadvantaged Communities Involvement (DCI) Program.
- C. [Final Report from Departing CivicSpark Water Fellows \(SC#2019.11\) \[Page No. 27\]](#) Matthew Howard
Recommendation: Receive and file.
- D. [North Orange County Stakeholder Group Integrated Regional Water Management \(IRWM\) Portfolio and the Department of Water Resources \(DWR\) Review of the OWOW Plan Update 2018 \(SC#2019.10\) \[Page No. 39\]](#) Ian Achimore
Recommendation: Consider recommending the North Orange County Stakeholder Group Integrated Regional Water Management (IRWM) projects to be added to the previous portfolio of projects submitted to SAWPA Commission for funding under the Department of Water Resources (DWR) Proposition 1 IRWM Round 1 grant program.

5. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or kberry@sawpa.org. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Wednesday, July 17, 2019, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at: (1) the SAWPA office, 11615 Sterling Avenue, Riverside, California; (2) the Western Municipal Water District office, 14205 Meridian Parkway, Riverside, California; (3) 300 N. Flower Street, Santa Ana, California; and (4) 20 Civic Center Plaza, Santa Ana, California.

/s/

Kelly Berry, CMC



...A United Voice for the Santa Ana River Watershed

<u>2019 – OWOW Steering Committee Meetings</u> Fourth Thursday of Every Other Month (January, March, May, July, September, November) (NOTE: All meetings begin at 11:00 a.m. , unless otherwise noted, and are held at SAWPA.)	
January 24, 2019	March 28, 2019 [cancelled]
May 23, 2019	July 25, 2019
September 26, 2019	November 21, 2019*
* Meeting date adjusted due to conflicting holiday.	

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: California Public Employees Retirement System Unfunded Accrued Liability Update

Contact: Andrew Ruiz, Interim Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741

Date: August 5, 2019

The purpose of this item is to provide an update on WRCOG's California Public Employees Retirement System (CalPERS) Unfunded Accrued Liability and options to increase plan funding.

Requested Action:

1. Receive and file.

Background

At the June 21, 2019, Executive Committee meeting, Committee member Jeff Hewitt requested information regarding where WRCOG stands with its Unfunded Accrued Liability (UAL) and how much of WRCOG's pension is currently covered. Committee member Hewitt noted that the Riverside County Transportation Commission (RCTC) recently acted to pay off its UAL of \$8.1 million, which would save RCTC approximately \$7.5 million in interest payments over 30 years.

Per the most recent actuarial valuation provided in July 2019 by CalPERS, WRCOG's Employees' Pension Reform Act (PEPRA) plan is 92.4% funded and its Classic plan is 73.7% funded. The estimated present value of WRCOG's UAL is approximately \$3 million. The valuation assumes a 25-year payback period and, if it were to be paid out over 30 years, WRCOG would pay close to \$5.6 million in total payments.

Unfunded Accrued Liability Options

During the Fiscal Year (FY) 2019/2020 budget development process, staff noted that one goal would be to reduce the CalPERS UAL through either additional payment to CalPERS or other options, which would significantly reduce the total amount paid out to CalPERS.

Staff has identified the following options to increase the funded status of its plan and to minimize the volatility of changes in required contributions:

1. Make additional advance contributions to CalPERS or reduce the payback period schedule from a 25-year term to a lesser term.
2. Establish a Section 115 irrevocable trust that could only be used to pay directly to CalPERS or reimburse WRCOG for its pension costs.
3. Accumulate funds in a reserve account for future pension funding purposes.
4. Maintain current approach.

On July 10, 2019, the Administration & Finance Committee received a presentation and requested that the Finance Directors Committee review options and provide a recommendation back to the Administration &

Finance Committee in September. Once the item is re-reviewed by the Administration & Finance Committee, staff will bring forward a full report with any recommendations to the Executive Committee.

Prior Actions:

July 18, 2019: The Finance Directors Committee received and filed.

July 10, 2019: The Administration & Finance Committee requested that the Finance Directors Committee provide a recommendation and directed staff to return with an analysis on what each scenario could potentially save compared to maintaining the current approach.

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Report from the League of California Cities

Contact: Erin Sasse, Regional Public Affairs Manager, League of California Cities,
esasse@cacities.org, (951) 321-0771

Date: August 5, 2019

The purpose of this item is to provide an update of activities undertaken by the League of California Cities.

Requested Action:

1. Receive and file.

This item is reserved for a presentation from the League of California Cities Regional Public Affairs Manager for Riverside County.

Prior Action:

June 21, 2019: The Executive Committee received and filed.

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Regional Water Supply Update: Presentation from Eastern Municipal Water District and Western Municipal Water District

Contacts: Paul Jones, General Manager, Eastern Municipal Water District, jonesp@emwd.org, (951) 928-6130

Craig Miller, General Manager, Western Municipal Water District, cmiller@wmwd.com, (951) 571-7282

Date: August 5, 2019

The purpose of this item is to provide the Committee with a presentation on activities at the state, regional, and local levels to ensure adequate water supply for Western Riverside County residents and businesses.

Requested Action:

1. Receive and file.

This item is reserved for a joint presentation from the General Managers of Eastern Municipal Water District and Western Municipal Water District.

Prior Action:

July 18, 2019: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Regional Streetlight Program Activities Update

Contact: Daniel Soltero, Staff Analyst, dsoltero@wrcoq.us, (951) 405-6738

Date: August 5, 2019

The purpose of this item is to provide an update on the LED retrofit progress for the Cities of Eastvale and Murrieta, the Wildomar LED retrofit start date, and remaining jurisdictions' placement of LED Fixture Purchase Orders.

Requested Action:

1. Receive and file.

WRCOG's Regional Streetlight Program will assist member jurisdictions with the acquisition and retrofit of their Southern California Edison (SCE)-owned and operated streetlights. The Program has three phases: 1) streetlight inventory; 2) procurement and retrofitting of streetlights; and 3) ongoing operations and maintenance. A major objective of the Program is to provide cost savings to participating member jurisdictions.

Background

At the direction of the Executive Committee, WRCOG developed a Regional Streetlight Program allowing jurisdictions (and Community Service Districts) to purchase streetlights within their boundaries that are currently owned and operated by SCE. Once the streetlights are owned by the member jurisdiction, the lamps will be retrofitted to Light Emitting Diode (LED) technology to provide more economical operations (i.e., lower maintenance costs and reduced energy use).

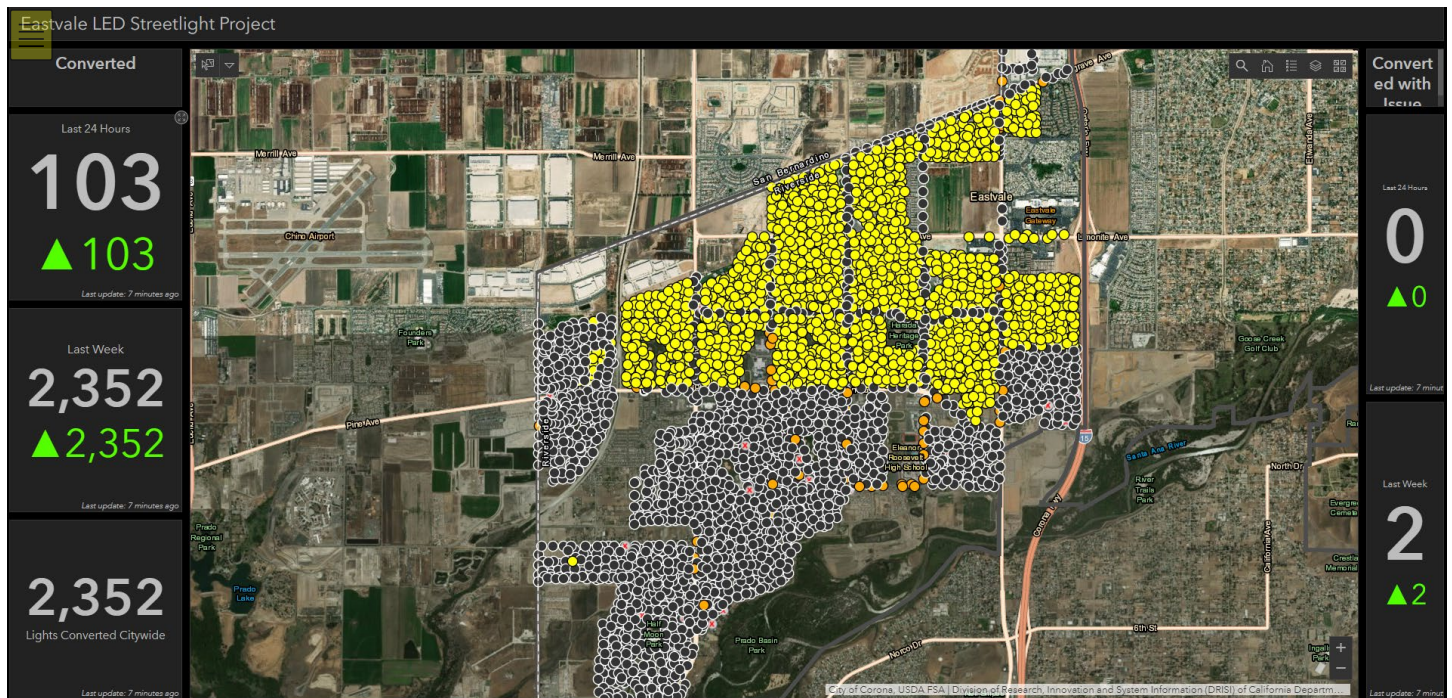
LED Purchase Orders Submitted, Avoiding LED Price Increase

Since 2017, the U.S. / China federal trade situation has resulted in the United States Federal Government imposing a penalty tax on numerous Chinese imports. The imported metals and electronics market became extremely volatile forcing many companies (General Electric (GE) and other streetlight manufacturers) to increase prices on products 6% to 10%. In late 2018, GE formally asked WRCOG for a 5% price increase from the quoted prices in WRCOG's 2017 Request for Quotation (RFQ) for LED Fixture Procurement. In response, WRCOG staff negotiated a price-lock on LED fixtures at the prices quoted in the 2017 RFQ through June 2019. After the June deadline, a 5% increase on RFQ pricing through the end of 2019 is secured. Starting in 2020, pricing for the GE LED fixture will be based on fair market value.

As of June 28, 2019, all jurisdictions utilizing WRCOG's Agreement for GE LED fixtures have placed an order for LED equipment, ultimately avoiding a price increase. This was an important deadline and milestone for all jurisdictions utilizing the GE LED fixture, as it signified the end of a price-lock on LED fixtures. By meeting the June 28, 2019, deadline, participating jurisdictions avoided a cost increase of approximately \$370,300.

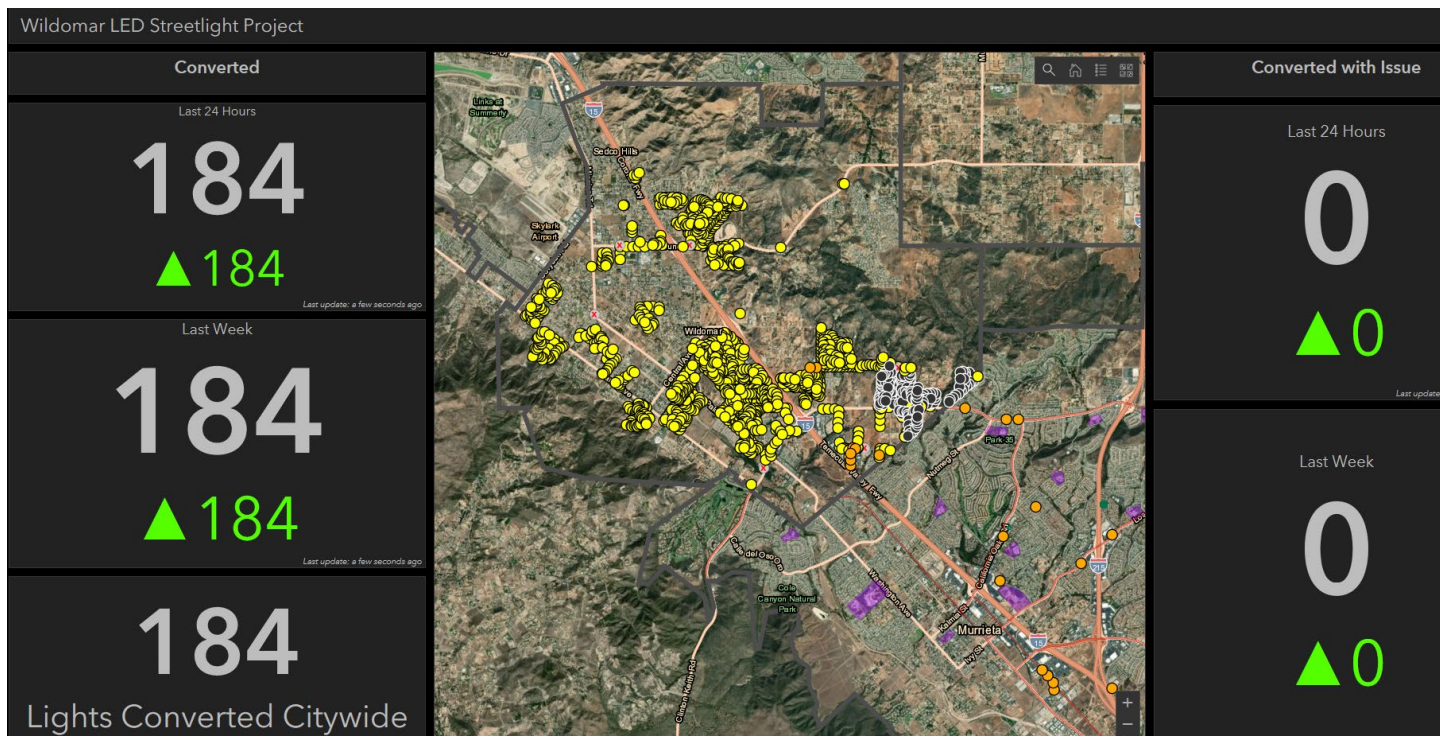
Eastvale Streetlight Retrofit Start and Progress Update

The City of Eastvale commenced with its streetlight LED retrofit on June 4, 2019. Since then, the City has converted over 2,350 streetlights to GE LED fixtures, and is approximately 57% complete in the conversion project. By utilizing WRCOG's Agreement for GE LED fixtures the City has selected to replace existing lamps with specific GE LED models that will lower energy consumption and increase utility savings between 58% to 74% per streetlight per month. The City opted to convert streetlights on major roads where improved visibility and public safety can be addressed first. Once major roads are completed the crews performing the streetlight conversions will focus on residential neighborhood streetlight conversions. As can be seen below, all yellow dots on the map illustrate lights that have not been retrofitted to LED, while all grey dots represent those streetlights that have been retrofitted.



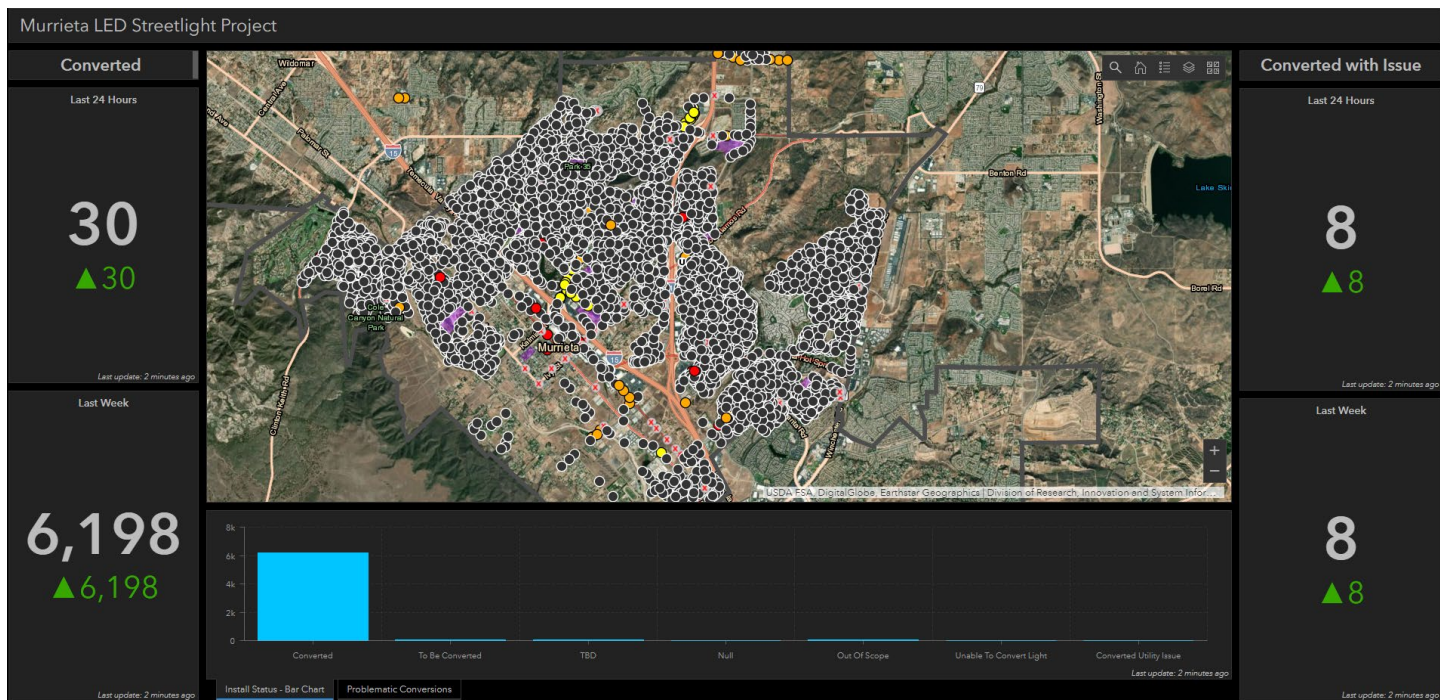
Wildomar Streetlight Retrofit Start

On April 4, 2019, the City of Wildomar fully acquired its approximately 1,400 streetlights from SCE. The City started its streetlight retrofit on July 19, 2019, and within only a few days has converted 184 streetlights. After completing the streetlight acquisition and concurrent fixture selection process, the City selected GE LED fixtures similar to those used in the neighboring City of Murrieta. Siemens will retrofit the old lamps to LED fixtures and provide routine operations and maintenance to the streetlight systems. The City has selected low wattage residential fixtures to maximize energy efficiencies, utility bill savings, and mitigate any perceived change in lighting brightness by matching previous lighting outputs. A medium wattage fixture was selected for larger roadways that match previous lighting levels to meet the City's public safety goals. Overall, the City's GE LED fixture selection will significantly lower energy consumption and reduce electric utility costs for street lighting. As can be seen below, all yellow dots on the map illustrate lights that have not been retrofitted to LED, while all grey dots represent those streetlights that have been retrofitted.



Murrieta Streetlight Retrofit 99% Complete

The City of Murrieta started retrofitting its streetlights on February 11, 2019, and less than six months later is nearing completion of the project. As of July 10, 2019, the City is approximately 99% complete with retrofitting its streetlights to LED, which accounts for approximately 6,437 streetlight conversions. As the retrofit comes to close later this month, WRCOG and Siemens will work to a project closeout which will include delivery of as-built GIS data and streetlight inventory to the City, coordinate billing changes with SCE, and work with SCE to address any discrepancies found in the field subsequent after the streetlight retrofit. As can be seen below, all yellow dots on the map illustrate lights that have not been retrofitted to LED, while all grey dots represent those streetlights that have been retrofitted. All red dots are fixtures that require additional inspection.



Prior Actions:

July 24, 2019: The Finance Directors Committee received and filed.

July 18, 2019: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: PACE Programs Activities Update: Request for Revisions to HERO Program Residential Dealer Fees, and Approval of Amended Program Reports, Debt Management Policy, and Authorized Maximum Bonding Amounts

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

Date: August 5, 2019

The purpose of this item is to provide a general PACE Programs activities update, provide an update on HERO's Residential Dealer Fee, request that the Executive Committee update the Debt Management Policy, increase the maximum bond authorization amount for PACE Programs, and approve the amended California HERO Program Report and the WRCOG Energy Efficiency and Water Conservation Program Report that reflect an increase to the maximum bond indebtedness for bonds issued in connection with each authorized commercial and residential Program Provider.

Requested Actions:

1. Approve updates to the HERO Residential Dealer Fee.
2. Adopt Resolution Number 26-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving a Debt Management Policy and taking other actions related thereto.
3. Adopt Resolution Number 27-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments increasing maximum bond authorization for its PACE Programs and making certain required disclosures.
4. Approve the amended California HERO Program Report and the WRCOG Energy Efficiency and Water Conservation Program Report to increase the maximum bond indebtedness.

WRCOG's PACE Programs provide financing to property owners to implement energy saving, renewable energy, water conservation, and seismic strengthening improvements to their homes and businesses. Financing is paid back through a lien placed on the property tax bill. The Program was initiated in December 2011 and was expanded in 2014 to allow jurisdictions throughout the state to join WRCOG's Program and allow property owners in these jurisdictions to participate. WRCOG now offers HERO, CaliforniaFIRST, PACE Funding, and Ygrene as residential PACE providers and Greenworks, CleanFund, and Twain as commercial PACE providers.

Overall PACE Programs Update

The below table provides a summary of projects that have been completed under the WRCOG PACE Programs through July 15, 2019:

Residential	Date Program Launched	Projects Completed Last Month	Project Value Last Month	Projects Completed to Date	Total Project Value
WRCOG HERO	Dec 2011	28	\$511,396	26,942	\$566,504,361
California HERO	Dec 2013	139	\$2,796,251	63,900	\$1,477,073,335
CaliforniaFIRST	May 2017	0	\$0	228	\$6,691,848
PACEFunding	Nov 2017	18	\$355,887	350	\$8,336,893
Total:		185	\$3,663,534	91,420	\$2,058,606,437

Commercial	Date Program Launched	Projects Completed Last Month	Project Value Last Month	Projects Completed To Date	Total Project Value To Date
Greenworks	Feb 2018	0	\$0	13	\$7,758,098
CleanFund	Dec 2018	0	0	0	0

The following table provides a summary of the types of projects completed to date in the WRCOG PACE Programs:

Solar	31.20%
HVAC	28.40%
Windows/Doors	14.00%
Roofing	12.10%
Landscape	5.80%

The following table provides a summary of the total estimated economic and environmental impacts for projects completed to date in both the WRCOG and the California HERO Programs:

Estimated Economic and Environmental Impacts	
KW Hours Saved – Annually	1,101 GWh
GHG Reductions – Annually	222,221 tons
Gallons Saved – Annually	555 Million
\$ Saved – Annually	\$118 Million
Projected Economic Impact	\$ 3.5 Billion
Projected Job Creation/Retention	20,358 Jobs

Residential Dealer Fee Program

Background: On February 6, 2017, the Executive Committee approved Dealer Fees for the HERO Program. Dealer Fees are widely used in the home improvement industry, where a contractor pays a portion of a project's costs to the money lender so that the customer can receive a lower interest rate on his or her project.

For HERO, this means that contractors are able to pay a percent of a project's cost to HERO and can then offer a lower "promotional" interest rate for the project. At previous WRCOG Committee meetings, Committee members wanted to make sure that costs were not passed on to the homeowner. HERO's Contractor Management System verifies that contractors do not pass the dealer fee cost to homeowners. Again, this

practice is strictly prohibited.

As part of the Dealer Fee, contractors using HERO are able to select which fixed rate sets or bands they want to work within. From the implementation of the Dealer Fee, contractors were locked into offering the selected rates for a period of 90-days after which they would be able switch and be locked into another rate set or band for 90-days. As conditions continue to change in the market, Renovate America is requesting that WRCOG consider a change to its Dealer Fee that would give contractors the flexibility to move through their interest rate sets or bands by discontinuing the 90-day set period and allowing contractors the ability to move freely between the rate set or band for each project. This continuous enrollment would give contractors additional flexibility in choosing an interest rate set that works best for its business, without a 90-day lock in.

The interest rate bands previously approved by the Executive Committee will not be impacted if this change is implemented. On July 10, 2019, the Administration & Finance Committee received a presentation from Renovate America staff and recommended that the Executive Committee approve revisions to the HERO Residential Dealer Fee.

Maximum Bond Indebtedness

Within the WRCOG Energy Efficiency and Water Conservation Program and California HERO Program Reports, a Maximum Portfolio is outlined under the Program Parameters and identifies the maximum aggregate bond amount WRCOG is to issue.

Initially, when the Program was put into place in 2011, this amount was identified to be \$900 million. As the Programs grew, the amount was increased to \$3 billion in 2016 and currently reads, "the maximum aggregate dollar amount of contractual assessments available under the Program is \$3 billion. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments." Subsequently WRCOG authorized the addition of Renew Financial, PACE Funding, and YGreene as additional residential PACE providers and Renew Financial, Greenworks Lending, CleanFund Commercial PACE Capital, Twain Financial, and Ygrene Energy Fund as commercial PACE providers. The resolutions adding each such provider established maximum bond authorization limits for each provider. After review of each such authorization limits by both legal counsel and WRCOG's municipal advisor, it is recommended that such limits either be confirmed and/or increased as set forth in Resolution Number 27-19 and identified below and that the Program Reports be updated to reflect such updated limits.

On January 9, 2017, the Executive Committee approved a Debt Management Policy to meet the California Debt Investment Advisory Commission (CDIAC) statutory requirements. CDIAC recommends periodically reviewing and updating such policies. WRCOG legal counsel recently conducted a periodic review of such Debt Management Policy and recommended that WRCOG update the current Debt Management Policy to further outline debt issuance guidelines.

On June 12, 2019, the Administration & Finance Committee recommended that the Executive Committee implement these policy changes. Staff is bringing forward the amended Program Reports (Attachment 1), Resolution Number 26-19 (Attachment 2) that updates the Debt Management Policy, and Resolution Number 27-19 (Attachment 3) which increases the maximum portfolio amount from \$3 billion to \$3.7 billion, breaking down the increased maximum portfolio amount by PACE Providers:

- HERO Program bonds: \$3,000,000,000.
- CaliforniaFIRST Program bonds: \$150,000,000.
- PACEfunding Program bonds: \$100,000,000.
- Greenworks Program bonds: \$200,000,000.
- Clean Fund Program bonds: \$200,000,000
- Ygrene Program bonds: \$50,000,000

Staff will annually review and update the Committee on whether the maximum bond indebtedness limits for all bonds issued pursuant to its PACE Programs are sufficient or need adjusting and will continue to periodically

review and update the Debt Management Policy.

Prior Action:

July 10, 2019: The Administration & Finance Committee recommended that the Executive Committee approve updated revisions to the HERO Residential Dealer Fee.

Fiscal Impact:

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

Attachments:

1. Redlined California HERO Program Report and the WRCOG Energy Efficiency and Water Conservation Program Report to increase the maximum bond indebtedness.
2. Resolution Number 26-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving a debt management policy and taking other actions related thereto.
3. Resolution Number 27-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments increasing maximum bond authorization for its PACE Programs and making certain required disclosures.

Item 6.D

PACE Programs Activities Update:
Request for Revisions to HERO
Program Residential Dealer Fees, and
Approval of Amended Program Reports,
Debt Management Policy, and
Authorized Maximum Bonding Amounts

Attachment 1

Redlined California HERO Program
Report and the WRCOG Energy
Efficiency and Water Conservation
Program Report to increase the
maximum bond indebtedness

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PROGRAM REPORT

CITIES/TOWNS OF ALAMEDA, ALBANY, ALHAMBRA, ALISO VIEJO, AMADOR, AMERICAN CANYON, ANAHEIM, ANTIOCH, ARCADIA, ARCATA, ARVIN, ATHERTON, ATWATER, AVALON (COMMERCIAL ONLY), AVENAL, AZUSA, BAKERSFIELD, BALDWIN PARK, BEAUMONT, BELL GARDENS (COMMERCIAL ONLY), BELLFLOWER, BELMONT, BELVEDERE, BENICIA, BERKLEY, BISHOP, BLUE LAKE, BLYTHE, BRADBURY, BRAWLEY, BREA, BRENTWOOD, BRISBANE, BUENA PARK, BURLINGAME, CALABASAS (COMMERCIAL ONLY), CALEXICO, CALIFORNIA CITY, CALIPATRIA, CALISTOGA, CAMARILLO, CAMPBELL, CAPITOLA, CARLSBAD, CARMEL, CARSON, CATHEDRAL CITY, CERES, CHICO, CHOWCHILLA, CHULA VISTA, CITRUS HEIGHTS, CLAREMONT, CLAYTON, CLOVERDALE, CLOVIS, COACHELLA, COALINGA, COLMA, COMMERCE, CONCORD, CORCORAN, CORNING, CORONADO, COSTA MESA, COTATI, COVINA, CRESCENT CITY, CUPERTINO, CYPRESS, DALY CITY, DANVILLE, DAVIS, DEL MAR, DEL REY OAKS, DELANO, DESERT HOT SPRINGS, DIAMOND BAR, DINUBA, DIXON, DORRIS, DOS PALOS, DUBLIN, DUNSMUIR, EL CAJON, EL CENTRO, EL CERRITO, EL MONTE, EL SEGUNDO, ELK GROVE, ENCINITAS, ESCONDIDO, ETNA, EUREKA, EXETER, FAIRFAX, FAIRFIELD, FARMERSVILLE, FERNDAL, FILLMORE, FIREBAUGH, FORT BRAGG, FORTUNA, FOSTER, FOUNTAIN VALLEY, FOWLER, FREMONT, FRESNO, GALT, GARDEN GROVE, GARDENA, GILROY, GLENDORA, GONZALES, GRASS VALLEY, GREENFIELD, GROVER BEACH, GUSTINE, HALF MOON BAY, HANFORD, HAWTHORNE, HAYWARD, HEALDSBURG, HERMOSA BEACH, HILLSBOROUGH, HOLTVILLE, HUGHSON, HUNTINGTON BEACH, HURON, IMPERIAL BEACH, IMPERIAL, INDIAN WELLS, INDIO, INDUSTRY, INGLEWOOD, IONE, IRVINDALE, ISLETON, JACKSON, KERN, KING CITY, KINGSBURG, LA CANADA FLINTRIDGE, LA HABRA, LA MESA, LA PALMA, LA QUINTA, LA VERNE, LAFAYETTE, LAGUNA BEACH, LAGUNA HILLS, LAKE FOREST, LANCASTER, LARKSPUR, LATHROP, LAWNDALE, LEMON GROVE, LEMOORE, LINDSAY, LIVE OAK, LIVINGSTON, LODI, LOMITA, LOMPOC, LONG BEACH (COMMERCIAL ONLY), LOS BANOS, LOYALTON, MADERA, MALIBU, MAMMOTH LAKES, MANTECA, MARTINEZ, MARYSVILLE, MCFARLAND, MENDOTA, MENLO PARK, MERCED, MILL VALLEY, MILLBRAE, MILPITAS, MISSION VIEJO, MODESTO, MONROVIA, MONTEBELLO, MONTEREY PARK, MONTEREY, MOORPARK, MORAGA, MORGAN HILL, MORRO BAY, MOUNT SHASTA, MOUNTAIN VIEW, NAPA, NATIONAL CITY, NEVADA CITY, NEWARK, NEWMAN, NEWPORT BEACH, NOVATO, OAKDALE, OAKLAND, OAKLEY, OCEANSIDE, OJAI, ORANGE COVE, ORLAND, OROVILLE, OXNARD, PACIFIC GROVE, PACIFICA, PALM DESERT, PALM SPRINGS, PALMDALE, PARADISE, PARLIER, PASO ROBLES, PATTERSON, PETALUMA, PIEDMONT, PINOLE, PITTSBURG, PLACENTIA, PLACERVILLE, PLEASANT HILL, PLEASANTON, PLYMOUTH, POINT ARENA, POMONA, PORT HUENEME, PORTERVILLE, PORTOLA VALLEY, POWAY, RANCHO CORDOVA, RANCHO MIRAGE, RANCHO PALOS VERDES, RANCHO SANTA MARGARITA, REDDING, REDONDO BEACH, REDWOOD CITY, REEDLEY, RICHMOND, RIDGECREST, RIO VISTA, RIPON, RIVERBANK, ROHNERT PARK, ROLLING HILLS ESTATES, ROLLING HILLS, ROSEMEAD, SACRAMENTO, SALINAS, SAN ANSELMO, SAN BRUNO, SAN BUENAVENTURA, SAN CARLOS, SAN CLEMENTE, SAN DIEGO, SAN DIMAS, SAN FERNANDO, SAN GABRIEL, SAN JOAQUIN, SAN JOSE, SAN JUAN BAUTISTA, SAN LEANDRO, SAN LUIS OBISPO, SAN MARCOS, SAN MARINO, SAN MATEO, SAN PABLO, SAN RAFAEL, SAN RAMON, SAND CITY, SANGER, SANTA ANA, SANTA BARBARA, SANTA CLARA, SANTA CRUZ, SANTA MONICA, SANTA PAULA, SANTA ROSA, SANTEE, SAUSALITO, SCOTTS VALLEY, SEASIDE, SEBASTOPOL, SELMA, SHAFER, SHASTA LAKE, SIERRA MADRE, SIMI VALLEY, SOLANA BEACH, SONOMA, SOUTH EL MONTE, SOUTH LAKE TAHOE, SOUTH PASADENA, SOUTH SAN FRANCISCO, ST. HELENA, STANTON, STOCKTON, SUISUN CITY, SUSANVILLE, SUTTER CREEK, TAFT, TEHACHAPI, TEHAMA, TEMPLE CITY, THOUSAND OAKS, TIBURON, TORRANCE, TRACY, TRINIDAD, TRUCKEE, TULARE, TURLOCK, TUSTIN, UKIAH, UNION CITY, VACAVILLE, VALLEJO, VISALIA, VISTA,

WALNUT, WALNUT CREEK, WASCO, WATERFORD, WATSONVILLE, WEED, WEST COVINA, WEST SACRAMENTO, WESTMINSTER, WHEATLAND, CITY OF WINDSOR, AND, WINTERS, WOODLAKE, WOODLAND, WOODSIDE, YORBA LINDA, YOUNTVILLE, YREKA, AND YUBA. THE UNINCORPORATED COUNTIES OF ALAMEDA, AMADOR, BUTTE, COLUSA, CONTRA COSTA, DEL NORTE, EL DORADO, FRESNO, GLENN, HUMBOLDT, IMPERIAL, KERN, KINGS, MADERA, MARIN, MARIPOSA, MENDOCINO, MERCED, MONO, MONTEREY, NAPA, NEVADA, RIVERSIDE, SACRAMENTO, SAN DIEGO, SAN FRANCISCO, SAN JOAQUIN, SAN LUIS OBISPO, SAN MATEO, SANTA CRUZ, SHASTA, SISKIYOU, SOLANO, SONOMA, TEHAMA, TULARE, YOLO, AND YUBA.

ADOPTED JUNE 3, 2013 - REVISED JULY 15, 2013 - REVISED AUGUST 5, 2013 - REVISED SEPTEMBER 9, 2013 – REVISED NOVEMBER 4, 2013 - REVISED DECEMBER 2, 2013 - REVISED JANUARY 6, 2014 REVISED FEBRUARY 3, 2014 - REVISED MARCH 3, 2014 - REVISED APRIL 7, 2014 - REVISED MAY 5, 2014 REVISED JUNE 2, 2014 – AMENDED JUNE 9, 2014 - REVISED JULY 7, 2014 – REVISED AUGUST 4, 2014 – REVISED SEPTEMBER 8, 2014 – REVISED OCTOBER 6, 2014 -REVISED NOVEMBER 3, 2014 REVISED DECEMBER 1, 2014 – REVISED JANUARY 5, 2015 - REVISED FEBRUARY 2, 2015, REVISED MARCH 2, 2015- REVISED APRIL 6, 2015 – REVISED MAY 4, 2015 – REVISED JUNE 1, 2015 – REVISED JULY 6, 2015 – REVISED AUGUST 3, 2015 – REVISED SEPTEMBER 14, 2015 – REVISED OCTOBER 5, 2015 – REVISED NOVEMBER 2, 2015 – REVISED DECEMBER 7, 2015 – REVISED JANUARY 4, 2016 – REVISED FEBRUARY 1, 2016 – REVISED MARCH 7, 2016 – REVISED APRIL 4, 2016 – REVISED MAY 2, 2016 – REVISED JUNE 6, 2016 – REVISED JULY 11, 2016 – REVISED AUGUST 1, 2016 – REVISED DECEMBER 5, 2016 – REVISED JANUARY 9, 2017 – REVISED APRIL 3, 2017 – REVISED JUNE 5, 2017– REVISED JULY 10, 2017– REVISED AUGUST 7, 2017– REVISED SEPTEMBER 11, 2017– REVISED OCTOBER 2, 2017– REVISED DECEMBER 4, 2017– REVISED February 5, 2018 – REVISED APRIL 2, 2018 – REVISED JULY 2, 2018 - REVISED MARCH 4, 2019 – REVISED MARCH 22, 2019 – REVISED APRIL 1, 2019 - REVISED MAY 6, 2019 - AMENDED JUNE 3, 2019 - REVISED JULY 1, 2019

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standards as may be appropriate and as agreed upon by WRCOG Executive Committee. A complete list of Eligible Products can be found in Appendix A.

WATER CONSERVATION/EFFICIENCY

Water Conservation/Efficiency covers a wide range of water conserving fixtures, such as low flow toilets, low flow shower heads, and irrigation controllers.

ENERGY EFFICIENCY

Energy Efficiency covers a wide range of energy efficiency fixtures such as windows and doors, attic insulation, and HVAC equipment that are EnergyStar rated. Most Eligible Products in this category must meet specified minimum efficiencies.

RENEWABLE ENERGY

Solar Photovoltaic or Solar Thermal Systems provide for solar energy generation and solar hot water systems, respectively. Small wind turbines, fuel cell systems or geothermal systems may also be eligible under this category.

CUSTOM PROJECTS

The development of technologies is encouraged by the Program as a means of diversifying the region's energy and water sources. Custom Projects will be evaluated and provided funding, if appropriate, for either innovative projects or for more complex, larger projects that require additional review.

PROGRAM PARAMETERS

MINIMUM FINANCING AMOUNT AND DURATION OF ASSESSMENT

Assessment Contracts are available for varying terms as set forth in the applicable Handbook.

Minimum and maximum financing amounts are set forth in the applicable Handbook.

REFINANCING

The Program may refinance Authorized Improvements for commercial properties in accordance with parameters approved by the Executive Director.

MAXIMUM PORTFOLIO

The maximum aggregate dollar amount of contractual assessments initially authorized under the California HERO Program is \$3.73 billion.

The maximum aggregate dollar amount of contractual assessments initially authorized under the Greenworks Statewide Program is \$200 million.

The maximum aggregate dollar amount of contractual assessments initially authorized under the Twain Financial Partners Statewide Program is \$150 million.

The maximum aggregate dollar amount on contractual assessments initially authorized under the Renovate America HERO Program is \$3,000,000,000.

The maximum aggregate dollar amount on contractual assessments initially authorized under the CaliforniaFirst Renew Financial Program is \$150,000,000.

The maximum aggregate dollar amount on contractual assessments initially authorized under the PACEFunding Program is \$100,000,000.

The maximum aggregate dollar amount on contractual assessments initially authorized under the CleanFund Program is \$200,000,000.

The maximum aggregate dollar amount on contractual assessments initially authorized under the Ygrene Program is \$50,000,000.

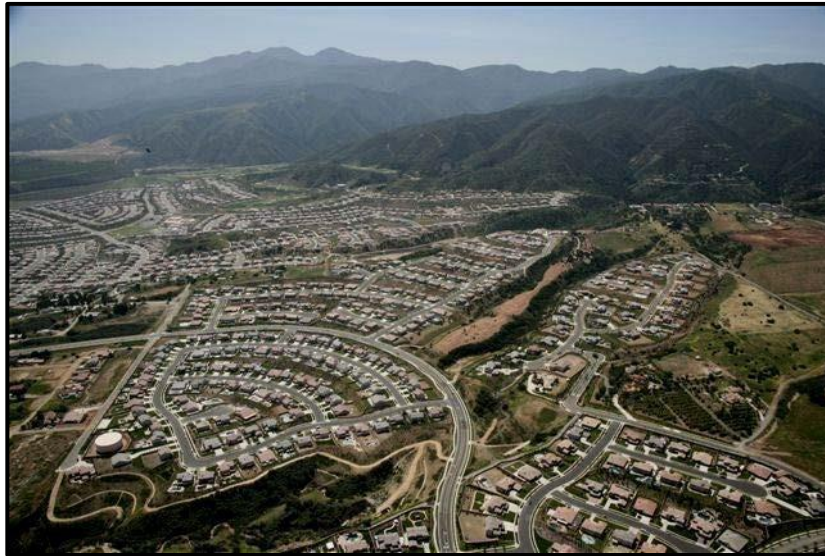
ASSESSMENT INTEREST RATE

Residential Properties: The interest rate for a contractual assessment on a residential property is set at the time that the Assessment Contract is delivered to the property owner. An estimated, current rate will always be available on the Program website and any variations from that estimated rate will be based solely on market fluctuations.

Commercial Properties: The interest rate for a contractual assessment on a commercial property is set at the time the Assessment Contract is entered into.

The Program interest rate(s) will be set with the intention of creating a self-sustaining Program at rates that are competitively priced to compare to financing options available through banking or other financial institutions, balanced with the ability to remarket the bonds issued to finance the installation of Eligible Products on participating properties and encourage the future liquidity of the Program.

ENERGY EFFICIENCY AND WATER CONSERVATION PROGRAM FOR WESTERN RIVERSIDE COUNTY



ADMINISTRATIVE GUIDELINES AND PROGRAM REPORT

ADOPTED: JUNE 7, 2010 - AMENDED: JANUARY 12, 2011 - AMENDED: JUNE 6, 2011
AMENDED: JULY 29, 2011 - AMENDED: SEPTEMBER 12, 2011 - REVISED OCTOBER 7, 2011
REVISED OCTOBER 11, 2011 - REVISED JUNE 3, 2013 - REVISED FEBRUARY 3, 2014
AMENDED JUNE 9, 2014 - AMENDED AUGUST 4, 2014
AMENDED OCTOBER 6, 2014 – REVISED NOVEMBER 4, 2014
AMENDED DECEMBER 1, 2014 – REVISED APRIL 4, 2016 – REVISED – JUNE 6, 2016 -
AMENDED SEPTEMBER 12, 2016 – REVISED MARCH 6, 2017 – AMENDED MARCH 7, 2017-
REVISED APRIL 3, 2017 - AMENDED APRIL 4, 2017 – REVISED JULY 11, 2017– REVISED
OCTOBER 2, 2017- REVISED APRIL 2, 2018 - JUNE 4, 2018
REVISED AUGUST 6, 2018 – JANUARY 7, 2019 – REVISED JULY 1, 2019



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VII. PROGRAM PARAMETERS

MINIMUM ENERGY FINANCING AMOUNT AND DURATION OF ASSESSMENT

For HERO (Residential and Commercial) and Samas Commercial - Assessment Contracts are available for up to 25-year terms to accommodate a wide range of efficiency measures and renewable energy investments and seismic strengthening for residential and commercial. The minimum amount for an Assessment Contract is \$5,000. All residential and commercial assessment contracts are subject to a 5-, 10-, 15-, 20-year, or 25- assessment repayment period, as requested by the property owner and agreed to by the Program Administrator and/or his designee. Assessment repayment periods cannot exceed the estimated reasonable useful life of the installed improvement(s). Solar PV systems may have a 20- or 25-year assessment repayment period. The WRCOG Executive Committee reserves the right to approve a 25-year assessment repayment period for other residential and commercial property Eligible Products if deemed appropriate or amend the minimum energy financing amount and duration of assessment.

For Renew Financial PACE Programs (Residential and Commercial) - Assessment Contracts are available for up to 30-year terms to accommodate a wide range of efficiency measures and renewable energy investments and seismic strengthening for residential and commercial. The minimum amount for the Residential Assessment Contract is \$5,000. All residential and commercial assessment contracts are subject to a 5-, 10-, 15-, 20-, 25-, or 30-year* assessment repayment period, as requested by the property owner and agreed to by the Program Administrator and/or his designee. Assessment repayment periods cannot exceed the estimated reasonable useful life of the installed improvement(s). Solar PV systems may have a 20-, 25-, or 30-year* assessment repayment period. The WRCOG Executive Committee reserves the right to approve a 25- year assessment repayment period for other residential and commercial property Eligible Products if deemed appropriate or amend the minimum energy financing amount and duration of assessment.

*30-year terms are available solely for projects including solar generation systems that monitor performance within the Renew Financial PACE Financing Plan for Residential Properties. Renew Financial Open-Market Commercial PACE financing for Commercial Properties facilitates 30-year terms for solar generation systems plus other technologies with expected useful lives of 30+ years.

For PACE Funding Residential Financing - Assessment Contracts are available for up to 25-year terms to accommodate a wide range of energy and water efficiency measures and renewable energy investments and seismic strengthening for residential properties. The minimum amount for an Assessment Contract is \$5,000. All residential assessment contracts are subject to a 5-, 10-, 15-, 20-year, or 25- assessment repayment period, as requested by the property owner and agreed to by the Program Administrator and/or his designee. Assessment repayment periods cannot exceed the estimated reasonable useful life of the installed improvement(s). Solar PV systems may have a 20- or 25-year assessment repayment period. The WRCOG Executive Committee reserves the



right to approve a 25-year assessment repayment period for other residential property Eligible Products if deemed appropriate or amend the minimum energy financing amount and duration of assessment.

For Greenworks Commercial - Assessment Contracts are available for up to 25-year terms to accommodate a wide range of efficiency measures and renewable energy investments and seismic strengthening for commercial. The minimum amount for an Assessment Contract is \$5,000. All residential commercial assessment contracts are subject to a 5-, 10-, 15-, 20-year, or 25- assessment repayment period, as requested by the property owner and agreed to by the Program Administrator and/or his designee. Assessment repayment periods cannot exceed the estimated reasonable useful life of the installed improvement(s). Solar PV systems may have a 20- or 25-year assessment repayment period. The WRCOG Executive Committee reserves the right to approve a 25-year assessment repayment period for other residential and commercial property Eligible Products if deemed appropriate or amend the minimum energy financing amount and duration of assessment.

PRIORITY IN APPLICATION PROCESSING

In the case where upfront funding is available, complete and eligible applications will be processed on first-come, first-served basis until funds are no longer available. Once funds are no longer available, additional applications may be placed on a waitlist.

MAXIMUM PORTFOLIO

~~The maximum aggregate dollar amount of contractual assessments available under the Program is \$3 billion. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.~~
The maximum aggregate dollar amount of contractual assessments available under the WRCOG HERO Program is \$3 billion. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.

The maximum aggregate dollar amount of contractual assessments available under the WRCOG CaliforniaFIRST Residential Program is \$150 million. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.

The maximum aggregate dollar amount of contractual assessments available under the WRCOG PACE Funding Group Residential Program is \$100 million. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.

The maximum aggregate dollar amount of contractual assessments available under the WRCOG Greenworks Commercial Program is \$200 million. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.



The maximum aggregate dollar amount of contractual assessments available under the WRCOG CleanFund Commercial Program is \$200 million. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.

The maximum aggregate dollar amount of contractual assessments available under the WRCOG Twain Financial Partners Commercial Program is \$150 million. If this amount is exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.

ASSESSMENT INTEREST RATE

Any changes to interest rates proposed by any Program Administrator shall be subject to the approval of the Executive Director and/or Executive Committee of WRCOG.

HERO Financing Plan for Residential: The Program Administrator will set the interest rate for a contract assessment financed through the HERO Financing Plan at the time that the application is approved and when the assessment contract is signed. The current rate will always be available on the Program website and any variations from that estimated rate will be based solely on market fluctuations. The Program Administrator will review the interest rates on an annual basis.

HERO Commercial Financing for Commercial: The Program Administrator will set the interest rate for contract assessment financed at the time that the Eligible Products are funded. Renovate America, Inc., will provide ongoing pricing feedback from the capital markets to aid in adjusting product pricing. The Program Administrator will review the interest rates on an annual basis.

SAMAS Commercial Financing for Commercial: The Program Administrator will set the interest rate for contract assessment financed at the time that the Eligible Products are funded. Samas Capital will provide ongoing pricing feedback from the capital markets to aid in adjusting product pricing. The Program Administrator will review the interest rates on an annual basis.

Renew Financial PACE Financing for Residential Properties. The Program Administrator will set the interest rate for a contract assessment financed through the standard financing plan at the time the application is approved and the assessment contract is signed. The Program Administrator will review the interest rates on an annual basis.

Renew Financial Open-Market Commercial PACE Financing for Commercial Properties: The Program Administrator will set the interest rate for contract assessment financed at

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Item 6.D

PACE Programs Activities Update:
Request for Revisions to HERO
Program Residential Dealer Fees, and
Approval of Amended Program Reports,
Debt Management Policy, and
Authorized Maximum Bonding Amounts

Attachment 2

Resolution Number 26-19; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments approving a
debt management policy and taking
other actions related thereto

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RESOLUTION NUMBER 26-19

A RESOLUTION OF THE OF EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING A DEBT MANAGEMENT POLICY AND TAKING OTHER ACTIONS RELATED THERETO

WHEREAS, the Western Riverside Council of Governments (WRCOG) is a joint powers authority duly organized and existing under and pursuant to the laws of the State of California, with the authority to issue bonds pursuant to the laws of the State of California (State); and

WHEREAS, on September 12, 2016, the Governor of the State of California signed into law Senate Bill 1029 (SB 1029); and

WHEREAS, pursuant to California Government Code Section 8855, as amended by SB 1029, local governments are now mandated to adopt a debt management policy at least 30 days prior to issuance of any debt after January 21, 2017; and

WHEREAS, it is recommended by the State that local governments review and update such debt management policy periodically; and

WHEREAS, the Executive Committee previously adopted its debt management policy which staff has reviewed and determined is in need of being updated at this time.

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the Western Riverside Council of Governments as follows:

SECTION 1. Recitals. The Recitals set forth above are true and correct, and by this reference incorporated herein.

SECTION 2. Approval. The amended and restated debt management policy attached hereto as Exhibit "A" is hereby adopted.

SECTION 3. Effect. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on August 5, 2019.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
Bond Counsel

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN: _____

Exhibit “A”

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROPERTY ASSESSED CLEAN ENERGY (“PACE”) FINANCINGS
DEBT MANAGEMENT POLICY**

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROPERTY ASSESSED CLEAN ENERGY (“PACE”) FINANCINGS
DEBT MANAGEMENT POLICY**

POLICY STATEMENT

In July 2008, the California Legislature approved Assembly Bill 811 amending Chapter 29 of the Improvement Act of 1911 (Streets and Highways Code Section 5898.12 and following) (“Chapter 29”), authorizing cities and counties to establish voluntary contractual assessment programs to fund an array of conservation and renewable energy projects proposed by property owners. Assembly Bill 474 was subsequently passed in October 2009 to further amend Chapter 29 to add water efficiency improvements to the list of eligible improvements. Finally, SB 1340 was enacted in 2010 to amend Chapter 29 to authorize the installation of electric vehicle charging infrastructure. The Western Riverside Council of Governments (the “Authority”) has established two programs pursuant to Chapter 29 titled the “Western Riverside Energy Efficiency and Water Conservation Program for Western Riverside County” (the “WRCOG Program”) and the “California HERO Program” (the “CA Program,” collectively with the WRCOG Program, the Programs). Pursuant to Section 5898.22 and 5898.23 of the California Streets and Highways Code, the Authority approved and subsequently amended a program report for each the WRCOG Program and the CA Program (each, a “Program Report,” collectively, the “Program Reports”) which set forth the requirements for participation in the respective Programs and the issuance of debt thereof. This policy documents the Authority’s guidelines for the use of debt for financing the Programs and other debt that the Authority may desire to finance.

Purpose of Policy

The purpose of this debt management policy is to:

- Establish parameters for issuing debt;
- Describe eligible capital improvements; and
- Describe oversight procedures regarding the use of proceeds.

The Authority will adhere to the following legal requirements for the issuance of public debt:

- The federal and state law which authorizes the issuance of debt;
- With respect to the Programs, the federal and state laws which govern the issuance of taxable PACE debt; and
- With respect to the Programs, the federal and state laws, which govern disclosure, sale, and trading of the PACE debt.

Types of Debt

1. Short-Term Debt
 - a. Short-term debt, such as TRANs, when necessary to allow the Authority to meet its cash flow requirements.
 - b. Bond anticipation notes (BANs) to provide interim financing for capital bond projects that will ultimately be paid from general obligation bonds, special assessments, or special tax bonds issued pursuant to the Mello-Roos

Community Facilities Act of 1982 or other funding sources that are reasonably available to meet the Authority's repayment requirements.

- c. Grant anticipation notes (GANs) to provide interim financing pending the receipt of grants and/or loans from the state or federal government that have been appropriated and committed to the Authority.

2. Long-Term Debt

- a. General obligation bonds for projects approved by voters.
- b. Special tax bonds issued pursuant to the Mello-Roos Community Facilities Act of 1982.
- c. Special Assessment Bonds, including the issuance of debt as provided for pursuant to Chapter 29, as may be amended or as otherwise authorized under the existing laws of the State of California or as such laws maybe amended; provided, however, any debt issued pursuant to the Programs shall be issued solely as an indirect obligation of the Authority. As used in this policy, "indirect obligation" shall mean debt issued by the Authority that is not directly secured by general fund revenues of the Authority.

3. Lease Financing and Installment Sale Agreements, including Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs)

- a. To fund priority capital equipment purchases when pay-as-you-go financing is not desirable.
- b. To fund facilities projects when there is insufficient time to obtain voter approval or in instances where obtaining voter approval is either not practical or unavailable.

4. Special financing programs or structures offered by the federal or state government, or other tax credit obligations or obligations that provide subsidized interest payments, when the use of such programs or structures is determined to result in sufficiently lower financing costs compared to traditional tax-exempt bonds and/or COPs.

5. Other debt as statutorily authorized.

Types of Improvements Eligible to be Financed

With respect to the Programs, the Authority may finance improvements as set forth in the Program Reports, as may be amended from time to time.

Debt Issuance Guidelines

The Authority shall consider the overall impact of the current and future debt burden of the financing when determining the duration of the debt issue.

The Authority shall design the financing schedule and repayment of debt so as to take best advantage of market conditions, ensure cost-effectiveness, provide flexibility, and, as practical, recapture or maximize its debt capacity for future use. Principal amortization will be structured to meet resources available for debt repayment and flexibility goals.

For debt issuances for capital improvements, the Authority shall size the debt issuance with the aim of funding capital projects as deemed appropriate by the Board and consistent with the overall financing plan.

To the extent practicable, the Authority shall also consider credit issues, market factors, and tax law when sizing the Authority's debt issuance. The sizing of refunding bonds shall be determined by the amount of money that will be required to cover the principal of, any accrued interest on, and any redemption premium for the debt to be paid on the call date and to cover appropriate financing costs.

Any tax-backed debt issued by the Authority shall mature within the term required by law.

The final maturity of equipment or real property lease obligations will be limited to the useful life of the assets to be financed.

Method of Sale

For the sale of any Authority-issued debt, the Authority shall recommend the method of sale with the potential to achieve the lowest financing cost and/or to generate other benefits to the Authority. Potential methods of sale include:

1. A competitive bidding process through which the award is based on, among other factors, the lowest offered true interest cost.
2. Negotiated sale, subject to approval by the Authority to ensure that interest costs are in accordance with comparable market interest rates.
3. Direct loans and private placement sale. A direct loan with the Authority's depository bank can be used when the terms, financing costs, and relationship make the direct loan the most cost-effective and favorable option. A private placement may be used as an alternative when the terms of the private placement are more beneficial to the Authority than a direct loan or negotiated or competitive sale.

Investment of Proceeds

The Authority shall actively manage the proceeds of debt issued for public purposes in a manner that is consistent with state law governing the investment of public funds and with the permitted securities covenants of related financing documents executed by the Authority. Where applicable, the Authority's official investment policy and legal documents for a particular debt issuance shall govern specific methods of investment of bond-related proceeds. Preservation of principal shall be the primary goal of any investment strategy, followed by the availability of funds and then by return on investment.

The management of public funds shall enable the Authority to respond to changes in markets or changes in payment or construction schedules so as to ensure liquidity and minimize risk.

Refunding/Restructuring

The Authority may consider refunding or restructuring outstanding debt generate financial savings and efficiency, eliminate restrictive debt/legal covenants, restructure the stream of debt service payments, or to achieve other policy. When doing so, the Authority shall consider the maximization of the Authority's expected net savings over the life of the debt issuance.

Goals of Debt Management Policy

The Authority's debt issuance activities and procedures shall be aligned with the Authority's vision, mission and core values. When issuing debt, the Authority shall ensure that it:

1. Maintains accountability for the fiscal health of the Authority, including prudent management and transparency of the Authority's financing programs.
2. If applicable, pursues the best possible credit rating for each debt issue in order to reduce interest costs, within the context of preserving financial flexibility and meeting capital funding requirements.
3. Takes all practical precautions and proactive measures to avoid any financial decision that will negatively impact current credit ratings on existing or future debt issues.
4. Maintains effective communication with rating agencies and, as appropriate, credit enhancers such as bond insurers or other providers of credit or liquidity instruments in order to enhance the creditworthiness, liquidity, or marketability of the debt.
5. Monitors the Authority's statutory debt limit in relation to assessed valuation within the Authority and the tax burden needed to meet long-term debt service requirements.
6. When determining the timing of debt issuance, considers market conditions, cash flows associated with repayment, and the Authority's ability to expend the obtained funds in a timely, efficient, and economical manner consistent with federal tax laws.
7. Determines the amortization (maturity) schedule which will fit best within the overall debt structure of the Authority at the time the new debt is issued.
8. Considers the useful lives of assets funded by the debt issue, as well as repair and replacement costs of those assets to be incurred in the future.
9. Preserves the availability of the Authority's general fund for operating purposes and other purposes that cannot be funded by the issuance of voter-approved debt.
10. Meets the ongoing obligations and accountability requirements associated with the issuance and management of debt under state and federal tax and securities laws.

Oversight Procedure

Financing Team. The Executive Director may recommend, and the Executive Committee shall approve all members of the Authority's financing team. The financing team, along with the Authority staff, shall oversee the issuance of bonds and the on-going administration of the Programs. Such team members may include, but not be limited to, bond counsel, financial advisor, placement agent, trustee and assessment and/or debt administrator.

Authority Representatives. The Executive Director, or his designee, shall be authorized to represent the Authority in all matters related to the issuance or incurrence of debt and is hereby authorized to review and recommend upon inquiries, requests or proposals made to the Authority for any new bond issuances or debt incurrences, securitization of bond issuances or debt incurrences, bond or debt refunding or reissuance.

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Item 6.D

PACE Programs Activities Update:
Request for Revisions to HERO
Program Residential Dealer Fees, and
Approval of Amended Program Reports,
Debt Management Policy, and
Authorized Maximum Bonding Amounts

Attachment 3

Resolution Number 27-19; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments increasing
maximum bond authorization for its
PACE Programs and making certain
required disclosures

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RESOLUTION NUMBER 27-19

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS INCREASING MAXIMUM BOND AUTHORIZATION FOR ITS PACE PROGRAMS AND MAKING CERTAIN REQUIRED DISCLOSURES

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (“WRCOG”) has established the Energy Efficiency and Water Conservation Program for Western Riverside County (commonly referred to as the “WRCOG Program”) and its statewide Property Assessed Clean Energy Program (the “California Program,” collectively with the WRCOG Program, the “Programs”) for the purpose financing the installation of certain authorized improvements (“Authorized Improvements”) on residential and commercial properties located within the program area of each of the Programs (collectively the “Program Areas” each individually a “Program Area”); and

WHEREAS, by adoption of Resolution Number 08-11, the Executive Committee provided that one or more series of improvement bonds would be issued under the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code of California (the “1915 Act”) or other financing relationships would be entered; and

WHEREAS, Resolution Number 08-13 initially authorized the Programs to issue bonded indebtedness to finance Authorized Improvements within the Program Area for both residential and commercial parcels in one or more series of bonds pursuant to Chapter 29 and the 1915 Act; and

WHEREAS, Resolution Numbers 03-12 and 04-12 specifically authorized Renovate America to serve as a residential program administrator for the Program (the “HERO Program”) and the issuance of bonds for the HERO Program; and

WHEREAS, Resolution Number 04-17 authorized Renew Financial to serve as a residential and commercial program administrator for the WRCOG Program (the “CaliforniaFirst Program”) and the issuance of bonds for the CaliforniaFirst Program; and

WHEREAS, Resolution Number 43-17 authorized PACE Funding Group to serve as a residential program administrator for the WRCOG Program (the “PACEfunding Program”) and the issuance of bonds for the PACEfunding Program; and

WHEREAS, Resolution Number 02-18 authorized Greenworks to serve as a commercial program administrator for the Programs (the “Greenworks Program”) and the issuance of bonds for the Greenworks Program; and

WHEREAS, Resolution Number 36-18 authorized Ygrene Energy Fund California LLC (“Ygrene”) to serve as a residential program administrator for the Programs (the “Ygrene Program”) and the issuance of bonds for the Ygrene Program; and

WHEREAS, Resolution Number 46-18 authorized Clean Fund to serve as a commercial program administrator for the WRCOG Program (the “Clean Fund Program”); and

WHEREAS, Resolution Number 08-13 was subsequently amended by Resolution Number 10-18 which collectively authorized the issuance of one or more series of bonds to finance the Authorized Improvements and provided from a maximum amount of aggregate principal amount of bonds that maybe issued for the HERO Program, the CaliforniaFirst Program, the PACEfunding Program, the Greenworks Program and the Clean Fund Program (collectively the “PACE Programs”); and

WHEREAS, Section 5852.1 of the Government Code of the State of California (“Section 5852.1”) provides that WRCOG obtain from an underwriter, financial advisor, or private lender, and disclose, in a meeting open to the public, prior to authorization of the issuance of the bonds, good faith estimates of: (a) the true interest cost of the bonds, (b) the finance charge of the bonds, meaning the sum of all fees and charges paid to third parties, (c) the amount of proceeds of the bonds received less the finance charge described above and any reserves or capitalized interest paid or funded with proceeds of the bonds and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, since bonds are issued on a weekly basis for the PACE Programs, it has been determined that WRCOG shall annually determine the aggregate maximum amount of indebtedness authorization for each of the PACE Programs and make the disclosures required pursuant to Section 5852.1.

NOW, THEREFORE, BE IT RESOLVED, by the Executive Committee of the Western Riverside Council of Governments as follows:

Section 1. Authorizing Resolutions. The resolutions listed in the recitals above are hereby collectively referred to herein as the “Authorizing Resolutions.”

Section 2. Authorization of the Issuance of the Bonds. The Executive Committee hereby authorizes the issuance of one or more Series of the Program under and pursuant to the Chapter 29, the 1915 Act, the Resolutions cited in the recitals and this Resolution in the following maximum aggregate principal amounts:

- a. HERO Program bonds (the “HERO Bonds”) secured by assessments levied on participating residential parcels located in the Program Areas: \$3,000,000,000.
- b. California First Program bonds (“CalFirst Bonds”) secured by assessments levied on participating residential and commercial parcels located in the Program Area for the WRCOG Program: \$150,000,000.
- c. PACEfunding Program bonds (the “PACEfunding Bonds”) secured by assessments levied on participating commercial parcels located in the Program Area for the WRCOG Program: \$100,000,000.
- d. Greenworks Program bonds (the “Greenworks Bonds”) secured by assessments levied on participating commercial parcels located in the Program Areas: \$200,000,000.
- e. Ygrene Program bonds (“Ygrene Bonds”) secured by assessments levied on participating residential and commercial parcels located in the Program Areas: \$50,000,000.
- f. Clean Fund Program bonds (“Clean Fund Bonds”) secured by assessments levied on participating commercial parcels located in the Program Area for the WRCOG Program: \$200,000,000.

The HERO Bonds, CalFirst Bonds, PACEfunding Bonds, Greenworks Bonds, Ygrene Bonds and Clean Fund Bonds are collectively referred to herein as the “Bonds.” Such amounts are aggregate

amounts since the inception of the PACE Programs and such authorizations shall apply retroactively since that date.

Section 3. Good Faith Estimate. The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the WRCOG by the Municipal Advisor in consultation with the Underwriter.

Principal Amount. The Municipal Advisor has informed the WRCOG that, based on the financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$3,700,000,000 (the "Estimated Principal Amount"), which excludes approximately \$0 (of net premium estimated to be generated based on current market conditions. Net premium is generated when, on a net aggregate basis for a single issuance of bonds, the price paid for such bonds is higher than the face value of the bonds.

True Interest Cost of the Bonds. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 6.817834%.

Finance Charge of the Bonds. The Municipal Advisor has informed the WRCOG that, assuming that the Estimated Principal Amount of the Bonds is sold and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$210,602,878.83.

Amount of Proceeds to be Received. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by WRCOG, for the sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$3,489,397,121.17.

Total Payment Amount. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all debt service payments on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$7,436,193,303.12 (excluding any offsets from reserves or capitalized interest).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the financing plan or finance charges, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by WRCOG, based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The

actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the WRCOG.

Section 4. **No Obligation of WRCOG, its Regular Members or Associate Members.**

Pursuant to Streets and Highways Code Section 8769, this Executive Committee does hereby determine that WRCOG will not obligate itself to advance funds from the WRCOG treasury to cure any deficiency in the redemption fund established pursuant to any master indenture entered into in connection with the Bonds. The Executive Committee further declares and determines that no Regular Member or Associate Member shall be obligated to advance funds from the treasury of such Regular Member or Associate Member to cure any such deficiency in such redemption funds.

Section 5. **Conditions of Approval.** The approvals, authorization and direction given by this Resolution are conditioned upon the satisfaction of the requirements of the requirements set forth in the Authorizing Resolutions without the further approval or action of the Executive Committee.

Section 6. **Official Actions.** The Executive Director or his delegate is hereby authorized and directed, for and in the name and on behalf of WRCOG, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance and sale of the Bonds and any of the other transactions contemplated by the documents approved pursuant to this Resolution. All actions heretofore taken by the officers and agents of WRCOG with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified.

Section 7. **Effective Date.** This Resolution shall take effect upon the date of its adoption.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on August 5, 2019.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
Bond Counsel

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN: _____



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Adoption of Resolution Proclaiming October 2, 2019, as California Clean Air Day

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

Date: August 5, 2019

The purpose of this item is to introduce the Committee to Clean Air Day goals and activities.

Requested Action:

1. Adopt Resolution Number 30-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments Proclaiming October 2, 2019, as California Clean Air Day.

Background

The Coalition for Clean Air launched Clean Air Day to unite people to action to improve community health and help develop habits to achieve clean air. This year, California Clean Air Day takes place on October 2, 2019. This day of action focuses on the improvement of community health and the impacts of air pollution upon Californians, hospitals and healthcare organizations, schools and school districts, businesses and workplaces, community, non-profits, and cities and local governments. With major sponsors including Edison International, SoCalGas, Los Angeles World Airports (LAX), and millions of Californians pledging to take at least one action to help “clear the air,” California Clean Air Day requires increased assistance to expand positive effectiveness and impact.

WRCOG staff is serving as the Inland Empire Working Group Co-Chair to help organize a series of events and activities for California Clean Air Day in Riverside and San Bernardino Counties. Events surrounding October 2, 2019, encompass the mission of improving air quality. Some of the activities that are being planned for California Clean Air Day include:

- University of California, Riverside (UCR) and Riverside Public Utilities (RPU) are hosting a Sustainability Day at the UCR Bourns College of Engineering.
- Dignity Health in San Bernardino County is hosting a Health Walk with vendors supporting clean air initiatives.
- A video is being developed to be shown across the Riverside Unified School District to K-12 students highlighting the benefits and importance of clean air.

The objective of Clean Air Day is to encourage individuals, government agencies, businesses, and non-profit organizations to do their part to improve air quality and protect public health. Staff is requesting that the Executive Committee pass a resolution proclaiming October 2, 2019, as California Clean Air Day. Similarly, WRCOG is encouraging member jurisdictions to pass their own resolution for California Clean Air Day, as well as host a tree planting ceremony honoring the resolution. A sample resolution is attached (Attachment 2).

In an effort to raise awareness of Clean Air Day, WRCOG is applying for a micro-grant to purchase trees, commemorate plaques, and tree planting materials. Jurisdictions that choose to pass similar resolutions

proclaiming October 2, 2019, as California Clean Air Day, will be provided with supplies for a tree planting ceremony at their City Hall or local park. The tree ceremony will provide cities with photo opportunities to publicize their support for region-wide clean air and public health. WRCOG will support media efforts leading up to Clean Air Day and tree planting ceremonies.

Prior Action:

July 18, 2019: The Technical Advisory Committee recommended that the Executive Committee adopt Resolution Number 30-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments Proclaiming October 2, 2019, as California Clean Air Day.

Fiscal Impact:

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

Attachments:

1. Resolution Number 30-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments in support for and declaration of California Clean Air Day.
2. Sample Resolution in support for and declaration of California Clean Air Day.

Item 6.E

Adoption of Resolution Proclaiming
October 2, 2019, as California Clean
Air Day

Attachment 1

Resolution Number 30-19; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments in support
for and declaration of California
Clean Air Day

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RESOLUTION NUMBER 30-19

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS IN SUPPORT FOR AND DECLARATION OF CALIFORNIA CLEAN AIR DAY

WHEREAS, air pollution contributes to higher rates of cancer and heart and lung diseases, which adversely affect health; and

WHEREAS, California has some of the most polluted regions in the United States; and

WHEREAS, cities within Western Riverside County face disproportionate, negative health impacts due to low air quality, falling within the California Environmental Protection Agency's top 25% most disadvantaged communities, as denoted by SB 535; and

WHEREAS, it is vital that we protect the health and well-being of our residents, visitors, and workforce; and

WHEREAS, emissions from vehicles, industry, and even household sources significantly affect the natural environment, air quality and well-being of residents, employees, and visitors of Western Riverside County; and

WHEREAS, individual actions such as not idling vehicles, walking or biking to work and school, carpooling, and conserving energy can directly improve air quality in our region; and

WHEREAS, everyone can play a role; and

WHEREAS, education about air quality can raise community awareness, encourage our community to develop better habits, and improve our community health; and

WHEREAS, Californians will be joining together across the state to clear the air on October 2, 2019; and

WHEREAS, the Western Riverside Council of Governments is committed to the health of our residents, workforce, visitors, and community at large.

NOW, THEREFORE BE IT RESOLVED, by the Western Riverside Council of Governments that October 2, 2019, be declared "Clean Air Day" within its jurisdiction.

BE IT FURTHER RESOLVED that WRCOG asks its member jurisdictions to determine how their employees can participate in Clean Air Day, as appropriate, and report back on those actions.

BE IT FURTHER RESOLVED that WRCOG encourages all residents, businesses, employees, and community members to participate in Clean Air Day and help clear the air for all Californians.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Steven DeBaun
WRCOG Legal Counsel

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN: _____

Item 6.E

Adoption of Resolution Proclaiming
October 2, 2019, as California Clean
Air Day

Attachment 2

Sample Resolution in support for and
declaration of California Clean Air
Day

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**A RESOLUTION OF THE CITY OF _____
IN SUPPORT FOR AND DECLARATION OF CALIFORNIA CLEAN AIR DAY**

WHEREAS, air pollution contributes to higher rates of cancer and heart and lung diseases, which adversely affect health; and

WHEREAS, California has some of the most polluted regions in the United States; and

WHEREAS, cities within Western Riverside County face disproportionate, negative health impacts due to low air quality, falling within the California Environmental Protection Agency's top 25% most disadvantaged communities, as denoted by SB 535; and

WHEREAS, it is vital that we protect the health and well-being of our residents, visitors, and workforce; and

WHEREAS, emissions from vehicles, industry, and even household sources significantly affect the natural environment, air quality, and well-being of residents, employees, and visitors of the City of _____; and

WHEREAS, individual actions such as not idling vehicles, walking or biking to work and school, carpooling, and conserving energy can directly improve air quality in our region; and

WHEREAS, everyone can play a role; and

WHEREAS, education about air quality can raise community awareness, encourage the community to develop better habits, and improve our community health; and

WHEREAS, Californians will be joining together across the state to clear the air on October 2, 2019; and

WHEREAS, the City of _____ is committed to the health of our residents, workforce, visitors, and community at large.

NOW, THEREFORE BE IT RESOLVED, by the City of _____ that October 2, 2019, be declared "Clean Air Day" within its jurisdiction.

BE IT FURTHER RESOLVED that we ask all department heads to determine how their employees can participate in Clean Air Day, as appropriate, and report back on those actions.

BE IT FURTHER RESOLVED that we encourage all residents, businesses, employees, and community members to participate in Clean Air Day and help clear the air for all Californians.

Mayor

Date

Attested by:

City Clerk

Date

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