

1. CALL TO ORDER

The meeting of the Administration & Finance Committee was called to order at 12:03 p.m. by Chair Bonnie Wright at WRCOG's office, Citrus Conference Room.

Members present:

Mike Lara, City of Beaumont
Bonnie Wright, City of Hemet (Chair)
Kelly Seyarto, City of Murrieta
Kevin Bash, City of Norco
Rita Rogers, City of Perris
Ben Benoit, City of Wildomar
Brenda Dennstedt, Western Municipal Water District (WMWD)

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, Executive Director
Andrew Ruiz, Chief Financial Officer
Chris Gray, Director of Transportation & Planning
Casey Dailey, Director of Energy & Environmental Programs
Janis Leonard, Administrative Services Manager
Tyler Masters, Program Manager
Christopher Tzeng
Anastasia Cortes, Program Manager
Anthony Segura, Senior Analyst
Rachel Singer, Staff Analyst
Daniel Soltero, Staff Analyst
Suzy Nelson, Administrative Assistant
Haley Hensen, Intern

Guests present:

Mark Roberts, Caltrans
Ricky Rivers, Caltrans
Stephanie Gallegos, Caltrans
Bill Blankenship, WB Consulting
Andrea Howard, PlaceWorks
Aaron Pfannenstiel, PlaceWorks

2. PUBLIC COMMENTS

There were no public comments.

3. MINUTES – *(Wildomar / WMWD) 7 yes; 0 no; 0 abstention. Item 3.A was approved. The Cities of Lake Elsinore and Riverside, and the County of Riverside Districts 2 and 3 were absent.*

A. Summary Minutes from the January 8, 2020, Administration & Finance Committee Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the January 8, 2020, Administration & Finance Committee meeting.*

4. CONSENT CALENDAR – (Murrieta / Perris) 7 yes; 0 no; 0 abstention. Items 4.A and 4.B were approved. The Cities of Lake Elsinore and Riverside, and the County of Riverside Districts 2 and 3 were absent.

A. Finance Department Activities Update

Action: 1. Received and filed.

B. PACE Programs Activities Update: Increased Consumer Protections Resulting from the Renovate America Stipulated Judgement

Action: 1. Recommended that the Executive Committee approve administrative changes to the WRCOG Program Report, CA HERO Program Report, and WRCOG's Consumer Protections Policy.

5. REPORTS / DISCUSSION

A. Regional Energy Network Development Activities Update

Anthony Segura reported that WRCOG has had an energy partnership (Western Riverside Energy Partnership – WREP) with SoCalGas, Southern California Edison (SCE), and 15 member jurisdictions since 2010. WREP accomplishments include streetlighting, interior / exterior lighting upgrades, facility audits, and community outreach. WREP had an annual rate payer funded budget of \$216,000.

The California Public Utilities Commission (CPUC) authorized utilities to adjust partnership structures. The purpose is to allow the utilities to be more cost effective on program oversight. This affects WREP with a decrease in funding, elimination of programs, and elimination of Strategic Plan Funding. SoCalGas and SCE are now bidding out 60% of their energy programs. These changes are impacting all 40 partnerships throughout the state, including WREP. SCE is no longer a part of WREP as of 2020 as they are looking at more cost-effective ways at reducing needs to implement energy efficiency within the region.

WRCOG is looking to create a Regional Energy Network (REN), which is a locally driven government program approved by the CPUC. RENs administer the same programs as WREPs did, as well as Residential Energy Efficiency, Codes & Standards for new building development, Development of Funding Mechanisms, and Workforce Education & Training. Programs can be tailored to the region. RENs provide more local control and have higher budgets to work with.

There are currently three RENs operating in the state. SoCalREN is administered by Los Angeles County and covers Riverside and San Bernardino Counties. There has been little to no outreach into this local region; most programs have been centralized in Los Angeles and Orange Counties.

SoCalREN has no governing board and is staffed by Los Angeles County. The proposed REN would be called Inland Regional Energy Network (I-REN) and would be managed by staff from the Coachella Valley Association of Governments (CVAG), San Bernardino Council of Governments (SBCOG), and WRCOG. WRCOG would take the lead. A Steering Committee would be created, acting as I-REN's governing board, consisting of two members from each agency's governing board. Any actions (contracts, program implementation, etc.) would be forwarded to each agency's governing board for approval.

In December 2018, the Executive Committee approved the development of a REN with CVAG and SBCOG. Since that time WRCOG released a Request for Proposal seeking a consultant for REN development; in April 2019, Frontier Energy was selected. In August 2019, staff met with the CPUC to voice why a REN in this region should be created, separate from the SoCalREN. In December 2019, the CPUC approved a framework allowing for new RENs to be formed; they are no longer considered pilot programs.

I-REN would focus on the implementation of the following three program areas: 1) Public Sector; 2) Workforce Education & Training; and 3) Codes & Standards. The Public Sector Program would work with local governments to support energy upgrades for high usage municipal facilities. The Workforce Education & Training Program would consist of coordinating with community colleges and workforce development boards to train the region's workforce in the field of energy efficiency. A Codes & Standards Program would work with local building departments on the California Energy Efficiency Code (Title 24), which is updated every three years.

A formal Letter of Commitment to Cooperate needs to be developed amongst WRCOG, CVAG, and SBCOG and submitted to the CPUC with the I-REN Business Plan. This is anticipated to occur in July 2020. Launch of I-REN is anticipated for Fiscal Year 2021/2022.

Chair Bonnie Wright asked if the other RENs are supportive of this.

Casey Dailey responded that Los Angeles County has been operating SoCalREN since 2012. Rate payer tax dollars are being spent on projects in Los Angeles and Orange Counties, not here, not locally. Staff are trying to encourage SoCalREN that it would be in its best interest to have a REN in this region administered by agencies in this region.

Committee member Mike Lara expressed concern in that there did not seem to be much concern by SoCalREN for cost effectiveness of I-REN.

Mr. Dailey responded that cost effectiveness at the CPUC is an entire formula based upon the effectiveness of every rate payer dollar and how many kilowatt hours are saved. Staff will strive to run as efficient programs as possible by identifying outside funding sources to match with rate payer funds.

Committee member Ben Benoit asked how much money has been spent in the other counties.

Mr. Dailey responded that staff had to file a Public Records Act request for that information.

Action: 1. *Received and filed.*

B. Public Service Fellow Presentations

Rachel Singer reported that two Round IV Fellows will be presenting to the Committee today on projects that they have been working on in their respective jurisdictions.

Meghan Nazareno has served her Fellowship with the City of Canyon Lake. Ms. Nazareno has received her B.A. in Political Science, with a minor in Digital Information Systems, from the University of California, Irvine. Ms. Nazareno developed a Contract Management System that keeps track of the lifecycle of a contract between the city and a provider. Next steps for Ms. Nazareno include the pursuit of a Master of Public Policy.

Thomas Kuhlmeier served his Fellowship with the County of Riverside, District 5. Mr. Kuhlmeier recently graduated from the University of California, Riverside with a B.A. in both Public Policy and History. During Mr. Kuhlmeier's Fellowship he worked on the proposal of a Child Protection Oversight Committee consisting of staff from the Riverside County Department of Public Social Services, Child Protective Services, and the Sheriff Coroner's Office. The three entities each have their own system of reporting child deaths, however they do not always effectively communicate with one another. Mr. Kuhlmeier's next steps include the pursuit of a degree in law.

Action: 1. *Received and filed.*

C. 29th Annual General Assembly & Leadership Conference

Rachel Singer reported that this year's event will be held on Thursday, June 25, 2020, at the Pechanga Resort Casino in Temecula. The format of the event will be similar to last year's with an exhibit hall open throughout the day featuring some of the sponsors, a lunchtime leadership conference featuring a variety of panels and presentations, followed by the General Assembly and keynote address in the evening and the post-event reception at the end.

This year's speakers will be Reince Priebus and Denis McDonough, both former White House Chiefs of Staff under two different administrations.

Action: 1. *Received and filed.*

D. 2nd Quarter Draft Budget Amendment for Fiscal Year 2019/2020

Andrew Ruiz reported that WRCOG has transferred \$400k to Western Community Energy to cover costs of pre-enrollment notifications.

Additional dues and job postings have increased expenditures in the Transportation & Planning Department by \$6k. Revenues from the LTF Program will offset these expenditures.

Additional recording fees and legal costs were incurred in the Energy Department by approximately \$9k and will be offset by PACE commercial revenues.

Additional legal expenditures were incurred in the Environmental Department due to contract reviews related to the Solid Waste Program; these costs will be offset by unused funding in other line items.

Action: 1. *Recommended that the Executive Committee approve the 2nd Quarter Draft Budget Amendment for Fiscal Year 2019/2020.*

(Wildomar / Perris) 7 yes; 0 no; 0 abstention. Item 5.D was approved. The Cities of Lake Elsinore and Riverside, and the County of Riverside Districts 2 and 3 were absent.

E. Personnel Update

Andrew Ruiz reported that management anticipates the need to increase staffing in Fiscal Year 2020/2021 for the Riverside County Habitat Conservation (RCHCA) and Western Community Energy (WCE), two separate Joint Powers Authorities administered by WRCOG. RCHCA anticipates hiring one field staff and one office staff. WCE anticipates hiring one office staff.

Action: 1. *Received and filed.*

F. Resilient IE Activities Update

Chris Gray reported that a grant of nearly \$1M was awarded from Caltrans for this project and acknowledged and thanked the Caltrans staff who attended the meeting.

Andrea Howard reported that all the primary goals have been completed for this project, which has been three years in the making.

Regional climate hazards include floods, fire, drought, landslides, and agricultural pests to name a few. The Resilient IE Toolkit will make it easier for communities to increase resilience of transportation infrastructure to climate-related hazards.

Aaron Pfannenstiel reported that the Toolkit components include a series of tools:

1. Introduction – an overview of the toolkit;
2. Vulnerability Assessment – identifies climate-related hazards in the area and how they are projected to change;
3. Evacuation Mapping – city-level evacuation routes for the entire subregion;
4. Adaptation Strategies – a list of recommendations for improving resilience across sectors;
5. Resilient Transportation Guidebook – to improve transportation infrastructure resilience; and
6. Resilience Template – helps communities develop and implement local adaptation efforts.

Ms. Howard added that each of the elements Mr. Pfannenstiel reported on are stand-alone documents that can be very useful for jurisdictions; the documents are available online at <http://www.wrcog.us/285/Resilient-IE>.

The ISC3 – Inland Southern California Climate Collaborative – recently launched, is administered by Climate Resolve, and is a regional forum supporting adaptation and resilience planning across sectors throughout Imperial, Riverside, and San Bernardino Counties.

ISC3's pilot project included a vulnerability assessment on an alternate approach for prioritizing funding across at-risk infrastructure. If one piece of infrastructure goes down, not only does that impact the drivers on that roadway, but it impacts other roads being utilized due to the other road's closure. Continued assessments will examine local economic impacts when jobs and stores cannot be reached and how that integrates into the communities.

The Resilient IE Toolkit components are being finalized and all elements will be complete by February 28, 2020.

Mr. Gray added that the global economic impact of closure of the Cajon Pass for two to three days is approximately \$100M in terms of people losing access to jobs and having to divert out of their way.

Action: 1. *Received and filed.*

6. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop invited Committee members to a tour of the new office following this meeting. The move will save the agency approximately \$100k per year through the term of the lease. Staff intends to bring in speakers from regional agencies to speak at upcoming Executive Committee meetings. Staff welcomes input from Committee members on speakers they are interested in hearing from.

7. ITEMS FOR FUTURE AGENDAS

Committee member Kevin Bash suggested a presentation on the coming loss of jobs and need to retool skills due to automation.

8. GENERAL ANNOUNCEMENTS

Chair Bonnie Wright announced that the Ramona Pageant begins soon.

9. CLOSED SESSION

There were no reportable actions

10. NEXT MEETING: The next meeting is scheduled for Wednesday, March 11, 2020, at 12:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 200, Riverside.

11. ADJOURNMENT: The meeting of the Administration & Finance Committee adjourned at 1:19 p.m.