



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

**Wednesday, January 8, 2020
12:00 p.m.**

**BB&K's Office
Citrus Tower
3390 University Avenue, 5th Floor
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 Administration & Finance 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 Administration & Finance Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

1. CALL TO ORDER (Bonnie Wright, Chair)

2. PUBLIC COMMENTS

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

3. MINUTES

A. Summary Minutes from the November 13, 2019, Administration & Finance Committee Meeting are Available for Consideration. P. 1

Requested Action: 1. *Approve the Summary Minutes from the November 13, 2019, Administration & Finance Committee meeting.*

4. CONSENT CALENDAR

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

A. Finance Department Activities Update P. 5

Requested Action: 1. *Receive and file.*

B. Single Signature Authority Report P. 11

Requested Action: 1. *Receive and file.*

C. Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year P. 13

Requested Action: 1. *Recommend that the Executive Committee approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.*

5. REPORTS / DISCUSSION

A. PACE Programs Activities Update: Refunding of WRCOG-Issued Commercial Bonds P. 19

Requested Action: 1. *Recommend that the Executive Committee adopt Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.*

B. California Resilience Challenge 2020 Grant P. 31

Requested Action: 1. *Recommend that the Executive Committee adopt Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.*

C. Public Service Fellowship Activities Update P. 53

Requested Actions: 1. *Recommend that the Executive Committee require agencies applying for a WRCOG Fellow to contribute 50% towards the cost of that Fellow.*
2. *Recommend that the Executive Committee require agencies applying for a WRCOG Fellow to provide a specific description of the tasks the Fellow is expected to work when applying for that Fellow.*
3. *Recommend that the Executive Committee limit future Fellows to working no more than 30 hours per week.*
4. *Recommend that the Executive Committee maintain WRCOG's policy of alternating Fellow placement to give priority to ensure that each agency can receive a Fellow in alternating years.*

D. Appointment of a WRCOG Representative to a SCAG Policy Committee P. 61

Requested Action: 1. Forward a recommendation to the Executive Committee regarding one appointment to a SCAG Policy Committee for a term commencing February 3, 2020, ending December 31, 2020.

E. Budget Update – A Look Forward for 2020 P. 63

Requested Action: 1. Receive and file.

6. REPORT FROM THE EXECUTIVE DIRECTOR Rick Bishop

7. ITEMS FOR FUTURE AGENDAS Members

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

8. GENERAL ANNOUNCEMENTS Members

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

9. NEXT MEETING: The next Administration & Finance Committee meeting is scheduled for Wednesday, February 12, 2020, at 12:00 p.m., at WRCOG's NEW office located at 3390 University Avenue, Suite 200, Riverside.

10. ADJOURNMENT

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1. CALL TO ORDER

The meeting of the Administration & Finance Committee was called to order at 12:00 p.m. by 2nd Vice-Chair Kelly Seyarto at WRCOG's Office, Citrus Conference Room.

Members present:

Mike Lara, City of Beaumont
Brian Tisdale, City of Lake Elsinore
Kelly Seyarto, City of Murrieta (2nd Vice-Chair)
Rita Rogers, City of Perris
Rusty Bailey, City of Riverside
Ben Benoit, City of Wildomar
Karen Spiegel, County of Riverside District 2
Chuck Washington, County of Riverside District 3
Brenda Dennstedt, Western Municipal Water District (12:15 p.m. arrival)

Staff present:

Ryan Baron, Legal Counsel, Best Best & Krieger
Rick Bishop, Executive Director
Barbara Spoonhour, Deputy Executive Director - Operations
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
Daniel Soltero, Staff Analyst
Justin White, Staff Analyst
Ivana Medina, Staff Analyst
Haley Henson, Intern

Guests present:

Mrunal Shaw, Best Best & Krieger
Darcy Kuenzi, Riverside County Flood Control and Water Conservation District

2. PUBLIC COMMENTS

There were no public comments.

3. MINUTES – (Perris / Lake Elsinore) 6 yes; 0 no; 2 abstention. Item 3.A was approved. The Cities of Hemet and Norco and the Western Municipal Water District were absent. The County of Riverside Districts 2 and 3 abstained.

A. Summary Minutes from the October 9, 2019, Administration & Finance Committee Meeting are Available for Consideration.

Action: 1. Approved the Summary Minutes from the October 9, 2019, Administration & Finance Committee meeting.

4. CONSENT CALENDAR – (Riverside / Wildomar) 8 yes; 0 no; 0 abstention. Items 4.A through 4.D were approved. The Cities of Hemet and Norco and the Western Municipal Water District were absent.

A. Finance Department Activities Update

Action: 1. *Received and filed.*

B. Approval of Administration & Finance Committee 2020 Meeting Schedule

Action: 1. *Approved the Schedule of Administration & Finance Committee meetings for 2020.*

C. 1st Quarter Draft Budget Amendment for Fiscal Year 2019/2020

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

D. Regional Housing Needs Assessment Methodology Activities Update

Action: 1. *Received and filed.*

5. REPORTS / DISCUSSION

A. PACE Programs Activities Update

Justin White reported that commercial PACE (C-PACE) is beginning to pick up. Since 2017, WRCOG has added three new C-PACE providers to the Program. Staff is asking to allow Renovate America to administer commercial properties within the WRCOG HERO and California HERO footprints.

Actions:

1. *Recommended that the Executive Committee approve and authorize the Executive Director to execute a HERO Commercial Programs Administration Agreement, as to form.*
2. *Recommended that the Executive Committee adopt Resolution Number 32-19; Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing Renovate America to administer and finance eligible improvements to be installed on commercial properties and other actions in connection thereto.*

(Perris / Beaumont) 8 yes; 0 no; 0 abstention. Item 5.A was approved. The Cities of Hemet and Norco and the Western Municipal Water District were absent.

B. Alternative Compliance Program Activities Update

Chris Gray reported that storm water compliance has become more onerous and rigorous. Instead of individual projects treat storm water, a regional approach would be better.

Staff has been working on an Alternative Compliance Program (ACP) with the San Diego Regional Water Quality Control Board (RWQCB), which allows for ACPs, focusing on the San Diego region only.

WRCOG has partnered with the Riverside County Flood Control and Water Conservation District and other agencies to evaluate an ACP for the Santa Margarita Watershed. A draft Guidance Manual has been distributed to partner agencies for review and comments. Staff from Riverside County has asked for additional information and clarification on some of the details.

Funding for this Program has been exhausted. Grant funding has recently become available through the Bureau of Reclamation.

Committee member Karen Spiegel asked how the Program will continue to be funded once the grant funding is exhausted.

Mr. Gray responded that once up and running, the Program will be a self-funding program.

Action: 1. *Authorized staff to submit a grant to the Bureau of Reclamation WaterSMART Cooperative Watershed Management Program.*

(Wildomar / Perris) 8 yes; 0 no; 1 abstention. Item 5.B was approved. The Cities of Hemet and Norco were absent. The County of Riverside District 2 abstained.

C. Regional Streetlight Program Activities Update

Daniel Soltero reported that as of November 1, 2019, over 28,000 of 55,000 streetlights have been retrofitted. Operations and maintenance (O&M) of streetlights include customer service, routine O&M, and annual service. Extraordinary O&M will be addressed on a case-by-case basis.

Customer service includes, for example, phone and web-based service; routine O&M includes responding to streetlight outages, repair and/or replacement of fixtures, and cleaning, among other matters. Annual service includes system diagnostics and assessment, quarterly review, and coordination with 3rd party attachment licensees.

For the Program participants, there have been 683 work orders across the subregion. That number is expected to decrease as older lights are retrofitted.

Committee member Ben Benoit asked about the cost of side shield installation.

Mr. Soltero responded that there is no cost within the first year of retrofit.

Committee member Rita Rogers asked what the target completion date is for all jurisdictions to be complete.

Mr. Soltero responded that all jurisdictions should be complete, for the most part, by mid-2020.

Action: 1. *Received and filed.*

D. TUMF Nexus Study Principles and Goals Discussion

Chris Gray reported that WRCOG updates its TUMF Nexus Study after approval of SCAG's RTP/SCS. Staff would like feedback on five key elements of the Nexus Study.

Element one regards a continued focus on higher value regional projects. Element two questions if TUMF should provide a higher level of funding for each project. Element three requires how stringent requirements should be to add projects. Element four discusses a potential look at TUMF as a way to mitigate vehicle miles traveled. Element five is in regard to an automatic Construction Cost Index adjustment.

Committee member Rusty Bailey asked what the trends are saying.

Mr. Gray responded that the region will continue growing in terms of population and employment, and state funding is heading away from adding capacity on roads. TUMF may be one of those few funding programs, aside from sales tax, that will fund new roadways. Jurisdictions will likely have less general discretion funds for roadway projects.

Committee member Kelly Seyarto indicated that as the burden is placed on jurisdictions to augment what was supposed to be funded because the state sees local government more and more as self-supporting.

Committee member Karen Spiegel asked if WRCOG is communicating with the Building Industry Association (BIA) or the Riverside County Transportation Commission (RCTC). Additionally, Committee member Spiegel asked if the types of projects funded by TUMF have been reviewed to determine a synopsis of the types of funding sources.

Mr. Gray responded that as the Nexus Study update gets underway, WRCOG will review items in detail with the BIA. WRCOG communicates with RCTC as that agency provides primary funding to a lot of TUMF projects. As to types of funding, TUMF usually provides two-thirds of the project funding.

Committee member Mike Lara asked if WRCOG has reviewed and compared CVAG's TUMF Program.

Mr. Gray responded that CVAG has a very formalized process for prioritizing projects to be funded by its TUMF Program. Projects are ranked from one to 100 and projects are funded in that order, whereas WRCOG tries to fund as many projects as possible.

Action: 1. *Received and filed.*

6. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop had no report to provide.

7. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

8. GENERAL ANNOUNCEMENTS

There were no general announcements.

9. NEXT MEETING: **The next meeting is scheduled for Wednesday, December 11, 2019, at 12:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.**

10. ADJOURNMENT: **The meeting of the Administration & Finance Committee adjourned at 12:45 p.m.**



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Finance Department Activities Update

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

Date: January 8, 2020

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

Requested Action:

1. Receive and file.

FY 2018/2019 Agency Audit

WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott, LLP (RAMS) to conduct its financial audit. The final Comprehensive Annual Financial Report (CAFR) is expected to be issued by the end of December 2019. The draft CAFR will be provided to the Finance Directors Committee as soon as it is received so that the Committee members can provide comments. Once comments from the Finance Directors are received, staff will present the CAFR to the Administration & Finance Committee in February 2020, with the Executive Committee scheduled to receive the report at its March 2020 meeting.

Financial Report Summary Through November 2019

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

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – November 2019.

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Item 4.A

Finance Department Activities Update

Attachment 1

Financial Report summary – November 2019

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Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending November 30, 2019

Total Agency			
Revenues	Approved Budget 6/30/2020	Thru Actual 11/30/2019	Remaining Budget 6/30/2020
Member Dues	\$ 311,410	311,410	-
Interest Revenue - Other	25,000	45,597	(20,597)
PACE Residential Revenue	212,500	72,285	140,215
Other HERO Revenue	680,000	210,750	469,250
Statewide HERO Revenue	570,000	285,696	284,304
PACE Commercial Revenue	165,000	100,000	65,000
PACE Residential Recording Rev	111,800	56,564	55,236
Statewide HERO Recording fee Rev	441,200	143,296	297,904
Regional Streetlights Revenue	187,511	446,155	(258,644)
NW Clean Cities - Member Dues	128,000	158,160	(30,160)
Solid Waste	107,313	112,970	(5,657)
Statewide Used Oil Grant Revenue	377,654	377,654	-
CAP Grant Revenue	125,000	106,100	18,900
Adaptation Grant Revenue	125,000	39,122	85,878
LTF Revenue	775,000	800,250	(25,250)
TUMF Admin Commerical	47,284	32,628	14,656
TUMF Admin Retail	109,687	40,670	69,017
TUMF Admin Industrial	502,285	125,980	376,305
TUMF Admin Single Family	1,121,669	305,972	815,697
TUMF Admin Multi-Family	199,074	152,445	46,629
Commerical/Service	1,134,806	783,072	351,734
Retail	2,632,497	976,080	1,656,417
Industrial	12,054,852	3,023,520	9,031,332
Single Family	26,920,065	7,343,328	19,576,737
Multi-Family	4,777,779	3,658,680	1,119,099
Total Revenues & Carryover	55,365,007	19,708,384	35,656,623
Overhead Transfer In	1,996,602	788,883	1,207,719
Total Revenues & Overhead	57,361,609	20,497,267	36,864,342
Expenses	Approved Budget 6/30/2020	Thru Actual 11/30/2019	Remaining Budget 6/30/2020
Salaries & Wages - Fulltime	\$ 1,955,970	868,758	1,087,212
Fringe Benefits	628,266	261,778	366,488
CalPERS OPEB Paydown	200,000	184,103	15,897
Overhead Allocation	1,893,320	788,883	1,104,437
General Legal Services	396,706	107,502	289,204
Audit Svcs - Professional Fees	30,500	16,700	13,800
Bank Fees	40,150	8,730	31,420
Commissioners Per Diem	62,500	14,300	48,200
Office Lease	465,000	135,986	329,014
WRCOG Auto Fuels Expenses	1,500	502	998
Parking Validations	10,000	5,993	4,007
Coffee and Supplies	2,500	1,200	1,300
Event Support	181,591	82,094	99,497
Program/Office Supplies	22,263	8,135	14,128

Computer Equipment/Supplies	4,500	2,046	2,454
Computer Software	86,500	57,092	29,408
Rent/Lease Equipment	30,000	6,248	23,752
Membership Dues	32,615	1,420	31,195
Subscription/Publications	2,135	1,604	531
Meeting Support Services	10,698	185	10,513
Postage	5,600	2,052	3,548
Other Expenses	1,250	419	831
Storage	10,000	3,752	6,248
COG HERO Share Expenses	10,000	1,238	8,762
Printing Services	7,500	567	6,933
Communications - Regular Phone	16,000	8,946	7,054
Communications - Cellular Phones	17,500	3,667	13,833
Communications - Computer Services	57,500	17,538	39,962
Communications - Web Site	8,000	5,650	2,350
Equipment Maintenance - General	10,000	3,348	6,652
Insurance - Gen/Busi Liab/Auto	92,500	86,320	6,180
Recording Fee	254,339	71,867	182,472
Seminars/Conferences	11,825	1,063	10,762
General Assembly Expenses	300,000	22,247	277,753
Travel - Mileage Reimbursement	19,500	4,179	15,321
Travel - Ground Transportation	5,160	311	4,849
Travel - Airfare	12,250	794	11,456
Lodging	7,630	1,765	5,865
Meals	8,250	3,111	5,139
Other Incidentals	6,600	632	5,968
Training	9,250	4,317	4,933
Supplies/Materials	21,850	4,245	17,605
Advertising Media - Newspaper Ad	10,000	1,020	8,980
Advertisement Radio & TV Ads	72,000	13,420	58,580
Consulting Labor	2,291,999	740,830	1,551,169
TUMF Project Reimbursement	45,000,000	14,971,237	30,028,763
Total Expenses	\$ 54,955,554	18,527,793	36,498,223



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Single Signature Authority Report

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

Date: January 8, 2020

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 September 2019 through December 2019, three contracts were signed by the Executive Director. These are summarized below.

1. In September 2019, a Professional Services Agreement (PSA) Amendment was executed with Evri GIS Consulting for an additional \$5,500. The purpose of this PSA is to support the Streetlight Program with GIS consulting services and other assistance as needed.
2. In November 2019, a PSA was executed with W.B. Consulting for \$15,000. W.B. Consulting will provide housing legislation and development impact fee analysis to support WRCOG and its member agencies.
3. In November 2019, a PSA was executed with ReCollect Systems, Inc. for \$12,000. The purpose of this PSA is to support the Solid Waste Program in meeting California's recycling legislation, promoting education and proper disposal methods in Western Riverside County.

Prior Action:

None.

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

Administration & Finance Committee

Staff Report

Subject: Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year

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

Date: January 8, 2020

The purpose of this item is to recommend an extension of the MOU between WRCOG and the Riverside County Superintendent of Schools providing for the Superintendent to continue serving as an ex-officio representative to the Executive Committee for a term of one year.

Requested Action:

1. Recommend that the Executive Committee approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

WRCOG has a Memorandum of Understanding (MOU) with the Riverside County Superintendent of Schools for an advisory, ex-officio membership on the Executive Committee. Ex-officio membership continues on an annual basis as authorized by a letter extending the MOU by written agreement, to be executed by both parties. The Executive Director is authorized to execute said letter.

The Executive Director and the Riverside County Superintendent of Schools have discussed the ex-officio arrangement and are proposing to the Executive Committee that the current arrangement as articulated in the MOU be extended for one year. Attached is an MOU extension letter executed by both parties.

Prior Action:

December 3, 2018: The Executive Committee approved a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

Fiscal Impact:

The Riverside County Superintendent of Schools pays annual dues to WRCOG in the amount of \$17,000, which is budgeted in the General Fund and recorded as revenue.

Attachment:

1. Letter of Fifth Extension of MOU by Written Agreement.

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Item 4.C

Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year

Attachment 1

Letter of Fifth Extension of MOU by Written Agreement

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Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Colimeso • City of Canyon Lake • City of Corona • City of Eastvale • City of Hemet
City of Jurupa Valley • City of Lake Elsinore • City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside
City of San Jacinto • City of Temecula • City of Wildomar • Eastern Municipal Water District • Western Municipal Water District • Morongo Band of Mission
Indians • Riverside County Superintendent of Schools

December 3, 2019

Dr. Judy D. White
Riverside County Superintendent of Schools
3939 Thirteenth Street
PO Box 868
Riverside, CA 92502

Subject: Letter of Fifth Extension of MOU by Written Agreement

Dear Superintendent White:

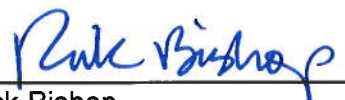
On November 7, 2011, the Riverside County Superintendent of Schools (Superintendent) and the Western Riverside Council of Governments (WRCOG) entered into a Memorandum of Understanding (MOU), which set forth the understanding of the parties regarding the Superintendent's position as an ex-officio, advisory member of WRCOG in order to help address the educational challenges of the region.

Pursuant to Section 3 of the MOU, the Superintendent and WRCOG may extend the ex-officio arrangement by written agreement. On June 11, 2014, a 1st letter of extension was executed. On December 5, 2016, a 2nd letter of extension was executed. On April 2, 2018, a 3rd letter of extension was executed. On December 3, 2018, a 4th letter of extension was executed.

This 5th letter of extension constitutes the Superintendent and WRCOG's mutual written agreement to extend the ex-officio arrangement through December 31, 2020, unless earlier terminated as provided in the MOU.

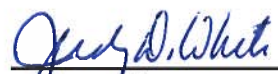
To affirm and agree to the extension of the Superintendent's position as an ex-officio, advisory member of WRCOG's Executive Committee, as set forth in this letter, please sign both letters; keep one for your files and return the other to WRCOG.

Sincerely,

By: 
Rick Bishop
Executive Director

Affirmed and Agreed:

RIVERSIDE COUNTY SUPERINTENDENT OF SCHOOLS

By: 
Judy D. White, Ed.D.
Riverside County Superintendent of Schools

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: PACE Programs Activities Update: Refunding of WRCOG-Issued Commercial Bonds

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

Date: January 8, 2020

The purpose of this item is to seek authorization from the Executive Committee for the Executive Director to enter into a Bond Purchase Agreement between WRCOG and First Foundation Bank.

Requested Action:

1. Recommend that the Executive Committee adopt Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.

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 from assessments revenues generated by placing a lien on the subject property's 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.

WRCOG Bond Refunding

On October 9, 2019, the Administration & Finance Committee received a presentation regarding refunding of existing PACE bonds. Since launching the WRCOG PACE Programs, WRCOG has issued approximately 1,300 PACE assessment-secured bonds with a current estimated value in excess of \$1.03 billion. Many of these bonds were issued when the bond market demanded higher interest rates. Since then, interest rates have decreased, creating an opportunity to refund outstanding bonds at lower interest rates. On the advice of WRCOG's PACE team partners, (PFM – Financial Advisor, BB&K – Bond Counsel, and DTA – Assessment Administrator, Piper Jaffray & Co. – Bond Underwriter), WRCOG began the process of researching the possibility of refunding eligible WRCOG bonds in order to realize savings to WRCOG and minimize administrative costs.

As part of this process, WRCOG staff and PACE team partners have analyzed which bonds to consider for refunding first; the commercial bonds are the best candidates to refund at this time. There are approximately \$8.3 million in bonds from WRCOG's Commercial PACE Program that have been selected for refunding (the "Prior Commercial Bonds"). The proposed refunding will result in reduced administrative costs and trustee expenses. The term of Refunding Bonds is anticipated to be 18 years.

WRCOG received three bids from two banks, BBVA and First Foundation Bank. Multiple criteria were considered, including the following:

- 1) Interest rate
- 2) First Year Savings Extraction Date
- 3) Total Aggregate Savings
- 4) Total Debt Service Required

While both banks had competitive offers, staff recommends accepting the offer from First Foundation Bank. The refunding of the outstanding Prior Commercial Bonds is anticipated to generate approximately \$538,100 in aggregate net present value savings under current market conditions, or approximately 6.48% of the Prior Commercial Bonds being refunded. First Foundation Bank's terms offered a 3.45% interest rate, a first-year savings extraction date of 2024, total aggregate savings estimated at over \$700,000, and a debt service reserve fund of 20% of maximum annual debt service. The interest rate being competitive and locked in for 60 days, lower debt service reserve requirements, and an earlier savings extraction date would allow WRCOG to realize the maximum amount of savings at an earlier date than the other bids.

Staff is recommending that Resolution 02-20, authorizing the issuance and sale of limited obligation Refunding Bonds secured by certain commercial assessments, be adopted by the Executive Committee, along with the following documents, which will be provided in the staff report being presented to the Executive Committee at its next meeting:

- Letter of Terms and Conditions for the direct purchase of the refunding bonds from First Foundation Bank (the "Purchaser") to WRCOG dated December 12, 2019 (the "Term Sheet");
- Indenture of Trust between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee");
- Irrevocable Refunding Instructions to the Trustee; and
- Placement Agent Agreement between WRCOG and Piper Jaffray, as placement agent (the "Placement Agent").

The bond resolution also authorizes and approves the following to provide professional services: (1) The Bank of New York Mellon, N.A., as trustee; (2) PFM Financial Advisors, LLC, as municipal advisor; (3) Best Best & Krieger, LLP, as bond counsel; (4) DTA as assessment administrator, and (5) Piper Jaffray & Co. as Placement Agent.

Should the bond resolution be approved, the bond sale will occur on or about February 6, 2020.

Prior Action:

October 9, 2019: The Administration & Finance Committee received and filed.

Fiscal Impact:

There is no direct fiscal impact. Upon issuance of the refunding bonds there will be expected anticipated savings to WRCOG as described above.

Attachment:

1. Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.

Item 5.A

PACE Programs Activities Update:
Refunding of WRCOG-Issued
Commercial Bonds

Attachment 1

Resolution Number 02-20; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments authorizing
the issuance of refunding certain
outstanding WRCOG limited
obligation improvement bonds and
other certain actions

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RESOLUTION NUMBER 02-20

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AUTHORIZING THE ISSUANCE OF REFUNDING CERTAIN OUTSTANDING WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS LIMITED OBLIGATION IMPROVEMENT BONDS (WRCOG PROGRAM AND CALIFORNIA PROGRAM) FOR THE PURPOSE OF DEFEASING AND REFUNDING SUCH BONDS, APPOINTING A TRUSTEE AND CERTAIN OTHER PROFESSIONALS, APPROVING AGREEMENTS TO BE EXECUTED IN CONNECTION WITH THE ISSUANCE OF THE REFUNDING BONDS AND CERTAIN OTHER ACTIONS

WHEREAS, acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29"), WRCOG established the Energy Efficiency and Water Conservation Program for Western Riverside County (the "WRCOG Program") pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside (the "WRCOG Program Area") that have elected to participate in the WRCOG Program to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Authorized Improvements"); and

WHEREAS, acting under Chapter 29, WRCOG also established the California Program (the "California Program" and, together with the WRCOG Program, the "Programs") pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of real property located within cities and counties located outside of the western portion of the County of Riverside that have elected to become Associate Members of WRCOG and to participate in the California Program (the "California Program Area," collectively with the WRCOG Program Area, the "Program Areas") to finance the installation of Authorized Improvements; and

WHEREAS, WRCOG is authorized the issuance limited obligation improvement refunding bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the "Bond Act"), to finance the installation of Authorized Improvements that are permanently fixed to real property in located within cities or counties participating in either of the Programs; and

WHEREAS, on December 2, 2013, the Executive Committee adopted Resolution Number 24-13 authorizing the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Bonds (WRCOG Program and California Program) (First Commercial Property Tranche) in one or more series pursuant to Chapter 29 and the Bond Act, secured by voluntary contractual assessments levied on Commercial (as defined in Section 1.2) parcels located in either of the Program Areas (as defined in Section 1.2); and

WHEREAS, Resolution Numbers 04-11 and 08-11 approved the form of a Master Indenture dated September 1, 2013 (the "2013 Indenture") by and between WRCOG and Deutsche Bank National Trust Company, as trustee (the "Prior Trustee") and the form of a supplemental indenture pursuant to which one or more series of bonds may be issued; and

WHEREAS, subsequently the Executive Committee adopted Resolution Number 24-13 approving the form of a Master Indenture dated January 1, 2015 (the “2015 Indenture,” collectively with the 2013 Indenture, collectively the “Prior Indentures”) by and between WRCOG and the Prior Trustee and the form of a supplemental indenture pursuant to which one or more series of bonds may be issued; and

WHEREAS, WRCOG issued several series of bonds under the Prior Indentures as identified in Exhibit A hereto (the “Prior Bonds”) and supplemental indentures thereto which are also identified in Exhibit A; and

WHEREAS, as a result of favorable conditions in the municipal bond market, the Executive Committee desires to authorize the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) (the “Refunding Bonds”) for the purpose of defeasing and refunding the Prior Bonds in order to reduce the borrowing costs on such indebtedness; and

WHEREAS, the defeasance and refunding of the Prior Bonds will provide debt service administrative savings for WRCOG; and

WHEREAS, payment of the principal of and interest on the Prior Bonds are secured by assessments that are levied upon certain parcels of commercial property within the Program Areas (the “Assessments”); and

WHEREAS, payment of the principal of and interest on the Refunding Bonds will be secured by such Assessments; and

WHEREAS, upon the issuance of the Refunding Bonds and the deposit of the applicable portion of the proceeds of the sale of such Refunding Bonds in the redemption funds established under the Prior Indentures to accomplish the defeasance and refunding of the Prior Bonds, such Prior Bonds will be defeased and the property in the Program Areas will no longer be subject to the levy of the Assessments to pay debt service on such Prior Bonds; and

WHEREAS, there has been presented to the Executive Committee an offer for the direct purchase of the Refunding Bonds from First Foundation Bank (the “Purchaser”), as set forth in the letter from the Purchaser to WRCOG dated December 12, 2019 (the “Term Sheet”); and

WHEREAS, there has also been presented to the Executive Committee a separate form of an Indenture of Trust for the Refunding Bond to be executed and delivered by WRCOG and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), setting forth the terms and conditions relating to the issuance, sale, delivery and administration of Refunding Bond (the “Indenture”); and

WHEREAS, there has also been presented to the Executive Committee a form of Irrevocable Refunding Instructions to be executed and delivered by WRCOG to the Prior Trustee, with respect to the defeasance and redemption of the Prior Bonds, whereby the Prior Trustee will receive a portion of the proceeds of the sale of the Refunding Bonds and certain funds related to the Prior Bonds that will be deposited in the Redemption Fund established under the Prior Indenture to provide for the defeasance and redemption of the Prior Bonds and will perform certain other duties (the “Refunding Instructions”); and

WHEREAS, there has also been presented to the Executive Committee a form of Placement Agent Agreement (the “Placement Agent Agreement”) whereby Piper Jaffray & Co., (the “Placement Agent”) will assist WRCOG in placing the Refunding Bonds; and

WHEREAS, the Executive Committee has considered the Term Sheet, the form of the Indenture of Trust, the Refunding Instructions and the Placement Agent Agreement and has determined that it is in the best interest of WRCOG, that the Executive Committee authorize the issuance and sale of the Refunding Bonds; and

WHEREAS, Section 5852.1 of the Government Code of the State of California ("Section 5852.1") provides that the Executive Committee 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 Refunding Bonds, good faith estimates of (a) the true interest cost of the Refunding Bonds, (b) the finance charge of the Refunding Bonds, meaning the sum of all fees and charges paid to third parties, (c) the amount of proceeds of the Refunding Bonds received less the finance charge described above and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, and (d) the sum total of all debt service payments on the Refunding Bonds calculated to the final maturity of the Refunding Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Refunding Bonds; and

WHEREAS, in accordance with Section 5852.1, the Executive Committee has obtained such good faith estimates from PFM Financial Advisors, LLC, WRCOG's municipal advisor (the "Municipal Advisor"), and such estimates are disclosed in Exhibit B attached hereto; and

WHEREAS, the Executive Committee wishes at this time to authorize all proceedings relating to the issuance and sale of the Refunding Bonds and all other agreements and documents relating thereto.

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

Section 1. Findings. The Executive Committee finds that (a) the preceding recitals are true and correct and (b) the sale of the Refunding Bonds at private sale, without advertising for bids, will result in a lower overall cost to WRCOG.

Section 2. Authorization of the Issuance of the Refunding Bonds. The Executive Committee authorizes the issuance and sale of the Refunding Bonds in the not to exceed aggregate principal amounts listed in Section 3. The Executive Director, Director of Energy & Environmental Programs, or their designee (each an "Authorized Representative") are authorized and directed to take all steps and actions necessary to accomplish the issuance, sale and delivery of the Refunding Bonds pursuant to the authorization given by and the conditions specified in this Resolution. The Chair, the Executive Director, and the Secretary of the Executive Committee, or their designees, are authorized to execute the Refunding Bonds for and on behalf of WRCOG by their manual or facsimile signatures.

The Executive Committee determines that the designated costs of issuing the Refunding Bonds (the "Designated Costs of Issuance") shall include (i) all expenses incident to the calling, retiring, or paying of the Prior Bonds, and incident to the issuance of the Refunding Bonds, including the charges of any agent in connection with the issuance of the Refunding Bonds or in connection with the redemption or retirement of the Bonds, (ii) the interest on the Prior Bonds to the date upon which each of Prior Bonds will be paid pursuant to the Prior Indentures, and (iii) any premium necessary in calling or retiring any of the Prior Bonds.

Section 3. Refunding Bonds Authorized. Pursuant to Article 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law"), this Resolution, and the Indenture, the Refunding Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed \$_____.

The date, manner of payment, interest rate or rates, interest payment dates, maturity date or

dates, denomination, form of bond, registration privileges, manner of execution, place of payment, terms of redemption, and other terms, covenants, and conditions of the Refunding Bonds shall be as provided in the Indenture as finally executed.

Section 4. Approval of the Indenture. The form of the Indenture which provide generally for (i) the authentication and delivery by the Trustee of the Refunding Bonds, (ii) the establishment and administration by the Trustee of certain funds and accounts for the benefit of WRCOG and the owners of the Refunding Bonds, (iii) the payment by the Trustee of the principal of and interest on the Refunding Bonds from the Assessment and Collateral (as defined therein), and (iv) the performance of other duties by the Trustee, is approved in the form provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, such Indenture with respect to the Refunding Bonds.

Section 5. Approval of Refunding Instructions. The form of the Refunding Instructions which provide for (i) the defeasance and redemption of the Prior Bonds, and (ii) the performance of other duties by the Prior Trustee, are approved in the forms provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, such Refunding Instructions with respect to the Prior Bonds.

Section 6. Approval of Term Sheet. The Term Sheet is approved in substantially the form provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, such Term Sheet.

Section 7. Approval of Placement Agent Agreement. The Placement Agent Agreement is approved in the form provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, the Placement Agent Agreement.

Section 8. Appointment of Professionals. The Executive Committee hereby authorizes and approves the following professionals to provide services in connection with the issuance of the Refunding Bonds:

(a) Trustee. The Bank of New York Mellon Trust Company, N.A., is appointed as Trustee pursuant to Indenture and is authorized to take any and all action provided therein to be taken by the Trustee;

(b) Municipal Advisor. PFM Financial Advisors, LLC, is hereby appointed as Municipal Advisor;

(c) Bond Counsel. Best Best & Krieger, LLP, is hereby appointed as Bond Counsel in connection with the issuance of the Refunding Bonds;

(d) Assessment Administrator. DTA is hereby appointed as Assessment Administrator in connection with the issuance of the Refunding Bonds; and

(e) Placement Agent. Piper Jaffray & Co. is hereby appointed to serve as Placement Agent in connection with the issuance of the Refunding Bonds.

Section 9. Issuance of the Refunding Bonds. The Executive Committee approves and authorizes the issuance and sale of the Refunding Bonds to the Purchaser pursuant to the Term Sheet

presented by the Purchaser. The Authorized Representatives are each individually authorized and directed to execute and deliver the documents on behalf of WRCOG as set forth in the Term Sheet and any modifications to the Term Sheet shall be negotiated and approved by the Authorized Representatives upon the submission of any such modifications by the Purchaser and shall be consistent with the requirements of this Resolution, provided that the true interest cost on the Refunding Bonds shall not exceed _____ percent (____%).

Section 10. Notice of Redemption. The Authorized Representatives are each authorized and directed to provide for the mailing and publication, and the Prior Trustee, in its capacity as Prior Trustee for the Prior Bonds, is authorized to mail and publish, notice of the redemption of the Prior Bonds to the registered owners thereof as required by the Prior Indentures for the Prior Bonds.

Section 11. Modifications. The approval of the forms of Indenture, Refunding Instructions and Placement Agent Agreement given by this Resolution shall apply to any modification or amendment of any of said agreements which is agreed upon and approved by Bond Counsel, the Municipal Advisor and the Authorized Representatives as being necessary to carry out the provisions thereof and the authorization and direction provided in this Resolution.

Section 12. Further Action. The Authorized Representatives are authorized to take any and all action which is directed by Bond Counsel with respect to the execution and delivery of the Indenture, Refunding Instructions, Term Sheet and Placement Agent Agreement and the issuance, sale and delivery of the Refunding Bonds, which in the opinion of Bond Counsel is necessary in order for the authorization and direction provided in this Resolution to be carried out.

Section 13. Conditions of Approval. The approvals, authorization, and direction given by this Resolution are conditioned upon the satisfaction of the requirements of Section 10 hereof with respect to the issuance and sale of the Refunding Bonds. The officers of WRCOG designated above shall not take any action with respect to the execution and delivery of Indenture, Refunding Instructions, Placement Agent Agreement, or the issuance, sale, and delivery of the Refunding Bonds unless and until such conditions are satisfied, provided, however, that upon satisfaction of such conditions, this Resolution shall be fully effective and shall be carried out by such officers without further approval or action of the Executive Committee.

Section 14. Effective Date. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on February 3, 2020.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Warren Diven
WRCOG Bond Counsel

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

EXHIBIT A

LIST OF ASSESSMENT CONTRACTS AND BONDS

Maturity <u>Date</u>	Principal <u>Amount</u>	Assessor <u>Parcel Number</u>	Supplemental <u>Indenture</u>	Bond <u>Series Number</u>
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EXHIBIT B

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Refunding Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to WRCOG by the Municipal Advisor, in consultation with the Placement Agent, and consistent with the terms of the Term Sheet.

Principal Amount. The Municipal Advisor has informed WRCOG that, based on the financing plan and current market conditions, its good faith estimate of the principal amount (the "Estimated Principal Amount"), of the Refunding Bond to be sold is \$_____.

True Interest Cost of the Refunding Bond. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Refunding Bonds are 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 Refunding Bond, 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.

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

Amount of Proceeds to be Received. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Refunding Bonds are 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 for the Refunding Bonds, less the finance charges, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of is \$_____.

Total Payment Amount. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Refunding Bonds are 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 payments WRCOG will make to pay debt service on the Refunding Bonds, calculated to the final maturity of the Bonds, which excludes any reserves is \$_____.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing and information available at the time of preparation of such estimates. The actual principal amount of the Refunding 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 Refunding Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of the Refunding Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Refunding 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 Refunding Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the financing plan, or a combination of such factors. Market interest rates are affected by economic and other factors beyond the control of WRCOG

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: California Resilience Challenge 2020 Grant

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

Date: January 8, 2020

The purpose of this item is to provide an update on the funding availability from the California Resilience Challenge that provides local government agencies the ability to fund local and regional climate initiatives and to request support for WRCOG to submit a grant application.

Requested Action:

1. Recommend that the Executive Committee adopt Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.

Background

The California Resilience Challenge (CRC) is a statewide effort with the goal to build local and regional climate resiliency efforts that can address increasing climate threats in California such as wildfire, drought, flood, and extreme heat events. The CRC is led by the Bay Area Council Foundation which is a business-sponsored public policy advocacy organization for the nine-county Bay Area that was founded in 1945. As part of this grant process, the CRC has a grant fund in excess of \$2 million. The source of this funding includes donations from businesses, utilities, nongovernmental organizations, and foundations. Donors towards the grant fund can be identified at www.ResilientCal.org/leadership.

The CRC welcomes local California public entities to apply and respond to the Request for Proposals (RFP) (Attachment 1) for the support of climate resilience planning projects that will lead to the implementation of resiliency infrastructure. The expectation of this RFP grant process is that the CRC will award individual grants between \$100,000 and \$200,000 to qualified applicants.

Eligibility for the Grant: Proposers eligible for this grant include the following local California public entities:

1. California incorporated cities
2. California counties
3. Local agencies and districts at the county level
4. Joint Powers Authorities
5. Special Districts such as, but not limited to, Geologic Hazard and Abatement Districts, Community Facilities Districts, Utility Districts, and others
6. California Native American Tribes
7. Metropolitan Planning Organizations (MPOs)
8. Councils of Governments (COGs)

As for eligible projects, the RFP for the CRC grant is looking for planning projects that are targeted at improving local or regional resilience to one or more of the following four climate challenges:

1. Drought
2. Flooding, including from sea level rise
3. Extreme heat
4. Wildfire

Additional funding support: The goal of WRCOG applying for the CRC grant would be to develop a regional energy resiliency plan and/or component that can also be included in WRCOG's existing efforts to develop a Regional Climate Adaption and/or Resiliency Template General Plan Element that will incorporate adaptation and resiliency strategies for battling the climate challenges, as discussed below.

The CRC funding opportunity will support and expand upon existing Resiliency efforts currently under way by WRCOG. In 2018, WRCOG was awarded \$683,431 by Caltrans through an Adaptation Planning Grant through Senate Bill 1 (the Road Repair and Accountability Act) to develop a toolkit to support regional efforts preparing for and mitigating risks associated with climate adaptation and transportation infrastructure. The toolkit includes:

1. Establishment of a regional climate collaborative
2. A revision to WRCOG's community vulnerability assessment (VA) and a new VA for SBCTA
3. City-level, climate-related transportation hazards and evacuation maps
4. A climate resilient transportation infrastructure guidebook
5. A regional climate adaptation and resiliency template general plan element

Next steps: CRC proposals are due February 7, 2020. In January 2020, WRCOG, with support from its grant-writing consultants, will develop and finalize a scope of work. To support this grant proposal, staff seeks support from the Executive Committee and the Western Community Energy Board of Directors to pass a resolution (Attachment 2) stating support by each for staff to pursue the funding available from the Bay Area Council Foundation to use for the funding of development of a regional energy resiliency plan.

Prior Action:

None.

Fiscal Impact:

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

Attachments:

1. California Resilience Challenge RFP.
2. Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.

Item 5.B

California Resilience Challenge 2020
Grant

Attachment 1

California Resilience Challenge RFP

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California Resilience Challenge

Request for Proposals, 2020 Grant Program

December 2, 2019 - Application Deadline 5pm, February 7, 2020



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Advisory Committee



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1. Background

Climate change is forcing communities across California to become more resilient to drought, flood, wildfire, extreme heat, and rising seas. Climate resilience aims to anticipate and prepare for impacts to reduce the damage from extreme weather events, as well as chronic, long-term shifts, including those resulting from or aggravated by climate change. Taking steps today to adapt to climate change will yield significant future benefits for public health, safety, infrastructure, the economy, and the environment. However, California lacks dedicated funding for comprehensive, statewide climate adaptation planning. California's extraordinary geographic, economic, environmental and cultural diversity calls for an equally diverse array of climate adaptation projects that can serve as a model for countries around the world.

Senate Bill (SB) 379, enacted in 2015, requires cities and counties to incorporate climate adaptation and resiliency strategies into their general plans. Specifically, SB 379 requires general plans to include the following features:

- A vulnerability assessment identifying risks climate change poses to the local government and the geographic areas at risk from climate change impacts.
- A set of adaptation and resilience goals, policies and objectives.
- A set of feasible implementation measures designed to carry out the goals, policies and objectives, including feasible methods to avoid or minimize climate change impacts associated with new land uses and the location of new essential public facilities outside of at-risk areas.

SB 246 (2015, Wieckowski) directs the Governor's Office of Planning and Research (OPR) to establish an Integrated Climate Adaptation and Resiliency Program to coordinate regional and local adaptation efforts with state climate adaptation strategies. SB 1000 (2016, Leyva) further tasks municipalities, when updating their general plans, to include an environmental justice element identifying objectives and policies to reduce the unique health risks in disadvantaged communities, including pollution reduction, air quality improvement, and the promotion of public facilities. The Governor's Office of Emergency Services (CalOES) may offer financial resources to prevent or lessen impacts from climate change.

To complement these and other climate change resilience planning efforts, the California Resilience Challenge is providing funding by means of its 2020 Grant Program for eligible resiliency planning projects aimed at improving local resilience to climate impacts, including drought, flooding (including sea level rise), extreme heat, and wildfire. Selected plans will be innovative and replicable for other locations, will help protect critical infrastructure and vulnerable communities, and will enjoy broad community support. A key goal of the California Resilience Challenge is to support a diversity of projects in terms of scale, type, and readiness with a focus on supporting planning projects that could fast track implementation.

2. About the California Resilience Challenge

The California Resilience Challenge is a statewide effort, led by businesses, utilities, and a diverse range of partners, to build local and regional climate resilience and to support a shared vision for a resilient California in the face of increasing climate threats. The Challenge is providing grants for diverse, replicable and innovative climate change adaptation planning projects across California. These projects will reflect California's diverse geography and showcase leadership in climate change adaptation.

The California Resilience Challenge is an initiative of the Bay Area Council Foundation, a nonprofit corporation, qualified as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code. The Challenge is administered by the Bay Area Council, a business-sponsored public policy advocacy organization for the nine-county Bay Area that was founded in 1945. Learn more at bayareacouncil.org.

The California Resilience Challenge has a Grant Fund in excess of \$2 million. The sources of the Grant Fund include businesses, utilities, nongovernmental organizations, and foundations. Donors to the Grant Fund are identified at ResilientCal.org/leadership.

3. Request for Proposals

California Resilience Challenge (CRC) is pleased to invite eligible local California public entities to respond to this Request for Proposals (RFP) for grants in support of climate resilience planning projects, with a preference for projects that will lead to implementation of resiliency infrastructure. (See definitions in Section 6.) Selected proposals will be for specific planning projects that will commence on or before December 31, 2020 and are to be completed by December 31, 2022. It is CRC's expectation that individual grants will be awarded for between \$100,000 and \$200,000, but CRC reserves the right to make smaller or larger grants, and the right to award less than the maximum amount of its Grant Fund.

4. Eligibility

Local California public entities are eligible to apply for a CRC grant. Eligible entities consist of the following:

- California incorporated cities, whether or not charter cities
- California counties
- Local agencies and districts at the county level
- Joint Powers Authorities
- Special Districts such as, but not limited to, Geologic Hazard and Abatement Districts, Community Facilities Districts, Utility Districts and others

- California Native American Tribes¹
- Metropolitan Planning Organizations (MPOs)
- Councils of Governments (COGs)

Collaborations between public entities and non-profits are welcomed, but a lead agency should be clearly identified.

State-level entities, including the State of California and its departments, commissions and agencies, interstate compact entities, are not eligible for this program focused on local efforts.

5. Support and Other Funding

CRC may make grants that would provide the required match funding to release other funding or grant opportunities. CRC wishes to fund viable projects. If additional funding is needed in addition to the CRC funding for the project to be executed, details must be provided including the likely timescale for securing the additional funding. Proposals should include letters of support from the applicant's lead (and supporting) department(s), and from project partners and local community organizations.

6. Evaluation Criteria

Eligible Projects

Eligible projects will consist of planning projects that are targeted at improving local or regional resilience to one or more of the following four climate challenges:

- Drought
- Flooding, including from sea level rise
- Extreme heat
- Wildfire

Project Evaluation Criteria

Competitive grants will address as many of the following criteria as possible, although it is understood that it is unlikely that a project would be able to address all:

- Is the resilience planning effort integrated with or can fast track project implementation/delivery?
- Does the project enjoy community support from elected officials, neighborhood associations, business and civil leadership organizations, environmental advocacy and environmental justice groups, etc.?

¹ "California Native American tribe" means a Native American tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004.

- Will the project help protect critical infrastructure?
- Will the project benefit disadvantaged or vulnerable communities, and will it help build or support leadership in those communities?
- Does the project achieve multiple benefits across sectors (e.g., public health and safety is enhanced while also improving environmental conditions)?
- Can the project leverage other sources of private, local, state or federal funding?
- Can the project be scaled to provide increased resilience in the future?
- Can the project can be replicated in other geographies?
- Does the project involve collaboration with neighboring jurisdictions?
- Does the project involve collaboration with the private sector?
- Does the project incorporate greenhouse gas emission reduction measures?

CRC encourages those public entities that have not yet progressed resilience planning in their jurisdiction to apply, as well as those who are further ahead.

Eligible Project Examples

The examples below are provided to illustrate the range of projects eligible for funding. They are not meant to be exhaustive and are listed in no particular order. Note that while there is a preference for CRC to fund planning projects designed for implementation of resilience infrastructure, the CRC is looking to fund a range of project types which may be earlier in the adaptation planning cycle.

- Infrastructure adaptation and resilience plans, including “green” or nature-based infrastructure planning.
- Additional modeling or feasibility studies to help fill knowledge gaps about vulnerabilities and/or costs and benefits; for example, a study to understand the impact of sea level rise on rising groundwater, or the combined impact of increased precipitation and sea level rise.
- Hazard mitigation plan updates coupled with deeper planning around some specific adaptation solutions.
- Climate vulnerability assessments.
- Integration of climate resilience planning considerations and strategies into existing plans, such as Local Coastal Programs and General Plans, including efforts to meet requirements of SB 379.
- Projects that enable, deepen or extend inclusive and equitable community participation in existing or new projects.

Eligible Activities and Expenses

Activities eligible for funding are those related to climate resilience planning. The focus of CRC is on use of its grants to leverage planning efforts across the state.

Examples of eligible activities include:

- Feasibility studies
- Public consultation, planning, and economic analysis
- Funding/financing analysis
- Conceptual drawings and design
- Data and geospatial analysis

Examples of eligible expenses include:

- Staff time
- Consultant time
- Community/stakeholder meetings and advisory groups (e.g. stipends, catering)
- Project-specific staffing
- Travel costs

Ineligible Activities

- The following activities are **not** eligible for CRC grants:
 - Projects not related to climate resilience planning.
 - Projects that do not improve local resilience against at least one of the four climate challenges: drought, flooding (including sea level rise), extreme heat and wildfire.
 - Projects that may inadvertently cause maladaptation or increase GHG emissions.
 - Engineering plans and design specification work.
 - Construction projects or capital costs, such as the building of a facility.

7. Grant Process

The following is an overview of the grant proposal evaluation process, including financial, contracting, subcontracting and legal requirements pertaining to the CRC 2020 Grant Program. Applicants are encouraged to review the contents of this section when developing their proposals.

Upon award of grant funds, grantees will receive more specific guidance, and will acknowledge and agree to comply with the terms of this RFP.

Application Review Process

All proposals submitted for the CRC 2020 Grant Program will be reviewed by the CRC Advisory Committee and administrative staff, who will review applications for eligibility, content, submission of proper documentation, meeting technical requirements, overall relationship to statewide planning efforts, and compliance with state planning requirements. Applications will be evaluated based on how well they describe the project, justify the need for the project and for the CRC funding, reflect the program evaluation criteria, and articulate a concrete scope of work and project timeline. Advisory Committee recommendations will be presented to the CRC Board for their consideration. The CRC Board will make a final determination on all grants in the Spring of 2020.

RFP Timeline:

- **December 2, 2019:** RFP opens
- **February 7, 2020:** RFP closes
- **February and March 2020:** Proposals reviewed and evaluated
- **April 2020:** Grant awards announced

8. Grant Terms

Project Start Date

The project must commence on or before December 31, 2020.

Project Timeline

Applicants must provide a timeline that outlines key tasks by month at a minimum (see Proposal Submittal Section).

Completion Date

All grant funds from CRC must be used to pay or defray project expenditures on or before December 31, 2022, and the project must be planned to be complete on or before December 31, 2022.

Case Study

CRC is looking to identify and share the lessons learned from this grant opportunity to inform other existing or new state grant programs. To this end, all grant recipients will prepare a short case study describing the project process, and completed project outcomes including maps, photos, drawings, etc. (as appropriate for the project type). A template will be provided (Word and PowerPoint).

Case studies should emphasize processes, or results that can be adapted or replicated for use in various parts of the state, as well as documentation of the involvement of disadvantaged

communities throughout the entire planning process, and any other lessons learned. These studies will be used to develop guidance for future resiliency and adaptation projects in the state.

Case study reports and presentation materials must be completed and delivered no later than three months after the completion of expenditure of CRC funds. Final case studies will be submitted to the Governor's Office of Planning and Research for possible inclusion in the Adaptation Clearinghouse.

Work Product

All reports funded through the CRC Grant Program shall credit CRC financial participation on the cover or title page. An electronic copy of all final reports shall be forwarded to CRC.

Any reports or presentation materials funded through the CRC Grant Program are in the public domain and may not be copyrighted, sold, or used exclusively by any business, organization, or agency. Applicants must not transmit any material to CRC that the applicant considers to be confidential or proprietary. Any material the applicant transmits to CRC will be considered non-confidential and non-proprietary. This policy serves to avoid potential misunderstandings or disputes regarding ownership of ideas. To the extent that the applicant owns or controls any patent rights, copyright rights, trade secret rights, or any other intellectual property or proprietary rights that may be required for access to work product submitted under the CRC Grant Program, the applicant grants a license to such rights to any person accessing and using such work product. CRC reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use the reports for public purposes.

Third-Party Contracts

The agreements between a grantee and a sub-recipient, consultant, or sub-consultant are referred to as "third-party contracts." Grantees will be expected to use and comply with their individual procurement procedures in awarding third-party contracts. Work for which a CRC grant is provided can only be contracted if it has been stated in the applicant's Scope of Work and Project Timeline.

Grantees are fully responsible for all work performed by their sub-recipients, consultants or sub-consultants, and CRC shall not be liable to any of such entities for the performance by grantees. Grantees are responsible to ensure that all third-party contractors adhere to the provisions of this RFP.

Grant Disbursement and Accounting

CRC intends to disburse funds from a grant under the 2020 Grant Program in installments. The amount and timing of each installment, and the process for invoicing and disbursement, shall be determined by CRC in its sole discretion. The final disbursement shall be conditioned on a certificate by an authorized representative of the grantee certifying compliance with the terms of this RFP and verifying that the CRC funds have been or will be used for project expenditures reasonably incurred and required for project purposes. Each grantee shall also make financial reports, within 90 days after the end of each of its fiscal years, during the progress of the project and upon project completion, and provide reasonable evidence of project progress and project sources and uses of funds.

Each grantee shall maintain true and complete records of performance of work on the project and of the sources and uses of funds for such project, and shall maintain such records for a period of not less than 3 years after the later of completion of the project or the last disbursement by CRC.

CRC and its representatives may access such records on reasonable notice and during regular business hours for the purpose of confirming the grantee's compliance with the terms of this RFP.

9. Grant Disbursement and Accounting

CRC intends to disburse funds from a grant under the 2020 Grant Program in installments. The amount and timing of each installment, and the process for invoicing and disbursement, shall be determined by CRC in its sole discretion. The final disbursement shall be conditioned on a certificate by an authorized representative of the grantee certifying compliance with the terms of this RFP and verifying that the CRC funds have been or will be used for project expenditures reasonably incurred and required for project purposes. Each grantee shall also make financial reports, within 90 days after the end of each of its fiscal years, during the progress of the project and upon project completion, and provide reasonable evidence of project progress and project sources and uses of funds.

Each grantee shall maintain true and complete records of performance of work on the project and of the sources and uses of funds for such project, and shall maintain such records for a period of not less than 3 years after the later of completion of the project or the last disbursement by CRC. CRC and its representatives may access such records on reasonable notice and during regular business hours for the purpose of confirming the grantee's compliance with the terms of this RFP.

10. Proposal Contents

This section provides applicants with information regarding submittal of proposals for grants of funds from the CRC 2020 Grant Program.

Application Information

Applicants should present their proposal in Microsoft Word format using 12-point Times New Roman font or Microsoft Excel format. Proposals should include the following information:

Project Summary Description	Provide a brief (approximately 500-word) summary description of the project, the agencies involved, the project start/end dates, the general project planning area, and why the project is necessary. The proposal should identify a lead agency with primary responsibility for the project. If the project is part of a larger effort, please describe how the CRC-funded project would fit in, and provide the total budget of the overall project.
Grant Amount Requested	State maximum amount of grant that the applicant is seeking. CRC expects grants to be issued in quantities between \$100,000 and \$200,000 , but reserves the right to make smaller or greater grants.

Description of Resilience Challenges Project Addresses	Demonstrate that the planning efforts for which funding is sought are targeted at improving local or regional resilience to one or more of the following four climate challenges: •Drought •Flooding, including from sea level rise •Extreme heat •Wildfire If known, please describe the projected impacts by timeframe proposed for the project (e.g. increase in extreme heat days expected by 2050)
Other Project Eligibility Criteria	Applicants should also describe how the project responds to the criteria listed in section 6.
State Law Requirements	Is the proposed project mandated by state law? If so, explain how grant funds will extend or improve outcomes.
Scope of Work	Provide a detailed Scope of Work by task. This preferably should be detailed enough that it can be used to hire an external consultant or guide internal staff without further reworking (for the sake of efficiency).
Project Timeline	Provide a detailed proposed project timeline (preferably by month). Identify anticipated start and end dates, planning milestones, and dates when released funds would be required.
Local Support and Approvals	List entity departments and partners that support the project (and attach copies of available letters of support). Identify Planning Commission, City Council, Board of Supervisors, or other responsible body support that will be needed to proceed with projects that may be developed through the grant (letters of support not required).
Other Sources of Funds	Provide details if a potential CRC grant would provide the required match funding to release other funding or grant opportunities. Provide details of any additional funding that must be secured (in addition to the CRC funding) for the project to be executed. Describe project activities that will be funded in whole or in part by other funding sources. If there are in-kind contributions, state the basis for valuing such contributions.
Uses of Funds	Provide a budget summary, including the following major line items: Staff hours (salaries and benefits); professional service firms (lump sum per task); travel; and other costs. Distinguish between direct and overhead costs.
Deliverables	Describe the final products that will be produced at the successful completion of the project. A financing plan for a resiliency infrastructure project (such as government incentives, developer financing, third-party financing, public support, bond proceeds, issuance of new bonds) is a desired deliverable for infrastructure-focused planning projects (including those that are nature-based).
Access to Site	If access to private property is necessary for project planning efforts, describe plan for permission to conduct planning activities.

11. Submittal Instructions

All grant proposals are required to be submitted via e-mail. An applicant may only submit one application package per e-mail. The required information outlined above must be attached to the e-mail, in Word or Excel documents.

Please submit your application package to resilience@bayareacouncil.org with “Resilience Proposal” in the subject line. Applications must be submitted via e-mail no later than February 7, 2020 by 5:00 pm. Hard copies will not be accepted, and late applications will not be reviewed.

12. Contacts and Additional Information

General Questions:

Adrian Covert, Vice President of Public Policy, Bay Area Council: resilience@bayareacouncil.org

Technical questions on project-specific aspects, from applicants that have limited experience in resilience project planning, may be directed by Adrian Covert for responses by representatives of AECOM.

Conference Call:

A call to discuss expectations for RFP and Q&A will be held on Friday, December 13 at 10am. Details and RSVP at <https://www.eventbrite.com/e/california-resilience-challenge-rfp-walk-through-tickets-84058558411>

13. Tools and Resources

The following climate adaptation tools and resources are intended to provide applicants with additional information that CRC considers relevant to resilience planning and its grant program. While the below resources are recommended, applicants are not required to consult or follow these tools and resources in developing their proposals.

CalAdapt

<http://cal-adapt.org/>

Cal-Adapt provides a view of how climate change might affect California. Find tools, data, and resources to conduct research, develop adaptation plans and build applications.

California General Plan Guidelines

http://opr.ca.gov/docs/OPR_COMPLETE_7.31.17.pdf

The Governor’s Office of Planning and Research (OPR) 2017 General Plan Guidelines provide guidance to help local governments incorporate climate resiliency goals and strategies into their general plans pursuant to SB 379.

California Adaptation Planning Guide

<http://resources.ca.gov/climate/safeguarding/local-action/>

The Adaptation Planning Guide provides guidance to support regional and local communities in proactively addressing the unavoidable consequences of climate change. It provides a step-by-step process for local and regional climate vulnerability assessment and adaptation strategy development.

Safeguarding California – California’s Climate Adaptation Strategy

<http://resources.ca.gov/climate/safeguarding/>

Safeguarding California is the strategy that organizes state government climate change adaptation activities, across a variety of state agencies. The Safeguarding California Plan was last updated in 2018.

ICARP Adaptation Clearinghouse

<http://opr.ca.gov/planning/icarp/>

The Adaptation Clearinghouse serves as a centralized source of information that provides the resources necessary to guide decision makers at the state, regional, and local levels when planning for and implementing climate adaptation projects to promote resiliency to climate change in California.

California’s Fourth Climate Assessment

<http://www.climateassessment.ca.gov/>

California’s Climate Change Assessments contribute to the scientific foundation for understanding climate-related vulnerability at the local scale and informing resilience actions, while also directly informing State policies, plans, programs, and guidance, to promote effective and integrated action to safeguard California from climate change.

Ocean Protection Council Sea-Level Rise Guidance

http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20180314/Item3_Exhibit-A OPC SLR Guidance-rd3.pdf

The State of California Sea-Level Rise Guidance reflects advances in sea-level rise science and addresses the needs of state agencies and local governments as they incorporate sea-level rise into their planning, permitting, and investment decisions.

California Coastal Commission Sea Level Rise Policy Guidance

<https://www.coastal.ca.gov/climate/slrguidance.html>

The California Coastal Commission’s Sea Level Rise Guidance provides recommendations for how to plan for and address sea level rise impacts, including a set of projections recommended for use in planning, permitting, investment, and other decisions.

Item 5.B

California Resilience Challenge 2020 Grant

Attachment 2

Resolution Number 01-20; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments authorizing
submittal of a proposal to the
California Resilience Challenge 2020
Grant Program

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RESOLUTION NUMBER 01-20

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AUTHORIZING SUBMITTAL OF A PROPOSAL TO THE CALIFORNIA RESILIENCE CHALLENGE 2020 GRANT PROGRAM

WHEREAS, the Western Riverside Council of Governments (WRCOG) is a joint powers authority consisting of the County of Riverside and 18 cities, the Eastern Municipal Water District, the Western Municipal Water District, the Morongo Band of Mission Indians, and the Riverside County Superintendent of Schools, situated in Western Riverside County; and

WHEREAS, Senate Bill 246 (2015, Wieckowski) tasks the Governor's Office of Planning and Research (OPR) to establish an Integrated Climate Adaptation and Resiliency Program, and SB 1000 (2016, Leyva) further tasks municipalities, when updating their general plans, to include an environmental justice element identifying objectives and policies to reduce the unique health risks in disadvantaged communities, including pollution reduction, air quality improvement, and the promotion of public facilities; and

WHEREAS, the California Resilience Challenge supports the goals of SB 246 and SB 1000 by providing funding for Climate Resiliency planning projects statewide through a currently open 2020 Grant Program; and

WHEREAS, a successful proposal by WRCOG for the 2020 Grant Program will provide a funding opportunity to plan and further implement scalable climate resiliency projects within Western Riverside County focusing on addressing increasing threats from drought, rising water levels, extreme heat, and wildfire; and

WHEREAS, WRCOG has received support and approval from its member jurisdictions in the pursuit of submission of a proposal on behalf of said member cities, agencies and jurisdictions; and

WHEREAS, WRCOG staff, with approval and support of the Executive Committee, will commence assembly of a proposal application to submit to the California Resilience Challenge Climate Resiliency 2020 Grant Program to secure funding to explore Climate Resiliency Solutions within Western Riverside County.

NOW THEREFORE, BE IT RESOLVED by the Executive Committee of the Western Riverside Council of Governments that WRCOG authorizes the submission of a proposal on behalf of its member agencies to the California Resilience Challenge 2020 Grant Program in pursuit of mitigating increasing threats from Climate Change to Western Riverside County and California as a whole.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on February 3, 2020.

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: _____



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Public Service Fellowship Activities Update

Contact: Rachel Singer, Staff Analyst, rsinger@wrcog.us, (951) 405-6754

Date: January 8, 2020

The purpose of this item is to provide an update on the fourth cohort of the WRCOG Public Service Fellowship Program and initiate discussions regarding logistics for the fifth round of the Program.

Requested Actions:

1. Recommend that the Executive Committee require agencies applying for a WRCOG Fellow to contribute 50% towards the cost of that Fellow.
2. Recommend that the Executive Committee require agencies applying for a WRCOG Fellow to provide a specific description of the tasks the Fellow is expected to work when applying for that Fellow.
3. Recommend that the Executive Committee limit future Fellows to working no more than 30 hours per week.
4. Recommend that the Executive Committee maintain WRCOG's policy of alternating Fellow placement to give priority to ensure that each agency can receive a Fellow in alternating years.

In partnership with higher education institutions and member agencies, WRCOG developed and launched a Public Service Fellowship Program in 2016. The Program provides current college students and recent graduates with career opportunities in local governments in a way that is mutually beneficial to both the Fellow and the host agency.

Background

WRCOG's Public Service Fellowship Program was established in 2016 and is now in its fourth round. The goal of the Fellowship Program is to retain local students to fulfill the subregion's needs for a robust public-sector workforce and to combat the problem of "brain drain," which occurs when local students graduate and then leave the region to seek full-time employment outside of the region. The Fellowship Program aims to engage local students and alumni in career opportunities with local governments and agencies in a way that is mutually beneficial to both the Fellows and the host agency.

In terms of logistics, WRCOG is responsible for general Program administration and oversight including maintaining employment of the Fellows, soliciting interest from local government agencies, serving as the liaison between member agencies and the universities, providing Program funding, reviewing applications, conducting interviews, recommending Fellow placements, and coordinating payment of Fellowship stipends. In addition, WRCOG provides ongoing training to Fellows on career readiness and relevant topics during monthly program workshops to support their hands-on work experience.

Since inception, 54 Fellows have been placed in member agencies over four rounds of the Program contributing 51,840 hours of service to member agencies. Attachment 1 provides insight to the roles and responsibilities of past Fellows, as well as an update on where the featured alumni are now employed.

Round IV Update

Thirteen Fellows were selected to participate in the Fellowship and were placed throughout WRCOG member agencies for the 2019/2020 Fiscal Year. The agencies that received a Fellow this round include the Cities of Banning, Calimesa, Canyon Lake, Jurupa Valley, Lake Elsinore, Norco, Riverside, and Wildomar. Fellows were also placed at the Western Municipal Water District, the County of Riverside Districts 2 and 5, and WRCOG, and an additional Fellow was placed in the Riverside County Executive Office to specifically assist efforts addressing homelessness in Western Riverside County.

Round IV Fellows will be presenting a project they are working on in their host agency to one of WRCOG's Committees. Presentations are scheduled to take place in early 2020. Following the completion of the current round, WRCOG will host a completion celebration for Fellows in April 2020.

Fellowship Ad Hoc Committee

To discuss the future of the Program, the Fellowship Ad Hoc Committee convened two times to review staff recommended programmatic adjustments and funding options for the future of the Program.

Programmatic Adjustments: Regarding programmatic adjustments, the Fellowship Ad Hoc Committee supported staff's recommendation to institute a more robust host agency onboarding process to include detailed information on specific projects and programs assigned to a prospective Fellow, as well as a host agency orientation to review best practices and administrative responsibilities of the Fellow supervisor. Additionally, the Ad Hoc Committee supported a maximum of 30-hour work weeks for Fellows.

Funding Options: Regarding funding options for the future of the Program, staff noted the finite resources available for the continuation of the Fellowship Program. The Fellowship Program was originally funded through \$1.1 million in excess PACE revenues in 2016; these resources have funded four rounds of the Program (Fiscal Year 2016/2017 through Fiscal Year 2019/2020). An additional \$250,000 was allocated to the Program in 2019 through WRCOG's BEYOND Program carryover monies.

At the conclusion of the fourth round of the Fellowship Program, projected to be March 2020, there will be approximately \$300,000 remaining in the Fellowship Program. Assuming one Fellow costs approximately \$20,000 and, if there are 10 to 15 Fellows per cohort, each round of the Program costs approximately \$250,000. Therefore, if all stays equal and the Fellowship Program operates per status quo, the fifth round of the Fellowship Program (Fiscal Year 2020/2021) will be the last year of the Program.

In response to this, the Ad Hoc Committee provided four potential options to extend the longevity of the Program. The four options, as well as the pros and cons of each funding option, are outlined below:

Funding	Description	Pros	Cons
Pay as able	Host agencies would "pay as able," meaning some Fellows would be paid and others would not be based on agency's resources	Flexibility to host agency	Difficult to attract high quality candidates without compensation
Grant funding	WRCOG utilizes its Grant Writing Program to identify potential funding opportunities	No Funding out of pocket for WRCOG or member agencies	Grants could limit parameters of the work assigned and number of Fellows
Three-way split	Funding is split between WRCOG, host agency, and university partners	Each organization pays less out of pocket	University partners are not willing to provide the necessary level of financial support
Two-way split	Funding is split between WRCOG and host agency	Most likely option that preserves integrity of the Program	Some member agencies may not be able to participate due to budget constraints

Upon discussion, the Ad Hoc Committee endorsed the two-way funding split between WRCOG and a host agency. The two-way split would extend the remaining \$300,000 Program funds for an additional two rounds.

Enacting a two-way funding split would create the following timeline:

3-Year Projection			
	<i>Round 5</i>	<i>Round 6</i>	<i>Round 7</i>
	<i>FY 20/21</i>	<i>FY 21/22</i>	<i>FY 22/23</i>
WRCOG Pays 100%	Yes	No	No
Two-Way Split	Yes	Yes	Yes

Implementation optics of the two-way split were also discussed and can be referenced in the attached Frequently Asked Questions. Most notably, under the two-way split, member agencies would opt into the Program and, in doing so, would agree to contribute 50% of the cost of the Fellow. All other programmatic elements of the Fellowship will remain constant; WRCOG will administer the Program and host monthly Professional Development Sessions, while host agencies provide mentorship and day-to-day supervision.

While the two-way split does preserve the short-term longevity of the Program, it is not a long-term solution. The Ad Hoc Committee suggested that in moving forward, alternative funding sources be researched and discussed.

Prior Action:

September 19, 2019: The Technical Advisory Committee designated five-member agency representatives to sit on the Fellowship Ad Hoc Committee for the fifth round of the Program. Representatives are from the Cities of Banning, Canyon Lake, Lake Elsinore, and San Jacinto, as well as Eastern Municipal Water District.

Fiscal Impact:

Activities for the Fellowship Program are included in the Agency's adopted Fiscal Year 2018/2019 Budget.

Attachment:

1. Fellowship Ad Hoc Two-Way Split FAQ.

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Item 5.C

Public Service Fellowship Activities
Update

Attachment 1

Fellowship Ad Hoc Two-Way Split
FAQ

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Fellowship Ad Hoc Meeting 2 Recap - FAQ

1. What is the maximum number of hours that a Fellow can complete in the Program?

Under the parameters of CalPERS, Fellows are able to work up to 1,000 hours, however to create a margin of protection for both WRCOG and the host agency, WRCOG has established the maximum number of Fellow hours to 960.

2. What happens if a Fellow exceeds 1,000 hours?

If a Fellow exceeds 1,000 hours, this would trigger full-time employment classification under CalPERS, meaning WRCOG and the host agency would be responsible for providing full-time benefits, including but not limited to, retirement and healthcare benefits.

3. How can CivicSpark Fellows exceed 1,000 hours?

Based on our research, the CivicSpark Fellows can exceed 1,000 hours as they are organized through Local Government Commission, which is a nonprofit organization and therefore does not need to hold the same parameters as public entities under CalPERS.

4. Will the Program continue the every-other year placement in host agencies?

WRCOG's preference for the program would be to offer alternating placement whereby an agency would receive a Fellow in one year and not receive a Fellow in the subsequent year. We believe that this approach is the most fair and equitable way to ensure that all of our member agencies have access to the Fellowship Program.

5. Can a host agency apply for more than one Fellow in one round if they're willing to pay?

No, each jurisdiction may only apply for one Fellow in a year that they are eligible.

6. What will the process be for a host agency to pay for their Fellow?

The total cost of a Fellow is about \$20,000. With the 50/50 split funding method between WRCOG and member agencies, the member agency is responsible for \$10,000. This will be paid on the front end once a Fellow and host agency confirms the Fellow placement.

7. What happens if a Fellow drops out or leaves before the end of the Program?

The Fellowship Program is a nine-month commitment and begins July 1st and ends March 31st of the following year. If a Fellow drops out of the Program before the March 31st end date, WRCOG will calculate the prorated amounts and reimburse the host agency the remaining hours the Fellow did not complete.

8. Does about AB 5 impact the Fellowship Program? What about other legislation?

Assembly Bill (AB) 5 seeks to make the distinction between employees and independent contractors. To provide clarification, WRCOG Fellows are employees of the agency and are not classified as independent contractors, therefore the parameters of AB 5 do not apply to WRCOG. WRCOG and staff will continue to monitor legislation in the pipeline as it relates to the Fellowship Program.

9. Is the 50/50 funding split the long-term solution?

The 50/50 split is a short-term solution to provide funding for the Fellowship Program. Under the 50/50 funding split, WRCOG and member agencies can sponsor up to three rounds of the Program, Round 5 through Round 7. It is advised that the Fellowship Ad Hoc Committee continues to discuss future funding options for Fellowship cohorts beyond Round 7.

10. What member agencies are slotted for priority in Round 5 (FY 20/21) if they choose to opt into the 50/50 funding split?

The following member agencies are slotted for priority Fellow placement if they opt into the 50/50 split and complete the host agency application by the deadline: The Cities of Beaumont, Corona, Eastvale, Hemet, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, and Temecula. Riverside County Districts 1, 2, and 3 are also slotted for priority placement. Additionally, Eastern Municipal Water District, March JPA, Morongo Band of Mission Indians, Superintendent of Schools have priority.

11. Does the new funding strategy change the format of the Program for Fellows or host agencies?

No. Rather, in updating the funding strategy to be a 50/50 split between WRCOG and member agencies, it preserves the integrity of the Program as it can operate as it had been in the previous four rounds. WRCOG staff will continue to recruit and coordinate the Program, providing monthly Professional Development Sessions and the host agency will provide mentorship, projects, and day-to-day management of the assigned Fellow.



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Appointment of a WRCOG Representative to a SCAG Policy Committee

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

Date: January 8, 2020

The purpose of this item is to present a list of candidates interested in serving as a WRCOG appointee on one of the Southern California Association of Governments' (SCAG) Policy Committees and to request that this Committee forward a recommended candidate to the Executive Committee for consideration.

Requested Action:

1. Forward a recommendation to the Executive Committee regarding one appointment to a SCAG Policy Committee for a term commencing February 3, 2020, ending December 31, 2020.

WRCOG is responsible for appointing six elected officials to any of SCAG's Policy Committees. One position is currently available due to the retirement of Riverside Council member Mike Gardner. This appointment (to be made by the Executive Committee) will run through December 31, 2020.

Current WRCOG appointees are as follows:

<u>Name</u>	<u>SCAG Policy Committee</u>
Joseph Tessari (Eastvale)	Community, Economic and Human Development Committee
Jordan Ehrenkranz (Canyon Lake)	Energy and Environment Committee
Bonnie Wright (Hemet)	Energy and Environment Committee
Linda Krupa (Hemet)	Transportation Committee
Crystal Ruiz (San Jacinto)	Transportation Committee
VACANT	

The table below provides a listing of individuals who have expressed interest in the SCAG Policy Committee position. Per Policy, Executive Committee members are to be given preference when appointments are made. Executive Committee members who have expressed interest in the position are listed in green below (Goodland and Liesemeyer).

SCAG Policy Committee Interest				
Interested Member	Member Jurisdiction	CEHD	Energy and Environment	Transportation
Colleen Wallace	Banning	1	-	-
Russ Brown	Hemet	-	-	1
Micheal Goodland	Jurupa Valley	1	-	2
Matt Liesemeyer	Menifee	2	3	1
Christi White	Murrieta	Any	Any	Any
Gaby Plascencia	Riverside	Any	Any	Any
Joe Morabito	Wildomar	1	2	-

Prior Actions:

March 4, 2019: The Executive Committee made its last appointment of Joseph Tessari, City of Eastvale, to the SCAG Community, Economic & Human Development Policy Committee for a term commencing March 1, 2019, ending December 31, 2020.

December 3, 2018: The Executive Committee made the following SCAG Policy Committee appointments (five appointments – one vacancy to be appointed in January 2019):

- Jordan Ehrenkranz (Canyon Lake): Energy and Environment
- Bonnie Wright (Hemet): Energy and Environment
- Mike Gardner (Riverside): Energy and Environment
- Linda Krupa (Hemet): Transportation
- Crystal Ruiz (San Jacinto): Transportation

Fiscal Impact:

None; SCAG provides a stipend of \$120 per meeting for its Policy Committee representatives.

Attachment:

None.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Budget Update – A Look Forward for 2020

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

Date: January 8, 2020

The purpose of this item is to provide an update of WRCOG's financial performance through the first half of the fiscal year and a look into the Fiscal Year 2020/2021 budget.

Requested Action:

1. Receive and file.

This item is reserved for a presentation from the Chief Financial Officer on a financial look forward into 2020.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

None.

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