



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

**Wednesday, February 10, 2021
12:00 p.m.**

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

**WRCOG's OFFICE IS CURRENTLY CLOSED TO THE PUBLIC DUE TO COVID-19
AND STAFF ARE WORKING REMOTELY**

**Members of the public are encouraged to participate in this meeting via Zoom
(see meeting information below)**

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SPECIAL NOTICE – COVID-19 RELATED PROCEDURES IN EFFECT

Due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19), Governor Newsom has issued Executive Order N-29-20 (issued March 17, 2020) in which Section 3 supersedes Paragraph 11 of Executive Order N-25-20 (issued on March 12, 2020). This new order states that WRCOG does not need to make a physical location available for members of the public to observe a public meeting and offer public comment. The Order allows WRCOG to hold Committee meetings via teleconferencing and allows for members of the public to observe and address the meeting telephonically or electronically.

To follow the Order issued by the Governor, the Administration & Finance Committee meeting scheduled for Thursday, February 10, 2021, at 12:00 p.m. will be held via video and teleconference and any members of the public can attend electronically. Members of the public may send public comments by emailing snelson@wrcog.us, or calling (951) 405-6703 before or during the meeting, prior to the close of public comment.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Suzy Nelson prior to 12:00 p.m. on February 8, 2021, at (951) 405-6703 or at snelson@wrcog.us.

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

1. CALL TO ORDER (Kevin Bash, Chair)

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. 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.

5. CONSENT CALENDAR

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

A. Summary Minutes from the January 13, 2021, Administration & Finance Committee Meeting are Available for Consideration. P. 1

Requested Action: 1. *Approve the Summary Minutes from the January 13, 2021, Administration & Finance Committee meeting.*

B. Finance Department Activities Update P. 5

Requested Action: 1. *Receive and file.*

C. 2nd Quarter Draft Budget Amendment for Fiscal Year 2020/2021 P. 11

Requested Action: 1. *Recommend that the Executive Committee approve the 2nd Quarter draft Budget Amendment for Fiscal Year 2020/2021.*

D. Request for Proposal Issuance Policy Update P. 17

Requested Actions: 1. *Approve the updated Policy outlined in this staff report related to Request for Proposal for professional services.*
2. *Direct staff to update its Financial Manual to include the updated Policy.*

6. REPORTS / DISCUSSION

A. WRCOG Small Business Preference Policy P. 23

Requested Action: 1. *Recommend that the Executive Committee adopt Resolution Number 01-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving a Small Business Preference Policy.*

B. Environmental Department Activities Update

P. 29

Requested Action: 1. Receive and file.

C. Economic Development and Sustainability Framework Logo Refresh

P. 33

Requested Action: 1. Receive and file.

7. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop

8. ITEMS FOR FUTURE AGENDAS

Members

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

9. GENERAL ANNOUNCEMENTS

Members

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

10. CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT pursuant to Section 54957
Title: Executive Director/Interim Executive Director.

11. NEXT MEETING: The next Administration & Finance Committee meeting is scheduled for Wednesday, March 10, 2021, at 12:00 p.m., on the Zoom platform.

12. 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 Chair Kevin Bash on the Zoom virtual platform.

2. PLEDGE OF ALLEGIANCE

Chair Bash welcomed Chris Barajas, City of Jurupa Valley, to the Committee. Committee member Barajas led members and guests in the Pledge of Allegiance.

3. ROLL CALL

Members present:

Mike Lara, City of Beaumont
Chris Barajas, City of Jurupa Valley
Brian Tisdale, City of Lake Elsinore
Kevin Bash, City of Norco (Chair)
Rita Rogers, City of Perris
Crystal Ruiz, City of San Jacinto
Ben Benoit, City of Wildomar
Karen Spiegel, County of Riverside, District 2 (1:05 p.m. departure)
Chuck Washington, County of Riverside, District 3
Brenda Dennstedt, Western Municipal Water District (WMWD)

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT CALENDAR – (WMWD / Perris) 10 yes; 0 no; 0 abstention. Items 5.A through 5.G were approved.

A. Summary Minutes from the December 9, 2020, Administration & Finance Committee Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the December 9, 2020, Administration & Finance Committee meeting.*

B. Finance Department Activities Update

Action: 1. *Received and filed.*

C. Single Signature Authority Report

Action: 1. *Received and filed.*

D. Housing Trust, Economic Development Corporation, and GIS Service Bureau Activities Update

Action: 1. *Received and filed.*

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

Action: 1. *Recommended 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.*

F. Adoption of 2020/2021 Legislative Platform

Action: 1. *Recommended that the Executive Committee adopt the 2020/2021 Legislative Platform.*

G. Communications and Media Outreach

Action: 1. *Received and filed.*

6. REPORTS / DISCUSSION (Note: Items were taken out of order.)

A. WRCOG Economic Development and Sustainability Framework

Chris Gray, WRCOG Director of Transportation & Planning, reported that WRCOG prepared an Economic Development and Sustainability Framework in 2012 and included 50 key indicators. In 2019, staff reviewed the Framework and consolidated the 50 key indicators into 14.

A 2020/2021 review has determined that there has been a lot of activity in the energy & environment, transportation, and economic development sectors, but little activity in the education sector. While the document is almost 10 years old, it is still fundamentally sound. Potential minor changes include the addition of the Riverside County Habitat Conservation Agency and Western Community Energy under WRCOG's umbrella. More substantive changes would include an update to the indicators, revising the focus areas, and potential updates to the actions.

Staff will return to this Committee with an update in February / March 2021.

Action: 1. *Received and filed.*

B. Agency Accomplishments for 2020 and Goals for 2021

Chris Gray highlighted a few successful programs during 2020, such as the transition of the Used Oil Program to an online format which included the use of digital billboards and online vouchers, the LED Streetlight Retrofit Program concluded, which saw \$3.6M in rebates for participating jurisdictions, \$200k was secured for a WRCOG Energy Resiliency Plan, the reclassification of the Stephens' Kangaroo Rat (SKR), the TUMF Program completed its 109th projects, 12 Fellows were placed in WRCOG's member agencies during the pandemic, and the Future Forward webinar series deployed.

Goals include the implementation of an Inland Regional Energy Network, continued exploration of an Economic Development Corporation, the formation of a GIS Service Bureau, further exploration of a Regional Housing Trust Fund, and the development of a range-wide Management and Monitoring Plan for SKR.

Action: 1. *Received and filed.*

C. Appointment of one WRCOG Alternate Representative to the CALCOG Board of Directors

Rick Bishop, WRCOG Executive Director, reported that in November 2020 the Executive Committee made a number of appointments to outside agencies. One of those individuals appointed was not successful in his bid for reelection, therefore, an alternate appointment still needs to be filled.

Action: 1. *Recommended that the Executive Committee appoint Chris Barajas, City of Jurupa Valley, for a term commencing January 1, 2021, through December 31, 2022.*

(Perris / District 2) 10 yes; 0 no; 0 abstention. Item 6.C was approved.

D. COVID-19 Relief and Utility Delinquency Update

Tyler Masters, Director of Western Community Energy (WCE), reported that at the onset of COVID-19, Governor Newsom issued orders placing moratoriums on utilities (water, electric, and community choice aggregators), prohibiting the disconnect of services due to non-payment by customers. Some moratoriums will end in April 2021, while others will not end until the State is no longer in a state of emergency.

COVID-19 is impacting all utilities very similarly in that customers are unable to pay their utility bill. Delinquency rates for all utilities have increased; a large number of delinquencies are with residential accounts.

There are long-term relief mechanisms for the utilities; however, they are a few and far in between, and some are limited to certain sectors and cannot be used to replace lost revenue. HR 773 could allocate a portion of COVID-19 relief funds to special districts that provide essential services. However, there has not been a lot of traction on this bill since introduction in June 2020.

Casey Dailey, WRCOG Director of Energy & Environmental, reported that all assistance identified by staff offer relief to customers, not utilities. There are various federal, state, and local opportunities to assist customers and small businesses in various forms – grants, one-time bill assistance, and debt forgiveness.

Options for WCE include, 1) doing nothing; 2) identify Southern California Edison (SCE) Arrearage Management Plan (AMP) customers; 3) fund a direct engagement effort for AMP customers and apply a one-time bill credit; and 4) in addition to numbers two and three, provide bill assistance to customers who apply for the Bill Assistance Credit Program.

Committee member Brenda Dennstedt indicated that the California Municipal Utilities Association is having state-wide discussions. WMWD has a low-income assistance program for those customers who have applied for the CARES Program through the Southern California Gas Company and/or SCE; however, WMWD's program allows for a max of \$150 annually.

Action: 1. *Received and filed.*

E. Commercial PACE Program Activities Update

Justin White, WRCOG Staff Analyst, shared the differences between residential PACE (R-PACE) and commercial PACE (C-PACE) Programs, such as lender consent, requirement of financial statements, and a minimum property value. Additionally, R-PACE projects are almost completely dependent on contractors / sales teams, whereas C-PACE projects can be determined by a project developer or building owner, to name a few. In contrast to a residential project, a typical C-PACE project is a months-long process.

December 2020 was WRCOG's most active month for commercial projects since inception of the Program, with just over \$27M in financing being provided.

Action: 1. *Received and filed.*

7. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that the first 2021 Future Forward webinar will be on WRCOG's Programs and Agency goals for 2021.

8. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

9. GENERAL ANNOUNCEMENTS

There were no items for general announcements.

10. CLOSED SESSION

There were no reportable actions.

11. NEXT MEETING: The next Administration & Finance Committee meeting is scheduled for Wednesday, February 10, 2021, at 12:00 p.m., on the Zoom platform.

12. ADJOURNMENT: The meeting of the Administration & Finance Committee adjourned at 1:16 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) 405-6740

Date: February 10, 2021

The purpose of this item is to provide an update on the Agency audit for Fiscal Year 2020/2021 and financials through December 2020.

Requested Action:

1. Receive and file.

Fiscal Year 2019/2020 Agency Audit

WRCOG's annual interim audit was completed on June 19, 2020. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit, which involves preliminary audit work that is conducted prior to fiscal year end. The interim audit tasks are conducted in order to compress the period needed to complete the final audit after fiscal year end. In December 2020, RAMS returned to finish its second round, which is known as "fieldwork." The audit was completed on February 1, 2021, and it is anticipated that the final audit will be presented to this Committee in April 2021.

Financial Report Summary Through December 2020

The Agency Financial Report summary through December 2020, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Prior Action:

January 28, 2021: The Finance Directors Committee received and filed.

Fiscal Impact:

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

Attachment:

1. Financial Report summary through December 2020.

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Item 5.B

Finance Department Activities Update

Attachment 1

Financial Report summary through December 2020

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Western Riverside Council of Governments
Annual Budget
For the Month Ending December 31, 2020

Total Agency Budget

	Approved Budget 6/30/2021	Thru Actual 12/31/2020	Remaining Budget 6/30/2021
Revenues and Transfers in			
Member Dues	311,410	294,410	17,000
General Assembly Revenue	300,000	-	300,000
Other Reimbursements			-
Interest Revenue - Other	25,000	8,775	16,225
Operating Transfer In	2,208,432	1,104,216	1,104,216
Clean Cities	175,000	128,000	47,000
Solid Waste	112,970	112,970	-
Used Oil	376,396	376,396	-
HHW Grant	60,000	-	60,000
Gas Company Revenue	108,400	53,225	55,175
Regional Streetlights Revenue	201,915	-	201,915
WRCOG HERO	136,290	51,342	84,948
PACE Residential	78,000	27,257	50,743
PACE Commercial	200,000	125,617	74,383
CA HERO	1,464,730	679,009	785,721
Commercial/Svcs - Admin Portion	41,137	\$44,188	(3,051)
Retail - Admin Portion	89,632	\$34,258	55,374
Industrial - Admin Portion	236,729	\$59,230	177,500
Single Family Residential - Admin Portion	652,270	\$714,421	(62,151)
Multi Family - Admin Portion	267,415	\$130,902	136,514
Commerical/Service	987,281	\$1,060,508	(73,227)
Retail	2,151,178	\$822,192	1,328,985
Industrial	5,681,507	\$1,421,514	4,259,993
Single Family Residential	15,654,486	\$17,146,099	(1,491,613)
Multi-Family	6,417,964	\$3,141,637	3,276,328
LTF Revenue	676,500	676,500	-
Total Revenues and Transfers in	\$ 40,539,536	\$ 28,212,665	\$ 12,326,872
Expenses			
Salaries	2,053,769	1,080,532	973,237
Benefits	1,027,040	426,753	600,287
Overhead	1,443,294	721,647	721,647
Legal	285,600	103,248	182,352
Advertising Media	65,667	38,100	27,567
Bank Fees	33,885	5,732	28,153
Coffee and Supplies	3,000	984	2,016
Commissioner Per Diem	62,500	25,950	36,550
Communications - Cellular Phones	13,500	2,869	10,631
Communications - Computer Services	53,000	14,791	38,209
Communications - Regular Phone	16,000	5,799	10,201
Computer Hardware	10,000	4,315	5,685
Computer Software	80,500	18,600	61,900
Consulting Labor	2,268,780	799,853	1,468,927

Event Support	165,736	4,968	160,768
Membership Dues	32,750	3,767	28,983
Office Lease	390,000	205,463	184,537
OPEB Repayment	110,526	110,526	-
Parking Cost	20,000	10,712	9,288
Postage	5,350	1,509	3,841
Printing Services	5,000	1,830	3,170
Program/Office Supplies	14,700	4,193	10,507
Recording Fee	173,525	43,684	129,841
Rent/Lease Equipment	20,000	2,246	17,754
Storage	9,500	3,054	6,446
Subscriptions/Publications	4,250	100	4,150
Supplies/Materials	75,478	8,733	66,745
Training	10,000	1,000	9,000
Travel - Mileage Reimbursement	11,250	491	10,759
TUMF Project Reimbursement	30,892,416	10,352,544	20,539,872
Total Expenses	\$ 40,468,538	\$ 14,003,993	\$ 26,464,545



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: 2nd Quarter Draft Budget Amendment for Fiscal Year 2020/2021

Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740

Date: February 10, 2021

The purpose of this item is to request approval of WRCOG's 2nd Quarter draft Budget Amendment for Fiscal Year 2020/2021.

Requested Action:

1. Recommend that the Executive Committee approve the 2nd Quarter draft Budget Amendment for Fiscal Year 2020/2021.

Fiscal Year 2020/2021 Update and COVID-19 Related Impacts

Due to the uncertain long-term impacts of COVID-19, a conservative approach was taken in WRCOG's budget development. Overall, the Agency's budget was cut by approximately 30%, which was primarily attributable to the reduction in TUMF revenues. Certain programs, like TUMF and PACE, were anticipated to decline the most due to COVID-19. However, the TUMF Program has held steady and staff do not anticipate to further reduce the TUMF budget. Regarding residential PACE, the HERO Program ended when Renovate America terminated the HERO product and subsequently filed for Chapter 11 bankruptcy at the end of December 2020. Additionally, at the December 2020 Executive Committee meeting, staff was directed to terminate the remaining R-PACE administration agreements with the two other companies that have partnered with WRCOG, Renew Financial and PACE Funding Group (PFG).

During the budget development process, staff also took into consideration its liabilities such as its pension obligations to CalPERS, as those are anticipated to increase as well. Staff also worked on making sound long-term financial decisions, such as reducing administrative costs by moving to a smaller space and also making commitments to reduce long-term retirement obligations by paying it down faster. Staff also worked to add new programs and has been able to recover start-up costs on launched programs.

HERO Program Update

WRCOG's PACE Program provides 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.

Effective October 16, 2020, Renovate America discontinued accepting new HERO applications and will be winding down its HERO Program completely in the coming months. With Renovate America exiting WRCOG's PACE Program, there will no longer be a statewide R-PACE provider under WRCOG's umbrella.

In prior years, WRCOG experienced excess revenues from the PACE Programs, specifically the CA HERO Program, which were used to build Agency reserves and fund other agency / member activities and initiatives,

such as BEYOND, Fellowship, Grant Writing, Experience, Streetlights, and Western Community Energy (WCE).

The exit of Renovate America from PACE presents WRCOG with a number of options and decisions to make related to the future of the residential aspect of the Program. As has been previously reported, over the past four years there has been a marked decline in the volume of residential PACE assessments. Simultaneously, there has also been a marked increase in the number of recorded payoffs of existing PACE assessments each year. The table below presents the changes in PACE Program activities since Fiscal Year 2016/2017.

HERO Projects by Fiscal Year			Payoffs by Fiscal Year
Fiscal Year	Completed Projects	Percentage Decrease from Prior Year	Payoffs
2016/2017	23,560	-	6,591
2017/2018	13,537	43%	11,042
2018/2019	3,775	72%	10,449
2019/2020	1,601	58%	10,120

The residential aspect of PACE has seen several regulatory changes that WRCOG has supported since 2018, including bolstering consumer protections, strengthened underwriting criteria, and enhanced protections for seniors. While this has enhanced the Program overall, these changes, along with market saturation and other PACE providers entering the market explain most of the decline since FY 2016/2017.

Based on the average number of PACE payoffs and the number of existing assessments, staff anticipates the total number of existing assessments could be less than 10,000 by Fiscal Year 2023/2024. In concert with the changing nature of new PACE assessments versus existing PACE payoffs, staff has shifted from processing, recording, and signing off on new assessments to the ongoing administration of the remaining bank of over 40,000 assessments. This administrative work includes selling delinquencies, processing refunds, and annual fees tied to the assessment. Based on this shifting workload, WRCOG has commensurately adjusted staffing to respond to work needs by utilizing payoff and annual administrative costs to cover staffing.

Through December 31, 2020, the HERO Program has collected \$306,468 in revenues for new projects against a budgeted amount of \$576,770, a difference of \$270,302. Since the Program will no longer be collecting revenues for new projects, this amount will be reduced and offset against an anticipated carryover that was budgeted. The anticipated carryover was \$290,000, so it will cover what the revenues will be reduced by. As stated above, WRCOG is still obligated to service these assessments throughout their remaining life and will continue to collect revenues related to administrative functions, including customer support.

Net Expenditure increase to the Energy Department: \$0

Prior Action:

January 28, 2021: The Finance Directors Committee recommended that the Executive Committee approve the 2nd Quarter draft Budget Amendment for Fiscal Year 2020/2021.

Fiscal Impact:

For the 2nd Quarter of Fiscal Year 2020/2021, there will be a total net increase in expenditures of \$0.

Attachment:

1. 2nd Quarter draft Budget amendment for Fiscal Year 2020/2021.

Item 5.C

2nd Quarter Draft Budget
Amendment for Fiscal Year
2020/2021

Attachment 1

2nd Quarter draft Budget amendment
for Fiscal Year 2020/2021

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**Western Riverside Council of Governments
2nd Quarter Budget Amendment
For the Year Ending June 30, 2021**

Thru Actual 12/31/2020	Approved Budget 6/30/2021	Amendment Needed 12/31/2020
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Program: HERO

Revenues

WRCOG HERO Revenue	28,588	78,375	(49,787)
WRCOG HERO Recording Revenue	22,755	57,915	(35,160)
California HERO Sponsor Revenue	145,344	272,000	(126,656)
California HERO Recording fee Revenue	109,781	168,480	(58,699)
Total Revenues	\$ 306,468	\$ 576,770	\$ (270,302)

Expenses

Fund Balance Carryover	-	290,758	270,302
Total Expenses	\$ -	\$ 290,758	\$ 270,302

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Request for Proposal Issuance Policy Update

Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: February 11, 2021

The purpose of this item is to update WRCOG's Request for Proposal (RFP) Policy to be consistent with changes to WRCOG's Bylaws.

Requested Actions:

1. Approve the updated Policy outlined in this Staff Report related to Request for Proposal for professional services.
2. Direct staff to update its Financial Manual to include the revised RFP Policy.

Background

WRCOG regularly contracts with professional service providers to support its programs. In some instances, these contracts are identified through a competitive bid process, which is facilitated by an RFP. In other instances, WRCOG directly contracts with the service provider through a sole source solicitation.

WRCOG's Bylaws currently state the following:

The Executive Director may issue a contract under \$100,000 under his Single Signature Authority, which does not require any approval by the Administration & Finance Committee or the Executive Committee. Contracts greater than \$100,000 but less than \$200,000 require approval of the Administration & Finance Committee but not the Executive Committee. All contracts greater than \$200,000 require the approval of the Executive Committee.

Back in 2018, WRCOG adopted a policy which states the following:

- No RFP is required if the value of the resulting contract is \$50,000 or less, which falls under the Executive Director's Single Signature Authority. WRCOG may still choose to issue an RFP for services less than this amount, depending on individual circumstances.
- An RFP is required when the value of the contract is between \$50,000 and \$100,000, unless the Executive Director makes a finding that one and/or more of the following conditions occurs:
 - The issue and/or required services are time critical and the release of an RFP would cause an undue delay.
 - The service requires unique expertise or knowledge of the region which is not generally available; therefore, an RFP is unlikely to generate a significant number of responses; and/or
 - WRCOG is responding to a request from a member agency.
- If a contract is then issued without an RFP based on these circumstances, then the Staff Report requesting

approval of the Contract in question must cite these circumstances and demonstrate why no RFP is required.

- An RFP is automatically required for any contract in excess of \$100,000.

Since this Policy was adopted, WRCOG updated its Bylaws to increase the Executive Director's Single Signature Authority from \$50,000 to \$100,000. As such, the RFP Policy should be updated to read as follows (changes are underlined):

- No RFP is required if the value of the resulting contract is \$100,000 or less, which falls under the Executive Director's Single Signature Authority. WRCOG may still choose to issue an RFP for services less than this amount, depending on individual circumstances.
- An RFP is required when the value of the contract is between \$100,000 and \$200,000, unless the Executive Director makes a finding that one and/or more of the following conditions occurs:
 - The issue and/or required services are time critical and release of an RFP would cause an undue delay.
 - The service requires unique expertise or knowledge of the region which is not generally available; therefore, an RFP is unlikely to generate a significant number of responses; and/or
 - WRCOG is responding to a request from a member agency.
- If a contract is then issued without an RFP based on these circumstances, then the Staff Report requesting approval of the contract in question must cite these circumstances and demonstrate why no RFP is required.
- An RFP is automatically required for any contract in excess of \$200,000.

WRCOG maintains an internal Financial Manual, which guides the Agency's actions as it relates to many fiscal matters. The Manual addresses accounting issues such as accounts payable, accounts receivable, budgeting, and contracts. Staff recommends that the Financial Manual also be updated to reflect this change.

Prior Action:

None.

Fiscal Impact:

This item would only change the process by which WRCOG procures contracts; therefore, there is no Fiscal Impact.

Attachment:

1. Request for Proposal Issuance Policy.

Item 5.D

Request for Proposal Policy Update

Attachment 1

Request for Proposal Issuance Policy

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WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

Request for Proposal Issuance Policy

Prepared April 11, 2018

Updated February 10, 2021

This Policy serves as a guideline for WRCOG when issuing Request for Proposal (RFP) for professional services.

WRCOG regularly issues RFPs for a variety of professional services in support of WRCOG programs. Example services include consultant support for the Streetlight Program, Community Choice Aggregation Feasibility Study, On-Call Engineering Services, TUMF, and review of Development Impact Fees.

WRCOG does have a policy relating to the issuance of contracts, which specifies:

The Executive Director may issue a contract under \$100,000 under his Single Signature Authority, which does not require any approval by the Administration & Finance Committee or the Executive Committee. Contracts greater than \$100,000 but less than \$200,000 require approval of the Administration & Finance Committee but not the Executive Committee. All contracts greater than \$200,000 require the approval of the Executive Committee.

WRCOG maintains an internal Financial Manual, which guides the Agency's actions as it relates to many fiscal matters. The Manual addresses accounting issues such as accounts payable, accounts receivable, budgeting, and contracts. The Manual does not provide any guidance regarding the issuance of an RFP. Staff updates the internal Manual regularly to address regulatory changes and to maintain internal consistency with other documents such as the WRCOG Employee Policies and Procedures Manual. The Financial Manual is to be updated when this Policy is updated.

No RFP is required if the value of the resulting contract is \$100,000 or less, which falls under the Executive Director's Single Signature Authority. WRCOG may still choose to issue an RFP for services less than this amount, depending on individual circumstances.

- An RFP is required when the value of the contract is between \$100,000 and \$200,000, unless the Executive Director makes a finding that one or more of the following conditions occurs:
 - The issue and/or required services are time critical and release of an RFP would cause an undue delay;
 - The service requires unique expertise or knowledge of the region which is not generally available; therefore, an RFP is unlikely to generate a significant number of responses; and/or
 - WRCOG is responding to a request from a member agency.
- If a contract is then issued without an RFP based on these circumstances, then the Staff Report requesting approval of the contract in question must cite these circumstances and demonstrate why no RFP is required.
- An RFP is automatically required for any contract in excess of \$200,000.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: WRCOG Small Business Preference Policy

Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: February 10, 2021

The purpose of this item is to provide an update on WRCOG's Policies and Procedures as it relates to consultant and vendor selection, particularly as it relates to preference for local businesses.

Requested Action:

1. Recommend that the Executive Committee adopt Resolution Number 01-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving a Small Business Preference Policy.

WRCOG as a public agency has a legal responsibility to comply with all applicable laws and regulations related to the procurement of professional services and goods. However, WRCOG can go beyond the legal requirements and implement policies that serve other ends, such as the promotion of local businesses.

Background

Under current law, WRCOG is permitted to implement policies that may *indirectly* benefit Minority Business Enterprises (MBE) which bid or propose on WRCOG contracts. For example, Section 2002 of the Public Contract Code authorizes local agencies to adopt small business preferences in contracting for construction, the procurement of goods, and/or the delivery of services. Specifically, this Section allows local agencies to provide up to a 7% preference for small businesses, provided the value of the preference does not exceed \$150,000. Additionally, local agencies may establish a subcontracting participation goal for small businesses on contracts and grant a similar preference to those bidders who meet the goal. Lastly, local agencies can require bidders to make good faith efforts to meet a subcontracting participation goal for small business contracts and provide evidence thereof. Any of these approaches are likely to positively influence the number of MBEs participating in or benefited by WRCOG contracts because many MBEs are small businesses.

Proposition 209 prohibits public agencies from implementing contract policies that *directly* provide MBEs preference in contracting policies. Proposition 209 was passed in 1996 and prohibits the state and local public agencies from considering race, sex, color, ethnicity, and/or national origin in the operation of public employment, public education, and/or public contracting. This prohibition includes any affirmative action program or policy that the state or local agency might wish to pursue in public employment, education and/or contracting. Proposition 209 states: "The state shall not discriminate against, or *grant preferential treatment to* (emphasis added), any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting." This language is generally interpreted to prohibit public agencies in California from enacting policies that gives preference to MBEs bidding or proposing on public contracts.

In 2020, the State Senate voted to place Assembly Constitution Amendment No. 5 (“ACA 5”) on the November ballot to repeal Proposition 209, thereby creating Proposition 16. This Proposition failed to pass, receiving only 43% of the vote. Because this Proposition failed, Proposition 209 remains in effect.

Small Business Preference Policy

Since Proposition 209 still applies, WRCOG can not formally adopt a minority business preference policy. However, WRCOG could implement a Small Business Preference Policy as a method to indirectly promote minority owned businesses. Many small businesses are also owned by either women or other disadvantaged persons.

Under a Small Business Preference policy, qualifying businesses would receive additional points on Request for Proposal (RFP) submittals. The State of California defines small businesses as meeting the following characteristics:

- Be independently owned and operated
- Not dominant in a particular field
- Headquarters in California
- Total revenue of \$15 Million or less
- Total employment of 100 persons or less (including all locations in California)

WRCOG is proposing to implement a Small Business Preference Policy which would be implemented as follows:

- Firms wishing to do business with WRCOG would document that they comply with the State definition of a small business.
- Firms meeting the criteria will receive an additional five points on any competitive RFP.

Once approved by the Executive Committee, WRCOG will implement the Policy identified above.

Prior Action:

September 9, 2020: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachment:

1. Resolution Number 01-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving a Small Business Preference Policy.

Item 6.A

WRCOG Small Business
Preference Policy

Attachment 1

Resolution Number 01-21; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments approving a
Small Business Preference Policy

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RESOLUTION NUMBER 01-21

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING A SMALL BUSINESS PREFERENCE POLICY

WHEREAS, Public Contract Code Section 2002 provides that notwithstanding any other provision of law requiring a local agency to award contracts to the lowest responsible bidder, any local agency may do any of the following in facilitating contract awards to small businesses: (1) provide for a small business preference in construction, the procurement of goods, or the delivery of services where responsibility and quality are equal, up to five percent (5%) of the lowest responsible bidder meeting specifications; (2) establish a subcontracting participation goal for small businesses on contracts and; (3) grant a preference, up to a maximum of five percent (5%), to those bidders who meet the participation goal; and

WHEREAS, the Western Riverside Council of Governments (WRCOG) desires to implement such a Small Business Preference Policy as a means to promote participation by small and minority-owned businesses, and such a policy is intended to increase the percentage of small businesses working on WRCOG contracts; and

WHEREAS, the Small Business Preference Policy will not apply to any contracts where federal funding may prohibit such an application or where otherwise prohibited by law; and

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

Section 1: The Executive Committee hereby establishes a Small Business Preference Policy which shall apply to its procurement of consultants and vendors as further described herein.

Section 2: As used in this Resolution, "small business" means an independently owned and operated business that is not dominant in its field of operation, the principal office of which is located in California, the officers of which are domiciled in California, and which, together with affiliates, has 100 or fewer employees, and average annual gross receipts of fifteen million dollars (\$15,000,000) or less over the previous three years, or is a manufacturer, as defined in Government Code Section 14837(c).

Section 3: Firms wishing to qualify as a small business shall provide with its proposal, submitted in response to a WRCOG procurement, an appropriate small business certification from the State of California or another California public agency, subject to the approval of WRCOG.

Section 4: Firms qualifying as a small business will receive an additional five (5) points on any competitive Request for Proposal.

Section 5: The small business preference will not apply to any contracts where federal funding may prohibit such an application or where otherwise prohibited by law.

Section 6: This Resolution shall be effective immediately after its adoption.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on March 1, 2021.

Kevin Bash, 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: Environmental Department Activities Update

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

Date: February 10, 2021

The purpose of this item is to provide program activity updates from the three programs housed in the Environmental Department (Solid Waste and Recycling, Clean Cities Coalition, and Used Oil Recycling / HHW.)

Requested Action:

1. Receive and file.

Background

WRCOG's Environmental Department assists member agencies with addressing state mandates requiring education and outreach programs to reduce greenhouse gas (GHG) emissions. The Environmental Department houses three programs to meet California's goals: 1) the Solid Waste and Recycling Program, which assists in developing strategies to Reduce Short-Lived Climate Pollutants; 2) a Clean Cities Coalition which aims to cut petroleum use in the transportation sector through the integration of advanced alternative technologies including zero-emission vehicles (ZEV); and 3) a regional Used Oil Recycling Program, designed to promote the proper recycling and disposal of used motor oil, filters, and other household hazardous wastes (HHW).

Solid Waste and Recycling

The waste diversion goals set by California under legislation (AB 341, AB 1826, AB 827, and SB 1383,) require member agencies to implement techniques that promote resident and business recycling and organic recycling. To regionally address the measures, WRCOG formed the Solid Waste Committee (SWC) which consists of WRCOG member agencies, its partners, and the California Department of Resources Recycling and Recovery (CalRecycle). On February 17, 2021, the Committee will meet virtually to receive updates from CalRecycle on recycling requirements, model ordinances, and funding opportunities.

On-Call Environmental Services: On December 21, 2020, WRCOG distributed a Request for Proposal (RFP) to solicit interested firms to provide on-call professional consulting services to WRCOG for environmental efforts in the subregion. Final proposals were submitted on January 25, 2021, with an anticipated decision and selection in February 2021. The RFP addresses waste diversion goals, implementation of recycling programs for businesses and residents, education and outreach for safe disposal of hazardous materials, and best practices to support the SWC.

Clean Cities Coalition

The Western Riverside County Clean Cities Coalition brings together local government and private industries to expand the use of alternatives to petroleum fuel, thereby reducing GHG emissions under state goals of AB 32.

AB 1236 EV Permit Streamlining: The Coalition is working with SCAG and the Governor's Office of Business and Economics (Go-Biz) to streamline permitting for ZEV infrastructure. The Coalition is offering trainings for city and maintenance staff that will allow small groups to ask questions about how they can streamline permitting faster. Three training sessions were held in January 2021 and will continue to be offered throughout February 2021. The following Coalition members have participated in the trainings: City of Banning, Beaumont, Colton, Hemet, Riverside, and Wildomar. A resource packet was distributed that included legislation information, sample ordinances, sample online checklists, and links to more resources, and is also provided on the WRCOG webpage: <https://wrcog.us/DocumentCenter/View/8880/Up-to-Code-EVCS-Permitting-Streamlining-in-WRCOG>.

SoCal AltCar Live: Virtual Series With the challenges of COVID-19, the SoCal AltCar Conference, Expo, and Ride & Drive has shifted to virtual networking series. The mission of SoCal AltCar is structured for local governments, legislators, fleet managers, and members of the public, to increase awareness and knowledge of alternative fuel and plug-in vehicles. On June 30, 2020, SoCal AltCar hosted its first live webinar on "How to keep the momentum with AFVs in the face of shrinking budgets." Keynote speaker, Terry Tamminen, President of 7th Generation Advisors, opened the conversation followed by a short briefing on heavy-duty vehicles from the California Air Resources Board (CARB) and upcoming funding opportunities from the California Energy Commission (CEC.) On October 7, 2020, SoCal AltCar hosted its second live webinar focused on Extended Questions and Answers for participants. Keynote speaker, City of Wildomar Council member Ben Benoit, who is also currently serving as the Vice-President of the South Coast Air Quality Management District, opened the discussion and welcomed panel presenters from CARB, CEC, and the California Center for Sustainability. The next live webinar event is scheduled for April 21, 2021, and will feature esteemed keynote speakers, virtual field trips, online training, and much more. To participate please contact Kyle Rodriguez for more information.

Used Oil & Household Hazardous Wastes

Virtual Used Oil Exchange Events: WRCOG has developed a new process to engage the public on motor oil recycling with safety and health in mind. Digital campaigns are being utilized to educate the public on where to properly recycle their used oil and exchange old filters for free new ones. Members of the public participate via Facebook by clicking an advertisement that will open an online survey to complete, at which time participants will receive a voucher upon completion. The voucher will provide the date, time, and instructions for participation, and must be presented at the auto store to complete the filter exchange. Exchanges will be available on Saturdays and Sundays, during available store hours to minimize pedestrian traffic and lines. Staff corresponds with each auto parts store before events confirming safety measures and procedures are in place.

The following is a list of "completed" virtual Used Oil & Filter Exchange Events:

Date	Event	Location	Oil Filters
11/21/20 – 11/22/20	Oil & Filter Event	Hemet	35
1/9/21 – 1/10/21	Oil & Filter Event	Riverside	280

The following is a list of "upcoming" virtual Used Oil & Filter Exchange Events:

Date	Event	Location
2/6/21 - 2/7/21	Oil & Filter Event	Lake Elsinore
2/20/21 -2/21/21	Oil & Filter Event	Menifee

2/27/21 – 2/28/21	Oil & Filter Event	Murrieta
3/6/21 – 3/7/21	Oil & Filter Event	Riverside
3/13/21 – 3/14/21	Oil & Filter Event	Banning
3/27/21 - 3/28/21	Oil & Filter Event	Corona

Prior Action:

December 7, 2020: The Executive Committee received and filed.

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Economic Development and Sustainability Framework Logo Refresh

Contact: Elisa Laurel, Program Manager, elaurel@wrcog.us, (951) 405-6752

Date: February 10, 2021

The purpose of this item is to provide an update on WRCOG's brand refresh which modernizes the WRCOG Economic Development and Sustainability Framework into a new streamlined logo.

Requested Action:

1. Receive and file.

Background

Adopted in 2012, the Economic Development and Sustainability Framework serves as a roadmap for implementing the Agency's regional programs and projects. It identifies six inter-related goal areas, which are critical to achieve and maintain a high quality of life in Western Riverside County. The goal areas include:

- Economy
- Education
- Energy & Environment
- Health
- Water
- Transportation

Modernizing the Framework Logo

The new Framework logo features a hexagon shape, which is considered one of nature's most efficient and resilient shapes – when clustered, each of the six sides fit perfectly and ensures nothing goes to waste. A honeycomb, for example, cools in the hexagon shape for this reason. This simplistic design carries many efficiencies, but most importantly it ensures that nothing goes to waste by “filling in the gaps.” Similarly, as a regional agency, WRCOG aims to fill in the gaps and address regional challenges that transcend jurisdictional boundaries and can benefit from a larger, geographical perspective.

Modernizing the Framework logo aims to create brand recall and recognition, while reinforcing the Framework in a single streamlined image that honors WRCOG's signature brand strengths. The new Framework logo harnesses each of its six goal areas through the hexagon shape and leverages its historical bright and bold colors of red, blue, and gold.



Communications and Engagement Efforts

To stay connected, especially in light of the COVID-19 pandemic, WRCOG has identified four primary platforms to retain engagement and deliver up-to-date information to its members: bi-monthly webinars titled Future Forward, monthly newsletters titled Elevate, bi-weekly podcasts referred to as the WRCOGCast, and other government relation and external facing activities. To continue to bring the Framework to the forefront, WRCOG's communication efforts in 2021 will be sequenced in-line with each of the goal areas identified in the Framework. Additionally, creative assets within the WRCOG brand will also be re-engineered to reflect this alignment while showcasing the Framework's new logo. Similar to various cities within the subregion, WRCOG plans to retain its official logo while bringing the Framework's new logo front and center. This is intended to reinforce the Framework as a cornerstone document embodied in a streamlined logo aimed at guiding WRCOG's strategic efforts.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

None.