



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

**Wednesday, May 8, 2019
12:00 p.m.**

**Western Riverside Council of Governments
Citrus Tower
3390 University Avenue, Suite 450
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 (Chuck Washington, 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 April 10, 2019, Administration & Finance Committee Meeting are Available for Consideration.

P. 1

Requested Action: 1. *Approve the Summary Minutes from the April 10, 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. Approval of Updated Agency Policies and Procedures P. 11

Requested Action: 1. *Recommend that the Executive Committee approve the updated WRCOG Policies and Procedures.*

C. Approval of Professional Services Agreement for Update to WRCOG's Subregional Climate Adaptation Plan P. 85

Requested Action: 1. *Recommend that the Executive Committee authorize the Executive Director to execute a Professional Services Agreement between WRCOG and Environmental Science Associates to update WRCOG's Subregional Climate Adaption Plan in an amount not to exceed \$362,423.*

D. Request for Authorization to Enter into a Professional Services Agreement for Phase II Development of the Experience Subregional Innovation Center P. 129

Requested Action: 1. *Authorize the Executive Director to enter into a Professional Services Agreement between the Western Riverside Council of Governments and Network for Global Innovation to lead Phase II development of Experience subregional innovation center.*

E. Approval of 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019 P. 155

Requested Action: 1. *Recommend that the Executive Committee approve the 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019.*

5. REPORTS / DISCUSSION

A. Approval of Draft Fiscal Year 2019/2020 Agency Budget P. 183

Requested Action: 1. *Recommend that the Executive Committee and General Assembly approve the draft Fiscal Year 2019/2020 Agency Budget.*

B. Nominations for WRCOG Chair, Vice-Chair, and 2nd Vice-Chair positions for Fiscal Year 2019/2020 P. 211

Requested Action: 1. *Provide recommendations for leadership positions of Chair, Vice-Chair, and 2nd Vice-Chair for Fiscal Year 2019/2020, to be considered by the Executive Committee on June 3, 2019, and the*

C. RHNA and Housing Legislative Priority Activities Update

P. 213

Requested Action: 1. *Recommend that the Executive Committee take action to decline the option to take on subregional delegation for RHNA Cycle 6.*

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. CLOSED SESSION

PERFORMANCE EVALUATION PURSUANT TO SECTION 54957

Title: Executive Director

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

11. ADJOURNMENT

Page Intentionally Left Blank

1. CALL TO ORDER

The meeting of the Administration & Finance Committee was called to order at 12:01 p.m. by Chair Chuck Washington at WRCOG's Office, Citrus Conference Room.

Members present:

Mike Lara, City of Beaumont
Bonnie Wright, City of Hemet
Brian Tisdale, City of Lake Elsinore
Kelly Seyarto, City of Murrieta
Kevin Bash, City of Norco
Rita Rogers, City of Perris
Rusty Bailey, City of Riverside (12:03 p.m. arrival)
Ben Benoit, City of Wildomar (12:09 p.m. arrival)
Chuck Washington, County of Riverside District 3 (Chair)
Karen Spiegel, County of Riverside District 2
Brenda Dennstedt, Western Municipal Water District (WMWD)

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, Executive Director
Andrew Ruiz, Interim Chief Financial Officer
Christopher Gray, Director of Transportation & Planning
Casey Dailey, Director of Energy and Environmental Programs
Michael Wasgatt, Program Manager
Andrea Howard, Program Manager
Janis Leonard, Administrative Services Manager
Anthony Segura, Staff Analyst
Cynthia Mejia, Staff Analyst
Daniel Soltero, Staff Analyst
Rachel Singer, Staff Analyst
Kyle Rodriguez, Staff Analyst
Suzy Nelson, Administrative Assistant
Rayza Sison, Intern
Mei Wu, Intern
Vrunda Shah, Intern

Guests present:

None.

2. PUBLIC COMMENTS

There were no public comments.

3. MINUTES – (WMWD / Hemet) 9 yes; 0 no; 0 abstention. Item 3.A was approved. The Cities of Riverside and Wildomar were not present.

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

- Action:** 1. *Approved the Summary Minutes from the March 13, 2019, Administration & Finance Committee meeting.*

4. CONSENT CALENDAR – (WMWD / Hemet) 9 yes; 0 no; 0 abstention. Items 4.A through 4.C were approved. The Cities of Riverside and Wildomar were not present.

A. Finance Department Activities Update

- Action:** 1. *Received and filed.*

B. Single Signature Authority Report

- Action:** 1. *Received and filed.*

C. Regional Energy Network Development Activities Update

- Action:** 1. *Recommended that the Executive Committee direct the Executive Director to enter into contract negotiations between WRCOG and Frontier Energy for Regional Energy Network Development.*

5. REPORTS / DISCUSSION

A. Preliminary Draft Fiscal Year 2019/2020 Agency Budget

Andrew Ruiz reported that the total Administration Departmental revenue and transfers in is approximately \$2.6M with matching expenditures. The total Transportation Departmental revenues and transfers in is approximately \$51.3M and expenditures and transfers out are approximately \$48.8M. The total Energy Departmental revenue and transfers in are approximately \$3M with matching expenditures. Lastly, the total Environmental Departmental revenue and transfers in are approximately \$695K with matching expenditures.

Financial goals for the next fiscal year are to reduce WRCOG's PERS Unfunded Liability, which is expected to increase approximately 15%; sublease a portion of existing office space; and to expand the PACE commercial Program.

This item will return next month and will include the budgets for the Riverside County Habitat Conservation Agency and Western Community Energy; both operate under the WRCOG umbrella.

- Action:** 1. *Received and filed.*

B. 28th Annual General Assembly & Leadership Conference: Nominations for Outstanding Community Service Award

Cynthia Mejia reported that this year's event will include a Future of the Cities Symposium earlier in the day, from 10:00 a.m. to 3:00 p.m. A list of nominations was shared with the Committee members. The Community Service Award is presented to an individual or organization that demonstrates outstanding community service in Western Riverside County.

Chair Chuck Washington asked if it is too late to make a nomination.

Rick Bishop responded that it is not.

Committee member Bonnie Wright nominated Lori VanArsdale, who served as a Council member for 16 years and, after leaving office, continues to be an advocate for several programs within the city.

Committee member Brenda Dennstedt nominated Tom Evans, who sat on the WMWD Board of

Directors for 12 years and has served more than 50 years in the energy, electric, and water services.

Committee member Rusty Bailey recommended an awardee for different categories: individual, cities, and non-profit.

Committee member Karen Spiegel recommended expanding “cities” to “governmental agencies.”

Committee members agreed that, for future nominations, general guidelines in that nominees should not be a current sitting elected official nor be in a paid position within a public agency.

Actions: 1. *Nominated the City of Lake Elsinore as the Governmental Agency awardee.*

(District 2 / Riverside) 11 yes; 0 no; 0 abstention. Item 5.B.1 was approved.

2. *Nominated the Social Work Action Group (SWAG) as the Non-Profit awardee.*

(Wildomar / Lake Elsinore) 11 yes; 0 no; 0 abstention. Item 5.B.2 was approved.

3. *Nominated Tom Evans as the Individual awardee.*

(WMWD / Lake Elsinore) 11 yes; 0 no; 0 abstention. Item 5.B.3 was approved.

C. TUMF Fee Calculation Handbook Updates: High Cube Warehouse Calculation

Christopher Gray reported that staff is occasionally asked to review how TUMF fees are calculated for various types of uses. A lot of distribution centers are being built in this subregion and provide for a lot of parking and has high traffic.

Staff met with various members of the Public Works Committee, and those representatives suggested several sites in which data could be collected. Results show that while there is a good deal of truck traffic, there is a lot more car traffic. Businesses at the distribution centers are having its employees make deliveries on their way home from work.

Staff is recommending a slight adjustment in how TUMF fees are calculated for industrial land use. The net change would be pretty nominal and would be a more, fair representation of how traffic is occurring.

Committee member Ben Benoit indicated that the South Coast Air Quality Management District did a similar study approximately four years ago on cold storage versus regular storage warehouses. In and out truck trips throughout warehouses were studied and found a high number of trips out of those warehouses. Since that was not the focus of the study, that information was thrown out of the database.

Actions: 1. *Received and filed.*

D. Options for Potential WRCOG Assistance for Regional Housing Needs Assessment Subregional Delegation

Christopher Gray reported that the Southern California Association of Governments (SCAG) has given its subregions the ability to take on Regional Housing Needs Assessment (RHNA) subregional delegation.

If WRCOG were to assume subregional delegation, it would have to develop its own methodology and negotiate said methodology with SCAG and the California Department of Housing and Community Development (HCD). WRCOG would have to meet with its member jurisdictions and post notice of the meetings and provide meeting results to SCAG.

Benefits of assuming subregional delegation is that WRCOG could tailor the methodology / approach to this subregion if SCAG and HCD were to sign off on it. Subregional delegation would provide for more local control. SCAG is providing financial assistance; however, not enough to cover what staff believe will be the total cost of the matter. Regional agencies that have undertaken subregional delegation in the past have opted not to repeat it, and have, in fact, experienced relationship issues.

Even if WRCOG were to opt out of subregional delegation, it would provide support to its member agencies.

Committee member Brian Tisdale indicated that the California Associations of Councils of Government discussed this matter. The Governor is proposing \$250M planning grant and \$125M for regional planning agencies. Can this money be used for this matter?

Mr. Gray responded that there have been no guidelines released on the allocation of these funds; staff is tracking the Governor's proposal. There is current funding available under SB 2 (Atkins, Building Homes and Jobs Act).

Committee member Rusty Bailey encouraged Committee members to investigate Inland California Rising, a consortium of inland jurisdictions. A regional summit is being held May 10, 2019, at the Riverside Convention Center.

Action: 1. *Received and filed.*

6. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

7. GENERAL ANNOUNCEMENTS

Committee member Bonnie Wright announced that she has tickets for the Ramona Pageant if anyone is interested in attending.

Rick Bishop announced that two new podcasts have been recently released; one about innovation and another about clean energy financing. WRCOG's Christopher Gray recently spoke to a delegation from Vietnam on transportation. Mr. Bishop shared aerial images of streetlights that have been replaced under the Streetlights Program. WRCOG Intern Rayza Sison recently led a contingent of students from the University of California, Riverside, to speak to the United Nations and General Secretariat. Ms. Sison added that her delegation represented the Country of Ukraine under the topic of equitable access to clean drinking water.

Lastly, Mr. Bishop announced that staff are meeting with local assembly members and senators to discuss WRCOG's programs and housing issues.

8. NEXT MEETING: **The next meeting is scheduled for Wednesday, May 8, 2019, at 12:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.**

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



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Finance Department Activities Update

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

Date: May 8, 2019

The purpose of this item is to provide an update on the draft budget (more fully discussed under item 5.A) and the Agency Financial Report summary through March 2019.

Requested Action:

1. Receive and file.

Fiscal Year 2019/2020 Agency Budget Development Process

Staff is in the process of finalizing the Fiscal Year 2019/2020 Agency Budget. Presentations continue to be made to WRCOG's standing committees. Additional details on WRCOG's preliminary draft Budget can be found in the Staff Report for Item 5.A.

Financial Report Summary through March 2019

The Agency Financial Report summary through March 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 – March 2019.

Page Intentionally Left Blank

Item 4.A

Finance Department Activities Update

Attachment 1

Financial Report summary – March 2019

Page Intentionally Left Blank



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

Total Agency			
	Approved Budget 6/30/2019	Thru Actual 3/31/2019	Remaining Budget 6/30/2019
Revenues			
Member Dues	311,410	311,410	-
PACE Residential Revenue	480,573	210,320	270,253
WRELP Phase 2 Revenue	86,750	75,123	11,627
Statewide HERO Revenue	1,650,000	926,707	723,293
Gas Co. Prtnrshp Revenue	86,676	56,941	29,735
PACE Commercial Revenue	29,078	30,844	(1,766)
WRCOG HERO-Recording Revenue	122,500	118,686	3,814
PACE Commercial Recording Revenue	2,500	445	2,055
Statewide Recording Revenue	600,000	565,055	34,945
Regional Streetlights Revenue	300,000	283,500	16,500
Solid Waste	107,313	122,248	(14,935)
Used Oil Grants	228,820	203,820	25,000
NW Clean Cities - Air Quality	132,500	140,500	(8,000)
LTF Revenue	675,000	775,500	(100,500)
RivTAM Revenue	150,000	112,500	37,500
General Assembly Revenue	300,000	34,650	265,350
PACE Admin Requisition Fee	-	25,000	(25,000)
Commerical/Service	110,645	60,700	49,945
Retail	130,094	93,264	36,830
Industrial	272,663	353,309	(80,646)
Residential/Multi/Single	1,144,551	842,565	301,986
Multi-Family	142,045	259,643	(117,598)
Interest Revenue - Other	31,496	80,066	(48,570)
HERO - Other Revenue	149,833	150,373	(540)
Commercial/Service - Non-Admin Portion	2,655,491	1,517,500	1,137,991
Retail - Non-Admin Portion	3,122,265	2,331,600	790,665
Industrial - Non-Admin Portion	6,543,923	8,832,725	(2,288,802)
Residential/Multi/Single - Non-Admin Portion	27,469,233	21,064,125	6,405,108
Multi-Family - Non-Admin Portion	3,409,088	6,491,075	(3,081,987)
FY 17/18 Carryover Funds Transfer in	945,845	945,845	-
Carryover Funds Transfer in	4,268,757	4,268,757	-
Overhead Transfer in	2,084,260	1,563,195	521,065
Total Revenues and Carryover Funds	58,937,742	53,116,376	5,187,159
Expenditures			
Wages and Benefits			
Salaries & Wages	2,874,645	1,634,602	1,240,043
Fringe Benefits	903,736	571,967	331,769
Overhead Allocation	2,084,260	1,563,195	521,065
Total Wages, Benefits and Overhead	6,001,857	3,769,764	2,092,877
General Legal Services	626,573	340,795	285,778
PERS Unfunded Liability	198,823	152,327	46,496

Audit Svcs - Professional Fees	27,500	25,480	2,020
Bank Fees	20,665	36,186	(15,521)
Commissioners Per Diem	62,500	51,765	10,735
Office Lease	400,000	304,309	95,691
WRCOG Auto Fuels Expenses	1,250	965	285
WRCOG Auto Maintenance Expense	84	84	-
Parking Validations	27,577	12,527	15,050
Staff Recognition	800	261	539
Coffee and Supplies	3,000	886	2,114
Event Support	136,732	149,739	(13,007)
Program/Office Supplies	24,017	10,541	13,476
Computer Equipment/Supplies	8,000	2,065	5,935
Computer Software	31,111	3,127	27,984
Rent/Lease Equipment	30,000	11,945	18,055
Membership Dues	33,000	19,822	13,178
Subscription/Publications	1,448	1,025	423
Meeting Support Services	9,821	1,809	8,012
Postage	6,108	3,283	2,825
Other Household Exp	975	535	440
COG HERO Share Expenses	15,000	4,468	10,532
Storage	16,000	5,251	10,749
Printing Services	4,777	1,670	3,107
Computer Hardware	14,100	2,664	11,436
Communications - Regular Phone	15,000	12,682	2,318
Communications - Cellular Phones	21,000	7,025	13,975
Communications - Computer Services	57,500	30,344	27,156
Communications - Web Site	8,000	6,932	1,068
Equipment Maintenance - General	10,000	4,450	5,550
Equipment Maintenance - Comp/Software	21,000	17,776	3,224
Insurance - Gen/Busi Liab/Auto	86,890	93,668	(6,778)
PACE Residential Recording	480,500	229,787	250,713
Seminars/Conferences	13,587	4,443	9,144
General Assembly Expenses	300,000	70,473	229,527
Travel - Mileage Reimbursement	23,688	9,725	13,963
Travel - Ground Transportation	4,948	1,577	3,371
Travel - Airfare	11,500	7,750	3,750
Lodging	9,390	5,663	3,727
Meals	7,305	3,164	4,141
Other Incidentals	9,775	6,676	3,099
Training	9,250	419	8,831
Supplies/Materials	33,020	3,546	29,474
Advertisement Radio & TV Ads	41,025	22,020	19,005
Consulting Labor	2,844,095	1,490,352	1,353,743
TUMF Project Reimbursement	38,000,000	26,326,218	11,673,782
BEYOND Program REIMB	2,799,015	577,512	2,221,503
Computer Equipment/Software	3,500	3,207	293
Misc Equipment Purchased	3,000	2,735	265
Total General Operations	47,676,204	30,081,673	17,137,729
Total Expenditures and Overhead	53,678,061	33,851,437	19,230,606



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Approval of Updated Agency Policies and Procedures

Contact: Barbara Spoonhour, Deputy Executive Director – Operations, bspoonhour@wrcog.us, (951) 405-6760

Date: May 8, 2019

The purpose of this item is to provide an updated version of WRCOG's Policies and Procedures.

Requested Action:

1. Recommend that the Executive Committee approve the updated WRCOG Policies and Procedures.

WRCOG last updated its Policies and Procedures on November 6, 2016. Staff has updated the Policies and Procedures, in coordination with WRCOG's legal counsel, Best Best & Krieger, to bring the Agency into compliance with all applicable laws and procedures. A summary of the most important revisions are as follows:

1. Telecommuting Policy (p. 13)
WRCOG currently does not have a formal Telecommuting Policy. This Policy was added to allow employees the ability to telecommute, if approved by the employee's supervisor and executive management.
2. Reclassification (p. 20)
Currently, WRCOG's Policies and Procedures only addresses changing staff positions as a demotion due to poor job performance or a disciplinary action. This Policy was added to allow the Executive Director the ability to place an employee in a different position that matches the work the employee is performing.
3. Civility Code (p. 31)
This Policy was added to address past issues with employee treatment amongst themselves as a disciplinary action.
4. Separation of Employment (p. 46)
This Policy was updated to be more in line with what other public agencies are providing for pay-out of sick leave accrual balances at separation and to retain employees. The current Policy covers those employees that have a continuous five years of service and who shall receive payment for 50% of any accrued sick leave in excess of 240 hours. WRCOG's current accrual policy is that employees hired after November 6, 2016, are capped at 240 hours of accrued sick leave and employees hired prior are capped at 1,000 hours. Under the current Policy, newer employees would not receive any pay-out and thus have no incentive to not use sick leave as it accrues. The Policy is being updated to remove the subtraction of the 240 hours so that newer employees have an incentive not to take sick time as it is accrued.
5. California New Parent Leave (p. 56)
This Policy was added to reflect the new California laws. Employees that are not subject to both the FMLA and CFRA may take new parent leave under California's New Parent Leave Act to bond with a new child within one year of the child's birth, adoption, or foster care placement, under the circumstances.

6. Others Disability Leave (p. 57)

This Policy was added to reflect new California laws. In addition to medical and pregnancy-related disability leaves, employees may take a temporary disability leave of absence if necessary to accommodate a workplace injury or a disability under the ADA or FEHA.

7. Voluntary Time-bank (p. 58)

This Policy was updated to place restrictions on the amount of time employees can donate to an eligible employee and provides more specifics in how the approval and use of the voluntary time-bank are to be administered.

8. Family Catastrophic Illness or Injury (p. 59)

Currently, only employee catastrophic illness or injury exists in the Policies and Procedures. This Policy was added to assist employees that have family members undergoing illness or injury and the employee needs to provide assistance.

9. Dental Insurance (p. 64)

This Policy was updated to state that WRCOG now covers the costs associated with dental insurance.

10. Vision Insurance (p. 64)

This Policy was added because WRCOG now offers vision insurance to its employees.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. WRCOG Policies and Procedures dated June 3, 2019.

Item 4.B

Approval of Updated Agency Policies
and Procedures

Attachment 1

WRCOG Policies and Procedures
dated June 3, 2019

Page Intentionally Left Blank



WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

PERSONNEL POLICIES AND PROCEDURES

REVISED

June 3, 2019

Table of Contents

I.	WRCOG BACKGROUND	5
II.	GENERAL PROVISIONS	6
	A. Purpose.....	6
	B. Policies Repealed	6
	C. Term of Personnel Manual	6
	D. Distribution of Personnel Policies	6
	E. Right to Revise	6
III.	FAIR EMPLOYMENT STANDARDS	7
	A. Equal Employment Opportunity.....	7
	B. Policy against Harassment.....	7
	C. Policy against Retaliation	9
	D. Internal Complaint Procedure.....	9
	E. Corrective Action	10
	F. External Complaint Procedure	11
IV.	AT-WILL EMPLOYMENT STATUS	12
V.	EMPLOYMENT POLICIES AND PRACTICES	13
	A. Recruitment, Selection and Placement	13
	B. Promotional Probationary Period for Employees Hired Prior To March 1, 2012 ...	14
	C. Job Duties	14
	D. Categories of Employees	15
	E. Work Schedules and Workweek.....	17
	F. Telecommuting	17
	G. Meal Periods and Rest Breaks.....	17
	H. Timekeeping Requirements.....	18
	I. Biweekly Payments	19
	J. Pay for Mandatory Meetings / Training.....	19
	K. Compensatory Time-Off Policy.....	19
	L. Advances	19
	M. Salary Review	20
	N. Reports and Record Keeping	20
	O. Performance Evaluations	21
	P. Open-Door Policy	22
	Q. Employment of Elected Officials.....	22
	R. Employment of Relatives.....	22
	S. Conflicts of Interest	23
	T. Changes in Employment Positions.....	24
	U. Return of Property at Separation.....	26

VI. STANDARDS OF DISCIPLINE AND CONDUCT	27
A. Employee Discipline	27
B. Prohibited Conduct.....	28
C. Off-Duty Conduct.....	29
D. Political Activity.....	30
E. Drug and Alcohol Abuse	30
F. Civility Code	35
G. Punctuality and Attendance	36
H. Dress Code and Other Personal Standards	36
I. Confidentiality.....	37
J. Business Conduct and Ethics.....	37
K. News Media Contacts	37
VII. OPERATIONAL CONSIDERATIONS.....	38
A. Computer and Electronic Systems and Devices Policy	38
B. Use of Electronic Media	39
C. Employee Guidelines for the Use of E-Mail.....	40
D. Prohibited Use of Mobile Phone or Messaging Devices While Driving.....	41
E. Mobile Telephone Policy.....	41
F. Non-Work-Related (Off-duty) Use of Facilities	43
G. Security	43
H. Workplace Violence.....	44
I. Health and Safety.....	45
J. Smoking	45
K. Housekeeping	45
L. Parking.....	45
M. Solicitation and Distribution of Literature	45
N. Vehicle Operation Policy	46
O. Expense Reimbursement.....	46
VIII.TIME-OFF OF WORK AND LEAVES OF ABSENCES	48
A. Holidays	48
B. Vacation	48
C. Vacation Leave Cash-Out Policy	49
D. California Paid Sick Leave	51
E. Medical Leave under the FMLA and CFRA.....	53
F. Pregnancy Disability Leave	58
G. California New Parent Leave.....	59
H. Other Disability Leaves	61
I. Bereavement Leave	61
J. Kin Care	61
K. Workers' Compensation Benefits	62
L. Voluntary Time-Bank Policy.....	62
M. Military Leave	64
N. Jury Duty and Witness Leave.....	64
O. Time Off for Voting	64
P. School Conference Involving Suspension.....	64
Q. External Employee Education Reimbursement.....	65

R. Other Types of Leave	65
IX. EMPLOYEE BENEFITS	66
A. Health Benefits	66
B. Pension Benefits	66
C. Other Benefits	66
APPENDIX	68
DEFINITION OF TERMS	68

I. WRCOG BACKGROUND

Western Riverside Council of Governments (“WRCOG”) was formed in 1991 as a joint powers authority, and now consists of 18 cities in the Western portion of Riverside County, the County of Riverside, the Eastern Municipal Water District, Western Municipal Water District, Morongo Band of Mission Indians, and the Riverside County Superintendent of Schools as members. WRCOG serves as a forum to discuss and plan strategies to cope with the tremendous growth occurring, and forecast to occur, in the region. The Western Riverside area is defined as all the unincorporated and incorporated areas of Riverside County westerly of and including the City of Banning and bounded by San Diego County to the south, San Bernardino County to the north, and Orange County to the west.

WRCOG is governed by a General Assembly with voting membership consisting of elected officials from its member agencies. The General Assembly meets annually. The joint powers agreement also established an Executive Committee composed of elected officials from each member city, four County Supervisors, a board member from each of Eastern Municipal Water District and Western Municipal Water District, and the Tribal Chairman of the Morongo Band of Mission Indians. The Riverside County Superintendent of Schools also sits on the Executive Committee but only in an ex-officio, advisory capacity with no voting privileges. The Executive Committee exercises the powers of the joint powers agreement between sessions of the General Assembly. The agreement further provides for the position of an Executive Director who is designated to be the Chief Administrative Officer of the Administration & Finance Committee acting on behalf of the Executive Committee. The powers and duties of the Executive Director are subject to the authority of the Executive Committee and in pertinent part these duties include: to appoint, direct, and remove employees of WRCOG; and to serve as Secretary of WRCOG and of the Executive Committee.

WRCOG has adopted implementing Bylaws that assign the powers and functions to the Executive Committee, including selection and employment of an Executive Director who has administrative supervision over all other employees of WRCOG. The Executive Committee is called upon to establish personnel policies and procedures and provide for compensation of WRCOG staff.

II. GENERAL PROVISIONS

A. Purpose

The purpose of this Personnel Policies and Procedures Manual (Manual) is to (1) act as a compendium of established personnel rules and regulations; (2) guide the Executive Committee and Executive Director in the management of employees of WRCOG; and (3) promote fair and effective communication between WRCOG and staff regarding the terms and conditions of employment.

B. Policies Repealed

In the event that the terms and provisions of this Manual are inconsistent or in conflict with the terms and provisions of any prior WRCOG Personnel Policies and Procedures, resolutions, or rules and regulations governing the same subject, the terms of this Manual are to prevail and such inconsistent or conflicting provisions or prior resolutions, rules and regulations are hereby superseded and/or repealed.

C. Term of Personnel Manual

This Manual takes effect immediately after adoption by the Executive Committee, and remains in effect unless repealed, in whole or part, by WRCOG. Immediate notice is to be provided to employees of actual changes to terms and conditions of employment or other personnel policies and procedures. WRCOG may, in its sole discretion, add to, delete, or otherwise modify these policies and procedures with such notice.

D. Distribution of Personnel Policies

This Manual will be available to all employees for review through the Human Resources office and will be electronically transmitted to all employees. Some specific policies may be reprinted individually and distributed to employees to call attention to the information provided.

Adoption and amendment of these policies and procedures for unrepresented employees is not subject to the “Meyers–Milius–Brown Act” for purposes of meeting and conferring regarding wages, hours, and other terms and conditions of employment.

E. Right to Revise

WRCOG reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this Manual, or any other document. Any such changes will be in writing and their adoption must be attested to by the Executive Director, acting as Secretary of WRCOG and the Executive Committee.

The provisions of this Manual set forth the entire agreement between employees of WRCOG as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this Manual, or other personnel documents, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

III. FAIR EMPLOYMENT STANDARDS

A. Equal Employment Opportunity

WRCOG is committed to providing equal opportunity in all its employment practices in compliance with all applicable laws. This commitment applies to all persons involved in WRCOG administration and prohibits unlawful discrimination by any employee of WRCOG, including supervisors and co-workers, on the basis of race, color, religion, religious creed (including religious dress and religious grooming), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (including transgender identity), gender expression (including transgender expression), because an individual has transitioned, is transitioning, or is perceived to be transitioning (to live as the gender with which they identify), sex stereotype, sexual orientation, national origin, ancestry, citizenship, age (40 years and older), physical or mental disability (including HIV and AIDS), legally protected medical condition or information (including genetic information), protected medical leaves or medical leave status, military caregiver status, military and/or veteran status, service, or obligation, marital status, domestic partner status, status as a victim of domestic violence, sexual assault, or stalking, enrollment in a public assistance program, or holding or presenting a driver's license issued under section 12801.9 of the Vehicle Code, or any other basis protected by local, state, or federal laws. This policy applies to all areas of employment including, but not limited to, recruitment, hiring, training, promotion, compensation, benefits, transfer, disciplinary action, social and recreational programs, layoff, recall, and termination.

WRCOG will make reasonable accommodations that are necessary to comply with state and federal disability discrimination laws. This means that WRCOG will make reasonable accommodations for the known physical or mental disability or known medical condition of an otherwise qualified individual who is an applicant or an employee unless undue hardship would result.

Any applicant or employee requiring an accommodation to perform the essential functions of the job should contact the Executive Director, or his/her designee, and request such an accommodation. Thereafter, WRCOG will conduct an interactive process meeting with the disabled applicant or employee to determine effective reasonable accommodations, if any, that can be made to assist them to perform the essential functions of the position they seek or occupy.

B. Policy against Harassment

WRCOG is committed to providing a workplace free of unlawful harassment. In accordance with applicable law, WRCOG prohibits harassment based on sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions, gender identity, gender expression, sex stereotype, sexual orientation, gender and transgender) and harassment on the basis of race, color, religion, religious creed (including religious dress and religious grooming), national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition, genetic information, family care or medical leave status, military

caregiver status, military status, veteran status, marital status, domestic partner status, status as a victim of domestic violence, sexual assault or stalking enrollment in a public assistance program, or any other basis protected by local, state, or federal laws. All such harassment is unlawful and will not be tolerated, whether it be harassment of employees, applicants, interns, persons providing services pursuant to a contract or volunteers by managers, supervisors, co-workers, or non-employees with whom WRCOG has a business, service or professional relationship, such as vendors and clients. Similarly, WRCOG will not tolerate harassment by its employees of non-employees with whom WRCOG has a business, service or professional relationship, like vendors and clients.

Sexual Harassment

Sexual harassment (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions, gender identity, gender expression, sex stereotype, sexual orientation, gender and transgender harassment) is defined as unwanted sexual advances, or visual, written, verbal or physical conduct of a sexual nature that creates an intimidating, offensive, or hostile working environment or that interferes with an employee's work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment or promotion; (2) submission or rejection of the conduct is used as the basis for an employment decision; or (3) the unwelcomed comments or conduct based on sex unreasonably interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

Sexual harassment includes many forms of offensive behavior. It can also include gender-based harassment of a person of the same sex as the harasser, gender identity, gender expression, or sexual orientation. Furthermore, sexually harassing conduct need not be motivated by sexual desire. The following is a partial list of violations:

- Unwanted sexual advances, propositions or requests for sexual favors.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct: leering, making sexual gestures, displaying of suggestive objects, posters, photographs, cartoons, or drawings.
- Verbal conduct: making or using derogatory comments, epithets, slurs, jokes, verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, foul or obscene language, conversation containing sexual comments.
- Written conduct: suggestive or obscene letters, emails, drawings, notes or invitations.
- Physical conduct: unwanted touching, assault, impeding or blocking movements, and violating someone's "personal space."

- Retaliation for reporting harassment or threatening to report harassment.

Other Types of Harassment

Harassment can take many forms beyond sexual harassment. Harassment on the basis of race, color, religion, religious creed (including religious dress and religious grooming), national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition or information (including genetic information), family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, or any other basis protected by local, state, or federal laws, is also prohibited and will not be tolerated by WRCOG. Such harassment includes but is not limited to the following when based upon an employee's protected status as noted above:

- Verbal conduct such as making or using derogatory comments, epithets, slurs, jokes, or verbal abuse.
- Visual conduct such as gestures and displaying of objects, posters, photographs, cartoons, or drawings.
- Written conduct such as suggestive or obscene letters, emails, drawings, notes or invitations.
- Physical conduct such as assault, unwanted touching, or blocking normal movement, or violating someone's "personal space."
- Retaliation for reporting harassment or threatening to report harassment.

C. Policy against Retaliation

State and federal law and WRCOG prohibit retaliation against any employee for making a good faith complaint of discrimination or harassment or for cooperating, assisting, testifying, or participating in any of the discrimination or harassment Internal or External Complaint Procedures below. Claims of retaliation are taken seriously and are subject to the same Internal and External Complaint Procedures below.

D. Internal Complaint Procedure

WRCOG's complaint procedure provides for an immediate, thorough, objective and confidential investigation of any claim of unlawful or prohibited discrimination, harassment and/or retaliation, appropriate disciplinary action against one found to have engaged in prohibited discrimination, harassment and/or retaliation, and appropriate remedies for any victim of discrimination, harassment and/or retaliation.

If you believe you have been discriminated against, harassed and/or retaliated against on the job, or if you are aware of the discrimination, harassment and/or retaliation of others, you must provide a written, email-typed, or verbal complaint

to your supervisor or to any other WRCOG supervisor or to the Executive Director as soon as possible. You are not required to complain to any individual who is the one discriminating against or harassing and/or retaliating against you, nor do you have to complain directly to your immediate supervisor. Instead, as indicated, you may report discrimination, harassment and/or retaliation to any other member of management, including but not limited to the Executive Director. Your complaint should be as detailed as possible, including the names of individuals involved, the names of any witnesses, direct quotations when language is relevant, and any documentary evidence (notes, pictures, text messages, social media, emails, etcetera).

WRCOG will maintain confidentiality to the extent possible. Any supervisor who is informed of a complaint of discrimination, harassment and/or retaliation by an employee, or any other individual, must report said complaint to the Executive Director immediately and must otherwise keep the matter confidential. The Executive Director must also keep the matter confidential and not disclose the matter to any person who is not involved in the investigation or does not have legitimate work-related reasons for knowing of the complaint. Any supervisor or member of management who fails to comply with this paragraph will be subject to disciplinary action, up to and including termination of employment.

All incidents of prohibited discrimination, harassment and/or retaliation that are reported will be subject to an impartial, fair, timely and thorough investigation by either a management representative qualified to perform the investigation or an outside investigator, depending on the circumstances. The investigation will provide all parties appropriate due process and will reach reasonable conclusions based on the evidence collected. WRCOG will document the timely, thorough, and objective investigation of the discrimination, harassment and/or retaliation allegations to ensure reasonable progress is being made in the investigation. WRCOG will inform the employee who initiated the complaint of the progress of the investigation upon request of that employee.

E. Corrective Action

At the conclusion of the timely investigation, if it is determined that prohibited discrimination, harassment, and/or retaliation has occurred, WRCOG will take immediate and effective remedial action commensurate with the circumstances. Corrective action may include, for example: training, referral to counseling, or disciplinary action including but not limited to verbal or written warning, suspension, transfer, demotion, reclassifying, and termination of employment, depending on the circumstances.

The employee who initiated the complaint will be notified when the investigation has been completed and will be informed of the general outcome of the investigation, i.e., whether the complaint has been substantiated or unsubstantiated. However, the employee is not entitled to know the corrective action, if any, imposed on the accused, as that information is protected by the accused's right to privacy. Appropriate action will be taken to ensure the employee

who has been found to have been discriminated against, harassed and/or retaliated against will not be discriminated against, harassed and/or retaliated against in the future, including but not limited to redistribution of this Policy, training, transfer, etc.

F. External Complaint Procedure

In addition to WRCOG's internal complaint procedure, employees who believe that they have been unlawfully discriminated, harassed and/or retaliated against may file a complaint with the federal Equal Employment Opportunity Commission (EEOC), and/or the California Department of Fair Employment and Housing (DFEH).

Contact information for the DFEH can be obtained at www.dfeh.ca.gov. Contact information for the EEOC can be obtained at www.eeoc.gov.

IV. AT-WILL EMPLOYMENT STATUS

Regular employees hired or reclassified from temporary or casual employee status to regular employee status on or after March 1, 2012, or who have completed their probationary period of employment on or after March 1, 2012, irrespective of when first hired, and temporary and casual employees, whenever hired, are employed on an at- will basis. Employment at-will may be terminated at any time by the employee (subject to WRCOG's request for the provision of two weeks written notice as stated in the Notice of Resignation section herein) or WRCOG with or without cause, with or without notice, and without right of appeal or hearing. Nothing in these Personnel Policies and Procedures should be interpreted to limit the right of an employee or WRCOG to terminate at-will employment. By way of example, and not limitation, discipline for cause, notice, response and appeal or hearing rights provided in the Employee Standards of Discipline and Conduct section or elsewhere in these Policies and Procedures shall not apply to at-will employees. No manager, supervisor, or employee of WRCOG has any authority to enter into an agreement for employment for any specified period of time or to make an agreement which limits or alters at-will employment status. Only the Executive Director has the authority to make any such agreement, which is binding only if it is in writing.

V. EMPLOYMENT POLICIES AND PRACTICES

A. Recruitment, Selection and Placement

Vacancies

When a permanent vacancy occurs in an authorized position, the supervisor may recommend that the vacant position be filled with an existing WRCOG employee who is qualified for the position and is willing to accept the employment change. The Executive Director will make a determination whether the vacant position may be filled by an existing WRCOG employee or fill the position through internal or external recruitment. The Executive Director may determine that it is in WRCOG's best interest to leave the position vacant. This paragraph is not to be construed to limit in any way the Executive Director's responsibility to hire the most qualified person available to fill any vacancy.

Salary Placement of New Employees

New employees of WRCOG are generally hired at the minimum salary range for the position. In the event a potential employee possesses extraordinary skill, training or ability, or where exceptional recruitment difficulties are encountered, the Executive Director has discretion to authorize employment offers at a higher rate than indicated in the job announcement, subject to the budget constraints.

Disqualification

The Executive Director may disqualify an applicant or refuse to consider any person for employment for any legal reason, including but not limited to the following reasons:

- The applicant does not possess the necessary qualifications established for the position.
- The applicant has practiced or attempted to practice any deception, fraud or omission of material fact in the application or interview, or in securing eligibility for employment.

Offer of Employment

Offers of employment will be extended to selected candidates only at the direction of the Executive Director (or his/her designee). Employment offers for all positions must be made in writing and are to include starting wage on an hourly, weekly, or monthly basis. In no event shall an employment offer be made in terms of annual salary or otherwise imply a yearly contract.

Keys and Security Cards

Keys to WRCOG facilities and related security access cards will be issued only to those employees designated by the Executive Director. Keys and security access cards are the property of WRCOG administration and must be surrendered to WRCOG upon termination of employment. Employees are required to immediately report lost or stolen keys and related security cards to the Human Resources office.

B. Promotional Probationary Period for Employees Hired Prior To March 1, 2012

All employees hired prior to March 1, 2012, that are promoted to another position in WRCOG will be probationary employees during the first six months or 1,040 regularly scheduled working hours (whichever occurs later) in the new position. Employees failing to perform satisfactorily in the newly assigned position may be rejected and returned to their former position or to a position requiring similar skill and in a similar pay grade without recourse or any appeal right. If no similar position is available, the employee will be terminated without recourse procedure or any appeal right. (Employees will be informed in writing of this possibility at the time of application for the promotional position.)

If the promotion is from the training level in a job classification series to the full working level, the employee will not be returned to the training level, but rather performance issues may be evaluated further. In this instance, the probationary period may be extended up to a second six months, if a Performance Improvement Plan is initiated. Prior to the end of any extended probationary period, the Executive Director, upon the advice of the probationary employee's immediate supervisor, will determine if the employee can function satisfactorily in the position, and may terminate the employee without recourse or any appeal right if he or she has not substantially completed the Performance Improvement Plan and met expectations.

At-will employees are not entitled to promotional probationary periods. All at-will employees promoted to another position in WRCOG will be required to sign an updated employment contract.

C. Job Duties

Upon hire or the assumption of any new position, a supervisor will explain the job tasks, responsibilities, and performance standards expected of the employee. The job tasks, responsibilities, and performance standards of any position may change at any time during an employee's employment. From time to time, employees may be asked to work on special projects or to assist with other work necessary or important to the operation of WRCOG. Employee cooperation and assistance in performing such additional work is expected.

The Executive Director reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities for both Exempt and Non-Exempt Employees

Exempt Employees

Certain employees may be designated as "Exempt" from certain provisions of the Fair Labor Standards Act (FLSA). Exempt positions are those designated as Professional / Supervisory, Management, or Executive Management. These designations shall conform to the guidelines and criteria set forth in the FLSA pertaining thereto. Employees designated as Exempt are entitled to all benefits

provided to general employees, excluding payment of overtime.

Exempt employees will generally receive their full salaries for any week in which the employees perform work, unless deductions are otherwise authorized by law. Exempt employees are encouraged to direct any questions concerning their salary pay to the Human Resources office.

It is WRCOG's policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure that Exempt employees are paid properly and that no improper deductions are made, Exempt employees must review your pay stubs promptly to identify and report all errors.

Exempt employees will be credited with 2.3 hours of administrative leave per pay period, up to a maximum of 60 hours. Once an employee has accrued 60 hours of administrative leave, no additional administrative leave will be accrued until administrative leave usage reduces the balance of administrative leave to below 60 hours. Accrued administrative leave from one fiscal year will transfer into the next fiscal year subject to the 60-hour cap.

Non-Exempt Employees

All employees other than those that are designated as Exempt will be considered non-Exempt and will be entitled to overtime pay.

WRCOG provides compensation for all overtime hours worked by non-Exempt employees in accordance with federal law. Only actual hours worked (i.e., not vacation time, sick leave, holidays) will be considered in determining whether an employee is entitled to overtime for any particular workweek.

It is the policy of WRCOG to avoid overtime work whenever possible. Overtime work is to be used only to supply essential member services or perform necessary duties during emergencies or where performance of overtime work by employees is more economical than adding new employees by creation of a new regular or temporary position. All overtime work must be previously authorized by a supervisor.

D. Categories of Employees

Regular Employees

The term "regular employee" includes employees except temporary or casual employees. Regular employees may be either full-time or part-time employees, depending upon the number of hours they work.

Regular employees hired before March 1, 2012, who have completed their probationary period of employment before March 1, 2012, are entitled to the notice, response, and appeal rights set forth in the Employee Standards of Discipline and Conduct section of these Policies and Procedures.

Regular employees hired or reclassified from temporary or casual to regular

employee status on or after March 1, 2012, or who completed their probationary period of employment on or after March 1, 2012, irrespective of when first hired, are at-will and are not entitled to the notice, response, and appeal rights set forth in the Employee Standards of Discipline and Conduct sections of these Policies and Procedures.

Full-Time Employees

Regular full-time employees are those who are scheduled for and do work 40 hours per week or work a 9/80 and are eligible for all benefits provided to WRCOG employees.

Part-Time Employees

Regular part-time employees are those who are scheduled for and do work fewer than 40 hours per week, but not fewer than 20 hours. Part-time employees are eligible for WRCOG benefits on a pro-rata basis, except retirement benefits under the California Public Employees' Retirement System (CalPERS) which are not provided unless the employee meets the statutory minimum hours requirement for eligibility for CalPERS benefits.

Temporary and Casual Employees

Temporary employees are employees hired for specific assignments and/or for specific and limited durations. They may work full-time or part-time, but the length of their employment is specified at the time of hire. Employees hired on a temporary basis are excluded from eligibility for all but statutorily required (e.g., State Disability Insurance) benefits. WRCOG retains the discretion to determine the period deemed temporary for the position hired, provided, however, that temporary employees must work less than 960 hours per fiscal year. WRCOG reserves the right to extend the duration of any temporary employment assignment. An extension of the duration of temporary employment does not create, imply, or grant any right to the employee to receive benefits during the extension, nor does it change the temporary nature of the employment. All temporary employment is at-will and may be terminated at any time with or without cause, without prior notice to the employee, and without right of appeal or hearing.

Casual employees are compensated on an hourly basis or per diem, as specified at the time of hire. Casual employees must work less than 960 hours in a fiscal year. Casual employees are not eligible for participation in any benefit program established by WRCOG, except as required by State and/or Federal Law. Casual employees are not eligible for merit or other pay increases and do not receive performance evaluations. Casual employment is at-will and may be terminated at any time with or without cause, without prior notice to the employee, and without right of appeal or hearing.

Inactive Status

Employees who are on any type of leave of absence, work-related or non-work-related, that exceeds four months will be placed on inactive status. During the time the employee is on inactive status, unless required by law, no benefits will accrue

or be earned, and seniority will not continue to accrue.

E. Work Schedules and Workweek

WRCOG employees generally work a 9/80 weekly schedule. Supervisors will assign individual work schedules to each employee. All employees are expected to be at their desks or workstations at the start of their scheduled day, ready to work. WRCOG reserves the right to modify work schedules as deemed necessary.

If an employee needs to change his or her work schedule, the employee must submit a written request to his or her supervisor. The supervisor will review the employee's request with the Executive Director and authorize a change if reasonably possible. Work schedule changes that interfere with normal operations, result in overtime pay, or are without sufficient reason (i.e., for the mere convenience of an employee), will not be approved.

A workweek is defined as beginning on Monday at 12:01 a.m. and ending on Sunday at midnight. For employees working a 9/80 weekly schedule, the workweek begins four hours after the scheduled start time of their shift on Friday and ends at one minute before that same time on the following Friday.

F. Telecommuting

The purpose of the Telecommuting Policy is to provide an additional alternative to the office workplace environment and to maintain WRCOG's employees' current excellent levels of output and performance.

Telecommuting or working from home pursuant to this Policy is a privilege. WRCOG is not obligated to approve telework for any employee, and no employee is obligated to participate. Each arrangement may be terminated at any time and at will by the employee or the employee's immediate supervisor or the Executive Director. See Telecommuting Policy for more information.

G. Meal Periods and Rest Breaks

Meal Periods

Employees who work more than five hours in a workday are provided an unpaid, off-duty meal period of at least 30 minutes. If six hours of work will complete the day's work, you may voluntarily waive your meal period in writing. See Human Resources if you would like to sign and submit a form that waives your right to a meal period if you work no more than six hours in a day. Employees who work more than 10 hours in a day are entitled to a second unpaid, off-duty 30-minute meal period. If an employee works no more than 12 hours, the employee can waive his or her second meal period, but only if the first one was not waived in any manner. Any waiver of the second meal period must be in writing and submitted before the second meal period. See the Human Resources administrator if you would like to sign and submit a form that waives your right to a second meal period, as explained above. If you work more than 12 hours you may not waive and are required to take your second unpaid, off-duty 30-minute meal period.

Your supervisor is responsible for scheduling your meal period, but it should begin no later than the end of your fifth hour of work. For example, an employee who begins working at 8:00 a.m. must begin his or her meal period no later than 1:00 p.m. Employees are encouraged to and should take their meal periods; they are not expected to work during their meal periods.

During your meal period, you are relieved of all duty and you should not work during this time. When taking your meal period, you should be completely off work for at least 30 minutes. Employees are prohibited from working "off the clock" during their meal period. Those employees who record their time manually must accurately record their meal periods by recording the beginning and end of each work period.

Rest Breaks

Non-Exempt employees who work 3 1/2 or more hours per day are provided one 10-minute rest break for every four hours or major fraction thereof worked. For purposes of this Policy, "major fraction" means any time greater than two hours. For example, if you work more than six hours, but no more than 10 hours in a workday, you are provided, and should take, two 10-minute rest breaks: one during the first half of your shift and a second rest break during the second half of your shift.

Your supervisor is responsible for scheduling your rest breaks, but they should be taken as close to the middle of each work period as is practical.

Employees are encouraged to take their rest breaks; they are not expected to and should not work during their rest breaks. Non-Exempt employees are paid for all rest break periods. Accordingly, you do not need to record your time when taking a rest break.

H. Timekeeping Requirements

All non-Exempt employees are required to record their time at the start and at the end of each work day, including before and after their lunch break.

Non-Exempt employees are required to record their time whenever they leave the building for any reason other than WRCOG business or as otherwise instructed by their supervisor.

Misreporting or altering a time record is prohibited and is subject to disciplinary action. Any errors on an employee's time sheet should be reported immediately to their supervisor. Managers must verify and approve timesheets at the end of each pay period, and make sure timesheets are completed and approved per the payroll schedule.

I. Biweekly Payments

All employees of WRCOG are paid every other Thursday through direct deposit to their financial institution or by check for work performed during the previous two-week pay period. If a regular payday falls on a holiday, employees will be paid on the last day worked before the holiday.

J. Pay for Mandatory Meetings / Training

WRCOG will pay non-Exempt employees for their attendance at mandatory meetings, lectures, and training programs. An employee who is required to attend such meetings, lectures, or training programs will be notified of the necessity for such attendance by his or her supervisor.

K. Compensatory Time-Off Policy

Accrual of compensatory time off is a restricted resource within WRCOG policies and utmost care should be utilized when authorization is given to staff for overtime work.

Non-Exempt employees may, in lieu of overtime pay, accumulate compensatory time off at the rate of 1 1/2 hours for every hour worked over 40 hours in a workweek (see definition above). Only actual hours worked will be considered in determining whether an employee has exceeded 40 hours in a workweek.

In order to receive compensatory time off in lieu of overtime pay, non-Exempt employees must make such request to their supervisor prior to the overtime work actually being performed.

No employee shall be allowed to accumulate more than 60 hours of compensatory time off. Non-Exempt employees who have accumulated 60 hours of compensatory time, and who subsequently work overtime hours, will receive overtime pay.

An employee with accumulated compensatory time will be permitted to use that time within a reasonable period after making a request unless using the compensatory time will unduly disrupt WRCOG operations. Requests for use of compensatory time should be directed to an employee's supervisor. All compensatory time that has been accumulated but not used will be paid out at the end of the fiscal year or grant cycle in accordance with applicable local, State and Federal laws.

As explained in more detail below, if an employee is on an approved medical leave under the FMLA, CFRA, or California New Parent Leave, the employee is required to substitute accrued compensatory time off for the unpaid leave.

L. Advances

WRCOG does not permit advances against paychecks or against un-accrued vacation.

M. Salary Review

Periodically, under the direction of the Executive Director, the salary ranges assigned to each administrative position within WRCOG will be reviewed. The Executive Director may use this information to make recommendations to the Executive Committee. The salary review and any related recommendation may consider the following:

- Existing position descriptions, salaries, benefit levels and number of authorized positions within WRCOG.
- Comparison of salaries paid by other employers, public and private to employees performing work similar to that performed by WRCOG employees.
- Review of inflation, changes in salary adjustments, and other measure of the economy.
- Other areas as the Executive Director deems appropriate.

Changes in the salary ranges, if any, shall be determined within the sole discretion of WRCOG.

N. Reports and Record Keeping

Personnel Files

The Human Resources office (or designee) is to maintain a personnel record for each employee of WRCOG, which record shall state the name and address of the employee, the position held by the employee, the work unit to which the employee is assigned, the employee's salary or hourly rate, all changes in employment status, and any such other information that may be required by law.

WRCOG is required by law to keep current all employees' names and addresses. Employees are responsible for notifying the Human Resources office in the event of a name or address change.

Employees shall be furnished a copy of any statement written for inclusion in the employee's personnel file concerning the employee's conduct or performance. An employee may prepare material for insertion in his/her personnel file in response or rebuttal to any derogatory material in the file.

Personnel Action Forms

A Personnel Action Form recording personnel action must be completed for each employee hired by WRCOG. The Form is to contain all employee information including benefit selection information. A copy of the completed Form is to be included in the employee's personnel file. The signature of the Executive Director, or the Deputy Executive Director (in his or her absence), is required on Personnel Action Forms as a result of an appointment, promotion, demotion, transfer and/or dismissal.

Personnel Records – Access

Employees have a right to inspect documents in their personnel file, as provided

by law, in the presence of a WRCOG representative at a mutually convenient time. WRCOG shall restrict disclosure of an employee's personnel file to authorized individuals within WRCOG or its designated agents. Any request for information contained in personnel files must be directed to the Human Resources office. Only the Executive Director is authorized to release information about current or former employees. Personnel information will only be disclosed to outside sources as authorized by the employee, in response to requests from authorized law enforcement or local, state, or federal agencies conducting official investigations, or as otherwise legally required.

Employee References

All requests for references must be directed to the Human Resources office. No other manager, supervisor, or employee is authorized to release references for current or former employees unless so designated by the Executive Director. By policy, WRCOG discloses only the dates of employment and the title of the last position held by former employees.

O. Performance Evaluations

It is the administrative policy of WRCOG to evaluate employee performance on a regularly scheduled basis. Performance evaluations are normally conducted by the employee's immediate supervisor and must be discussed with the employee. The employee's immediate supervisor has the responsibility to carefully consider each item of the performance evaluation in relation to the duties outlined in the employee's position description.

Employee performance evaluations may review factors such as the quality and quantity of the work performed by the employee, knowledge of the job, initiative, work attitude, and attitude toward others. The performance evaluations are intended to make employees aware of their progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of the Executive Director and depend upon many factors in addition to performance. Employees will be asked to sign the completed performance evaluation report to acknowledge that it has been presented to them, that they have discussed it with their supervisor, and that they are aware of its contents. The performance evaluation report must be reviewed and signed by the Executive Director, either acting as the direct supervisor, or in acknowledgement and agreement with the assessment made by the immediate supervisor.

A performance evaluation must be completed six months after date of hire or reclassification from temporary or casual status for all new regular employees. The performance evaluation will be completed on an annual basis for all employees at or around the beginning of the fiscal year. For new employees, a performance evaluation must be completed immediately prior to the completion of their first twelve months of employment.

It is the supervisor's responsibility to ensure that the performance evaluation is prepared and returned to the Executive Director consistent with the timeframes above.

It is the supervisor's responsibility to meet with supervised employees and ensure that performance evaluations are prepared completely and submitted to the Executive Director's office. The performance evaluation will be reviewed, and counter signed by the Executive Director if deemed acceptable.

P. Open-Door Policy

WRCOG welcomes suggestions for improving its administrative functions from new and continuing employees. At some time, employees may have a complaint, suggestion, or question about their job, working conditions, or the treatment they are receiving. Good-faith complaints, questions, and suggestions are all of concern to WRCOG management. These matters will receive serious and deserving consideration. Moreover, WRCOG encourages employees to submit these matters, positive or otherwise, without fear of retaliation. If the matter concerns working conditions or treatment, or other serious complaint, employees should take the following steps:

- Within a week of the occurrence of the matter, or as soon thereafter as is possible, employees should notify their immediate supervisor, who will review and provide a solution or explanation to the employee.
- If the matter persists, employees should, as soon as possible, present their complaint to the Executive Director or designee. The Executive Director or designee will attempt to reach a final resolution. Employees needing assistance with a written complaint should contact the Human Resources office for help.

WRCOG believes that this complaint resolution procedure is important to both employees and management of WRCOG for the resolution of employee matters. WRCOG cannot, however, guarantee that every employee's problem will have the outcome requested / desired by the employee.

Q. Employment of Elected Officials

To ensure efficiency in implementing the administrative management policies of WRCOG, it is necessary to address the employment of elected and appointed officers of WRCOG that serve on its Executive Committee. For the purpose of this Policy, any elected or appointed official cannot be hired as an employee by WRCOG unless that official has not served on WRCOG's Executive Committee for the past 12-months.

R. Employment of Relatives

To ensure efficiency in implementing the administrative management policies of WRCOG, it is necessary to restrict the employment of relatives of elected and appointed officers of WRCOG and the relatives of WRCOG employees. For the

purpose of this Policy, a relative is defined as a spouse, registered domestic partner, child, step-child, parent, step-parent, parent-in-law, legal guardian, sibling, sibling-in-law, step-sibling, aunt, uncle, niece, nephew, grandchild, or grandparent, regardless of his or her place of residence, or any other individual related by blood or marriage living within the same household as a WRCOG employee or persons having an equivalent relationship with the employee.

Therefore:

- Relatives of the Executive Director, WRCOG Legal Counsel, and elected officers of WRCOG will not be eligible for employment.
- Relatives of WRCOG-appointed Committee members will not be considered for employment by the Executive Director within the area of responsibility of such WRCOG-appointed Committee.
- Relatives of WRCOG employees will not be employed in the same work unit of WRCOG when such employment would be detrimental to the supervision, safety, security or morale of the work unit or WRCOG, as determined by the Executive Director, nor will any employee be placed in a position which exercises supervisory authority over a relative.
- In no event is an employee to participate directly or indirectly in the recruitment or selection process for a position in which an employee's relative has filed an employment application.
- With regard to spouses or registered domestic partners, WRCOG may refuse to place one spouse or registered domestic partner under the direct supervision of the other spouse or registered domestic partner, or in the same department, division or facility, for business reasons, including but not limited to supervision, safety, security or morale, and/or to avoid conflicts of interest. If co-employees marry or become registered domestic partners, WRCOG will attempt to make reasonable efforts to assign job duties so as to minimize problems of supervision, safety, security, and morale.

S. Conflicts of Interest

All employees are required to avoid situations involving actual or potential conflicts of interest. An actual and/or potential conflict of interest exists when personal involvement with a member agency employee, appointed or elected official, or subordinate employee of WRCOG impairs an employee's ability to exercise good judgment on behalf of WRCOG. Supervisor-subordinate personal relationships also create conflicts of interest because such relationships can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

An employee involved in any such relationship is required to disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined to exist, the Executive Director may take whatever corrective action he or she deems appropriate under the circumstances. Failure of employee(s) to appropriately disclose facts regarding potential conflicts of interest is grounds for disciplinary action.

T. Changes in Employment Positions

Layoff Policy and Procedure

a. Reductions in Force.

Under some circumstances, the Executive Director may need to restructure or reduce the administrative workforce. If restructuring the administrative operations or reducing the number of employees becomes necessary, the Executive Director will attempt to provide advance notice, if possible, of the nature of the restructure or layoff.

b. Layoffs.

In determining which employees will be subject to layoff, the Executive Director will take into account, among other things, operational requirements, the skill, productivity, ability, and past performance of those involved, and also, when feasible, the employee's length of service. However, the order of the layoff is within the sole discretion of the Executive Director.

c. Reemployment after Layoff.

Regular and probationary employees laid off or demoted in lieu of layoff may be reemployed at the sole discretion of the Executive Director.

Promotion

It is the administrative policy of WRCOG management to fill vacancies in authorized positions with the most qualified individual available and to provide promotional opportunities for qualified employees. For purposes of this Policy, promotion is defined as movement to a higher position in the salary schedule. Employees interested in promotion to a vacant position for which they are qualified must submit an employment application to the Human Resources office, if a recruitment is being conducted for the position.

Employees promoted to a new position are placed within the salary range which represents approximately a five percent increase in the employee's current salary unless otherwise authorized by the Executive Director

Promotional offers are extended to successful candidates only by the Executive Director. Employment offers for all promotional positions will be made in accordance with procedures specified by the Executive Director.

Reclassification

The Executive Director may approve a reclassification of a non-vacant position(s) if it is determined that an employee's duties do not meet the current job description. A reclassification involves the classification of an existing position(s) into a new job title / category and/or pay grade due to a significant change in job content. This reclassification must be based on more than an increase / decrease in work volume or the addition / deletion of minor duties. A reclassification may result in the placement of a position in a higher, lower, or the same pay grade.

- a. Reclassification Procedure. Supervisors seeking the reclassification of a non-vacant position or positions must complete a Reclassification Request Form

and submit it to the Executive Director (or his or her designee) and Human Resources.

Such request must include:

1. Identification of the position(s) proposed for reclassification, including the current salary range of the position(s).
2. Identification of the position title and salary range that the position or positions are proposed to be reclassified to.
3. A written justification for the requested reclassification including discussion of the specific job duties, comparison of those duties to the new position title, and an existing or proposed organization chart that conveys where the new position fits within the unit / department / agency.
4. Copies of the current and proposed job description for the position(s) being re-classified.

Demotion

The Executive Director may demote an employee whose performance of required duties fall below standard or for disciplinary purposes. An employee otherwise eligible for a demotion may be terminated if he or she does not possess the desirable qualifications for the position. Employees demoted shall have their salary adjusted consistent with the position to which they are demoted.

Suspension

The Executive Director may suspend an employee from a position at any time for a disciplinary purpose.

Reinstatement

Employees who have resigned from WRCOG employment may be eligible for reinstatement to their former position or to a position which requires similar skill and is in a similar pay grade providing all of the following criteria are met:

- b. There is a vacancy in the position for which the employee seeks reinstatement.
- c. The request for reinstatement is received within six months from the date the employee resigned.
- d. Performance evaluations at the time of resignation were satisfactory.
- e. The former employee provided at least two weeks' notice upon resignation.
- f. The Executive Director approves the reinstatement request and the appointment.

Former employees do not have a right to reinstatement. Reinstatement is at the sole discretion of the Executive Director. WRCOG administrative management reserves the right to consider the restoration of salary, seniority, and other employee benefits on an individual basis and at the sole discretion of the Executive Director. Employees reinstated on or after March 1, 2012, shall be at-will.

Termination

WRCOG may discharge non-at-will regular employees (those regular employees hired before March 1, 2012) for disciplinary matters including, but not limited to, prohibited conduct. Any employee released from duty will forfeit all employee benefits except benefits accrued under CalPERS and benefits to which the employee is statutorily entitled.

At-will employees (those employees hired on or after March 1, 2012, as well as Temporary and Casual employees) do not serve a probationary period and may be terminated at any time with or without cause, without prior notice, and without right of appeal or hearing.

Voluntary Termination

Voluntary termination results when an employee voluntarily resigns his or her employment at WRCOG or fails to report to work for three consecutively scheduled workdays without notice provided to, or approval by, his or her supervisor. The use of protected sick leave will not be considered in determining whether an employee has voluntarily terminated for failure to report to work.

Employees wishing to voluntarily terminate employment with WRCOG should provide a minimum of two weeks written notice to their immediate supervisor. The written notice is to be considered accepted by Executive Director immediately upon submission by the employee and will be forwarded for processing. Requests to revoke a resignation may be granted or denied at the sole discretion of the Executive Director. Any employee failing to provide a minimum of two weeks written notice is ineligible for consideration for future employment with WRCOG.

Death of Employee

Upon the death of a WRCOG employee, all earned wages and benefits due shall be paid in accordance with the laws of the State of California.

U. Return of Property at Separation

All WRCOG-owned property, including vehicles, computer equipment, keys, identification badges, and credit cards must be returned immediately upon separation of employment.

VI. STANDARDS OF DISCIPLINE AND CONDUCT

A. Employee Discipline

General Disciplinary Standards

The Executive Director has the right to demote, dismiss, reduce in pay, or suspend without pay any employee for engaging in any of the prohibited conduct indicated herein or for any other reason, including but not limited to engaging in behavior that threatens security, personal safety, employee welfare and/or WRCOG administrative operations.

Disciplinary action may range from informal conversations to termination, depending on the nature of the conduct at issue. The Executive Director is not, however, obligated to first initiate informal actions before taking formal action, nor is the Executive Director obligated to initiate any disciplinary action in any particular order at all. Disciplinary actions may include the following informal and formal actions, at the discretion of the Executive Director:

Counseling: The employee may engage in an informal discussion to review standards, to evaluate strengths and weaknesses, or to offer suggestions or remedies for performance or to address specific issues.

Reprimand: The employee may be given an oral warning to improve performance and/or behavior, or a written notice that indicates that further disciplinary action may be taken unless performance or behavior improves.

Suspension: The employee may be placed on unpaid suspension.

Demotion: An employee may be assigned to a lower paying position.

Termination: The employee may be removed from WRCOG service.

Discipline of Non-At-Will Employees

The Executive Director must follow the appropriate disciplinary procedures in cases where the contemplated disciplinary action involves a non-at-will employee's rights. In such instances, before a final disciplinary action is taken, the following steps will be taken:

Notice of Proposed Action: A written notice of the proposed disciplinary action will be delivered to the employee by the Executive Director or designee.

Conduct Necessitating the Proposed Action: The written notice will include a description of the prohibited conduct or other behavior that gave rise to the proposed disciplinary action.

Materials Supporting Proposed Action: The employee will be given a copy of, or be provided access to, written materials, reports and documents, if any, upon which the action is based.

Right to Respond: The employee has the right to respond to any notice of proposed disciplinary action within five working days, unless such period of time is extended by the Executive Director. Such response can be made by the employee in person or through a representative. The response can be a) oral, b) written or, c) both, and must be submitted to the Executive Director.

Notice of Determination: The Executive Director will notify the employee by written notice of: a) the discipline; b) the original allegation(s); c) the determination as to the charges; d) the level of disciplinary action to be received; and e) any applicable final admonition(s). The Executive Director will similarly notify the employee if no disciplinary action will be taken. Except where the employee has the right to appeal, the determination of the Executive Director shall be final.

Appeal: In the case of a reduction in pay, suspension without pay in excess of five days, demotion, or termination, the employee may appeal the disciplinary action imposed by the Executive Director to the Administration & Finance Committee or its designee. The appeal procedure shall be determined by the Administration & Finance Committee or designee in accordance with applicable law.

Representation

Any time that an employee is to be disciplined or interviewed regarding a matter in which there is reason to believe that the employee may be disciplined, he or she will have the right to representation. It is the employee's responsibility to request that representation be present, and failure to so request will constitute a waiver of representation at that stage.

The Executive Director or designee has the authority to place any employee on paid administrative leave when, in his or her belief, doing so is in the best interests of WRCOG.

B. Prohibited Conduct

The following conduct is prohibited and will not be tolerated by WRCOG. This list of prohibited conduct is illustrative only. Other types of conduct not appearing on this list that threatens security, personal safety, employee welfare and WRCOG administrative operations also may be prohibited. All such conduct is grounds for disciplinary action.

- Falsifying employment records, employment information, or other WRCOG records.
- Falsifying work time records, either your own or another employee's.
- Theft and/or deliberate or careless damage or destruction of any WRCOG property, or the property of any employee or member agency.
- Removing or borrowing WRCOG property without prior authorization.
- Unauthorized use of WRCOG equipment (time, materials, or facilities).
- Provoking a fight or fighting during working hours or on WRCOG property.
- Participating in horseplay or practical jokes on WRCOG time or on WRCOG premises.

- Carrying firearms or any other dangerous weapons on WRCOG premises at any time.
- Engaging in criminal conduct related to job performance or otherwise having an adverse impact on WRCOG.
- Causing, creating, or participating in a disruption of any kind during working hours on WRCOG property.
- Insubordination, including, but not limited to, failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management.
- Inappropriate use of e-mail or other electronic media.
- Using abusive language at any time on WRCOG premises.
- Failing to notify a supervisor when unable to report to work.
- Failing to obtain permission to leave work for any reason during normal working hours.
- Failing to observe working schedules, including rest and lunch periods.
- Sleeping or malingering on the job.
- Making or accepting personal telephone calls of such length or quantity as to interfere with the quality or quantity of work performed or to create a disruptive work environment for others, whether WRCOG or personal telephone equipment is used, except in cases of emergency.
- Working overtime without authorization or refusing to work assigned overtime.
- Wearing unprofessional or inappropriate styles of dress or hair while working.
- Violating any safety, health, security or WRCOG policy, rule, or procedure.
- Committing a fraudulent act or a breach of trust under any circumstances.
- Committing or participating in any act of harassment, discrimination, or retaliation of another individual.
- Discourteous treatment of the public or other employees.

C. Off-Duty Conduct

While WRCOG does not seek to interfere with the off-duty and personal conduct of its employees, it discourages certain types of off-duty conduct that may interfere with WRCOG's legitimate business interests. For this reason, employees are expected to conduct their personal affairs in a manner that does not adversely affect WRCOG. Illegal off-duty conduct by an employee that adversely affects WRCOG's legitimate business interests or the employee's ability to perform his or her job will not be tolerated.

While employed by WRCOG, employees are expected to devote their energies to their jobs with WRCOG. The following types of employment elsewhere are strictly prohibited:

- Additional employment that conflicts with an employee's work schedule, duties, and responsibilities at WRCOG.
- Additional employment that creates a conflict of interest or is incompatible with the employee's position with WRCOG.
- Any additional employment that requires the employee to conduct work or related activities on WRCOG property during the employee's working hours or

- WRCOG facilities and/or equipment.
- Additional employment that directly or indirectly competes with the quasi-governmental services or the interests of WRCOG.

Employees wishing to engage in additional employment that may create a real or apparent conflict of interest are required to submit a written request to the Executive Director explaining the details of the additional employment. Such work cannot commence until written authorization is provided by the Executive Director. Authorization to engage in additional employment can be revoked at any time.

D. Political Activity

WRCOG employees are prohibited from engaging in political activities while on duty and/or on the premises of WRCOG, including but not limited to:

- An employee of WRCOG shall not, directly or indirectly, solicit political funds or contributions, knowingly, from other officers or employees of WRCOG. (Government Code Section 3205).
- No employee of WRCOG shall engage in political activity during working hours as defined in Government Code Section 3207.
- No signs, posters or other political advertising materials shall be posted on WRCOG premises at any time.

E. Drug and Alcohol Abuse

Purpose

The objective of WRCOG is to promote a safe, healthy, and productive work environment for all employees and to have a work force that is free from the influence of alcohol and controlled substances. Therefore, it is the policy of WRCOG to prohibit its employees from using alcohol or drugs in connection with their employment in order to maintain a work environment free from the effects of drug and alcohol use. Substance abuse can affect job performance, employee and public safety, and the public's perception of WRCOG and its operations.

Employees who believe that they may have a substance abuse problem are urged to voluntarily seek confidential assistance from the Human Resources office. Thereafter, WRCOG may, in its sole discretion, consider a referral for professional assistance or otherwise permit an employee to take time off to address the substance abuse problem.

WRCOG will be firm in identifying and disciplining those employees who do not voluntarily seek assistance and who continue to use drugs or alcohol in violation of WRCOG's policies. WRCOG has a significant interest in ensuring the health and safety of its employees, in avoiding accidents, to promote and maintain safe and efficient working conditions for its employees, and to protect its property, equipment, and operations. The use of drugs, alcohol, or any other substances which alters an employee's behavior can affect an employee's ability to perform his or her duties safely and effectively, and increase the potential for accidents,

absenteeism, substandard performance, poor employee morale, and can damage WRCOG's reputation. As a condition of continued employment with WRCOG, each employee must abide by this Policy.

Definitions

For purposes of this Policy:

"Illegal drugs or other controlled substances" mean any drug or substance that (a) is not legally obtainable; or (b) is legally obtainable but has not been legally obtained; or (c) has been legally obtained but is being sold or distributed unlawfully. Furthermore, despite its legal status in California, marijuana remains an illegal drug under Federal law. Accordingly, marijuana is considered an illegal drug for the purpose of WRCOG's Policy.

"Legal drug" means any drug, including any prescription drug or over-the-counter drug, that has been legally obtained and that is not unlawfully sold or distributed.

"Abuse of any legal drug" means the use of any legal drug (a) for any purpose other than the purpose for which it was prescribed or manufactured; or (b) in a quantity, frequency, or manner that is contrary to the instructions or recommendations of the prescribing physician or manufacturer.

"Possession" means that an employee has the substance on his or her person or otherwise under his or her control.

"Reasonable Suspicion" includes a suspicion that is based on specific personal observations such as an employee's manner, disposition, muscular movement, appearance, behavior, speech or breath odor; information provided to management by an employee, by law enforcement officials, by a security service, or by other persons believed to be reliable; or a suspicion that is based on other surrounding circumstances.

Prohibited Conduct

a. Scope

The prohibitions of this section apply whenever the interests of WRCOG may be adversely affected, including any time an employee is:

- On WRCOG premises.
- Conducting or performing WRCOG business, regardless of location.
- Operating or responsible for the operation, custody, or care of WRCOG equipment or other property.
- Responsible for the safety of others in connection with, or while performing, WRCOG-related business.

b. Alcohol

The following acts are prohibited and will subject an employee to discharge:

- The unauthorized use, possession, purchase, sale, manufacture,

- distribution, transportation, or dispensation of alcohol.
- Being under the influence of alcohol.

c. **Illegal Drugs**

The following acts are prohibited and will subject an employee to discharge:

- The use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of any illegal drug or other controlled substance.
- Being under the influence of any illegal drug or other controlled substance.

d. **Legal Drugs**

The following acts are prohibited and will subject an employee to discharge:

- The abuse of any legal drug.
- The purchase, sale, manufacture, distribution, transportation, dispensation, or possession of any legal prescription drug in a manner inconsistent with law.
- Working while impaired by the use of a legal drug whenever such impairment might:
 - Endanger the safety of the employee, member of the public, or some other person.
 - Pose a risk of significant damage to WRCOG property or equipment.
 - Substantially interfere with the employee's job performance or the efficient operation of WRCOG, or WRCOG's equipment.

Disciplinary Action

- First Violation:** A first violation of this Policy will result in discipline up to and including termination. In determining the level of discipline, WRCOG may consider whether an employee satisfactorily participates in and completes an approved drug or alcohol abuse 'assistance' or rehabilitation program when recommended by WRCOG.
- Second Violation:** A second violation of this Policy at any time will result in immediate discharge.
- Effect of Discharge on Eligibility for Rehire:** Employees who are discharged for a violation of this Policy will not be eligible for rehire by WRCOG.
- Effect of Criminal Conviction:** An employee who is convicted under a criminal drug statute for a violation occurring in the workplace or during any WRCOG related activity or event will be deemed to have violated this Policy.

Use of Legal Drugs

WRCOG recognizes that employees may, from time to time, be prescribed legal drugs that, when taken as prescribed or according to the manufacturer's instructions, may result in impairment. Employees may not work while impaired by the use of legal drugs if the impairment might endanger the employee or someone else, pose a risk of significant damage to WRCOG property, or substantially interfere with the employee's job performance. If an employee is so

impaired by the appropriate use of legal drugs, he or she may not report to work. To accommodate the absence, the employee may use accrued sick leave or vacation time. The employee may also contact the Human Resources office to determine whether or not he or she qualifies for an unpaid leave of absence, such as family care or medical leave. Nothing in this Policy is intended to sanction the use of accrued sick leave or vacation time to accommodate absences due to the abuse of legal drugs. Further, nothing in this Policy is intended to diminish WRCOG's commitment to employ and reasonably accommodate qualified disabled individuals. WRCOG will reasonably accommodate qualified disabled employees who must take legal drugs because of their disability.

Unregulated or Authorized Conduct

- a. Customary Use of Over-the-Counter Drugs: Nothing in this Policy is intended to prohibit the customary and ordinary purchase, sale, use, possession, or dispensation of over-the-counter drugs, so long as that activity does not violate any law or result in an employee being impaired by the use of such drugs in violation of this Policy.
- b. Off-the-Job Conduct: This Policy is not intended to regulate off-the-job conduct, so long as the employee's off-the-job use of alcohol or drugs does not result in the employee being under the influence of or impaired by the use of alcohol or drugs in violation of this Policy.

Confidentiality

Disclosures made by employees to the Executive Director concerning their use of legal drugs will be treated confidentially and will not be revealed to managers or supervisors unless there is an important work-related reason to do so in order to determine whether it is advisable for the employee to continue working. Disclosures made by employees to the Executive Director concerning their participation in any drug or alcohol rehabilitation program will be treated confidentially.

Counseling / Employee Assistance

Employees who suspect they may have alcohol or drug problems, even in the early stages, are encouraged voluntarily to seek diagnosis and to follow through with the treatment as prescribed by qualified professionals. Employees who wish to voluntarily enter and participate in an approved alcohol or drug rehabilitation program are encouraged to contact the Executive Director, who will determine whether WRCOG can accommodate the employee by providing unpaid leave for the time necessary to complete participation in the program. Employees should be aware that participation in a rehabilitation program will not necessarily shield them from disciplinary action for a violation of this Policy, particularly if discipline is imposed for a violation occurring before the employee seeks assistance.

Pre-Employment Testing

As part of WRCOG's employment screening process, all applicants to whom an offer of employment with WRCOG is made must undergo and pass urine-

controlled substance testing and breath alcohol testing. The offer of employment is conditioned on a negative test result. A negative test result will disqualify the applicant from further consideration for employment. Additionally, if an applicant refuses to cooperate with the administration of the drug test, the refusal will be handled in the same manner as a positive test result. Pre-employment testing requirements will be conducted in compliance with current law. Applicants will be informed of WRCOG's drug testing Policy in the employment application.

Post-Accident Testing

All employees will be required to undergo controlled substance and/or breath alcohol testing if they are involved in an accident that results in a fatality. This includes all employees directly involved in the accident and any other employee whose performance could have contributed to the accident. In addition, a post-accident test will be conducted if an accident results in injuries requiring transportation to a medical treatment facility, or where one or more vehicles incurs disabling damage that requires towing from the site, or where the employee receives a citation under State or local law for a moving traffic violation arising from the accident.

Following an accident, the employee will be tested as soon as possible, but not to exceed eight hours for alcohol and 32 hours for controlled substances. Any employee who leaves the scene of an accident without appropriate authorization prior to submission to controlled substance and alcohol testing will be considered to have refused the test and is subject to termination.

Please note: drug and alcohol testing will not be conducted if the testing is retaliatory pursuant to the federal Occupational Safety and Health Administration's applicable rules.

If an employee refuses to cooperate with the administration of the drug test, the refusal will be handled in the same manner as a positive test result.

Procedures for Drug Testing

WRCOG will refer the applicant or employee to an independent, National Institute on Drug Abuse (NIDA)-certified medical clinic or laboratory, which will administer the test. WRCOG will pay the cost of the test and reasonable transportation costs to the testing facility. The applicant / employee will have the opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that he or she has taken that may affect the outcome of the test. All drug testing will be performed by urinalysis. Initial screening will be done by EMIT II. Positive results will be confirmed by gas chromatography / mass spectrometry.

The clinic or laboratory will inform WRCOG as to whether the applicant / employee passed or failed the drug test. If an employee fails the test, he or she will be considered to be in violation of this Policy and will be subject to discipline accordingly.

Acknowledgment and Consent

Any employee / applicant subject to testing under this Policy will be asked to sign a form acknowledging the procedures governing testing and consenting to (1) the collection of a urine sample for the purpose of determining the presence of alcohol or drugs, and (2) the release to WRCOG of medical information regarding the test results. Refusal to sign the agreement and consent form, or to submit to the drug test, will result in the revocation of an applicant's job offer, or will subject an employee to discipline up to and including termination.

Contact Individual

Any questions regarding this Policy should be directed to the Executive Director.

F. Civility Code

Purpose

The objective of WRCOG is to promote a productive work environment for all employees and have a work force that is free from disruptive behavior.

The following outlines the manner in which employees are to treat their co-workers and members of the public. Violations of this Policy may result in employee discharge or disciplinary action.

- When interacting with others – whether in person, on the telephone or other electronic device, or in written correspondence – all employees and volunteers shall conduct themselves in a courteous, professional, and business-like manner at all times.
- Employees shall use courteous and business-like language when addressing others.
- Employees shall refrain from the use of profanity, unprofessional language, slang, nicknames (even if intended with affection), sarcasm, abrasive tones, or unnecessary volume.
- Employees shall refrain from physical postures or gestures intended to convey acrimony or displeasure, including but not limited to eye rolls, raised hands, and arm crossing.
- Employees providing services to the public shall not keep those awaiting services waiting unnecessarily. Where possible, employees should respond immediately to those requesting service. In no instance should an employee make a member of the public wait for the employee to finish personal business. Where a wait is unavoidable, the employee shall greet the person, and verbally inform him or her of the approximate wait time.
- Employees providing services to the public shall generally not engage in personal or private business in view of the public.
- Employees should not groom, drink (except from a discrete cup), eat, engage in personal reading (e.g., newspapers, computer, smartphone, tablet, etc.), listen to an electronic device for personal reasons (e.g., radio, headphones, Bluetooth ear piece, etc.) in view of the public.
- Employees are prohibited from using profane or offensive language or similarly

discourteous treatment to others, whether or not the person at whom the language or conduct is directed objects. The use of profane or offensive language or similarly discourteous treatment shall be reported immediately to the supervisor of the offending party.

- Conduct intended to belittle or ostracize co-workers is unacceptable on WRCOG premises or in the public. During work hours and in work locations visible to the public, employees shall not engage in angry or sarcastic banter, whisper campaigns, or other conduct that could be perceived as an attempt to belittle or ostracize co-workers.

G. Punctuality and Attendance

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized WRCOG business. Late arrival, early departure, or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided when possible. Employees should schedule personal appointments outside their working hours whenever possible.

If an employee is unable to report for work on any day, they must contact their immediate supervisor, or if their immediate supervisor is unavailable, must contact any other manager or supervisor in the office, within one hour of the time they are scheduled to begin working for that day. An employee who does not call or arrive at their scheduled time to begin work is to be considered tardy for that day. Employees also must inform their supervisor of the expected duration of any absence. Excessive absenteeism or tardiness (excluding appropriate use of sick leave), whether excused or not, will not be tolerated and will be reviewed and evaluated during the employee's annual performance evaluation.

If an employee fails to report for work without any notification to a supervisor and his or her absence continues for a period of three days, WRCOG will consider that employee to have abandoned his or her employment. The permitted use of sick leave will not be considered in determining whether an employee abandoned his employment.

All employees are required to keep daily attendance records (time sheets) which are to be signed and submitted to the employee's supervisor on a bi-weekly basis. WRCOG will maintain records of employee attendance and retain the employee's signed and approved time sheets.

H. Dress Code and Other Personal Standards

In General

Employees are expected to wear clothing appropriate for the professional nature of WRCOG's services and the individual type of work performed. Clothing should be neat, clean, and tasteful. The Executive Director may issue more specific guidelines.

Casual Day

WRCOG observes a casual dress day on the last day of the work week, (currently Friday). Employees having WRCOG-related or other public meetings and/or agency member contact may not be permitted to participate in the casual dress day.

Employees participating in a casual dress day are expected to report to work properly groomed. Unacceptable business casual dress includes ripped or torn clothing, t-shirts or sweat shirts of any kind (with or without a written message), tank or halter tops, clothing with a bare midriff, or shorts. The Executive Director may issue more specific guidelines concerning any exceptions to this Policy.

I. Confidentiality

Each employee is responsible for safeguarding the confidential information obtained during employment. In the course of work, employees may have access to sensitive political or confidential information regarding WRCOG, member agencies, agency employees and representatives, or fellow employees. Employees are precluded from revealing or divulging any such information unless it is necessary to do so in the performance of your duties. Access to confidential information is on a "need-to-know" basis and must be authorized by the direct supervisor. Any breach of this Policy will not be tolerated, and disciplinary and legal action may be taken by WRCOG.

J. Business Conduct and Ethics

Employees are encouraged to not accept gifts or gratuities (excluding occasional business meals) from any member government, agency employee, member representative, or other person or vendor conducting business with WRCOG. Employees must receive approval for the payment by others for expenses for business meals or trips from WRCOG administrative management in advance. Such gifts and gratuities must be monitored and, when required, reported as required by (Form 700, etc.).

K. News Media Contacts

Employees may be approached for interviews or comments by the news media. Only contact people designated by the Executive Director may comment to news reporters on WRCOG policy or events relevant to WRCOG.

VII. OPERATIONAL CONSIDERATIONS

A. Computer and Electronic Systems and Devices Policy

Purpose

The purpose of computer and other electronic systems and devices, including, but not limited to, electronic and voice mail systems, cell phones, text messaging, and internet connections are to provide an efficient and effective means of internal and external communications and information gathering related to WRCOG's business operations. This general Policy addresses access to and the disclosure of information from such electronic systems and devices.

WRCOG computer, electronic and voice mail systems, cell phones, text messaging, internet connection and other electronic communication systems and devices are a business tool. These systems must be used in a professional manner for legitimate business purposes only and, at all times, remain the property of WRCOG.

Access and Disclosure

Because all electronic systems and devices remain the property of WRCOG and are for official WRCOG use only, records, files, transmissions, messages, passwords, and other products or contents of these systems and devices are not confidential; therefore, employees can have no expectation of privacy in any documents or other materials they write, receive, store, or send in the use of these systems or devices.

Passwords and login credentials do not confer any right of privacy upon any employee of WRCOG. Thus, even though employees may maintain passwords or be provided with login credentials for accessing electronic systems and devices, employees must not expect that any information maintained on electronic systems and devices, including electronic mail and voicemail messages, are private. Employees are expected to maintain their passwords and login credentials as confidential. Employees must not share passwords, or forward login credentials unless authorized by the Executive Director and must not access coworkers' systems without express authorization.

WRCOG administrative management reserves the right to access and disclose all products and contents of these systems and devices for any purpose, at any time, and without notice. WRCOG reserves the right to monitor use of these systems and devices to prevent abuse, enforce other policies, for purposes of legal proceedings, to access information, or for any other business purpose. Access may be necessary at the very least because of situations indicating impropriety, violation of WRCOG policy, legal requirements, suspected criminal activities, breach of system security, or to locate substantive information or monitor employee performance and conduct, among other things.

The contents of these systems and devices may be disclosed within or outside of WRCOG without employee permission.

WRCOG has unlimited access to protect the security of these systems and devices or WRCOG's property rights.

Personal Use

Incidental and occasional personal use of the electronic systems and devices covered by this Policy is permitted within WRCOG, but such use will be treated no differently from official use. There is no expectation of privacy with respect to such personal use, as such use is subject to the same access and review rights of any other use of these systems and devices.

B. Use of Electronic Media

WRCOG uses various forms of electronic communication including, but not limited to, computers, e-mail, telephones, and Internet. All electronic communications, including all software, databases, hardware, and digital files, remain the sole property of WRCOG and are to be used only for WRCOG business and not for any personal use, except as noted above. The following restrictions and provisions should be observed in the use of electronic media:

- Employees are prohibited from using electronic communication and media in any manner that is discriminatory, harassing, or obscene, or constitutes defamation, copyright or trademark infringement, misappropriation of agency secrets, or for any other purpose that is illegal, against WRCOG administrative management policy, or not in the best interest of WRCOG.
- Employees who violate this Policy will be subject to discipline and/or immediate termination.
- Employees are prohibited from installing personal software on WRCOG computer systems, unless approved in writing by the IT Administrator and the employee's immediate supervisor.
- All electronic information created by any employee using any means of electronic communication is the property of WRCOG and remains the property of WRCOG. Personal passwords may be used for purposes of security, but the use of a personal password does not affect WRCOG's ownership of and unfettered access to the electronic information.
- WRCOG will override all personal passwords if necessary for any reason.
- WRCOG reserves the right to access and review electronic files, messages, mail, and other digital archives, and to monitor the use of electronic communications as necessary to ensure that no misuse or violation of WRCOG policy or any law occurs.
- Employees are prohibited from accessing the electronic communications of other employees or third parties unless directed to do so by WRCOG management.
- Employees are prohibited from installing or using anonymous e-mail transmission programs or encryption of e-mail communications.

- Employees who use devices on which information may be received and/or stored, including but not limited to, cell phones, cordless phones, portable computers, fax machines, and voice mail communications are required to use these methods in strict compliance with this Policy and any other confidential communication policy established by WRCOG.
- Access to the Internet, websites, and other types of WRCOG-paid computer access are to be used for WRCOG-related business only, except as noted above. The Executive Director, at his or her sole discretion, may provide for any exceptions to this Policy.
- Information about WRCOG, its member agencies or services, or other types of information that will appear in the electronic media about WRCOG must be approved by the Executive Director before the information is placed on an electronic information resource that is accessible to others.
- Questions about access to electronic communications or issues relating to security should be addressed to the Executive Director.

C. Employee Guidelines for the Use of E-Mail

The following are general guidelines for reference when using e-mail:

- WRCOG's electronic mail system is for official WRCOG business and is not to be used for unrelated purposes, including, but not limited to, the following:
 - a. To send "chain" or similar type "letters."
 - b. To send documents in violation of copyright laws.
 - c. To knowingly open mail not directed to you.
 - d. Use for personal or social purposes other than occasional, incidental use.
 - e. To send messages in violation of WRCOG security policies.
- Avoid "carbon copying" individuals who have **NO** direct involvement or "need to know." Likewise, "e-mail all" should only be used on very rare occasions when every person on the system has a direct need to know. E-mail communications should only be disclosed to authorized employees.
- Avoid "forwarding" e-mail to a third party unless necessary (see "carbon copying"). When forwarding, explain the reason for the forwarding action and edit out any potentially inappropriate contents. If in doubt about the appropriateness of forwarding a given piece of mail, check with the originator for guidance.
- When sending an e-mail requiring "action," be sure to indicate which "TO" addressee(s) is/are to take the action.
- Do not say anything in an e-mail message that could prove embarrassing or compromising to you or others. Despite what you think, e-mail is not a "private" system (see WRCOG policy regarding access and disclosure).
- Avoid potentially contentious exchanges through e-mail.
- Remember that you are solely responsible for the management of your mailbox and its associated folders. E-mail documents will remain in a folder until you "delete " or "trash" them. Even then they still exist in your "wastebasket." E-mail that you wish to maintain for longer periods should be moved to and stored in specified folders and/or converted to hard copy.

- Use common sense in determining when to use e mail, in what is said, and to whom.
- Language which is insulting, offensive, disrespectful, demeaning, or sexually suggestive will not be tolerated. Harassment and/or discrimination of any form, sexual or ethnic slurs, and obscenities, or any representation of obscenities, or to send anonymous communications is strictly prohibited. Sending a carbon copy of these types of offensive e-mail messages to a separate party will not be tolerated. Failure to comply will result in disciplinary action up to and including termination.

It is important to understand that electronic communications are the property of WRCOG, are subject to complete access and review by WRCOG officials, may be subpoenaed by a court of law, and are not subject to a right of privacy.

Please note that nothing in this section infringes on your right to complain of harassment, discrimination, or retaliation, as outlined within this Manual.

D. Prohibited Use of Mobile Phone or Messaging Devices While Driving

In the interest of the safety of our employees and other drivers, WRCOG employees are prohibited from using cell phones, unless using a hands-free device, and text message and e-mail devices while driving on WRCOG business and/or WRCOG time.

Employees whose job requires that they keep their cell phone turned on while driving must use a hands-free device, or, if no hands-free device is available, safely pull off the road before conducting WRCOG business. Under no circumstances should employees initiate or answer phone calls while operating a motor vehicle while driving on WRCOG business and/or WRCOG time unless the employee is utilizing a hands-free device.

E. Mobile Telephone Policy

It is the Policy of WRCOG to provide certain employees with mobile telephones for purposes of performing essential company business. For purpose of satisfying the requirements of IRS Notice 2011-72, which establishes criteria for the exclusion from income of the costs and value associated with an employee's use of employer-owned mobile phones as a working condition fringe benefit (as defined under Internal Revenue Code §132(d)), WRCOG hereby establishes the following policy for the usage of WRCOG-owned mobile telephones.

Acquisition and Assignment of Mobile Telephones

The purchase and assignment of mobile phones by WRCOG for an employee shall be limited to those employees who have a business need. Such need shall be determined by the nature of the employee's job duties and whether the employee is required to be accessible by telephone regardless of the time of day, day of week

or geographical location. The purchase of mobile telephones shall be subject to approval by Executive Director and will be processed by the Chief Financial Officer (CFO).

Responsibility

The CFO shall oversee the use of all WRCOG mobile telephones. The CFO shall assign each mobile telephone to one specific employee and shall monitor the use and return of the mobile telephones. The CFO shall also ensure that all employees assigned a WRCOG mobile telephone have read and signed an agreement which acknowledges that they have read and understand this Policy prior to issuance.

Use of Company-Owned Mobile Phones

- a. **Business Purposes:** WRCOG will provide eligible employees with a mobile phone, subject to the terms and conditions stated herein. Only the employee shall be permitted to use the mobile telephone assigned to him or her. Employees may use WRCOG-owned mobile telephone to occasionally make and receive personal telephone calls; however, the employee's usage of the mobile telephone will be primarily for business purposes.
- b. **Compliance with WRCOG Rules:** Employees are prohibited from using their WRCOG-issued mobile phone in any manner that constitutes a violation of this handbook, including but not limited to, the policies against harassment, discrimination and retaliation.
- c. **No Privacy:** Employees have no right of privacy in their mobile phones. Please refer to the Computer and Electronic Systems and Devices Policy herein for additional information. Cellular transmissions are not secure, and employees shall exercise discretion in relaying confidential information. WRCOG reserves the right to monitor the use of all WRCOG mobile telephones.
- d. **Theft; Vandalism:** Reasonable precautions should be made to prevent theft and vandalism of any WRCOG mobile telephone. In the event that a mobile telephone is lost, stolen, or vandalized due to an employee's failure to use reasonable precautions, WRCOG may require the responsible employee to reimburse WRCOG for the replacement cost of the equipment. Employees should immediately report theft, vandalism, or loss of a WRCOG-issued mobile phone to the CFO.
- e. **Safety:** Employees shall limit the use of mobile telephones while operating an automobile and any such use shall comply with applicable laws and this Manual.
- f. **Responsibility for Payment; Service Plan:** All mobile phones issued by WRCOG and the corresponding number assigned to each mobile phone shall be covered under WRCOG's service plan. WRCOG shall have the right to enter into a contract with one or more service providers for the purposes of obtaining mobile phone coverage that is appropriate for business purposes. WRCOG has the right to replace or alter the terms of its contracts at any time. WRCOG shall be responsible for payment of the charges attributable to the phones and for costs related to the purpose or replacement of a phone, if any.
- g. **Excessive Personal Use:** WRCOG shall routinely review the monthly

statements for an employee's WRCOG-issued mobile phone for purposes of identifying excessive personal use. The responsibility for additional charges and fees not included in the basic service agreement (e.g., roaming charges, overage charges, ring tone, etc.) shall be determined by WRCOG on a case by case basis if such charges are excessive and not attributable to a legitimate business purpose.

Cessation of Employee Usage

Change in Status: WRCOG may terminate an employee's use of a WRCOG mobile telephone and demand the return of the mobile telephone at any time for any reason upon written or oral notice to the employee. In addition, an employee will be required to immediately return the WRCOG mobile telephone upon the occurrence of any of the following events:

- a. A change of job status or duties with WRCOG wherein the new position does not necessitate the use of a WRCOG mobile telephone.
- b. Termination of employment or retirement from WRCOG.
- c. The total destruction of the WRCOG mobile telephone.

Return of Company property: Following notification by WRCOG of the termination of the employee's use of a mobile telephone, the employee must return the mobile telephone to the CFO in the same condition in which it was delivered, excepting only ordinary wear and tear, immediately.

Failure to Comply with Policy: If an employee fails to comply with the responsibilities and obligations under this Policy, WRCOG will have the right to take possession of the phone and terminate the phone number assigned to the employee without prior notice to the employee.

Amendment; Termination of Policy

WRCOG reserves the right to amend this Mobile Telephone Policy at any time if deemed necessary or appropriate to conform to federal or state tax requirements. WRCOG may discontinue or terminate this Policy at any time.

F. Non-Work-Related (Off-duty) Use of Facilities

Employees are prohibited from remaining on WRCOG premises or making use of WRCOG facilities while not engaged in performance of their assigned duties. Employees are expressly prohibited from using WRCOG facilities, WRCOG property, or WRCOG equipment for personal use, except as noted herein.

G. Security

WRCOG has developed guidelines to help maintain a secure workplace. Employees should be aware of persons loitering for no apparent reason in parking areas, walkways, entrances and exits, and service areas. Employees should report any suspicious persons or activities to WRCOG management and building

security. Employees are responsible for securing their desk or the office at the end of the day. When employees are called away from their work area for an extended length of time, they are not to leave valuable and/or personal articles in or around their workstation that may be accessible. The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. Employees should immediately notify their supervisor when unknown persons are acting in a suspicious manner in or around the offices controlled by WRCOG, or when keys, security passes, or identification badges are missing.

H. Workplace Violence

WRCOG recognizes that workplace violence is a concern among employers and employees across the country. WRCOG is committed to providing a safe, violence-free workplace. In this regard, WRCOG strictly prohibits employees, consultants, customers, visitors, or anyone else on WRCOG premises or engaging in a WRCOG-related activity from behaving in a violent or threatening manner. Moreover, WRCOG seeks to prevent workplace violence before it begins and reserves the right to address certain behaviors, even in the absence of violent behavior.

Workplace violence includes, but is not limited to, the following:

1. Threats of any kind.
2. Threatening, physically aggressive, or violent behavior, such as intimidation of or attempts to instill fear in others.
3. Other behavior that suggests a propensity towards violence, which can include belligerent speech, excessive arguing or swearing, sabotage, or threats of sabotage of WRCOG property, or a demonstrated pattern of refusal to follow WRCOG policies and procedures.
4. Defacing WRCOG property or causing physical damage to the facilities.
5. With the exception of security personnel, bringing weapons or firearms of any kind on WRCOG premises, in WRCOG parking lots, or while conducting WRCOG business.

If any employee observes or becomes aware of any of the above-listed actions or behavior by an employee, customer, consultant, visitor, or anyone else, he or she must notify management or the Executive Director immediately.

Further, employees must notify the Executive Director if any restraining order is in effect, or if a potentially violent non-work-related situation exists that could result in violence in the workplace.

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, WRCOG will inform the reporting individual of the results of the investigation. To the extent possible, WRCOG will maintain the confidentiality of the reporting employee and of the

investigation. WRCOG may, however, need to disclose results in appropriate circumstances, for example, in order to protect individual safety. WRCOG will not tolerate retaliation against any employee who reports workplace violence.

If WRCOG determines that workplace violence in violation of this Policy has occurred, WRCOG will take appropriate corrective action and will impose discipline on offending employees. The appropriate discipline will depend on the particular facts but may include written or oral warnings, reassignment of responsibilities, suspension with or without pay, demotion or termination. If the violent behavior is that of a non-employee, WRCOG will take appropriate corrective action in an attempt to ensure that such behavior is not repeated.

I. Health and Safety

All employees are responsible for their own safety, as well as that of others in the workplace. In order to maintain a safe workplace, every employee must be safety-conscious at all times. All work-related injuries or illnesses must be immediately reported to a supervisor or to the Human Resources office. In compliance with California law, and to promote the concept of a safe workplace, WRCOG maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review by employees in the Human Resources office.

In compliance with Proposition 65, WRCOG will inform employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

J. Smoking

Smoking is not permitted in any enclosed area of the office facility or outdoor areas, except where designated by signage. This prohibition on smoking includes the use of e-cigarettes, cigars, and pipes.

K. Housekeeping

All employees are expected to keep their work areas clean and organized. Common areas such as lunch rooms and restrooms are expected to be kept sanitary. Employees are responsible for clean up after meals and proper disposal of trash.

L. Parking

Employees may park their vehicles in permissible areas in the vicinity of WRCOG offices. WRCOG is not responsible for any loss or damage to employee vehicles or contents while parked in public / employee lots or structures, whether public or privately owned.

M. Solicitation and Distribution of Literature

In order to ensure efficient operation of WRCOG's business activities and to prevent disruption to employees, solicitations and distribution of literature on

WRCOG-occupied property is prohibited. The following rules are to be strictly observed by all employees.

- Employees are prohibited from engaging in solicitation while on Paid Working Status. For the purposes of this Policy, Paid Working Status means any time the employee is on the clock with the exception of meal and rest breaks.
- Employees engaging in solicitation while not on Paid Working Status are prohibited from engaging in solicitation in a manner that is disruptive to other employees who are on Paid Working Status and/or to the WRCOG's customers.
- Employees may distribute or circulate non-WRCOG written materials only while not on Paid Working Status and only in non-work areas. Non-work areas are defined as anywhere off WRCOG property, with the exception of the break room. If an employee is not certain whether an area is a work or non-work area, he or she should consult his or her immediate supervisor for clarification.
- Solicitation or distribution in any way connected with the sale of any goods or services for profit is strictly prohibited anywhere on WRCOG property at any time. Similarly, solicitation or distribution of literature for any purpose by non-employees is strictly prohibited on WRCOG property at any time.
- WRCOG has bulletin boards located throughout the facility for the purpose of communicating with employees. Postings on these boards are limited to items posted by WRCOG, including statutory and legal notices, safety and disciplinary rules, WRCOG policies, memos of general interest relating to WRCOG, local operating rules, and other WRCOG items. All postings require prior approval of the Executive Director or designee. No postings will be permitted for any other purpose.
- Any employee who does not understand the application of these rules should consult with the Executive Director or designee.

N. Vehicle Operation Policy

No employee is to operate or drive any motor vehicle on behalf of WRCOG unless the employee is licensed for the class of vehicle to be driven, possesses a valid California Driver's License, and maintains adequate insurance. WRCOG retains the right to suspend or terminate an employee whose license is revoked, or who fails to maintain personal automobile insurance coverage, or who is uninsurable under a WRCOG policy when operation of a motor vehicle is an essential function of the employee's position.

O. Expense Reimbursement

WRCOG administrative management will reimburse employees of WRCOG for eligible travel, lodging, meals and other reasonable expenses directly related to the conduct of WRCOG business.

Employees are required to complete an expense reimbursement form in order to obtain reimbursement for expenses. The expense reimbursement form, with

supporting receipts and documentation attached, is to be submitted to the employees' supervisor for approval. WRCOG will reimburse approved employee travel expenses by check. All expense claims must be submitted no later than the earlier of the close of the grant cycle or the end of the fiscal year for reimbursement. Exceptions to the rule can only be approved by the Executive Director. Failure to comply with this Policy will result in discipline, up to and including termination of employment.

VIII. TIME-OFF OF WORK AND LEAVES OF ABSENCES

A. Holidays

All full time and part time employees of WRCOG are eligible for paid holidays. Full-time employees will receive eight hours holiday pay at their normal base rate. Part-time employees accrue holiday pay on a pro-rata basis.

The following are approved paid holidays for WRCOG (the day of observance may be changed at the discretion of WRCOG management):

- New Year's Day
- Dr. Martin Luther King Jr.'s Birthday
- Washington's Birthday
- Memorial Day
- July 4th
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Friday following Thanksgiving
- Christmas Eve
- Christmas Day
- New Year's Eve

Holidays falling on Saturdays will normally be observed on the preceding Friday. Holidays falling on Sundays will normally be observed on the following Monday. Holidays that occur during an eligible employee's vacation will not be counted as vacation days taken.

To be eligible for holiday pay, employees must work the business day before and after the holiday, unless the employee is absent from work due to use of accrued but unused vacation time or California paid sick leave. All employees are ineligible for holiday benefits while they are on a leave of absence.

B. Vacation

WRCOG employees are entitled to paid annual vacation based on length of credited service with WRCOG. Such vacation allowance is to be available for use on the first day following the pay period in which it is earned provided an employee has completed six months of continuous service from the employee's anniversary date as follows:

- For full-time employees:
 - Six months after hiring through three years of service (0 through 6,240 hours), the employee will accrue vacation at a rate of 80 hours (10 days) per year. No vacation is earned, and none may be taken during the first six months of employment.

- Years four through nine of service (6,248 through 18,720 hours) the employee will accrue vacation at a rate of approximately 4.6 hours per pay period, for a total of 120 hours (15 days) per year.
- Years 10 through 14 (18,728 hours through 29,120) the employee will accrue vacation at a rate of approximately 6.2 hours per pay period, for a total of 160 hours per year (20 days).
- Years 15 or more (29,128 hours or more) the employee will accrue vacation at a rate of approximately 7.7 hours per pay period, for a total of 200 hours per year (25 days).
- Part-time employees of WRCOG who have completed six months of continuous service will receive vacation leave accumulation on a pro-rata basis. Part-time employees of WRCOG who accept full-time employment with WRCOG without a break in service will receive service credit on a pro-rata basis.
- Temporary and seasonal employees of WRCOG are not eligible for vacation leave benefits.

Accrued vacation may not exceed two times an employee's current annual entitlement (i.e., 40 days for an employee with more than ten years of service). Once this maximum is reached, all further accruals will cease. Vacation accruals will recommence after the employee has taken vacation and his or her accrued hours have dropped below the maximum.

An employee is not permitted to borrow on future accrual of vacation benefits, except with the approval of the Executive Director. Employees who use any vacation days before they have been accrued and then leave the employ of WRCOG must repay any overdrawn amount to WRCOG at the time of termination. Earned vacation leave may be taken in multiples of one-half hour with the approval of the employee's immediate supervisor and at such time as will not impair the work schedule and efficiency of the work unit. Should employee vacation requests conflict with staffing requirements, supervisors are to arrange a mutually acceptable vacation schedule based on length of employee service.

Accrued, unused vacation will be paid upon termination of employment.

Employees will receive an annual notice of their accrued vacation leave time, on or about July 30th of each year.

C. Vacation Leave Cash-Out Policy

Although WRCOG encourages employees to take time off away from work in order to have a more balanced life style, WRCOG offers a vacation leave cash-out option for eligible employees. This program is intended to provide you with more flexibility in utilizing your vacation leave benefits, without triggering a taxable event for those employees who may elect to cash out accrued vacation leave but choose not to.

- An election period will be held each year in December, during which time you

- will have the opportunity to make an **irrevocable** election to cash-out vacation hours that **are scheduled to accrue during the months of January through June of the next calendar year** (First Accrual Period).
- A second election period will be held each year in June, during which time you will have the opportunity to make an **irrevocable** election to cash-out vacation hours that **are scheduled to accrue during the months of July through December of the same calendar year** (Second Accrual Period).
 - You may not elect to cash-out vacation hours that have already accrued at the time of your election.
 - You must submit a **new** election for every period in which you wish to cash-out vacation hours accruing in a subsequent period. Due to IRS regulations, elections will not carry over from one period to the next. The election form will be made available to you in December and June by the Human Resources administrator.
 - You may elect to cash out vacation hours accrued in the First Accrual Period in excess of 20 vacation hours but in no event may you elect to cash out more than 80 vacation hours. You may elect to cash out vacation hours accrued in the Second Accrual Period in excess of 20 vacation hours but in no event may you elect to cash out more than 80 vacation hours minus the vacation hours cashed out for the preceding First Accrual Period.
 - A minimum of 40 hours **MUST** remain in your vacation leave bank immediately after your election for the First Accrual Period and a minimum of 80 hours **MUST** remain in your vacation leave bank immediately after your election for the Second Accrual Period. The vacation hours you will accrue in the accrual period subsequent to your election that you elect to cash-out **will not be available** for your use. If your accrual rate changes (such as due to a leave or change in scheduled hours) so that there are insufficient hours accrued in the plan year to cover your election, you will receive only the balance of your elected vacation cash-out available at the time of the cash-out that is in excess of the foregoing minimums. If there are no hours available, no cash-out will occur.
 - If an employee fails to take 20 hours of actual vacation leave during the First Accrual Period, no cash-out will occur with respect to the election for the First Accrual Period, if any. Instead, the employee will carry over the vacation leave which is subject to the cash-out election, but such time will not be available for cash-out. If an employee fails to take a combined total of 40 hours of actual vacation leave during the combined First and Second Accrual Periods, no cash-out will occur with respect to the election for the Second Accrual Period. Instead, the employee will carry over the vacation leave which is subject to the cash-out, but such time will not be available for cash-out.
 - Your elected cash-out for the First Accrual Period will be paid within one week after the first payday in June of the year in which the vacation leave has accrued. Your elected cash-out for the Second Accrual Period will be paid within one week after the first payday in December of the year in which the vacation leave has accrued.
 - The vacation cash-out will be a separate live check. The check will be available

in payroll for pickup after 12:00 p.m. on the day the check is due, unless you direct the check to be direct deposited. If the check is not picked-up in payroll by 3:00 p.m. and you have not directed it be direct deposited, it will be mailed to your home.

- If you are a part-time employee, the number of hours you can elect to cash-out is not pro-rated. However, the actual amount you can cash-out is limited by your expected annual accrual. A minimum of 40 hours **MUST** remain in your vacation leave bank immediately after your election for the First Accrual Period and a minimum of 80 hours **MUST** remain in your vacation leave bank immediately after your election for the Second Accrual Period in order to be eligible for this benefit.
- The Executive Director, at his or her own discretion, may lift the above restrictions based on the occurrence of an unforeseeable financial emergency in accordance with IRS regulations.

D. California Paid Sick Leave

All eligible employees are entitled to Paid Sick Leave pursuant to California law and WRCOG policy. To be eligible for Paid Sick Leave, employees must work in California for 30 or more days within a year of their hire date. Employees accrue Paid Sick Leave on the first day of employment but do not become eligible to use accrued Paid Sick Leave until the 90th day of employment.

Basic Leave Entitlement

Paid Sick Leave may be taken for below prescribed purposes:

1. The diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member; or
2. To attend legal proceedings, or to obtain medical treatment, counseling or other victims' services for domestic violence, sexual assault, or stalking.

A "family member" for these purposes is defined as a child (a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis), a parent (a biological, adoptive or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child), a spouse or registered domestic partner, a grandparent, grandchild and sibling. Additionally, Paid Sick Leave may be used for an employee who is a victim of domestic violence, sexual assault or stalking.

Accrual

WRCOG's full-time employees accrue Paid Sick Leave at a rate of four hours sick leave for each payroll period completed (there are 80 hours in a standard payroll period). Accrued but unused Paid Sick Leave carries over into the following year, except that there is a cap on the maximum amount of accrued Paid Sick Leave

allowed. For full-time employees employed by WRCOG prior to November 7, 2016, their total accrued amount of Paid Sick Leave cannot exceed 1,000 hours or 125 days, whichever is greater, at any given time. For full-time employees employed by WRCOG on or after November 7, 2016, their total accrued amount of Paid Sick Leave cannot exceed 240 hours or 30 days, whichever is greater, at any given time. Full-time employees who reach their designated caps will cease to accrue further Paid Sick Leave hours until Paid Sick Leave is used, and the accrued Paid Sick Leave balance falls below the cap, at which point the employee will begin to accrue additional Paid Sick Leave (up to the designated cap).

All non-full-time employees accrue Paid Sick Leave at a rate of one hour for every 30 hours worked. Non-full-time employees may only use a maximum of three days or 24 hours, whichever is greater, of Paid Sick Leave per year. Accrued but unused Paid Sick Leave carries over into the following year, except that there is a cap on the maximum amount of accrued Paid Sick Leave allowed. A non-full-time employee's total accrued amount of Paid Sick Leave cannot exceed 48 hours or six days, whichever is greater, at any given time. Employees who reach this cap will cease to accrue further Paid Sick Leave hours until Paid Sick Leave is used, and the accrued Paid Sick Leave balance falls below the cap, at which point the employee will begin to accrue additional Paid Sick Leave (up to the designated cap).

Separation of Employment

Employees who voluntarily separate from employment with WRCOG and who have a continuous five years of service (10,400 hours of service) shall receive payment for 50% of any accrued sick leave. Employees who voluntarily separate from employment and have less than five years of continuous service, as well as employees who are involuntarily terminated, are not entitled to receive payment upon separation for accrued sick leave. Unused paid sick days which were not cashed out at separation pursuant to this Policy must be reinstated if an employee separates from employment and then is rehired within one year.

Increments

Employees may use Paid Sick Leave in 30-minute increments.

Notice

To the extent possible, employees must provide reasonable advance notice of their need for Paid Sick Leave under this Policy. If the need for leave is not foreseeable, an employee must provide notice as soon as practicable.

Benefits Continuation

Paid Sick Leave under this Policy will not constitute a break in the employee's continuous service for the purpose of WRCOG benefits and seniority.

Relationship with Other Leave Policies

If a law or regulation provides for greater accrual or use of sick days, the law, regulation, or policy with the greater protection may apply. For questions regarding the interplay between your entitlement to leave under other laws or regulations and your entitlement to leave under the Paid Sick Leave Law, please contact Human Resources.

Job Restoration

Upon expiration of Paid Sick Leave, an employee will generally be reinstated to his or her position with equivalent seniority, benefits, pay, and other terms and conditions of employment.

Retaliation and Discrimination Prohibited

WRCOG strictly prohibits any form of retaliation, harassment, or discrimination against an employee for attempting to use or using Paid Sick Leave under this Policy, and for any other reason prohibited by applicable law. Employees who believe they have been discriminated, harassed, or retaliated against should report their concerns to Human Resources immediately.

Paid Sick Leave during Vacation Leave

Employees who become ill or otherwise need to use Paid Sick Leave while on approved vacation leave may request to have vacation time converted to Paid Sick Leave, provided the employee has accrued Paid Sick Leave available for use.

E. Medical Leave under the FMLA and CFRA

Eligibility

To be eligible for medical leave under the Federal Family Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA), an employee must (1) have worked for WRCOG for at least 12 months prior to the date on which the leave is to commence; (2) have worked at least 1,250 hours in the 12 months preceding the leave; and (3) work at a location with 50 employees or more. If WRCOG employs fewer than 50 employees, employees are not eligible for medical leave under the FMLA or CFRA. However, they may be eligible for a separate leave entitlement under California's New Parent Leave Act in connection with a baby's birth or adoption or foster placement. (See "California New Parent Leave Policy," below).

Permissible Uses

Medical leave may be requested for (1) the birth or adoption of an employee's child; (2) the placement of a foster child with the employee; or (3) the serious health condition of an employee's child, registered domestic partner, spouse, or parent; or (4) an employee's own serious health condition.

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Substitution of Paid Leave

Employees are required to substitute accrued vacation time and other paid personal leave like compensatory time off (except Paid Sick Leave) for all medical leaves. Employees are required to substitute Paid Sick Leave only for the employee's own medical leaves. Employees may elect to substitute Paid Sick Leave to attend to an illness of a child, parent, spouse, or domestic partner of the employee, or as otherwise permitted under the California Paid Sick Leave Policy above.

Amount of Leave

Provided all the conditions of this Policy are met, an employee may take a maximum of 12 weeks of medical leave in a rolling 12-month period measured backwards from the date the employee's leave commences. Medical leaves for the birth, adoption, or foster care placement of a child must be concluded within one year of the birth, adoption, or placement.

Intermittent Leave

Medical leave for the employee's own serious health condition and the serious health condition of the employee's spouse, parent, or child may be taken intermittently or on a reduced schedule when medically necessary. Where the intermittent or reduced schedule leave is for planned medical treatment, the employee must make an attempt to schedule the treatment so as not to disrupt unduly WRCOG's operations. Where the family care leave is to be taken in connection with the birth, adoption, or foster placement of a child, the minimum duration for each period of leave is two weeks, except that the employee may request leave of less than two weeks' duration on any two occasions.

Leaves Effect on Pay

Except to the extent that other paid leave is substituted for medical leave, leave under the FMLA and the CFRA is unpaid. However, employees may be entitled to California State Disability Insurance (SDI) when leave is taken for their own serious health condition.

Employees also may be entitled to Paid Family Leave (PFL) for up to six weeks in any 12-month period during leaves to care for qualifying family members. PFL provides a partial wage replacement for absences from work to care for a seriously ill or injured family member or for bonding with a minor child within one year of the birth or placement of the child in connection with foster care or adoption. Employee contributions provide funding for this program. PFL is administered like SDI by the California Employment Development Department. PFL must be taken concurrently with medical leave and does not entitle an employee to take any additional time off. In addition, an employee must use up to two weeks of any accrued but unused vacation and compensatory time off before the employee will be eligible to receive PFL.

Leaves Effect on Benefits

During an employee's medical leave, WRCOG will continue to pay for the employee's participation in WRCOG's group health plans and other benefit plans, to the same extent and under the same terms and conditions as would apply had the employee not taken leave.

Thus, the employee must continue to pay his or her share of the health plan premiums during the leave. If the employee substitutes paid leave for the unpaid leave, such payments will be deducted from the employee's pay through the regular payroll deductions. Otherwise, the employee must make arrangements with WRCOG for the payment of such premiums. All other benefits will be governed in accordance with the terms of each benefit plan and are the sole responsibility of the employee.

If the employee fails to pay his or her share of the premiums during leave, or if the employee fails to return from the leave at the expiration of authorized leave for a reason other than the recurrence, continuation, or onset of a serious health condition for which leave under this Policy is allowed or other circumstances beyond the employee's control, WRCOG can recover any health plan premiums paid by WRCOG on the employee's behalf during any periods of the leave.

Employees on medical leave accrue employment benefits such as sick leave, vacation benefits, or seniority only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual.

Use of FMLA / CFRA leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Application for Leave

In all cases, an employee requesting leave must complete the "Leave of Absence Request" form and return it to their direct supervisor. The completed request form should include enough information to make WRCOG aware that the employee needs qualifying leave, and the anticipated timing and duration of the leave, if known. Sufficient information may include that the employee is unable to perform

job functions, the family member is unable to perform daily activities, or the need for hospitalization or continuing treatment by a health care provider. Employees also must inform WRCOG if the requested leave is for a reason for which FMLA / CFRA leave was previously taken or certified.

Notice of Leave

Employees must notify WRCOG of their request for medical leave as soon as they are aware of the need for such leave. For foreseeable medical leave, the employee must provide 30 calendar days' advance notice to WRCOG of the need for leave. For events that are unforeseeable 30 days in advance, the employee must notify WRCOG as soon as is practicable and generally must comply with WRCOG's normal call-in or notice procedures. If the leave is requested in connection with a planned, non-emergency medical treatment, the employee must make an attempt to schedule such treatment so as to avoid unduly disrupting WRCOG operations and may be requested to reschedule the treatment so as to minimize disruption of WRCOG's business.

Medical Certification of Leave

Any request for medical leave based on the serious health condition of the employee or the employee's spouse, domestic partner, child, or parent, must be supported by a "Medical Certification" completed by the applicable health care provider. The medical certification for leave for the employee's own serious health condition must include (a) the date on which the serious health condition commenced; (b) the probable duration of the condition; (c) a statement that, due to the serious health condition, the employee is unable to perform the essential functions of his or her position; and (d) in the case of intermittent leave or reduced schedule leave where medically necessary, the probable duration of such a schedule. In addition, the certification may, at the employee's option, identify the nature of the serious health condition involved. The medical certification for a family member (as defined above) with a serious health condition must state (a) the date on which the serious health condition or serious injury or illness commenced; (b) the probable duration of the condition or injury or illness; (c) the health care provider's estimate of the amount of time needed for family care; (d) the health care provider's assurance that the health care condition or injury or illness warrants the participation of the employee to provide family care; and (e) in the case of intermittent or reduced schedule leave where medically necessary, the probable duration of such a schedule. For foreseeable leaves, employees must provide the required medical certification before the leave begins. When this is not possible, employees must provide the required certification within 15 calendar days after WRCOG's request for certification, unless it is not practicable under the circumstances to do so, despite the employee's good faith efforts.

The Leave of Absence form and Medical Certification must be obtained from your Supervisor and/or the Executive Director.

WRCOG reserves the right to require the employee to obtain a second opinion,

and, at its own expense, to require a third opinion, pursuant to and in accordance with applicable state and federal law.

Return from Leave

Where the leave is for the employee's own serious health condition, WRCOG requires employees to provide medical certification that he or she is released to return to work and able to do so. WRCOG may delay restoring the employee to employment or terminate the employee without such certificate. If an employee wishes to return to work prior to the expiration date of a family or medical leave of absence, notification must be given to the employee's supervisor at least five days prior to the employee's planned return.

Employee's timely returning from a leave covered under this Policy are entitled to reinstatement to the same or equivalent position consistent with applicable law. WRCOG may deny reinstatement to employees who are among the highest paid 10% of all employees employed by WRCOG within 75 miles of the employees' worksite and whose reinstatement would cause substantial and grievous economic injury to WRCOG's operations.

An employee has no greater right to reinstatement than if he or she had been continuously employed rather than on leave. WRCOG will comply with all applicable laws pertaining to reinstatement of employees, including where required, the reasonable accommodation of employees who have been on an approved leave.

WRCOG complies with applicable medical leave laws. Under FMLA /CFRA it is unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided under FMLA / CFRA, or discharge or discriminate against any person for opposing any practice made unlawful by FMLA / CFRA or for involvement in any proceeding under or relating to FMLA / CFRA. If an employer has done so, an employee may file a complaint with the U.S. Department of Labor or California Department of Fair Employment and Housing (www.dfeh.ca.gov) and may bring a private lawsuit against an employer. FMLA / CFRA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights. If you have questions or would like further clarification about your rights under FMLA / CFRA or other types of leave, please contact Human Resources.

Extension of Medical Leave

An employee who requests an extension of family or medical leave due to the continuation, recurrence or onset of his or her own serious health condition, or of the serious health condition of the employee's spouse, domestic partner, child, or parent, must submit a request for extension, in writing, to the employee's immediate supervisor and provide medical certification. This written request should be made as soon as the employee realizes that he / she will not be able to

return to work at the expiration of the leave period.

F. Pregnancy Disability Leave

Leaves of Absence and Transfers

WRCOG recognizes that female employees may be unable to work for temporary but extended periods of time due to pregnancy, childbirth, or related medical conditions (Pregnancy-Disability). Accordingly, for any employee who is disabled on account of pregnancy, childbirth, or related medical conditions, WRCOG provides Pregnancy-Disability leave for the period of actual disability, up to a maximum of four months pursuant to the California Fair Employment and Housing Act (FEHA). Pregnancy-Disability leave may be taken intermittently, or on a reduced-hours schedule, as medically necessary.

Moreover, an employee is entitled to a reasonable accommodation for pregnancy, childbirth, or related medical conditions if she so requests and provides WRCOG with medical certification from her health care provider. In addition to other forms of reasonable accommodation, a pregnant employee is entitled to transfer temporarily to a less strenuous or hazardous position or to less hazardous or strenuous duties if she so requests, if the transfer request is supported by proper medical certification, and if the transfer can be reasonably accommodated.

Substitution of Paid Leave for Pregnancy-Disability Leave

An employee taking Pregnancy-Disability leave must substitute any accrued Paid Sick Leave for her Pregnancy-Disability leave. The employee, however, has the option of substituting any accrued vacation or compensatory time off for her leave. Except to the extent that paid leave is substituted for Pregnancy-Disability leave, the Pregnancy-Disability leave will be unpaid. The substitution of paid leave for Pregnancy-Disability leave does not extend the total duration of the leave to which an employee is entitled.

Leaves Effect on Benefits

During an employee's Pregnancy-Disability leave, WRCOG will continue to pay for the employee's participation in WRCOG's group health plans, to the same extent and under the same terms and conditions as would apply had the employee not taken leave.

Thus, the employee must continue to pay her share of the health plan premiums during the leave. If the employee substitutes paid leave for the unpaid leave, such payments will be deducted from the employee's pay through the regular payroll deductions. Otherwise, the employee must make arrangements with WRCOG for the payment of such premiums.

WRCOG may recover from the employee the premium that WRCOG paid to maintain coverage for the employee under the group health plan if the employee fails to return from leave after the period of leave has expired and the employee's

failure to return is for a reason other than (1) the continuation, recurrence, or onset of a health condition that entitles the employee to leave for Pregnancy-Disability, or other circumstances beyond the employee's control; (2) non-pregnancy related medical conditions that require further leave, unless the employee chooses not to return to work following the leave; or (3) any circumstances beyond the control of the employee, including, but not limited to, circumstances where the employer is responsible for the employee's failure to return (the employee is not returned to her same position or to a comparable position)

Employees on Pregnancy-Disability leave will accrue employment benefits, such as vacation time and sick time only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual.

Employee benefits may be continued during the unpaid portion of the Pregnancy-Disability leave according to the provisions of WRCOG's various employee benefit plans.

Return to Work Certification

Consistent with WRCOG's practice for other employees returning from a disability leave for reasons other than pregnancy, WRCOG requires that an employee returning from matters related to Pregnancy-Disability Leave to provide a release to return to work from her healthcare provider stating she can resume her original job or duties.

Leave's Effect on Reinstatement

Employees returning from matters related to Pregnancy-Disability Leave generally are entitled to be reinstated in the same position, subject to certain conditions, and consistent with applicable law.

Other Terms and Conditions of Leave

The provisions of the WRCOG's Medical Leave Policy above regarding the leave's effect on pay, notice requirements, and medical certification requirements also apply to all matters related to Pregnancy-Disability Leaves, as well as requests for pregnancy-related reasonable accommodations and transfers. However, for pregnancy-related disabilities, there is no process for obtaining more than one medical opinion. For the purpose of applying those provisions, an employee's pregnancy-related disability is considered to be a serious health condition.

G. California New Parent Leave

Eligible California employees who are not subject to both the FMLA and CFRA may take new parent leave under California's New Parent Leave Act to bond with a new child within one year of the child's birth, adoption, or foster care placement, under the circumstances set forth below. In general, if an aspect of New Parent Leave is not addressed in the policy below, employees should follow the procedures described above in the "Medical Leave under the FMLA and CFRA" Policy,

including those describing how to request New Parent Leave. Employees should direct any questions to Human Resources.

Eligibility

To be eligible for New Parent Leave, employees must (1) have more than 12 months of service with WRCOG during the 12-month period prior to the date on which the leave is to commence; (2) have at least 1,250 hours of service with WRCOG during the previous 12-month period; and (3) work at a worksite in which WRCOG employs at least 20 employees within 75 miles.

Leave's Effect on Pay and Benefits

Leave under the New Parent Leave Act is unpaid, although employees are entitled to utilize accrued vacation pay, compensatory time off, Paid Sick Leave, or other paid or unpaid time off negotiated with the employer, during such leave. Also, employees may be eligible for Paid Family Leave wage replacement / insurance benefits administered as part of the California State Disability Insurance program during a New Parent Leave.

During New Parent Leaves, WRCOG will continue to pay for employees' participation (if applicable) in WRCOG's group health plan for the duration of the leave, but not to exceed 12 weeks over the course of a 12-month period, commencing on the date that the parental leave commenced, at the level and under the conditions that would have been provided if the employee had continued to work in his or her position for the duration of the leave. Thus, the employee must continue to pay his or her share of any group health plan premiums during the leave. If an employee has other voluntary plans and/or dependent medical insurance coverage, he / she will also be required to pay the regular contributions for those benefits while on leave.

WRCOG may recover the premiums that it paid for maintaining coverage for the employee under any group health plans, if (1) the employee fails to return from leave after the expiration of the period of leave to which he / she is entitled, and (2) such failure to return is for a reason other than the continuation, recurrence, or onset of a serious health condition or other circumstances beyond the employee's control.

Guaranteed Reinstatement

Eligible employees who take New Parent Leave should note that they are guaranteed employment in the same or a comparable position upon termination of such leave, subject to any exceptions provided by law.

Both Parents as Employees

If WRCOG employs both parents who are entitled to New Parent Leave, WRCOG is not required to grant leave in an amount beyond that available to one eligible parent.

No Discrimination or Interference with Rights

WRCOG will not discriminate in any way against an individual because he or she exercised New Parent Leave rights or gave information or testimony as to the employee's or another person's New Parent Leave, and it will not interfere or limit in any way the exercise or attempted exercise of any such rights.

H. Other Disability Leaves

In addition to medical and pregnancy-related disability leaves described above, an employee may take a temporary disability leave of absence if necessary to accommodate a workplace injury or a disability under the ADA or FEHA. Any disability leave under this section will run concurrently with any medical leave to which the employee is entitled under the FMLA / CFRA / California New Parent Leave.

Disability leaves under this section will be unpaid.

Employees taking disability leave must comply with the above medical leave provisions regarding substitution of paid leaves, notice, and medical certification.

If a disability leave under this section extends beyond 12 weeks in a 12-month period, the employee will not be entitled to any continued employer contributions towards any employee benefit plan unless otherwise required by law. An employee, however, may elect to continue participating in such benefit plans, at the employee's own expense, to the extent permitted by such plans.

The duration of a leave under this section shall be consistent with applicable law, but in no event shall the leave extend past the date on which an employee becomes capable of performing the essential functions of his or her position, with or without reasonable accommodation. For a full explanation of leave duration and reinstatement rights, employees should contact Human Resources.

I. Bereavement Leave

WRCOG grants a leave of absence to employees in the event of the death of the employee's spouse, child, parent, legal guardian, brother, sister, grandparent, or grandchild; or mother-, father-, sister-, brother-, son-, or daughter-in-law, registered domestic partner, aunt, uncle, niece, nephew or first cousins. An employee with such a death in the family may take up to three consecutive scheduled work days of accrued sick leave time off, with the approval of WRCOG. The Executive Director must approve the use of sick leave for other family not named in the preceding or as defined by Kin Care provisions.

J. Kin Care

Employees may use up to one-half of their yearly sick leave accrual to attend to a child, parent, spouse, registered domestic partner, or registered domestic partner's

child (as defined by the California Labor Code) who is ill. Leave for this purpose may not be taken until it has actually accrued. Please note that employees can use the entire amount of paid sick leave accrued pursuant to the sick leave policies located in the California Paid Sick Leave section of this Handbook to care for defined family members. Please contact Human Resources if you have any questions.

K. Workers' Compensation Benefits

WRCOG carries workers' compensation insurance coverage as required by law to protect employees injured on the job. This insurance provides coverage for certain medical, surgical, and hospital treatment in addition to payment for a portion of any lost earnings that result from work-related injuries. Compensation payments generally begin on the first day of an employee's hospitalization or on the fourth day following the injury if an employee is not hospitalized. The cost of this coverage is paid completely by WRCOG. Employees may use accrued Paid Sick Leave, if such leave is available, for days in which the employee is not receiving worker's compensation but suffers from a work-related injury.

L. Voluntary Time-Bank Policy

Time-Bank Program

The Time-Bank Program is a voluntary Program wherein employees of WRCOG can donate accrued but unused California Paid Sick Leave to the Time-Bank of an eligible employee to be used by the eligible employee as necessary in the event of a catastrophic illness or injury and upon the exhaustion of his or her own accrued leave. The maximum amount of time that an eligible employee can carry (employee's sick time and donated sick time combined) is 480 hours or 12-weeks.

An employee who receives donated time based on a family catastrophic illness or injury must, while using the time, regularly check-in weekly with his / her supervisor and ensure that his / her job duties are being completed.

Eligible Employee

Only employees in regular positions who anticipate exhausting their leave balances are eligible to participate in the Voluntary Time-Bank Program. Employees receiving disability payments or Workers' Compensation may be eligible for a pro-rated time-bank reimbursement such that total payments do not exceed 100% of the regular pay.

Catastrophic Illness or Injury

"Catastrophic illness or injury" is defined as a debilitating medical condition or severe illness or injury which is expected to incapacitate the employee for an extended period (at least 30 calendar days) and which creates a financial hardship because the employee has exhausted all accumulated paid leave. Common illnesses or injuries which are short-term and are without complications are not

catastrophic events.

Family Catastrophic Illness or Injury

A “family catastrophic illness or injury” is defined as a debilitating medical condition of an immediate family member where the employee, as the primary care giver, is required to take off from work for at least 30 calendar days. An immediate family member is defined as spouse, registered domestic partner, child, step-child, foster child, parent, grandparent, sibling, or any other person living in the immediate household of the employee.

Conditions and Procedures

- a. Only the Agency head (which includes the Executive Director, Deputy Executive Director, or CFO) may establish a Time-Bank for an employee within the department who is suffering a hardship due to a catastrophic illness or injury.
- b. When the Agency head has determined that an employee would benefit from the establishment of a Time-Bank, the Agency head will contact the employee to determine if the employee desires to participate in the Time-Bank Program. If the employee desires to participate in the Time-Bank Program, the Agency head will contact the Executive Director and establish the Time-Bank. An employee must meet all the following qualifications to donate to the Catastrophic Leave Bank:
 - Regular full-time employees must be in a permanent position with WRCOG. Part-time employees are not allowed to donate.
 - Regular full-time employees must have a minimum of at least 100 hours of accrued California Paid Sick Leave hours *after* donating leave time.
- c. An eligible Regular full-time employee who wishes to donate may donate a minimum of eight hours and a maximum of 20 hours of California Paid Sick Leave.
- d. All donations to the Catastrophic Leave Bank shall remain confidential and are strictly voluntary.
- e. The Time-Bank will be established on behalf of an individual employee. The bank will accept transfers of leave credits from one or more employee.
- f. The use of leave credits will be calculated on a dollar-for-dollar value and will be tracked on a first in, first used basis.
- g. The Executive Director will advise the employee needing the donation that participation by the employee in the Time-Bank Program will require the employee to sign the “Employee Section” on the Request for Establishment of a Voluntary Time-Bank Form.
- h. Thereafter, the Executive Director will inform all regular and/or full-time employees of (1) the establishment of the Time-Bank for the eligible employee; (2) their opportunity to transfer accrued Paid Sick Leave within the above guidelines; (3) how transfers are submitted; and (4) that the Program can be terminated or modified at any time by WRCOG or the eligible employee. No personal medical information will be provided to employees from whom

donations of leave are being requested.

- i. The Executive Director will establish and operate the approved Time- Bank. No donation will be processed until the effective date of the Time- Bank. The effective date for the Time-Bank is either (1) the date the employee exhausted his or her leave balance, or (2) the date the employee submitted both the completed Request for Establishment of a Voluntary Time-Bank Form and the completed Voluntary Time-Bank Physician Statement; whichever date is later.
- j. Human Resources will ensure that only necessary credits are donated. Donor employees will be required to complete and sign a Voluntary Time-Bank Form. Donations will be processed by Human Resources and will be posted to the employee's sick leave bank on a pay period-by-pay period basis. Unprocessed donations forms will be returned to the donor.

M. Military Leave

Employees who serve in the military and need to take military leave, or employees whose spouses serve in the military and need to take eligible military leave, should contact the Human Resources office for information about their rights before and after such leave. WRCOG will grant employees a military leave of absence, and employee spouses a Military Spouse Leave to the extent required by applicable federal and state law.

N. Jury Duty and Witness Leave

WRCOG will provide employees time off to serve, as required by law, on a jury or grand jury if the employee provides reasonable advance notice. WRCOG will also provide employees with time off to appear in court or other judicial proceedings as a witness to comply with a valid subpoena or other court order.

All employees will be granted an unlimited paid leave of absence.

Employees are required to provide reasonable advance notice of the need for jury and/or witness leave. Employees also are expected to report to work each day or portion of a day they are not performing jury / witness duty.

O. Time Off for Voting

If an employee does not have sufficient time outside of working hours to vote in an official state-wide election during the time the polls are open, the employee may request time off to vote. If possible, employees should make their request at least two days in advance of the election. Up to two hours of paid time off will be provided, at the beginning or end of the employee's regular shift, whichever will allow the freest time for voting and the least time off of work.

P. School Conference Involving Suspension

If an employee who is the parent or guardian of a child facing suspension from school is summoned to the school to discuss the matter, the employee should alert

his or her supervisor or the Human Resources office as soon as possible before leaving work. In agreement with California Labor Code Section 230.7, no discriminatory action will be taken against an employee who takes time off for this purpose.

Q. External Employee Education Reimbursement

Some employees may need to attend training programs, seminars, conferences, lectures, meetings, or other outside activities for the benefit of WRCOG or the individual employees. Attendance at such activities, whether required by WRCOG or requested by individual employees, requires the written approval of the Executive Director if reimbursement for reasonable expenses is sought. To obtain approval, any employee wishing to attend an activity must submit a written request detailing all relevant information, including date, hours, location, cost, expenses, and the nature, purpose, and justification for attendance. Attendance at any such event is subject to the following policies on reimbursement and compensation:

For attendance at events required or authorized by WRCOG, customary and reasonable expenses will be reimbursed upon submission of proper receipts. Acceptable expenses generally include registration fees, materials, meals, transportation, and parking. Reimbursement policies regarding these expenses should be discussed with the Human Resources office in advance. For more information, please see the Executive Director and the specific reimbursement policies.

If WRCOG requires an employee to attend training programs, seminars, conferences, lectures, meetings, or other outside activities for the benefit of WRCOG, and the employee is a non-exempt employee, attendance at that event will be considered hours worked and will be compensated in accordance with normal payroll practices.

This Policy does not apply to an employee's voluntary attendance, outside of normal working hours, at formal or informal educational sessions, even if such sessions may generally lead to improved job performance. While the Executive Director generally encourages all employees to improve their knowledge, job skills, and promotional qualifications, such activities do not qualify for reimbursement or compensation under this Policy unless prior written approval is obtained as described previously.

R. Other Types of Leave

WRCOG offers additional leaves of absence according to applicable state and federal law. Please see the Human Resources office for additional information.

IX. EMPLOYEE BENEFITS

A. Health Benefits

In the event of an increase in medical insurance premium rates, all employees may be required to contribute to the cost of increased premiums to retain coverage.

During Employment

WRCOG provides health and medical benefits to its employees under the CalPERS Health Benefits Program pursuant to the Public Employees' Medical and Health Care Act (PEMHCA). Employees are eligible to participate in and receive certain employer-paid health benefits under the Program. The level of benefit varies depending upon the date of employment with WRCOG and applicable law. For additional information, please see the applicable Plan Document. Should the terms of this Policy and the applicable Plan Document conflict, the terms of the applicable Plan Document control.

During Retirement

Employees who retire from WRCOG may be eligible to receive continued health and medical benefits during their retirement. Please see the Human Resources office for additional information.

B. Pension Benefits

CalPERS Plan

All full- and part-time employees become members of CalPERS at the time of hire.

WRCOG pays only the employer contribution. Employees are responsible for the full membership contribution. The member contribution required depends on when the employee was hired. Please see the Human Resources office for more detailed information.

Applicable state and federal law govern these pension benefits, and to the extent this Policy conflicts with applicable state and federal law, applicable state and federal law control.

Deferred Compensation – 457 Plan

All full- and part-time employees are eligible to enroll in a 457 Deferred Compensation plan offered by WRCOG as of the first day of employment. This is an employee-funded plan. Maximum employee contribution is in accordance to the amount set by the federal law and as the plan allows. For additional information, please see the applicable Plan Document.

C. Other Benefits

Short-Term Disability Insurance

WRCOG provides short-term disability insurance for full- and part-time employees. The premiums are fully paid by the employee. Employees are required to enroll in the Program at the time of hire and must remain in the Program while employed at WRCOG. WRCOG agrees to provide these benefits subject to carrier requirements. Selection of the insurance provider(s) and the method of computing premiums is within the sole discretion of WRCOG management.

Contributions are made through a payroll deduction. Disability insurance is payable pursuant to applicable state law when the employee cannot work because of illness or injury not caused by employment at WRCOG, or when the employee is entitled to temporary workers' compensation at a rate less than the daily disability benefit amount. Specific rules and regulations governing disability are available from the Human Resources office, and are governed by applicable state and federal law

Dental Insurance

WRCOG provides dental insurance for full-time employees and their dependents. This benefit will also be provided to part-time employees on a pro-rata basis based on the hours worked. For additional information, please see the applicable Plan Document. Should the terms of this Policy and the applicable Plan Document conflict, the terms of the applicable Plan Document control.

Vision Insurance

WRCOG provides vision insurance for all full-time employees. This benefit will also be provided to part-time employees on a pro-rata basis based on hours worked. For additional information, please see the applicable Plan Document. Should the terms of this Policy and the applicable Plan Document conflict, the terms of the applicable Plan Document control.

Cafeteria Plan

- a. **Benefits:** WRCOG has established a cafeteria plan in accordance with Section 125 of the Internal Revenue Code in order to provide a variety of benefits to eligible employees and their covered dependents. For additional information, please see the applicable Plan Document. Should the terms of this Policy and the applicable Plan Document conflict, the terms of the applicable Plan Document control.
- b. **Health Benefit Incentive Policy:** Employees who wish to waive enrollment in a group health plan offered by CalPERS pursuant to PEMHCA and who demonstrate to the satisfaction of WRCOG their enrollment in another group health plan, shall receive cash incentive in lieu of health benefits. For additional information, please see the applicable Plan Document. Should the terms of this Policy and the applicable Plan Document conflict, the terms of the applicable Plan Document control.

APPENDIX

DEFINITION OF TERMS

The terms used in these Policies and Procedures have the operational meaning assigned to them below (except as may be otherwise stated in the individual policies and/or by applicable local, state or federal law):

Applicant: Any person submitting a formal completed application for employment with WRCOG.

At-will employee: At-will employees are those so designated by these Policies and Procedures or individuals that are employed by WRCOG pursuant to the terms of an individual employment contract which sets forth terms and conditions of employment. At-will employees may be terminated at any time, with or without cause, with or without advance notice, and without right of appeal or hearing.

Authorized position: A specific work position within WRCOG which is or may be held by an employee.

Casual employee: An employee of WRCOG scheduled on an irregular basis or on a regular basis for an average of 20 or fewer hours per week, not to exceed 960 hours in a calendar year. Such employees are at-will.

Compensation: Salary, wages, fees, benefits, allowances or other monies paid to or on behalf of an employee for personal services.

Continuous employment: Employment which is uninterrupted except by authorized absences.

Days: Calendar days, unless otherwise stated.

Demotion: The movement of an employee from one authorized position to another having a lower maximum base rate of pay.

Disciplinary action: Includes, but is not limited to, the discharge, demotion, reduction in pay, suspension, and/or oral or written reprimands of an employee.

Electronic systems and devices: Electronic systems and devices include, but are not limited to, electronic voice mail systems, cell phones, text messaging, computers and internet connections.

Employment list: A list of names of persons who may be considered for employment with WRCOG under specified conditions. Employment lists will be prepared as needed as determined by the Executive Director.

Employee: A person who is occupying a position in WRCOG's service or who is on an authorized leave of absence from such position.

Executive Committee: A committee comprised of four of the County Supervisors (with

the fifth being an alternate), the Mayor or Councilmember designee from each one of the member cities, one designated Board Member from each one of the member water districts, one designated Tribal Councilmember from the Morongo Band of Mission Indians, and the Riverside County Superintendent of Schools.

Executive Director: The Chief Administrative Officer of the Executive Committee, as set forth in the JPA. The powers and duties of the Executive Director are subject to the authority of the Executive Committee and include to appoint, direct and remove employees of WRCOG.

Fiscal Year: The fiscal year for WRCOG begins on July 1 and ends on June 30 of the next year.

Immediate supervisor: The most immediate person to whom an employee reports for work assignments and direction.

Intern: This is a paid and/or non-paid voluntary position for the purpose of on the job training.

Job classification: The descriptive title of a certain type of job performed by a WRCOG employee. Inherent in each classification are certain duties, responsibilities, and degrees of authority.

Layoff: The separation of an employee from WRCOG service which has been made necessary by lack of work or funds, reorganization, and other reasons not related to the fault, delinquency, or misconduct on the part of the employee.

Performance evaluation: A review and evaluation of an employee's performance and capabilities in the employee's authorized position by the employee's immediate supervisor or other manager.

Personnel Policies and Procedures Manual: A group of personnel policies and procedures concerning employment with WRCOG.

Position: A group of current duties and responsibilities assigned or delegated by competent authority and requiring the full- or part-time services of one employee.

Promotion: The movement of an employee from one position to another having a higher maximum salary rate with an increase in duties and responsibilities over the employee's present position.

Reduction in pay: A temporary or permanent decrease in salary.

Regular employee: A non-at-will employee hired before March 1, 2012, who has successfully completed the probationary period before March 1, 2012, and has been retained as hereafter provided in these Policies, and an at-will employee hired or reclassified from temporary or casual employee status to regular employee status on or after March 1, 2012, or an employee hired before March 1, 2012, but who completes the Probationary Period on or after March 1, 2012.

Reinstatement: The restoration without examination of a former employee or probationary employee to a position in which the employee formerly served as a regular non-probationary employee.

Resignation: Voluntary termination of employment by an employee.

Salary range: Categories which determine the minimum and maximum salary payable for each employment position.

Supervisor: A person who has responsibility for the direction of the work of a specific employee.

Suspension: Unpaid suspension is the temporary separation from service of an employee without pay for disciplinary purposes. Paid suspension is leave, with pay, wherein the employee is fully or partially relieved of duty, with pay and benefits, pending investigation of employee conduct or for other reasons deemed appropriate by WRCOG management.

Temporary employee: An employee hired for a specified purpose for a limited period of time, not to exceed 960 hours in a fiscal year. Such employees are at-will.

Termination: The involuntary separation of employment with WRCOG.

Transfer: The movement of an employee within a work unit or between work units from one position to another position having the same maximum salary, involving the performance of similar duties, and requiring substantially the same basic qualification.

Vacancy: An unfilled authorized position in WRCOG employment.

Work unit: A group of staff reporting to a single supervisor.

WRCOG: Western Riverside Council of Governments.

Years of service: A year of service with WRCOG is 12 consecutive months totaling 2,080 hours of compensated employment. Compensated employment includes wages, vacation, and sick leave utilized. Years of service expire six months after termination of employment with WRCOG.



Western Riverside Council of Governments Administration & Finance Committee

Subject: Approval of Professional Services Agreement for Update to WRCOG's Subregional Climate Adaptation Plan

Contact: Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751

Date: May 8, 2019

The purpose of this item is to provide an update on the status of CAPtivate 2.0 and receive Committee support to enter into a Professional Services Agreement with the firm Environmental Science Associates to conduct the update to WRCOG's Subregional Climate Adaptation Plan.

Requested Action:

1. Recommend that the Executive Committee authorize the Executive Director to execute a Professional Services Agreement between WRCOG and Environmental Science Associates to update WRCOG's Subregional Climate Adaptation Plan in an amount not to exceed \$362,423.

Background

On February 22, 2018, WRCOG submitted a successful application to Caltrans for grant funding to prepare an update and expansion to WRCOG's Subregional Climate Adaptation Plan (CAP), branded CAPtivate, to include all 18 WRCOG member cities and all unincorporated areas of Riverside County. The grant funding will cover the most costly transportation and land use components of CAPtivate; the water, waste, and energy components will be paid for separately.

Consultant Selection and Project Schedule

On November 30, 2018, WRCOG released a Request for Proposals (RFP) seeking qualified firms to support the CAP update. The RFP included the Caltrans-funded component in the required scope and, under Optional Tasks, listed the waste, energy, and water measures, as well as the standalone water district CAPs and the Project Environmental Impact Report (PEIR). Six proposals were received in response to the RFP by the January 24, 2019, deadline. Interviews were held on Thursday, February 7, 2019, with the top three scoring firms. The RFP review and interview panel consisted of WRCOG staff as well as representatives from Caltrans, Eastern Municipal Water District (EMWD), Western Municipal Water District (WMWD), and the San Bernardino County Transportation Authority. The project team led by Environmental Science Associates (ESA) was chosen to lead the update, based on the firm's expertise in preparing CAPs as well as their local knowledge. The Professional Service Agreement between WRCOG and ESA is provided as Attachment 1.

Work will commence upon execution of the Professional Service Agreement and will be completed by February 2022.

Components of CAPtivate 2.0: WRCOG Subregional Climate Action Plan Update

CAPtivate 2.0 will include a comprehensive update to greenhouse gas (GHG) inventories and GHG reduction strategies for all sectors; establish GHG targets for the year 2050; and will involve each of WRCOG's member jurisdictions, including those with locally developed CAPs, incorporating local CAP strategies to yield a truly comprehensive subregional CAP. As a result, CAPtivate 2.0 will be better equipped to capture the subregion's

progress in meeting state-wide reduction targets and assist all member jurisdictions with implementation and monitoring. The specific components of CAPtivate 2.0 are described in further detail below:

1. GHG inventories updates and forecast preparation: Review and update baseline inventories included in CAPtivate and/or local CAPs. These consolidated existing inventories will be used to measure progress towards goals of the original CAP, which may influence various aspects of CAPtivate 2.0, including specific measures and strategies included, based on areas of greatest need.
2. Establish long-term GHG emissions reduction targets: The adopted Subregional CAP establishes a GHG reduction target of 15% below 2010 levels by the year 2020, consistent with guidance from the Assembly Bill 32 Scoping Plan and the Governor's Office of Planning and Research. CAPtivate 2.0 will establish long-term GHG reduction targets for the years 2030 and 2050, which will help ensure that the updated Subregional CAP is consistent with Senate Bill 32 and the Target 2030 Scoping Plan Update.
3. Revise and update CAP measures: Through the adopted Subregional CAP, substantial work has been completed with respect to identifying, evaluating, and quantifying GHG reduction measures appropriate for each jurisdiction – including quantifying the impact of state mandates and regional programs, such as WRCOG's Transportation Uniform Mitigation Fee Program. Leveraging the work already completed, the project team will identify lessons learned regarding previously implemented measures to update measures appropriate for meeting all post-2020 targets.
4. Update monitoring tool: A GHG emissions monitoring tool was developed for the WRCOG Subregional CAP to track WRCOG CAP implementation. The Project Team will update the monitoring tool so that it remains compatible with the Subregional CAP and streamlines CAP monitoring for WRCOG and member jurisdictions. By allowing specific tasks to be checked off once each phase of the CAP is completed, jurisdictions will be able to save time reviewing reports, tracking data manually, and verifying that measures are fully completed.
5. Update Subregional CAP document: The Project Team will update the existing Subregional CAP document to incorporate all new material and analyses. Several communities in the WRCOG subregion have adopted stand-alone CAPs, some predate the Subregional CAP, and others were prepared after the Subregional CAP was adopted in 2014. The Project Team will ensure that the updated Subregional CAP will continue to meet the needs of the subregion and be fully capable of serving as the primary GHG emissions reduction strategy for each participating community. At the same time, the Project Team will design the updated Subregional CAP so that the data and other information it presents can be pulled out and placed in an individual jurisdiction's CAP document if needed.

CAPtivate 2.0 PEIR

Members of WRCOG's Planning Directors Committee have expressed interest in developing a PEIR, which could help to reduce the burden of complying with the California Environmental Quality Act (CEQA) when implementing CAP-related measures. As, funding for a PEIR has not been identified, staff will continue to explore funding options for a PEIR and revisit the option as CAPtivate progresses. It should be noted that grant opportunities rarely support environmental analysis, so a PEIR would likely require WRCOG's leadership to direct Agency funds to the PEIR and/or financial contributions from interested member jurisdictions.

Prior Actions:

February 14, 2019: The Planning Directors Committee received and filed.

June 22, 2018: The Executive Committee adopted WRCOG Resolution Number 35-28; a Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the Executive Director to execute agreements with the California Department of Transportation for the CAPtivate 2.0: WRCOG Subregional Climate Action Plan Update Project.

Fiscal Impact:

The total contract amount with ESA of \$362,423 has two funding sources. Caltrans grant funding will offset \$267,474 for the contract with ESA and WRCOG will match funds and support other CAP related activities in the amount of \$94,949, which will be funded through WRCOG's Local Transportation Funds (LTF) over this and the next two Fiscal Years (FY 2019/2020, 2020/2021, and 2021/2022). No funding has been identified for a PEIR at this time.

Attachment:

1. Professional Services Agreement between WRCOG and Environmental Science Associates.

Page Intentionally Left Blank

Item 4.C

Approval of Professional Services
Agreement for Update to WRCOG's
Subregional Climate Adaptation Plan

Attachment 1

Professional Services Agreement
between WRCOG and Environmental
Science Associates

Page Intentionally Left Blank

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

1. PARTIES AND DATE.

This Agreement is made and entered into this _____ day of _____ 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG") and **Environmental Science Associates, a California Corporation** ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by WRCOG on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing **Environmental Planning services**, is licensed in the State of California, and is familiar with the plans of WRCOG.

2.2 Project.

WRCOG desires to engage Consultant to render such professional services for the **CAPTivate 2.0** ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to WRCOG all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the **update and expansion of the WRCOG Subregional Climate Action Plan (CAP)** services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, and which are stated in the proposal to WRCOG and approved by WRCOG's Executive Committee. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **April 2019 to March 2022**, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine

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

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

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

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

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

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

3.2.7 Coordination of Services. Consultant agrees to work closely with WRCOG staff in the performance of Services and shall be available to WRCOG's staff, consultants and other staff at all reasonable times.

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

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

3.2.10 Insurance.

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

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

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

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

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 per claim. This insurance shall be endorsed to include contractual liability under this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

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

(A) General Liability.

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

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

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

(iv) The additional insured coverage under the policy shall be "primary and non-contributory" and will not seek contribution from WRCOG's insurance

or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(B) Automobile Liability.

(i) The automobile liability policy shall be endorsed to state that: (1) WRCOG, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects WRCOG, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by WRCOG, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

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

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

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

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

(ii) Consultant shall provide WRCOG at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any

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

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

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

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

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

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

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

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

3.2.10.8 Verification of Coverage. Consultant shall furnish WRCOG with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to WRCOG. The certificates and endorsements for each

insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf and shall be on forms provided by WRCOG if requested. All certificates and endorsements must be received and approved by WRCOG before work commences. WRCOG reserves the right to require complete, certified copies of all required insurance policies, at any time.

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

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

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **three hundred and sixty-two thousand, four hundred and twenty-three dollars (\$362,423.00)** without written approval of WRCOG's **Executive Director**. Extra Work may be authorized, as described below, and, if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

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

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

3.3.4 Extra Work. At any time during the term of this Agreement, WRCOG may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by WRCOG to be necessary for the proper completion of the Project, but

which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from WRCOG's Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and If the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. WRCOG shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the WRCOG, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

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

3.5 General Provisions.

3.5.1 Termination of Agreement.

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

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

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

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

ESA : 80 South Lake Avenue
Suite 570
Pasadena, CA 911101
Attn: Jeff Caton

WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, CA 92501
Attn: Christopher Gray

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

3.5.3 Ownership of Materials and Confidentiality.

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

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

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

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

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

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

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

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

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

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

3.5.6 Indemnification. Consultant shall defend, indemnify and hold WRCOG, its officials, officers, consultants, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in

law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against WRCOG, its directors, officials, officers, consultants, employees, agents or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against WRCOG or its directors, officials, officers, consultants, employees, agents or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse WRCOG and its directors, officials, officers, consultants, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by WRCOG, its directors, officials, officers, consultants, employees, agents or volunteers. This section shall survive any expiration or termination of this Agreement. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

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

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

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

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

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

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

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and sub-contractors of Consultant, except as otherwise specified in this Agreement. All references to WRCOG include its elected officials, officers, employees, agents, and volunteers except as

otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

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

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

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

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

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

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

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

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

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of

which shall constitute an original.

3.6 Subcontracting.

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

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROFESSIONAL SERVICES AGREEMENT**

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

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

ENVIRONMENTAL SCIENCE
ASSOCIATES

By: _____

Rick Bishop

Executive Director

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

ATTEST:

By: _____

General Counsel
Best Best & Krieger LLP

By: _____

Its: _____

*A corporation requires the signatures of two corporate officers.

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

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

EXHIBIT “A”

SCOPE OF SERVICES

Work Plan

The following pages present our work plan to deliver on the core scope of work as defined in the RFP (i.e., Tasks 2 through 8) as well as the Optional Tasks 9 through 12.

Task 2 – Public Outreach and Engagement Program

Task 2.1: Stakeholder collaboration plan

Working closely with WRCOG staff, R+A will prepare a Stakeholder Collaboration Plan that identifies outreach objectives and measures of success, key steps of the process, meetings and workshops for the project, proposed outreach activities, and stakeholders. R+A will work with WRCOG to complete “relational ecosystem mapping” to help identify stakeholders and organizations throughout the region and map out a process for how they will be engaged in the process. In partnership with WRCOG and Caltrans, the team will consider various approaches and/or creative solutions for community participation as described below. The Stakeholder Collaboration Plan will include a clear one-page schedule that communicates the sequencing of engagement activities.

Along with the Stakeholder Collaboration Plan, R+A will lead the following activities:

- Stakeholder and Community Database.** Using the results of the relational ecosystem mapping, the ESA team will compile a database with diverse stakeholders in the region. These may include local school districts, non-profits, neighborhood associations, hospitals and clinics in the region, community-based organizations, and key community leaders, among others.
- Project Branding.** Building on the branding materials from CAPtivate, R+A will update materials for this project. At a minimum, this will include the logo and color palette, document layouts and fonts, and PPT presentation template. All public materials will use the branding identity.
- Educational Materials.** R+A will develop outreach materials, including a CAPtivate 2.0 factsheet, announcements, and other project-related information relevant to the public. Materials will be posted on the project website and distributed during stakeholder meetings. The development of outreach materials would include translating technical information into a more accessible format for the general public. Informational materials will be used to keep the



Exhibit B

public educated about the benefits of the project and the ideas and strategies being considered.

Task 2.1 Deliverables:

- Stakeholder Collaboration Plan (with Media Communications Plan integrated or delivered as a separate memo)
- Project branding materials package; stakeholder database in Excel; educational materials

Task 2.2: Online engagement with community members

The team will implement a strategy to engage a diverse range of the community through multiple participation avenues and encourage engagement from members of disadvantaged communities. A balanced outreach strategy will be deployed including the use of technology (e.g., social media tools, online surveys, project website, and others) and pop-up workshops (Task 2.3). It will be important to provide opportunities for the community and stakeholders to participate at their individual level of comfort. Types of activities may include:

- **Project Website.** The project team will work closely with WRCOG staff to provide CAPtivate updates and information that would be posted on the CAPtivate 2.0 website. The website would be used throughout the project to inform stakeholders on key milestones, keep them engaged in the process, and provide opportunities for input into the project.
- **Online Survey.** As a parallel process to the pop-up workshops, R+A will prepare online surveys using MetroQuest (www.metroquest.com), SurveyMonkey, or the CAPtivate online engagement platform to obtain feedback on key issues, opportunities, and emission reduction strategies for CAPtivate 2.0. Topics addressed can include: identifying priority co-benefits, gauging support for and prioritizing GHG reduction strategies, understanding motivations, opportunities, and challenges to reduction strategies, and top environmental considerations. The surveys will be available through a link on the project website. We have found that online surveys are a great way to encourage many people to participate in the process, but also for us to easily analyze responses by demographics, neighborhood location, and length of tenure in the city. If desired, WRCOG may desire to distribution hard copies of the survey, particularly in communities with limited access to online engagement tools.

Task 2.2 Deliverables:

- Project website content
- Online surveys and survey summaries

Task 2.3: Pop-up workshops for in-person community member engagement

The ESA team will facilitate up to four pop-up meetings at highly-attended events (e.g., National Night Out, Music in the Park events, senior events, festivals, farmers' markets, flea markets, or community-organized events) across the region. The purpose of the pop-up workshops will be to: gauge support for and prioritize GHG reduction strategies; understand motivations, opportunities, and challenges to reduction strategies; test messaging; and educate participants. These events will be held at times and locations convenient for a wide cross section of participants (e.g., youth, young families, minority and diverse groups and other traditionally underrepresented groups) and materials will be translated and accessible for all that attend.



Task 2.4 Deliverables:

- Pop-up workshop materials for up to four meetings, including one summary memo

Task 2.4: WRCOG Planning Directors Committee Meetings

Members of the ESA team will attend up to four meetings of the WRCOG Planning Directors Committee. We are proposing that two of these meetings be dedicated to half day workshops as described below. For each workshop, the ESA team will create agenda, materials, and presentations and will facilitate the meeting:

- The first of these workshops will be help toward the beginning of Task 5 (Revise and Update CAP Measures), to solicit feedback on the transportation and land use measures currently included in CAPtivate, to capture new policies, programs and measures being implemented by member cities that are not currently included in CAPtivate, and to gather information on member cities' use of CAPtivate framework and the relevance it has to their current planning efforts. This workshop will be held in conjunction with Task 5.2 (Review, Revise, and Update CAP Measures).
- The second of these workshops will be held in conjunction with Task 6 (Update Monitoring Tool) will bring cities and stakeholders together to discuss the revised CAPtivate 2.0 measures related to transportation and land use, and solicit feedback from the cities on their use the existing CAPtivate monitoring tool and how it can be improved. This workshop is described in more detail under Task 6.1.

Assumptions: Two additional meetings of the Planning Directors Committee will be attended in person by the ESA project manager or project director. Any other attendance at Planning Directors Committee meetings will be by telephone only.

Task 3 – GHG Inventories Updates and Forecast Preparation

Task 3.1: Evaluate and consolidate GHG inventories

For the transportation sector, ESA will collect the GHG inventory and activity data for the 12 GHG inventories prepared for communities that participated in the 2014 Subregional CAP. This scope of work assumes that WRCOG will provide ESA with all the background materials used to prepare these baseline inventories, including

inventory calculations in Excel workbooks and modeling files as appropriate. We will also work with WRCOG to obtain the same data for the seven other cities not involved in the Subregional CAP. ESA will review the inventory and activity data and supporting materials developed by the cities and other entities in developing the baseline GHG inventories to inform how the updated inventories, Business-as-Usual (BAU) forecasts, and GHG reduction measure estimates will be quantified. ESA assumes that the baseline inventories will not be updated. However, we will document any methodological inconsistencies between the 12 baseline inventories prepared for the Subregional CAP and those prepared by other WRCOG member cities. Because the Subregion's cities have already expended many resources preparing baseline inventories (either through the Subregional CAP or through their own CAP efforts), ESA will utilize this work and not reinvent the baseline inventories for each participating city.

We will consolidate these inventories into a single Excel workbook that WRCOG and cities can reference as a consolidated baseline for which to compare progress. As feasible, given the likely variation in transportation methods between the 19 different inventories, we will ensure that the methods used to prepare the new inventories described in Task 3.2 below are consistent with the 2010 inventories along with current best practices and protocols.

Task 3.2: Prepare current-year GHG inventories

To assess the region's overall progress toward achieving the 2020 GHG reduction target, ESA will prepare updated community GHG inventories for the transportation sector, for each of the 18 participating WRCOG Cities and the County for the most recent year for which we have access to adequate data. The update will include emissions from on-road transportation, off-road equipment, and passenger rail (if appropriate). The new inventories will follow the ICLEI – Local Governments for Sustainability (ICLEI) U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions (ICLEI 2012 Protocol) supplemented with the Global Protocol for Community-Scale Greenhouse Gas Emission Inventories (GPC Protocol) (prepared by the World Resources Institute, C40 Cities Climate Leadership Group and ICLEI), as needed.

Fehr & Peers will estimate VMT for the new inventory year (such as 2016) for all jurisdictions using the best regional tool available (which we anticipate being the RIVTAM travel demand forecasting model that has been updated to reflect the 2016-2040 RTP/SCS). This will allow for a consolidated and consistent framework for calculating VMT and GHG emissions for each city, which is integral for preparing BAU forecasts, setting targets, and estimating GHG emission reductions for transportation measures across the region. Fehr & Peers will also determine which of the member cities have developed current VMT estimates and determine the methodology used to develop those estimates. All VMT estimates will be normalized using linear interpolation to reflect the appropriate inventory year horizon.

We suggest 2016 for the inventory year; 2016 is a year for which RIVTAM is calibrated, reflecting the County's roadway network and land use conditions. As such, ESA will work with WRCOG and Fehr & Peers to select a relevant inventory year that represents accurate and available data with which Fehr & Peers can produce data from the travel model.

We anticipate that the organizational boundary of the community inventory updates (i.e., emissions sources) will be consistent with those in the 2010 inventories. This will allow an "apples to apples" comparison with 2010 inventories, for assessing trends in transportation-related emissions over time. However, the new inventories may diverge in some ways from the 2010 inventories, given the rapid evolution of GHG inventory protocols and

quantification methods (such as the release of RIVTAM and the EMFAC2017 model). We will make sure WRCOG understands and approves all new inventory methods before completing the inventory updates.

GHG inventories that have been recently completed by the County and WRCOG Cities that did not participate in the Subregional CAP may not use the same methodologies we are recommending. For example, if a city has completed an inventory update as part of developing their local CAP, such as the City of Corona has done, our team will document the methodological differences. Keeping the inventory methods consistent between all cities is essential for a consolidated framework of GHG emissions for transportation in the WRCOG region to support subregional transportation planning. Therefore, we will develop new transportation inventories for all 19 jurisdictions using the same modeling methods and calculation protocols.

VMT can be presented as per capita or per service population efficiency metric and can be further geographically refined by traffic analysis zone (TAZ) level or city level. Please note that TAZ boundaries do not always align with city boundaries and some modifications to the model may be required. Fehr & Peers will work with the project team and WRCOG staff to determine the appropriate approach to developing efficiency metrics for comparative purposes and for developing CAP information.

ESA will use Excel workbooks to quantify emissions, aggregate results across cities and sectors, and present the community GHG inventories for 2010 and the update year (e.g., 2016). Results will be summarized in a memo that includes assumptions, inventory methods, data sources, and a trends analysis to compare existing 2010 inventories with the 2016 inventories and identify to the extent possible the drivers behind the trends (e.g., economic growth or contraction, technology and regulatory changes, climatic conditions, differences in methods and datasets, and new emission factors). This analysis will be useful for determining potential course corrections that may be needed to reach the 2020 GHG reduction target of 15 percent below 2010 levels. The results will be presented so that emissions can be compared across inventory years, and provide a solid foundation for updating the policies and measures in the Subregional CAP document.

ESA will not prepare stand-alone inventories for the municipal operation of transportation and off-road equipment by each city, although these emissions will be included in their community inventories (i.e. City and County municipal fleet vehicles are included in the RIVTAM model, and off-road equipment is included in the OFFROAD2017 model).

Task 3.3: Update GHG emissions forecasts

ESA will collaborate with the County, Fehr & Peers, and SCAG to develop a unified set of socioeconomic data and land use targets (population, dwelling units, households, and employment) for both the inventory update year (e.g., 2016) and the forecast years of 2030 and 2050. The socioeconomic data will provide the basis for BAU emissions forecasts, and in particular for VMT modeling to be conducted by Fehr & Peers. We will undertake this step to assess consistency of growth assumptions between SCAG, the County's General Plan, and the general plans of the individual WRCOG Cities, and ensure that the Subregional CAP, the GHG Monitoring Tool, and associated CEQA analysis are using realistic forecasts.

Fehr & Peers will prepare updated VMT forecasts for 2030 and 2050 using the 2016 SCAG RTP/SCS version of RIVTAM using the "origin-destination" method. These VMT forecasts will include all 19 member jurisdictions and the unincorporated areas of Riverside County within WRCOG. For years not validated in the model (e.g., 2050), ESA and Fehr & Peers will work with the County to develop methods for interpolating or extrapolating VMT from

validated model years, as necessary, based on an agreed-upon set of land use and socioeconomic forecast data derived in consultation with the County.

Fehr & Peers will work with the project team, WRCOG staff, and key stakeholders to determine the appropriate assumptions for the 2030 and 2050 “No Build” scenarios (i.e., future without RTP/SCS implementation). This will include reconciling assumptions regarding telecommuting, electric vehicle fleet penetration, autonomous vehicle fleet penetration, and fuel efficiency. To assist in “truthing” future travel behavior, Fehr & Peers will conduct a Trendlab+ tool assessment¹ with a selection of stakeholders to look at 16 market factors affecting travel behavior. This assessment will be compared to the results produced by the local models to identify the reasonableness of the VMT forecasts.

Some adjustments to RIVTAM may be needed to address communities on the model boundaries, such as southern Riverside County. In these communities, trips that leave the model area may be truncated and not fully accounted for in current VMT estimates. As such, Fehr & Peers will work with previous information produced through their big data projects with WRCOG to correct for the model limitations.

Because 2020 is nearly upon us and CAPtivate 2.0 will not be completed until late 2020 or early 2021, we see little value in preparing a 2020 emissions forecast. Thus, ESA will not prepare BAU forecasts for 2020.

Task 3 Deliverables:

- Excel sheet with consolidated 2010 baseline community inventories of transportation and land use emissions
- Excel sheet with current-year GHG inventories, and Excel sheet with new BAU forecasts for 2030 and 2050
- Documentation of methodological differences between ESA-developed inventories and inventories developed independently of the CAPtivate program

Task 4 – Establish Long-Term GHG Emissions Reduction Targets

Task 4.1: Establish long-term GHG emissions reduction targets

Local target setting is a critical step that is informed by emissions forecasting, analysis of feasible state, regional, and local reduction strategies, and consideration of planning objectives including the need for CEQA streamlining of future development projects in the county.

ESA recommends that community-wide 2030 and 2050 GHG targets for land use and transportation be consistent with statewide reduction goals as represented by SB 32 (40 percent below 1990 levels by 2030) and by Executive Order S-03-05 (80 percent below 1990). Setting community-wide targets consistent with these goals is a key step toward meeting the requirements of CEQA Guidelines section 15183.5 (b) for a qualified CAP, which will allow new development projects to determine significance under CEQA by assessing their consistency with the CAP. The targets will also consider quantified GHG reductions expected locally from existing and anticipated state and regional programs (discussed in Task 5 below) and ultimately align with local planning priorities (e.g., create local jobs).

¹ Trendlab+ is a tool that creates scenarios for 16 factors related to trends, including job market health, fuel prices, social networking, autonomous cars, and vehicle ownership. The tool predicts the effects on VMT per capita (based on public research) for each factor, enabling a range of scenario testing to inform decisions about future transportation investments. For more detail, see: <http://www.fehrandpeers.com/fpthink/trendlab/>

Consistent with our experience developing post-2020 qualified CAPs, the 2017 Scoping Plan Update indicates that achieving the State’s long-term GHG targets will require significant policy, technical, and economic solutions across all sectors. For transportation, this includes aggressive zero emission vehicle and trip reduction strategies as well as rapid decarbonization of the electricity supply. Consequently, the lines between energy and transportation emissions are becoming increasingly blurred and selecting long-term targets for just transportation and land use raises cross-sectoral issues. Ideally, emissions inventories and forecasts for the non-transportation sectors will be available when we develop long term targets for CAPtivate 2.0, so that we can develop comprehensive targets addressing all sectors. If not, we will isolate the energy and VMT components of future transportation-related emissions in developing the targets.

Fehr & Peers will provide support in selecting appropriate reduction targets for VMT and transportation-related GHG emissions. Fehr & Peers has developed a VMT Screening Tool for WRCOG as part of their SB 743 Implementation Pathway Study. This tool identifies low VMT-generating areas and transit priority areas on an interactive web map. Utilizing this mapping, Fehr & Peers and ESA will work with stakeholders to identify the percentage of each city’s growth in these low VMT-generating areas and will look at potential policies supporting use in these areas to assist with the GHG emission reduction targets.

Fehr & Peers will also use the results of the Trendlab+ tool assessment and relevant research (including the 2017 Scoping Plan) to provide specific estimates related to electric vehicle fleet penetration that may not affect VMT, but will affect associated emissions and energy consumption.

ESA will prepare a brief memorandum presenting our target recommendations for 2030 and 2050 for WRCOG review. The memo will include a discussion of the pros and cons of each target, how they are consistent with state-level targets, how they would relate to city-specific CAP targets if cities elect to do (or have already done) their own local CAPs, and how they can be used as significance thresholds for new development projects for CEQA tiering purposes.

Task 4 Deliverables:

- Memorandum with proposed 2030 and 2050 subregional targets

Task 5 – Revise and Update CAP Measures

Task 5.1: Literature review

ESA will conduct a thorough literature review of existing state and regional programs, policies, actions, and plans related to transportation and land use planning. We start with the analysis contained in the Subregional CAP and expand to include new plans and programs and updates of existing plans and programs. Our review will include the California Transportation Plan 2040, the 2017 Regional Transportation Plan (RTP) Guidelines and Promoting Sustainable Communities in California, the 2016 SCAG RTP/SCS, the Complete Streets and Smart Mobility Framework, and other plans and programs listed in the RFP. We will also review other transportation-related programs and projects under the primary control of the Riverside Transit Agency, Riverside County Transportation Commission, California Department of Transportation (Caltrans), and other transportation entities can be implemented to reduce GHG emissions. This will serve to align the land use and transportation aspects of CAPtivate 2.0 with regional and state goals. ESA will prepare a summary of our literature review in a brief report.

In addition to synthesizing available information, we will also provide a summary of “transportation disruptive trends” to discuss mobility options that are and will change transportation options moving forward. Trends that

will be discussed include electrification of the automobile fleet, autonomous vehicles, transportation network companies, bike sharing, and electric scooters that will supplement the information noted above. We will identify which of these trends is reflected in the VMT estimates.

Fehr & Peers will also utilize their recent CARB research they have documented as part of the SB 743 Implementation Pathway study to develop revised transportation demand management (TDM) reduction potential for use in the WRCOG region.

Task 5.1 Deliverables:

- Current Sustainability Initiatives Summary report

Task 5.2: Review, revise, and update CAP measures

Before finalizing the 2030 and 2050 targets for the land use and transportation sectors developed in Task 4.1, we recommend that the WRCOG consider the feasibility, cost effectiveness, co-benefits and community acceptance of the strategies to ensure that the targets can be met. ESA will research and recommend reduction measures, starting with the existing Subregional CAP transportation measures, that will enable attainment of 2030 and 2050 targets for land use and transportation emissions.

As a first step, ESA and Fehr & Peers will organize a half-day workshop, described under Task 2.4, to bring cities and stakeholders together to figure out how each city and their staff can commit to the CAPtivate 2.0 effort, what actions and initiatives are feasible, and decide on priorities for which local programs to quantify in terms of GHG reduction and cost. This workshop will help determine what types of data and information the cities have at their disposal to track and monitor land use and transportation measures, the time and resources they have available to monitor progress, and what tools would be most useful for them to empower this effort. The knowledge gathered at this workshop will be essential for ESA and Fehr & Peers to build a suite of transportation initiatives that are meaningful, feasible, and effective.

Review Existing CAP Measures

We will review the transportation and land use measures in the existing Subregional CAP and the stand-alone local CAPs completed by WRCOG member cities (e.g., cities of Beaumont and Calimesa) and will work with the WRCOG to collect information on local CAPs currently under development by other member cities (e.g., cities of Corona and Murrieta). We will also solicit information about existing local policies and programs through the half-day workshop mentioned above, and through meetings with the WRCOG Planning Directors and Public Works Committees, and through conversations with WRCOG and with individual cities. The ESA team will identify how measures should be changed to better reflect local conditions and priorities, how implementation feasibility can be improved, and where there are redundancies with regional and state measures.

ESA will prepare a summary of our analysis in a brief memo, which will include recommendations for streamlining, combining measures, eliminating inconsistencies, and areas for improvement and further coordination. The memo will also include recommendations for aligning the new Subregional CAP measures with state and regional measures.

Revise and Update CAP Measures

State and Regional Measures

ESA will adjust the BAU emissions forecasts to account for the expected impacts of foreseeable federal, state, and regional actions, based on the latest information from the California Air Resources Board (CARB) and the

2017 Climate Change Scoping Plan on the implementation of the AB 32/SB 32 Scoping Plan. State measures include the Pavley vehicle standards, the Mobile Source Strategy, Advanced Clean Cars, SB 375 implementation, the California Sustainable Freight Action Plan, the Short-Lived Climate Pollutant Strategy (as it applies to transportation, such as for black carbon emissions from vehicle exhaust), Executive Order B-16-2012 and the 2016 ZEV Action Plan, and any applicable early action GHG reduction measures (e.g., vehicle fleet efficiency measures) in the first Scoping Plan update (2014) developed by CARB and the State's Climate Action Team (CAT). Regional Measures include the Regional Active Transportation Program, SCAG's 2016 RTP/SCS, regional electric vehicle infrastructure development, and transit expansions including the Metrolink Perris Valley Line extension (see *Local Measures* section below). This analysis will be conducted to ensure that the GHG reduction potential for all applicable state and regional measures is consistent with the new GHG inventories and BAU forecasts, as prepared under Tasks 3 and 4.

We will also include an assessment of other transportation and land use measures that cannot be quantified due to uncertainties or modeling limitations, but may influence transportation-related emissions in the future. This may include the High-Speed Rail Project or integration of autonomous vehicles and autonomous rideshare into the transportation landscape.

Current and Existing Local Measures

Understanding the effectiveness of the current Subregional CAP measures is integral to the reduction planning and target-setting process for 2030 and 2050. In consultation with WRCOG and the cities, primarily through the first workshop (see Task 2.4 above) and perhaps through standardized data collection templates (if needed), ESA will identify those measures that are successfully reducing GHG emissions and those measures that are behind in their implementation, and to the extent possible identify the factors determining action or inaction (e.g., funding or financing, staff resources, community support).

ESA will collect all available data from WRCOG on the implementation of the Subregional CAP's transportation and land use GHG reduction measures. We understand that the CAPtivate participating cities are currently not tracking GHG reductions in a comprehensive and consolidated fashion, and many (if not all) are not using the monitoring tool, so ESA will work with WRCOG to collect as much data as possible regarding measure progress and performance since the Subregional CAP was adopted. We will also work with WRCOG to collect available data for the seven cities that did not participate in the Subregional CAP, and those cities that are preparing their own CAPs. ESA will then use this information as a foundation for the new and revised measures in CAPtivate 2.0 and the updated monitoring tool.

The cities and WRCOG have already invested in extensive research, planning, and thought into the transportation and land use measures included in the Subregional CAP. Consequently, ESA will not endeavor to "reinvent the wheel" in CAPtivate 2.0. The work done on the Subregional CAP will form a substantial foundation for a redesigned CAPtivate 2.0. ESA will take this foundation and build upward to develop a suite of transportation measures that enables the Subregion to reach its 2030 target and make substantial progress toward its 2050 target. This will include evaluating current actions that should be updated to better reflect local conditions and priorities and to remove redundancies with state and regional measures. It will also include gathering information about potential additional local measures at the WRCOG Planning Director Workshops and through public outreach and engagement.

New and Revised Local Measures

We will evaluate a range of feasible measures for transportation and off-road equipment, drawing on tools, ideas and experience from many sources, including ICLEI, the US Conference of Mayors Best Practices for Climate Protection, CoolCalifornia.org, CAPCOA, and our experience developing CAPs for local governments in California and beyond. In particular, we will draw from best practices put forth in exemplary CAPs that are designed to achieve deep GHG reductions in the post 2020-era. We will consider programs and policies that are both wholly within the Subregion and those that are regional in nature, and that would require collaboration with other jurisdictions and regional organizations. Note that the first workshop with the Planning Directors Committee (budgeted under Task 2.4) will be used to solicit information on local land use and transportation measures being implemented or considered by member cities that are not currently included in the CAPtivate 1.0 framework.

The ESA team will update the expected GHG reductions for the Subregional CAP measures as appropriate, based on our approach for developing and consolidating existing and new strategies as discussed below, using methods and emissions factors consistent with the new inventory and BAU forecasts. We will supplement these calculations with newly established protocol and expertise from Fehr & Peers. This will help WRCOG and the cities determine how effective the Subregional CAP measures are at reducing GHG emissions and help identify the program adjustments and additional high-impact measures that may be needed to achieve the new 2030 and 2050 targets. This scope of work assumes that WRCOG will provide ESA with all the background materials used to prepare the Subregional CAP, including the emissions forecasts, GHG reduction measure calculations, and other Excel workbooks and modeling files as appropriate.

CAPs that are CEQA-qualified for these longer term targets typically have aggressive goals for reducing vehicle trips, expanding transit-oriented development, and accelerating the market penetration of plug-in electric vehicles and other low-carbon transportation alternatives. We anticipate that this will be true for the WRCOG cities. Although many GHG reduction strategies are most effectively implemented at the local level (e.g., through local ordinances and codes), WRCOG will want to fully leverage effective regional programs to achieve the deep GHG reductions required to reach long term targets. Such programs include, but are not limited to, regional electric vehicle infrastructure development, the Metrolink Perris Valley Line extension, express lane network extension, SCAG congestion pricing, regional telecommuting incentives, SCAG and South Coast Air Quality Management District regional goods movement strategies, WRCOG's Transportation Uniform Mitigation Fee (TUMF) program, the Western Riverside County Clean Cities Coalition, and the WRCOG Active Transportation Plan. Because these programs have developed or matured since WRCOG adopted the Subregional CAP in 2014, and ESA will ensure that such programs are fully leveraged by the CAP update.

CAP measures to reduce VMT-related emissions are predicated on a variety of influencing factors:

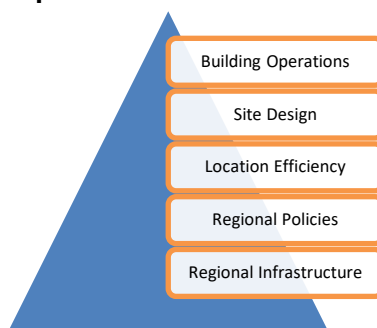
- Private sector influence related to vehicle technology (e.g. EV penetration) and shared mobility (e.g. TNCs, eScooters, bike share)
- Legislative influence such as SB 375, SB 743, AB 32, and other influences that change industry requirements in the region
- Policy and local influence such as land use plans (ensuring we are using our transportation and land use system efficiently), requirements for land development (e.g., TDM programs for new development), and regional infrastructure investment

The Trendlab+ tool will help local stakeholders identify how these factors may influence travel behavior and will be utilized to inform the ultimate CAP measures. In addition, ESA and Fehr & Peers will also work with the stakeholders to review SCAG assumptions related to telecommuting in the region and/or the cost of travel that will also affect travel behavior and affect VMT estimates.

At the local level, Fehr & Peers has recently updated much of the TDM reduction estimate methodology originally published in *Quantifying Greenhouse Gas Mitigation Measures* (CAPCOA, August 2010). Much of the update is based on newer research and Fehr & Peers has already provided a summary of that information to WRCOG as part of the SB 743 Implementation Pathway study. Fehr & Peers will refine this information to identify which measures are most appropriate for specific WRCOG jurisdictions given the rural and suburban land use context of the region.

An important consideration for the mitigation effectiveness is the scale for TDM strategy implementation. The biggest effects of TDM strategies on VMT (and resultant emissions) derive from regional policies related to land use location efficiency and infrastructure investments that support transit, walking, and bicycling. While there are many measures that can influence VMT and emissions that relate to site design and building operations, they have smaller effects that are often dependent on final building tenants. **Figure E-2** presents a conceptual illustration of the relative importance of scale.

Figure E-2: Transportation-Related GHG Reduction Measures



Of the 50 transportation measures presented in the 2010 CAPCOA report, 41 are applicable at building and site level. The remaining nine are functions of, or depend on, site location and/ or actions by local and regional agencies or funders. Of these strategies, only a few are likely to be effective in a rural or suburban setting such as the WRCOG area. To help winnow down the list, Fehr & Peers has reviewed how land use context could influence each strategy's effectiveness and identified the seven for more detailed review. Please note that disruptive trends, including but not limited to transportation network companies (TNCs), autonomous vehicles, internet shopping, and micro-transit may affect the future effectiveness of these strategies. Because of these limitations, strategies 1, 2, 3, 6, and 7, listed below, are initially considered the highest priorities for individual land use project mitigation subject to review and discussion with the project team and advisory committee.

1. Increase diversity of land uses – This strategy focuses on inclusion of mixed uses within projects or in consideration of the surrounding area to minimize vehicle travel in terms of both the number of trips and the length of those trips.

2. Provide pedestrian network improvements – This strategy focuses on creating a pedestrian network within the project and connecting to nearby destinations. Projects in the WRCOG range in size. So the emphasis of this strategy for smaller projects would likely be the construction of network improvements that connect the project sites directly to nearby destinations. For larger projects, this strategy could focus on the development of a robust pedestrian network within the project itself. Alternatively, implementation could occur through an impact fee program such as the TUMF or benefit/assessment district based on local or regional plans.
3. Provide traffic calming measures and low-stress bicycle network improvements – This strategy combines the CAPCOA research focused on traffic calming with new research on providing a low-stress bicycle network. Traffic calming creates networks with low vehicle speeds and volumes that are more conducive to walking and bicycling. Building a low-stress bicycle network produces a similar outcome. Implementation options are similar to strategy 2 above. One potential change in this strategy over time is that e-bikes (and e-scooters) could extend the effective range of travel on the bicycle network, which could enhance the effectiveness of this strategy.
4. Implement car-sharing program – This strategy reduces the need to own a vehicle or reduces the number of vehicles owned by a household by making it convenient to access a shared vehicle for those trips where vehicle use is essential. Note that implementation of this strategy would require regional or local agency implementation and coordination and would not likely be applicable for individual development projects.
5. Increase transit service frequency and speed – This strategy focuses on improving transit service convenience and travel time competitiveness with driving. While the WRCOG area has fixed route rail and bus service that could be enhanced, it's also possible that new forms of low-cost demand-responsive transit service could be provided. The demand-responsive service could be provided as subsidized trips by contracting to private TNCs or Taxi companies. Alternatively, a public transit operator could provide the subsidized service but would need to improve on traditional cost effectiveness by relying on TNC ride-hailing technology, using smaller vehicles sized to demand, and flexible driver employment terms where drivers are paid by trip versus by hour. This type of service would reduce wait times for travelers and improve the typical in-vehicle travel time compared to traditional transit. Note that implementation of this strategy would require regional or local agency implementation, substantial changes to current transit practices, and would not likely be applicable for individual development projects.
6. Encourage telecommuting and alternative work schedules – This strategy relies on effective internet access and speeds to individual project sites/buildings to provide the opportunity for telecommuting. The effectiveness of the strategy depends on the ultimate building tenants and this should be a factor in considering the potential VMT reduction.
7. Provide ride-sharing programs – This strategy focuses on encouraging carpooling and vanpooling by project site/building tenants and has similar limitations as strategy 6 above.

After researching and considering the suite of measures and strategies listed above based on the latest research from Fehr & Peers and CAPCOA, ESA and Fehr & Peers will consult with the COG to decide which individual

measures and strategies are to be included and quantified in CAPtivate 2.0. Because many of these individual actions are synergistic and difficult to model accurately as isolated measures, we will look for ways to aggregate and consolidate measures based on logical groupings of actions (such as bicycle network strategies or transit service strategies). This regional modeling approach will account for the synergistic effects of each strategy and their cross-jurisdictional impacts across the region.

Fehr & Peers will calculate the VMT reduction benefits of each CAPtivate 2.0 strategy at the local and regional level using the RIVTAM model. The RIVTAM modeling will be supplemented with other off-model methods as necessary to calculate VMT and GHG emissions reductions for strategies and actions that RIVTAM is not capable of modeling, such as alternative-fueled vehicles and traffic signal synchronization. ESA will then calculate GHG reductions for each measure using the ICLEI 2012 Protocol and EMFAC2017 at the city-level.

Public Health Components

The 2014 Subregional CAP highlighted the potential community benefits, including energy, health, economy, resources, and mobility, generated by GHG reduction measures. R+A will assist ESA in further refining GHG reduction measures by integrating health and social equity. Working with WRCOG and the project team, this integration may include:

- Identifying GHG reduction measures that generate positive health and equity benefits
- Describing qualitatively the magnitude of potential community benefits
- Tying health tracking metrics, from the WRCOG dashboard, to specific GHG reduction measures
- Highlighting specific health and/or equity considerations associated with the implementation of each measure
- Integrating complementary solutions that maintain GHG reduction potential, while also addressing health inequities. Examples include actions from the Riverside Healthy Development Checklist and Urban Sustainability Director's Network Guide to Equitable, Community Driven Planning

R+A will integrate the health and equity community benefits discussion directly into the GHG reduction measures.

Task 5.2 Deliverables:

- Memo of proposed revisions and new entries for state, regional, and local transportation and land use reduction measures, including community benefits as described above
- Excel calculation workbook for new GHG measure reductions

Task 5.3: Financial analysis

ESA will help the WRCOG and the cities prioritize GHG reduction measures using customized criteria and a planning-level cost-effectiveness analysis for key quantifiable measures to determine which measures will achieve the greatest GHG reductions and sustainability co-benefits at the least cost to the WRCOG and the cities. The cost-effectiveness analysis will assess financial impacts as well as the anticipated environmental, economic and social benefits. We will develop a systematic process for comparing the costs and benefits of various measures based on local priorities, and can help estimate the expected costs, savings, and reductions in GHGs

from the selected measures. In consultation with the WRCOG, ESA will identify criteria for evaluating and prioritizing CAP measures, which may include GHG emission reductions (prepared in Task 5.2), financial impacts to the cities, impacts on the local economy (such as employment), typical payback period, ability to measure effectiveness, synergy with existing city and regional plans and policies, public health benefits, potential for funding, implementation timeframe, feasibility of implementation, co-benefits (including adaptation co-benefits), educational impacts, and community leadership potential.

Deliverable: Summary of Updates to CAPtivate2.0's Implementation and Monitoring Chapter

Task 6 – Update Monitoring Tool and Next Steps

Task 6.1: Update monitoring tool

Workshop for Tool Scoping

In coordination with WRCOG, the ESA team will organize a second workshop (budgeted under Task 2.4) to bring cities and stakeholders together to discuss the results of Task 5 and the list of recommended CAPtivate 2.0 measures related to transportation and land use, and to prioritize the key aspects of the new monitoring tool to ensure that it is actually a valuable and useful tool for the cities to utilize. The workshop will help WRCOG and ESA determine what types of data and information the cities have at their disposal to track and monitor the measures, the time and resources they have available to monitor progress, and what specific tools and resources would be most useful for them to empower this effort. It will also help us determine the most effective method of tracking implementation; whether it be individual city staff completing the tool, or whether WRCOG staff will solicit implementation data from the cities and consolidate it in one master version of the tool for regional progress and streamlined benchmarking for all participating cities.

Update Monitoring Tool

Based on the information gathered during the workshop, ESA will update the transportation aspects of the monitoring tool following the consensus approach achieved during this workshop to ensure that the updated monitoring tool is actually useful for the cities and provides specific and unique value for tracking the progress of CAPtivate 2.0. We envision the updated monitoring tool to store program details, track implementation and performance indicators, and measure progress of individual measures in reducing GHG emissions. The tool will allow city or COG staff to enter activity data and participation rate information and calculate GHG emission reductions consistent with the methods, protocols, and emission factors used for the new inventories, BAU forecasts, and GHG reduction calculations prepared in Tasks 3, 4, and 5.

The tool will be intuitive, easy to use, well-organized, and easily accessible to city staff with limited or no technical background. It will have a broad progress dashboard with visually compelling figures and graphics to clearly illustrate the progress of the GHG reduction efforts of each city and the region as a whole. The dashboard will prioritize the summary information identified as most useful by the cities during the workshops, and will include tables, figures, and summary graphics that can be used in the progress report and presentation templates described in Task 6 to indicate progress toward the 2030/2050 targets, GHG reductions achieved to date, and progress on key performance indicators

The updated monitoring tool will utilize the calculation methods and approach used to determine GHG emission reductions for all CAPtivate 2.0 measures as described in Task 5.2 above, including state, regional, and local measures. This will ensure that the monitoring tool is consistent with CAPtivate 2.0 and will effectively track the implementation of its measures over time for each city and the region. Although the specific tracking parameters will be scoped during the workshop, the tool may include a mix of “yes/no” implementation

questions, subscription rate queries (e.g. low, medium, and high), and participation/implementation rate inputs (e.g. number of EV charging stations installed), consistent with the current monitoring tool. Since the local measures and actions will differ for each city as they implement the measures locally, maintaining consistent data entry and reporting is an important challenge for ESA when updating the monitoring tool. It must distill complex tracking data to the most useful and important information for both the cities and WRCOG.

Task 6.2: Monitoring program and report card

Based on the updated monitoring tool developed in Task 6.1, ESA will prepare templates for a progress report (MS-Word) and presentation (PowerPoint) to be used in tandem with the monitoring tool. The template will use the tables, figures, and summary graphics included in the updated monitoring tool dashboard described above. ESA envisions the report template to include the following main elements:

- A summary of key accomplishments and initiatives related to CAPtivate 2.0 implementation, including new programs and funding/financing efforts.
- A summary of the Subregion's overall progress in reducing GHG emissions compared to the 2010 baseline and the 2030/2050 targets, including sector specific analysis.
- Summary of state, regional, and locally implemented measures included in CAPtivate 2.0, including a summary of supporting actions completed, initiated, and not yet started. This could include an assessment of how effective each measure has been in reducing emissions or specific activities compared to the estimates prepared in Task 5.2 and 5.3, with quantification of those reductions where possible using the updated monitoring tool.
- A summary of implementation barriers identified for each measure, which could include administration and staffing challenges, funding and financial resources, inadequate policies, changing or inadequate regulations and ordinances, community resistance, and other factors.

Task 6 Deliverables:

- Draft and Final Updated CAP Implementation and Monitoring Tool
- Draft and Final Progress Report and Presentation Template

Task 7 – Update Subregional CAP Document

Task 7.1: Update Subregional CAP document

Specifically, ESA will update the Subregional CAP to combine and consolidate all technical components, including the 2010 baseline inventories for all 19 jurisdictions, the new GHG inventories for each city, the 2020 and 2050 BAU forecasts, the 2030/2050 targets, GHG reduction quantification for state, regional, and local measures, and the new implementation and tracking parameters established in the updated monitoring tool. CAPtivate 2.0 will clearly communicate the WRCOG's and the cities' actions to the public and guide the implementation of the GHG reduction measures within the community. A summary of our proposed outline for CAPtivate 2.0 is presented below.

- **Executive Summary** – The executive summary will include a synopsis of CAPtivate 2.0, including its goals, the new inventories and BAU forecasts, the new 2030/2050 targets, the renewed reduction measures and their impact, and implementation steps.
- **Chapter 1: Introduction** – ESA will update this chapter with a summary of the latest climate change science and include an updated regulatory setting and discussion of policies implemented since the Subregional CAP was adopted. It will provide an updated summary of the CAPtivate 2.0's goals, including the targets for 2030 and 2050.

- **Chapter 2: Emissions Inventory, BAU Forecasts, and GHG Reduction Targets** – ESA will update Chapter 2 to present the results of the new GHG inventories and the BAU forecasts for 2030 and 2050. This chapter will include a discussion of each subset of the transportation and land use emission sectors and the major sources of GHG emissions. It will also include a concise trends analysis to compare the current 2010 inventories with the new inventories and identify the primary sources of change in emissions (i.e., economic growth or contraction, technology and regulatory changes, climatic conditions, differences in methods and datasets, and new emission factors). This chapter will also discuss the 2030/2050 targets for the region.
- **Chapter 3: GHG Reduction Measures and Actions** – We will update Chapter 3 to present the calculated GHG emission reductions for all state, regional, and local measures for both 2030 and 2050. We will also describe how the Subregional CAP measures have been updated and integrated into the CAPtivate 2.0 measures, and describe the implementation and performance indicators of these measures that will be used to track progress toward achieving 2030 and 2050 targets.
- **Chapter 4: Implementation and Monitoring** – As needed, ESA will update the implementation framework for the CAP to reflect the revised measure performance indicators and targets for all measures. We will also describe steps needed to realize the region’s 2030 and 2050 targets. ESA will work with the WRCOG and member jurisdictions to update the administration and staffing protocols, the financing and budgeting options, the timeline and prioritization of measures, and the anticipated need for public participation. We will also update the monitoring and tracking approach for the region to update their GHG inventories and GHG reduction measures in the future (using the updated monitoring tool) and steps for amending CAPtivate in future years, to respond to new emission factors, protocols, modeling capabilities, and technological advancements. Per optional Task 12, we can also update CAPtivate 2.0 to include CEQA provisions and any new development project review requirements for CEQA tiering.
- **Chapter 5: Climate Adaptation and Resiliency Strategy** – ESA assumes this chapter will be updated by others who are contributing to WRCOG’s adaptation resiliency planning efforts. ESA can peer review this chapter to ensure its consistency with the overall document.
- **Appendix A** – This appendix will include the GHG inventories for the 19 participating jurisdictions and include a summary of all the new methods used to prepare the new inventories and the 2030/2050 BAU forecasts.
- **Appendix B** – This appendix will include a summary of all the methods used to quantify GHG reductions for all CAPtivate2.0 measures.

Task 7.2: Consult with SCAG and State Conservation Agencies

ESA will support WRCOG in consulting with SCAG and other relevant agencies to as needed to ensure that CAPtivate 2.0 is consistent with regional and state planning efforts.

Task 7.3: Presentation of Draft Subregional CAP to WRCOG and County

ESA will support WRCOG for this task by assisting with the preparation of presentations and staff reports. ESA will attend in person and present the Draft Subregional CAP at two of these meetings (WRCOG Planning Directors and Executive Committees).

Task 7.3: Presentation of final updated CAP to WRCOG Committees and Caltrans

ESA will support WRCOG for this task by assisting with the preparation of presentations and staff reports. ESA will attend in person and present the Final Subregional CAP at two of these meetings (WRCOG Planning Directors and Executive Committees).

Task 7 Deliverables:

- Draft and Final CAPtivate 2.0 Document; delivered as electronic files
- Memos documenting agency conversations
- Presentation of Draft and Final Subregional CAP to at least two WRCOG committees

Task 8 – Ongoing Project Management and Administration

With a project of this complexity, ESA recognizes the importance of effective project management in successfully delivering work products on time and within budget. Our project director, Heidi Rous, based in Pasadena, represents decades of project management experience across a broad range of air quality, GHG, environmental planning and CEQA projects. She will provide senior-level project oversight, quality assurance, and guidance. Project manager Jeff Caton will coordinate closely with the project director, deputy project manager Brian Schuster, and the technical team to ensure that the communication between the team and the client are clear and timely.

Jeff will oversee and deliver the scope, schedule, budget, and quality performance of this contract. Jeff will develop a detailed project plan with scope definitions, work structures and responsibilities for tasks. He will make use of ESA's project management tools to monitor, manage, and report on contract performance, including monthly job cost summaries by project and task, and regular updates to project and task schedules for the project. He will tailor a project communication protocol that meets the needs WRCOG's project manager, including monthly conference calls and monthly progress reports. Our ongoing team communication and attention to scope control will keep the project on track and aligned with objectives.

ESA trains and cultivates project management skills as a standard part of our internal training and career development programs. Our project management team is supported by a number of effective project management tools, including our in-house accounting technology (Deltek), which enables the tracking of project labor and expenses at any desired level of detail; project and task-level budget tracking spreadsheets; workload projection tools; and scheduling tools, including Microsoft Project, to report on current project status, as well help quickly identify the need for any schedule or budget adjustments.

ESA maintains strict adherence to our QA/QC methodology for all ongoing projects. Our coordinated review and response process, depicted in the figure above, provides a system of checks and balances to ensure quality work products that are thorough, technically and procedurally adequate, and easy to understand. When subconsultants are responsible for work products, ESA requires that they conduct their own QA/QC; subconsultants' work products will then also be subject to ESA's QA/QC before delivery to the WRCOG, including review by the project manager and senior-level technical staff as needed.

ESA can use several types of electronic file sharing services including our own "DeliverIt" service for secure web-based file sharing and transmission. These strategies help to minimize communication costs, version control issues, and paper waste by providing a central location for related project information. We also offer the Cisco WebEx videoconferencing service, which provides a media-rich meeting environment as a substitute for in-person meetings, which helps save time and expense related to travel.

Task 8 Deliverables:

- Monthly project team conference calls
- Monthly progress reports

Optional Tasks

Task 9: Add Water and Wastewater Sectors to CAPtivate 2.0

ESA will add the water and wastewater sectors to CAPtivate 2.0, following the same general approach as discussed above for the land use and transportation sectors. These sectors include electricity, natural gas, and other fuel consumption associated with the treatment and conveyance of water and wastewater to and within the region. It may also include fugitive emissions associated with wastewater treatment processes. This task will include the following general steps:

1. GHG Inventories and BAU Forecasts: Aligning with Task 3, ESA will evaluate existing water-related emissions for the WRCOG jurisdictions with existing inventories and calculate water-related and wastewater-related GHG emissions for the inventory update year (e.g., 2016) for all 19 local jurisdictions using the latest inventory protocol and emission factors available. We will forecast water-related and wastewater-related emissions for 2030 and 2050 using the region's Urban Water Management planning documents, water agency consultation, and socioeconomic projection data (such as population growth) used for the transportation sector.
2. Long-Term Targets: Aligning with Task 4, ESA will help establish long-term GHG reduction targets for the water sector for 2030 and 2050 consistent with SB 32 and EO S-03-05.
3. GHG Reduction Measures: Similar to Task 5, ESA will conduct a literature review of existing state and regional programs, policies, actions, and plans related to water infrastructure and water consumption, such as SB X7-7, 2017 Scoping Plan measures related to water, and strategies specific to the local and regional water agencies. We will review the existing Subregional CAP measures related to water and assess a new suite of water measures for inclusion in CAPtivate 2.0, such as consumer behavior pricing, water conservation-related rebates and education, recycled water and greywater infrastructure, landscape irrigation efficiency, and regional water delivery/treatment efficiency improvements.
4. GHG Monitoring Tool: Building on Task 6, ESA will add the water measures to the new monitoring tool, consistent with the inventories, forecasts, and GHG reduction measure calculations, and relying on simple user entries for tracking implementation.
5. CAPtivate 2.0 Document: ESA will add the water and wastewater sectors to the Subregional CAP document, including the GHG inventories and forecasts for water/wastewater, water-related targets, water/wastewater infrastructure and water conservation measures, implementation details for these measures including monitoring, and appendix information with methods for all of the above.

Task 9 Deliverables:

- GHG Inventories for the water and wastewater sectors
- Target memo for water and wastewater sectors
- Memo of existing and new state, regional and local water and wastewater measures
- Excel calculation workbook for new water and wastewater GHG measure reductions
- Updated monitoring tool with water and wastewater sectors measures
- Updated CAPtivate 2.0 with water and wastewater sectors included (electronic file)

Task 10: Add Energy Sector to CAPtivate 2.0

ESA will add the energy sector to CAPtivate 2.0, following the same general approach as discussed above for the land use and transportation sector. This sector includes electricity, natural gas, and other fuel consumption associated with buildings in the region. Economic sectors would include residential, commercial, industrial, and institutional. This task will include the following general steps:

1. GHG Inventories and BAU Forecasts: Following Task 3, ESA will evaluate existing energy-related emissions for the WRCOG jurisdictions with existing inventories and calculate energy-related GHG emissions for the new inventory year (e.g., 2016) for all 19 local jurisdictions using the latest inventory protocol and emission factors available. We will forecast energy-related emissions for 2030 and 2050 using utility and CEC planning documents, utility consultation as needed, and socioeconomic projection data (such as growth in households and jobs) used for the transportation sector.
2. Long-Term Targets: Aligning with Task 4, ESA will help establish long-term GHG reduction targets for the energy sector for 2030 and 2050 consistent with SB 32 and EO S-03-05.
3. GHG Reduction Measures: Similar to Task 5, ESA will conduct a literature review of existing state and regional programs, policies, actions, and plans related to renewable energy and energy consumption, such as the Renewables Portfolio Standard including SB 350 and SB 100, Title 24 energy standards, the HERO residential and commercial programs, the California Long-Term Energy Efficiency Strategic Plan, other 2017 Scoping Plan measures related to energy, and strategies specific to the local and regional energy utilities including SCE, SCG, RPU, and BEU. We will review the existing Subregional CAP measures related to energy and assess a new/revised suite of energy measures for inclusion in CAPtivate 2.0, such as local renewable energy installation, energy retrofits for residential and commercial buildings, community choice aggregation energy programs, conversion of natural gas to electricity, green business programs, and traffic/streetlight/public area lighting efficiency upgrades.
4. GHG Monitoring Tool: Building on Task 6, ESA will add the energy measures to the new monitoring tool, consistent with the inventories, forecasts, and GHG reduction measure calculations, and relying on simple user entries for tracking implementation.
5. CAPtivate 2.0 Document: ESA will add the energy sector to the Subregional CAP document, including the GHG inventories and forecasts for energy, energy-related targets, renewable energy and energy conservation measures, implementation details for these measures including monitoring, and appendix information with methods for all of the above.

Task 10 Deliverables:

- GHG Inventories for energy sector
- Target memo for energy sector
- Memo of existing and new state, regional, and local energy measures
- Excel calculation workbook for new energy GHG measure reductions
- Updated monitoring tool with energy sector measures
- Updated CAPtivate 2.0 document with energy sector included (electronic file)

Task 11: Add Waste Sector to CAPtivate 2.0

ESA will add the solid waste sector to CAPtivate 2.0, following the same general approach as discussed above for the land use and transportation sector. This sector includes fugitive emissions from solid waste landfilling and processing, for waste generated within the cities. This task will include the following general steps:

1. GHG Inventories and BAU Forecasts: Following Task 3, ESA will evaluate existing solid waste-related emissions for the WRCOG jurisdictions with existing inventories and calculate waste-related GHG emissions for the new inventory year (e.g. 2016) for all 19 local jurisdictions using the latest inventory protocol and emission factors available. We will forecast waste-related emissions for 2030 and 2050 using CalRecycle data, waste service provider planning documents and consultation as needed, and socioeconomic projection data (such as growth in population and households) used for the transportation sector.
2. Long-Term Targets: Parallel with Task 4, ESA will help establish long-term GHG reduction targets for the waste sector for 2030 and 2050 consistent with SB 32 and EO S-03-05.
3. GHG Reduction Measures: Similar to Task 5, ESA will conduct a literature review of existing state and regional programs, policies, actions, and plans related to renewable solid waste generation and disposal, such as AB 939 waste diversion requirements, AB 1045 organic waste diversion requirements, Executive Order B-30-15's 75 percent diversion requirement for the state, other 2017 Scoping Plan measures related to waste, CalRecycle programs and incentives, the Riverside County Department of Waste Resources Countywide Integrated Waste Management Plan, and strategies specific to the local and regional waste service providers such as Waste Management. We will review the existing Subregional CAP measures related to waste and assess a new suite of energy measures for inclusion in CAPtivate 2.0, such as new Construction and Demolition Waste Diversion requirements; solid waste diversion programs, including source reduction, recycling, and composting; landfill gas capture and energy generation at El Sobrante Landfill and other landfills serving the region; and organic waste to energy programs.
4. GHG Monitoring Tool: Building on Task 6, ESA will add the solid waste measures to the new monitoring tool, consistent with the inventories, forecasts, and GHG reduction measure calculations, and relying on simple user entries for tracking implementation.
5. CAPtivate 2.0 Document: ESA will add the waste sector to the Subregional CAP document, including the GHG inventories and forecasts for waste, waste-related targets, waste reduction and waste processing measures, implementation details for these measures including monitoring, and appendix information with methods for all of the above.

Task 11 Deliverables:

- GHG Inventories for waste sector
- Target memo for waste sector
- Memo of existing and new state, regional, and local waste measures
- Excel calculation workbook for new waste GHG measure reductions
- Updated monitoring tool with waste sector measures
- Updated CAPtivate 2.0 document with waste sector included (electronic file)

EXHIBIT “B”

SCHEDULE OF SERVICES

CAPtivate 2.0 Project Schedule		2019								2020											
		may	jun	jul	aug	sep	oct	nov	dec	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec
Project Month		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Project Initiation																					
Memorandum of Understanding; kick-off meeting		X																			
Public Outreach and Engagement																					
Stakeholder collaboration plan																					
Online engagement with community members																					
Pop-up work shops						X		X		X		X									
WRCOG Planning Directors Committee Meetings (X denotes half-day workshops)											X			X							
GHG Inventories Updates and Forecasts																					
Consolidate Existing Inventories																					
Prepare Current Year Inventories																					
Update BAU Emissions Forecasts																					
GHG Emissions Reduction Targets																					
Establish Long Term GHG Reduction Targets																					
Revise and Update CAP Measures																					
Literature Review; Analyze EAPs																					
Review, Revise and Update CAP Measures																					
Financial Analysis																					
Update Monitoring Tool and Next Steps																					
Update Monitoring Tool																					
Progress Report and Presentation Template																					
Update Subregional CAP Document																					
Update Subregional CAP Document																					
Consult with SCAG and State Agencies																					
Present to WRCOG, cities and County																					
Present Final to WRCOG Committess, cities, county and Caltrans																					
Project Management and Administration																					
Project Team meetings w/ WRCOG		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Invoicing, scheduling, progress reports																					

X = key meetings and workshops

EXHIBIT "C"

COMPENSATION

Transportation and Landuse Sectors

Employee Name	ESA											Subconsultants	
	Heidi Rous: Project Director	Jeff Caton: Project Manager	Brian Schuster, Deputy Project Manager	Reema Shakra, Senior Planner	Alan Sako, AQ/GHG Analyst	Evan Wasserman, Junior Planner	Tim Witwer, AQ/GHG Analyst	Breanna Sewell, AQ/GHG Analyst	Graphics, Layout and Word Processing	ESA Labor		Raimi + Associates	Fehr & Peers
	Director III	Director III	Managing Associate II	Managing Associate II	Managing Associate II	Associate II	Associate II	Associate II	Project Technician III			Labor and Expenses	Labor and Expenses
Task #	Task Name/Description												
	\$ 228.02	\$ 228.02	\$ 179.48	\$ 179.48	\$200	\$ 91.85	\$ 91.85	\$ 91.85	\$ 129.34				
1	Project Initiation												
1.3	Memorandum of Understanding, kick-off meeting												
2	Public Outreach and Engagement												
2.1	Stakeholder collaboration plan												
2.2	Online engagement with community members												
2.3	Pop-up workshops												
2.4	WRCOG Planning Directors Committee Meetings												
3	GHG Inventories Updates and Forecasts												
3.1	Consolidate Existing Inventories												
3.2	Prepare Current Year Inventories												
3.3	Update BAU Emissions Forecasts												
4	GHG Emissions Reduction Targets												
4.1	Establish Long Term GHG Reduction Targets												
5	Revise and Update CAP Measures												
5.1	Literature Review												
5.2	Review, Revise and Update CAP Measures												
5.3	Financial Analysis												
6	Update Monitoring Tool and Next Steps												
6.1	Update Monitoring Tool												
6.2	Progress Report and Presentation Template												
7	Update Subregional CAP Document												
7.1	Update Subregional CAP Document												
7.2	Consult with SCAG and State Agencies												
7.3	Present to WRCOG, cities and County												
7.4	Present Final to WRCOG Commitment, cities, county and Caltrans												
8	Project Management and Administration												
	Project Team meetings w/ WRCOG												
	Invoicing, scheduling, progress reports												
Total Hours	15	156	326	10	-	16	259	227	36	\$ 1,045			
Subtotals - Labor Costs	\$ 3,420	\$ 35,571	\$ 58,511	\$ 1,795	\$ -	\$ 1,470	\$ 23,790	\$ 20,851	\$ 4,656	\$ 150,063.84	\$ 54,100	\$ 56,300	
Labor											\$ 150,064	\$ 54,100	\$ 56,300
Direct Expenses Travel, communication, and other material expenses											\$ 3,000	\$ 3,000	\$ 1,010
Total by Firm											\$ 153,064	\$ 57,100	\$ 57,310
TOTAL Transportation & Landuse Cost													\$ 267,474

Water, Wastewater, Energy and Solid Waste Sectors

	ESA Employee Name	Heidi Rous: Project Director	Jeff Caton: Project Manager	Brian Schuster, Deputy Project Manager	Tim Witwer, AQ/GHG Analyst	Graphics, Layout and Word Processing	Fellow/ Intern/ WRCOG	ESA Labor & Expenses Subtotal
	ESA Title	Director III	Director III	Managing Associate II	Associate II	Project Technician III		
Task #	Optional Task Name/Description	\$228	\$228	\$179	\$92	\$129	\$0	
Water and Wastewater Sectors								
9: Water and Wastewater Sector Emissions								
	GHG Inventories Updates and Forecasts		2	16	60			\$ 8,839
	GHG Emissions Reduction Targets		2	4	2			\$ 1,358
	Revise and Update CAP Measures	1	4	24	40			\$ 9,122
	Update Monitoring Tool and Next Steps		4	10	16	2		\$ 4,435
	Update Subregional CAP Document	1	4	8	8	6	-	\$ 4,087
	Labor hours and cost	2	16	62	126	8		\$ 27,840
	Expenses							\$ 500
	Task 9 Total							\$ 28,340
10: Energy Sector Emissions								
	GHG Inventories Updates and Forecasts		8	24	48	-	148	\$ 10,540
	Consolidate Existing Inventories		2	12	20		40	
	Data Collection; Prepare Current Year Inventories		4	8	16		100	
	Update BAU Emissions Forecasts		2	4	12		8	
	GHG Emissions Reduction Targets	1	4	8	8			\$ 2,649
	Revise and Update CAP Measures	1	14	58	68	-	48	\$ 20,076
	Analyze EAPs		6	10	24		24	
	Review, Revise and Update CAP Measures	1	4	40	20			
	Financial Analysis		4	8	24		24	
	Update Monitoring Tool and Next Steps	-	4	24	16	4	8	\$ 7,207
	Update Subregional CAP Document	1	8	24	16	12	16	\$ 9,381
	Labor hours and cost	3	38	138	156	16	220	\$ 49,853
	Expenses							\$ 500
	Task 10 Total							\$ 50,353
11: Solid Waste Sector Emissions								
	GHG Inventories Updates and Forecasts		1	5	16	-	48	\$ 2,595
	Consolidate Existing Inventories		1	2	4		16	
	Data Collection; Prepare Current Year Inventories			2	8		32	
	Update BAU Emissions Forecasts			1	4			
	GHG Emissions Reduction Targets	1	1	4				\$ 1,174
	Revise and Update CAP Measures	1	3	12	8		4	\$ 3,801
	Update Monitoring Tool and Next Steps	-	2	12	4	1	4	\$ 3,107
	Update Subregional CAP Document	1	4	8	16	8	4	\$ 5,080
	Labor hours and cost	3	11	41	44	9	60	\$ 15,756
	Expenses							\$ 500
	Task 11 Total							\$ 16,256
TOTAL Water, Waste Water, Energy and Solid Waste								\$ 94,949

Page Intentionally Left Blank



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

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

Contact: Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751

Date: May 8, 2019

The purpose of this item is to receive authorization to enter into a Professional Services Agreement with the firm Network for Global Innovation in an amount not to exceed \$200,000.

Requested Action:

1. Authorize the Executive Director to enter into a Professional Services Agreement between the Western Riverside Council of Governments and Network for Global Innovation to lead Phase II development of Experience subregional innovation center.

Background

Western Riverside County is one of the fastest growing subregions in the State of California and the United States. In 2012 WRCOG's leadership identified six interrelated components critically important to achieving a premier quality of life in Western Riverside County and incorporated these into the WRCOG Economic Development & Sustainability Framework, which serves as a guide to grow strategically and achieve a vibrant and livable community. The six Framework goal areas pertain to: 1) Economic Development; 2) Water and Wastewater; 3) Education; 4) Health; 5) Transportation; and 6) Energy and the Environment.

In 2016, staff introduced the concept of Experience, envisioned as a vibrant, regional center with a variety of visitor attractions that could also serve as a sustainability demonstration center, innovation hub, business incubator, and more. The aim of Experience is to showcase the assets and capabilities of inland southern California while serving community needs and advancing the Framework goal areas. Experience would borrow inspiration from similar concepts from across the globe including, but not limited to, the Los Angeles Cleantech Incubator (LACI) in Los Angeles, the Frontier Project in Rancho Cucamonga, the Southern California Edison Energy Education Center in Irwindale, and Alegria Farms in Irvine. In September of 2018, WRCOG concluded a 10-month Experience Feasibility Analysis and concluded that there is sufficient demand for the services Experience would offer and significant need for the economic development and job creation components in particular.

Feasibility Analysis and Recommended Actions

In December 2018, the Executive Committee took action to approve the findings of the Feasibility Analysis, selected the City of Riverside as the preferred Experience host and directed staff to move forward with the next phase of Experience development, including retaining a staff person or consultant to lead the next phase of work, including program and fund development, and entering into a Memorandum of Understanding (MOU) with the City of Riverside to clarify the responsibilities of each agency.

The contractor leading program and fund development is seen as a critical component for Experience to achieve its goals for the subregion. While the fundraising element is necessary for the idea to move forward, program development is equally important as it would be the difference between a mere demonstration facility and a truly vibrant, regional asset. The need for early, calculated program planning was identified through the Feasibility Analysis' existing model research and found to have universal applications to the outcome of these models. It is anticipated that the correct mix of programs has the potential to generate funding to support ongoing operations of Experience so the facility can be self-sustaining. In addition to direct program revenues, these funds can come through corporate sponsorships, industry partnerships, grants, and similar sources. Therefore, selecting the proper person with the appropriate skill set will be critical to ensuring the long-term success of Experience.

MOU with City of Riverside

Staff and the two Executive Committee members appointed to support MOU negotiations – Kelly Seyarto, City of Murrieta, and Kevin Bash, City of Norco – are working with the City of Riverside to finalize the MOU between WRCOG and the City of Riverside. The MOU includes provisions that WRCOG will make a financial contribution up to \$100,000 towards the cost of the Agreement and the City of Riverside has already designated \$100,000 of its BEYOND funding toward the remaining balance of the Professional Services Agreement with Network for Global Innovation (NGIN). The MOU may also identify specific City duties relating to identifying a site or interim site for Experience. The MOU is anticipated to be finalized within the coming weeks and to be presented to WRCOG's Executive Committee on May 6, 2019, for approval, along with the Experience PSA with NGIN.

Consultant Selection

Following completion of the Feasibility Analysis, WRCOG sought out prospective consultants to lead the next phase of Experience development. Staff conferred with contacts at the Los Angeles Cleantech Incubator (LACI), which was identified as a strong model for Experience development through the Feasibility Analysis Process. LACI staff referred WRCOG to Fred Walti, who founded LACI and served as CEO for the first six years of LACI operation, and has worked on similar concepts throughout the United States and across the globe. Mr. Walti was complementary of the Experience Feasibility Analysis and, after touring the City of Riverside and meeting with WRCOG and City staff, agreed to lead Experience through the next phase of development through his company, NGIN. The project will also be supported by Tom White, former Executive Director of the LACI University Incubator, LACI at California State University Northridge.

NGIN's proposed scope of work describes activities associated with creation and delivery of a four-task Action Plan, which will pave the way toward implementing Experience, described below:

- Task 1, Concept Refinement & Review, will refine the Experience concept, with a focus on programming that will drive innovation throughout the region as a key economic development strategy.
- Task 2, Discovery & Socialization, will seek input from key partners, assess their strengths, and identify the potential role(s) of each.
- Task 3, Funding Plan Development, will include indentation of potential sources of funding to calculate the magnitude of funds required. An Operating Financial Plan will be produced along with a funding roadmap for securing funding. In addition, the consultant team will produce a Capital Financial Plan and coordinate visit(s) with political representatives to identify potential sources of state funding.
- Task 4, Organization & Action Plan, will determine the governance structure as well as interim office space, staffing plan, and finalize the implementation plan for Experience.

Experience Next Steps

Upon full execution of the MOU with the City of Riverside and the PSA with NGIN, work will commence on the Action Plan. Below is a summary of the Action Plan timeline:

Task 1, Concept Refinement & Review:	June – August 2019
Task 2, Discovery & Socialization:	June – (up to) February 2020

Task 3, Funding Plan Development: October – December 2019
Task 4, Organization & Action Plan: December 2019 – (up to) February 2020
Staff will provide regular updates through the Committee structure on development of the Experience Action Plan.

Prior Actions:

October 18, 2018: The Technical Advisory Committee received and filed.

December 3, 2018: The Executive Committee 1) accepted the Experience Feasibility Analysis as to form; 2) authorized staff to proceed with the next phase regarding the implementation of the Experience Center; 3) selected the City of Riverside as the host jurisdiction; 4) directed staff to negotiate a MOU with the City of Riverside to implement the Experience Center; 5) directed staff to include a cost sharing mechanism in the MOU to limit future WRCOG expenditures to share staffing costs to support Experience; 6) directed staff to include specific milestones for the development and implementation of the MOU, including deadlines related to funding commitment and site selection; and 7) appointed two members to represent WRCOG in negotiating an MOU with the City of Riverside.

Fiscal Impact:

Additional expenditures for Experience will be covered by unspent BEYOND project funds (if available) and programmed into the Fiscal Year 2019/2020 Agency Budget.

Attachment:

1. Professional Services Agreement between WRCOG and Network for Global Innovation.

Page Intentionally Left Blank

Item 4.D

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

Attachment 1

Professional Services Agreement
between WRCOG and Network for
Global Innovation

Page Intentionally Left Blank

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

1. PARTIES AND DATE.

This Agreement is made and entered into this _____ day of _____ 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG") and , **Network for Global Innovation a California non-profit corporation** ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by WRCOG on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing, **professional services to locate, incubate, and grow sustainable technology hubs**, is licensed in the State of California, and is familiar with the plans of WRCOG.

2.2 Project.

WRCOG desires to engage Consultant to render such professional services for the **execution of the Experience Action Plan** ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to WRCOG all services necessary to fully and adequately supply **Experience Phase II: Implementation Action Plan** services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, and which are stated in the proposal to WRCOG and approved by WRCOG's Executive Committee. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **June 1, 2019 to February 2020** unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. WRCOG retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during

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

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

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

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

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

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

3.2.7 Coordination of Services. Consultant agrees to work closely with WRCOG staff in the performance of Services and shall be available to WRCOG's staff, consultants and other staff at all reasonable times.

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

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

3.2.10 Insurance.

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

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

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1

(any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

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

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

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

(A) General Liability.

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

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

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

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

(B) Automobile Liability.

(i) The automobile liability policy shall be endorsed to state that: (1) WRCOG, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects WRCOG, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by WRCOG, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

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

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

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

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

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

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

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

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

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

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

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

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

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

time.

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

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

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Two hundred thousand dollars (\$200,000)** without written approval of WRCOG's **Executive Director**. Extra Work may be authorized, as described below, and, if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

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

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

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

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. If the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and If the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. WRCOG shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and post copies at the Consultant’s principal place of business and at the project site. Consultant shall defend, indemnify and hold the WRCOG, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

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

3.5 General Provisions.

3.5.1 Termination of Agreement.

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

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

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

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

NGIN: Network for Global Innovation
525 S. Hewitt Street
Los Angeles, CA 90013
Attn: **Fred Walti**

WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, CA 92501
Attn: **Christopher Gray**

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

3.5.3 Ownership of Materials and Confidentiality.

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

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

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

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

the written approval of the WRCOG.

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

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

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

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

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

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

3.5.6 Indemnification. Consultant shall defend, indemnify and hold WRCOG, its officials, officers, consultants, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the

payment of all consequential damages and attorneys' fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against WRCOG, its directors, officials, officers, consultants, employees, agents or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against WRCOG or its directors, officials, officers, consultants, employees, agents or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse WRCOG and its directors, officials, officers, consultants, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by WRCOG, its directors, officials, officers, consultants, employees, agents or volunteers. This section shall survive any expiration or termination of this Agreement. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

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

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

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

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

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

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

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and sub-contractors of Consultant, except as otherwise specified in this Agreement. All references to WRCOG include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

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

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

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

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

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

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

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

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

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

3.6 Subcontracting.

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

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROFESSIONAL SERVICES AGREEMENT**

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

WESTERN RIVERSIDE COUNCIL
GOVERNMENTS

Network for Global Innovation

By: _____

**Rick Bishop
Executive Director**

By: _____

Name: _____
Title: _____

APPROVED AS TO FORM:

ATTEST:

By: _____

General Counsel
Best Best & Krieger LLP

By: _____

Its: _____

*A corporation requires the signatures of two corporate officers.

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

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

EXHIBIT “A”

SCOPE OF SERVICES

OVERVIEW

This summary proposal describes activities, schedule, and budget required for creation and delivery of the Action Plan for realization of EXPERIENCE.

The EXPERIENCE Action Plan will be created by Fred Walti, founder of the Los Angeles Cleantech Incubator (LACI), along with Tom White, former Executive Director of the LACI university incubator LACI@CSUN. This six to nine month scope can begin April 1, 2019.

The Action Plan will include a refined EXPERIENCE concept, and will be prepared in presentation formats for socialization and implementation. It will be created in collaboration with CARB, the City of Riverside, UC Riverside, WRCOG, as well as state representatives, utilities, NGOs, private entities and other WRCOG members.

The EXPERIENCE Action Plan will define costs required for phase three development, sources for funding, required offices and staffing, and include a managed MOU process between WRCOG and CoR.

EXHIBIT A: SCOPE

PHASE 1. CONCEPT REFINEMENT & REVIEW

A. CONCEPT REFINEMENT

Develop a refined concept for “Experience” that drives innovation throughout the region as a key economic development strategy.

B. HUB & SPOKE MODEL

The City of Riverside (CoR) to serve as the hub with key partners as integrated spokes.

C. INNOVATION ENGINE

Define a program that will serve as the system’s hub to accelerate the commercialization of sustainable technologies.

- 1) ID which Technologies
- 2) Stages of Development
- 3) Pipeline Sources
- 4) Programs

D. CONCEPT REVIEW

The Refined Experience Concept will be informed by key partners including defined roles.

E. PROGRAM DEVELOPMENT

Craft the programming framework necessary to deliver the refined Experience concept.

F. SITE SELECTION

Work with WRCOG / partners / architects / etc. to identify physical implications / strategies that contribute to site selection and design.

Exhibit A

G. PHASE 1 OUTCOMES

Refined concept, ready for socialization and implementation planning

PHASE 2. DISCOVERY & SOCIALIZATION

A. OVERALL PARTNER APPROACH

- 1) Seek input from partners
- 2) Assess strengths, and identify the potential role of each
- 3) Socialize and gain cooperation

B. DISCOVERY SESSIONS 1

Initiate various discovery and socialization sessions with WRCOG's key partners (City of Riverside, U.C. Riverside, CARB, Utilities, etc.) Discovery and socialization sessions continually inform the concept refinement process.

C. DISCOVERY SESSIONS 2

Sessions with a selection of WRCOG's 25-member stakeholders.

D. RESOURCE AVAILABILITY

Based on the "audit" of partners' SWOTs and capabilities, determine the roles and financial responsibilities of each partner.

E. PRESENTATION MATERIALS

Develop a range of communicative materials to share the results of this content with stakeholders.

F. PHASE 2 OUTCOMES

Support from:

- CARB
- City of Riverside
- U.C. Riverside
- WRCOG
- Utilities
- NGOs & Private Entities
- Other WRCOG Members

PHASE 3. FUNDING PLAN DEVELOPMENT

A. FUNDING SOURCES

Identify potential sources of funding and get a sense of the order of magnitude of funding required.

B. OPERATING FINANCIAL PLAN

Create a basic Operating Financial Plan sufficiently detailed to get commitments.

C. FUNDING ROADMAP

Create a roadmap for securing funding including potential “asks.” Part of creating the Funding Roadmap will be first level funding pitches.

D. CAPITAL FINANCIAL PLAN

Work with the “Experience” partners to develop a Capital Financial Plan. Coordinate a visit(s) with the appropriate political Representatives to identify potential sources of state funding.

E. PRESENTATION MATERIALS

Develop a range of communicative materials to share the results of this content with stakeholders.

G. PHASE 3 OUTCOMES

- What Phase 3 will cost
- Where the sources of financing might come from

PHASE 4. ORGANIZATION & ACTION PLAN

A. MOU PREPARATION

Advise and manage the coordination of an MOU between key partners (WRCOG and CoR)

B. GOVERNING STRUCTURE

Work with WRCOG and partners to determine appropriate governance structure.

C. LEGAL ENTITY CREATION

As necessary, oversee the creation of the legal entity. This will include, among other things, input on a board of directors.

D. INTERIM OFFICE SPACE

Work with WRCOG/CoR to secure relevant interim office space.

E. STAFFING PLAN

Develop a staffing plan for Phase 3

F. APPROVAL MEETINGS

Regular updates on progress to WRCOG committees and executive board

G. ACTION PLAN

Create and deliver an actionable plan designed to inform the collaborative pathway for the creation of Experience

H. PHASE 4 OUTCOMES

- Action Plan and Phase 3 Work Program
- MOU
- Offices
- Staffing

EXHIBIT “B”

SCHEDULE OF SERVICES

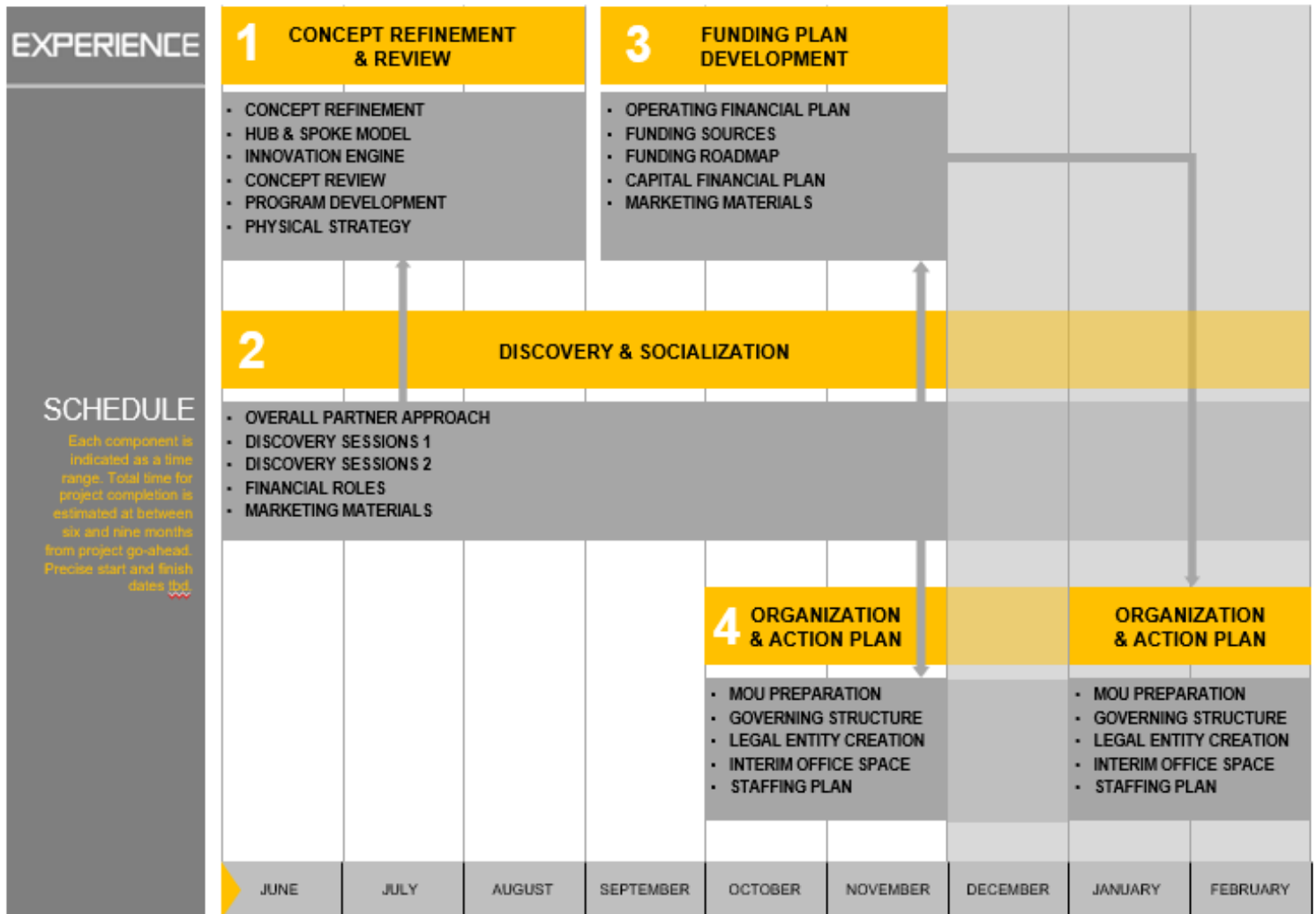


EXHIBIT "C"

COMPENSATION

EXPERIENCE					
ESTIMATED BUDGET All project expenses to be pre-approved	PROJECT INITIATION FEE JUNE 1 for JUNE - JULY			\$40,000	
	MONTHLY FEES For AUGUST, SEPTEMBER, OCTOBER, NOVEMNER	\$20,000	\$20,000	\$20,000	\$20,000
	EXTENSION FEE (IF NEEDED) DECEMBER, JANUARY, FEBRUARY		\$20,000	\$20,000	\$20,000
	EXPENSE ALLOWANCE (NTE) Based on pre-approvals for hotel, flights, copies and other expenses as required				\$15,000
	CONTINGENCY FEE			\$5,000	
	TOTAL NOT TO EXCEED FEE			\$200,000	



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Approval of 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019

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

Date: May 8, 2019

The purpose of this item is to request approval of WRCOG's 3rd Quarter Draft Budget Amendment for Fiscal Year (FY) 2018/2019.

Requested Action:

1. Recommend that the Executive Committee approve the 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019.

Administration Department

Administration Program expenditures exceeded the budgeted amount by \$3,209, primarily due to costs associated with insurance premiums. These expenditures will be offset by an increase in revenues from the Administration Program. Revenues exceeded the budgeted amount by \$48,570. WRCOG now has its reserves in CAMP, where it is generating interest revenue.

Net Revenue increase to the Administration Department: \$45,361

Transportation & Planning Department

Transportation & Planning Department expenditures exceeded the budgeted amount by \$103,750, primarily due to costs associated with the RIVTAM Program, in the amount of \$99,046. The RivTAM Program incurred consulting expenses related to the RivTAM model update, which will be reimbursed back to the Agency by a grant.

Net Expenditure increase to Transportation & Planning Department: \$99,046

Energy Department

Energy Department expenditures exceeded the budgeted amount by \$33,115, primarily due to costs associated with PACE provider Ygrene Capital, in the amount of \$16,007. Additionally, recording fees for PACE provider PACE Funding exceeded its budgeted amount by \$4,740.

Energy Department revenues are being increased by \$51,375. PACE provider PACE Funding exceeded its budgeted revenues by \$19,609 and Greenworks by \$6,766. Additionally, WRCOG has begun to charge startup costs to new PACE providers and has collected \$15,000 from Lord Capital and \$10,000 from Twain.

Net Revenue increase to the Energy Department: \$28,815

Environmental Department

Environmental Department expenditures exceeded the budgeted amount by \$30,496, primarily due to costs associated with the Used Oil Program in the amount of \$26,443. WRCOG switched advertising to a local firm and was able to realize cost savings in advertising, which allowed for the Program to purchase more supplies to be able to do more events. These expenditures will be offset by a decrease in advertising and storage expenditures.

Net Expenditure increase to the Environment Department: \$0

Prior Action:

April 25, 2019: The Finance Directors Committee recommend that the Executive Committee approve the 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019.

Fiscal Impact:

For the 3rd Quarter of Fiscal Year 2018/2019, there will be a net total agency increase in expenditures of \$24,870 related to the RIVTAM update, which will be paid back to WRCOG.

Attachment:

1. Fiscal Year 2018/2019 3rd Quarter Draft Budget Amendment.

Item 4.E

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

Attachment 1

Fiscal Year 2018/2019 3rd Quarter
Draft Budget Amendment

Page Intentionally Left Blank

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

Department: General Fund



	Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
Revenues			
Interest Revenue	80,066	31,496	48,570
Expenditures			
Insurance - Gen/Business Liab/Auto	79,115	77,040	(2,075)
Lodging	1,628	1,000	(628)
Other Incidentals	1,299	1,000	(299)
Computer Equipment/Software	3,207	3,000	(207)
Total net (increase)/decrease			45,361

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

Department: Planning



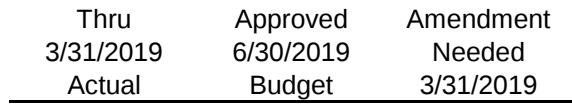
Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

Expenditures

Salaries & Wages	179,748	541,160	(1,077)
General Legal Services	7,711	9,157	908
Postage	4	-	(4)
Travel - Mileage Reimbursement	47	-	(47)
Parking Validations	770	560	(210)
Meals	313	150	(163)
Meeting Support Services	488	243	(245)

Total net (increase)/decrease	(838)
--------------------------------------	--------------

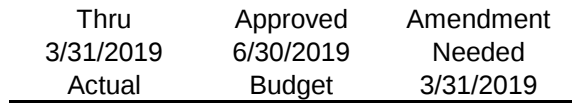
Department: Government Relations (BEYOND - 4600)



Salaries & Wages	3,506	2,373	(1,133)
General Legal Services	2,400	4,122	1,184
Postage	4	-	(4)
Travel - Mileage Reimbursement	47	-	(47)

161

Department: Government Relations (Fellowship - 4700)



Salaries & Wages	171,361	534,499	649
General Legal Services	5,311	5,035	(276)
Parking Validations	770	560	(210)
Meals	313	150	(163)

162

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

Department: Planning (Experience - 4900)



Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

Expenditures

Salaries and Wages	4,881	4,288	(593)
Meeting Support Services	488	243	(245)

Total net (increase)/decrease (838)

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

Department: Transportation



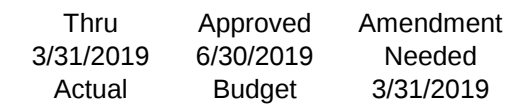
Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

Expenditures

Parking Validations	975	2,500	633
Postage	65	24	(41)
Insurance	2,592	-	(2,592)
Cellular Phone	1,636	3,220	800
Seminars/Conferences	450	1,500	700
Lodging	299	2,000	500
Consulting Labor	130,746	31,700	(99,046)

Total net (increase)/decrease (99,046)

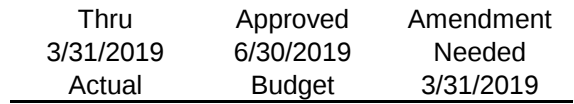
Department: Transportation (TUMF - 1148)



Parking Validations	908	2000	621
Postage	46	17	(29)
Insurance	2,592	-	(2,592)
Cellular Phone	1,636	3,220	800
Seminars/Conferences	450	1500	700
Lodging	299	2000	500

165

Department: Transportation (Transportation Planning)
--



Parking Validations	67	500	12
Postage	19	7	(12)

166

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

Department: Transportation (RivTam - 2039)



Expenditures

Consulting Labor

Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

130,746	31,700	(99,046)
---------	--------	----------

Total net (increase)/decrease		(99,046)
--------------------------------------	--	-----------------

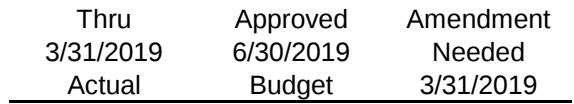
**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019**

Department: Energy



	Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
Revenues			
Admin Requisition Fee	25,000	-	25,000
PACE Funding Sponsor Revenue	41,228	30,573	10,655
PACE Funding Recording Revenue	11,454	2,500	8,954
Greenworks Sponsor Revenue	30,844	24,078	6,766
Expenditures			
Salaries & Wages	233	-	(233)
General Legal	25,269	12,307	(15,782)
Parking Validations	150	60	(90)
Event Support	250	-	(250)
Meeting Support Services	-	500	290
Bank Fees	19,965	15,378	(4,587)
Postage	202	157	(45)
Travel - Mileage Reimbursement	1,268	1,000	(268)
Travel - Ground Transportation	37	-	(37)
Meals	55	26	(29)
Consulting Labor	193,479	618,430	8,285
Recording Fees	7,240	2,500	(4,740)
Computer Services	2,936	2,500	(436)
Insurance - Gen / Bus / Liab	2,777	-	(2,777)
Travel - Airfare	5,361	3,500	(1,861)
Total net (increase)/decrease			28,815

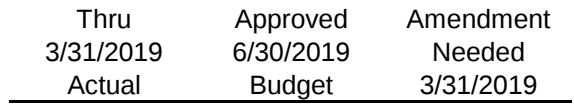
Department: Energy (Gas Co. Partnership - 2020)



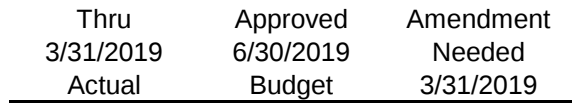
Parking Validations	55	15	(40)
Event Support	250	-	(250)
Meeting Support Services	-	500	290

169

Department: Energy (Streetlights - 2026)



Department: Energy (California First - 2103)



General Legal	-	3,045	225
Consulting Labor	2,180	1,955	(225)
Total net (increase)/decrease			-

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

Department: Energy (PACE Funding - 2104)



Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

Revenues

PACE Funding Sponsor Revenue	41,228	30,573	10,655
PACE Funding Recording Revenue	11,454	2,500	8,954

Expenditures

Parking Validations	95	45	(50)
Recording Fees	7,240	2,500	(4,740)
Consulting Labor	7,378	5,848	(1,530)

Total net (increase)/decrease		13,289
--------------------------------------	--	---------------

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

Department: Energy (Greenworks - 2105)



	Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
Revenues			
Greenworks Sponsor Revenue	30,844	24,078	6,766
Expenditures			
Salaries & Wages	\$233	-	(\$233)
Total net (increase)/decrease			6,533

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

Department: Energy (Ygrene - 2106)



Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

Revenues

General Legal Services	25,269	9,262	(16,007)
Total net (increase)/decrease			(16,007)

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

Department: Energy (Lord Capital - 2110)



Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

Revenues

Admin Requisition Fee	15,000	-	15,000
-----------------------	--------	---	--------

Total net (increase)/decrease		15,000
--------------------------------------	--	---------------

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

Department: Energy (Twain - 2115)



Revenues

Admin Requisition Fee

Thru 3/31/2019 Actual	Approved 6/30/2019 Budget	Amendment Needed 3/31/2019
-----------------------------	---------------------------------	----------------------------------

10,000

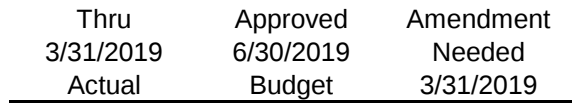
-

10,000

Total net (increase)/decrease

10,000

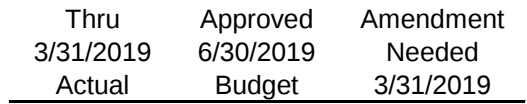
Department: Energy (California HERO - 5000)



Bank Fees	15,340	12,000	(3,340)
Computer Services	2,936	2,500	(436)
Insurance - Gen / Bus / Liab	2,777	-	(2,777)
Travel - Airfare	5,361	3,500	(1,861)
Consulting Labor	132,059	514,273	8,414

177

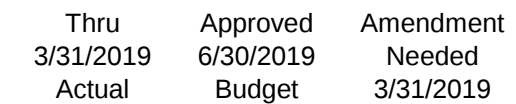
Department: Environmental



Salaries & Wages	55,608	119,460	12,553
Other Incidentals	743	286	(457)
Event Support	60,866	31,619	(29,247)
Storage	5,251	15,000	8,500
Advertisements - Newspaper	-	2,000	2,000
Advertisements - Radio & TV	20,420	39,293	6,861
Travel - Mileage Reimbursement	237	188	(49)
Supplies/Materials	540	379	(161)

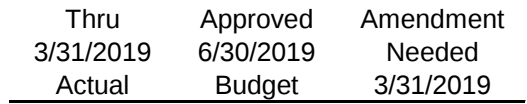
178

Department: Environmental (Solid Waste - 1038)



Salaries & Wages	16,108	40,304	457
Other Incidentals	743	286	(457)
Total net (increase)/decrease			-

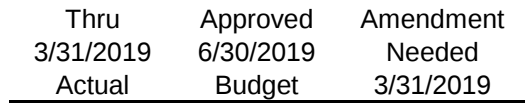
Department: Environmental (Statewide UO - 2051)



Salaries & Wages - Fulltime	34,460	67,153	8,500
Event Support	54,918	28,475	(26,443)
Storage	5,251	15,000	8,500
Advertisements - Newspaper	-	2,000	2,000
Advertisements - Radio & TV	17,070	36,525	7,443

180

Department: Environmental (Riverside UO - 2052)



Salaries & Wages	5,040	12,003	3,596
Event Support	5,948	3,144	(2,804)
Travel - Mileage Reimbursement	237	188	(49)
Supplies/Materials	540	379	(161)
Advertisement - Radio & TV	3,350	2,768	(582)

181

Page Intentionally Left Blank



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Approval of Draft Fiscal Year 2019/2020 Agency Budget

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

Date: May 6, 2019

The purpose of this item is to present the Agency's preliminary draft Budget for Fiscal Year 2019/2020 and seek input from Committee members.

Requested Action:

1. Recommend that the Executive Committee and General Assembly approve the draft Fiscal Year 2019/2020 Agency Budget.

WRCOG's annual Budget is adopted every June by its General Assembly. Before adoption, the Budget is vetted through WRCOG's Committees for comment and direction. The Budget is assembled by the Agency Departments: Administration, Energy, Environment, and Transportation & Planning. The General Fund is comprised of the Administration, Energy, and Environment Departments, while TUMF is part of the Special Revenue Fund. Each Department contains its own programs and has its own source of funds. Once the Budget has been vetted through the Committees, it is presented to the General Assembly as an "Agency-wide" Budget for adoption.

Budget Review and Adoption Schedule

The preliminary draft Budget for Fiscal Year (FY) 2019/2020 will be presented according to the following schedule:

- April 10, 2019: Administration & Finance Committee (first review)
- April 18, 2019: Technical Advisory Committee (first review)
- April 25, 2019: Finance Directors Committee (first review)
- May 6, 2019: Executive Committee (first review)
- May 8, 2019: Administration & Finance Committee (second review and recommendation)
- May 16, 2019: Technical Advisory Committee (second review and recommendation)
- June 3, 2019: Executive Committee (second review and recommendation)
- June 20, 2019: General Assembly (action)

FY 2019/2020 Preliminary Draft Budget

The preliminary draft FY 2019/2020 Budget (Attachment 1) is presented by Departments (Administration, Energy, Environment, and Transportation & Planning) with each department displaying its own programs.

The "Administration Total" tab includes the default Administration Program. The majority of the revenues for the Administration Program is generated from member dues. Budgeted expenditures include salaries and benefits of Administration employees, including the Executive Director and the staff in the Government

Relations, Administrative Services, and Fiscal divisions. The Administration Program also includes WRCOG's lease and audit, bank, legal, IT, and consulting fees. Expenditures have historically exceeded revenues in this Program so the Agency charges overhead to the remaining Departments to balance the budget. The overhead is determined during the creation of the Budget and is simply the amount necessary to have revenues equal expenditures. Departments will show the amount of overhead they are paying in the General Operations line item. The amount provided by the various Departments will then be transferred out to the Administration Program to balance its budget.

The Energy Department includes the following Programs: PACE Residential; PACE Commercial; Western Riverside Energy Partnership (WREP); SoCal Gas Partnership; and the Regional Streetlight Program.

The HERO PACE residential Program has continued to decline in revenues and volumes in FY 2018/2019. WRCOG anticipates a continued decrease in the HERO residential Program and has budgeted for a 50% decrease in revenues in FY 2019/2020. In prior years, WRCOG has experienced excess revenues from the PACE Programs, specifically the CA HERO Program, which have been used to build Agency reserves and fund other Agency and member activities (such as BEYOND, Fellowship, Grant Writing, EXPERIENCE, Streetlights, CCA development, etc.). At the end of FY 2018/2019, WRCOG anticipates minimal carryover revenues, which will be used to fund the development of a Regional Energy Network (REN) and to build PACE reserves. For FY 2019/2020, WRCOG's PACE Programs will have a balanced budget with no excess revenues. With the addition of commercial PACE providers to the Program during the last year or so, staff anticipates growth in the PACE commercial market in FY 2019/2020, which could potentially bring more revenues to the Agency.

The WREP partnerships will continue to focus on supporting municipal facilities with energy efficiency retrofits and providing sustainable best practices to the community. The WREP budget was approved in early 2019, and both Southern California Edison and SoCal Gas will continue to support the Partnership on its energy initiatives for the calendar year.

The Regional Streetlight Program continues to move forward and will be self-sustaining in FY 2019/2020 through the Operations & Maintenance fee built into the purchasing of the streetlights.

The Community Choice Aggregation Program also continues to move forward and anticipates being self-sustaining and generating revenues in the coming years, which will pay back WRCOG's General Fund for the upfront costs expended toward this Program development.

The Environment Department includes the Solid Waste, Clean Cities, and Used Oil Programs, which receive federal and state funding to provide services to WRCOG's member agencies.

The Transportation & Planning Department includes the following Programs: Transportation Uniform Mitigation Fee (TUMF); the Grant Writing Program, which is funded by the Agency's Carryover Funds; Transportation Planning (LTF), CAP Grant, and Adaptation Grant. The Planning Department will continue to administer the Fellowship and Experience Programs with previously allocated carryover funds from excess PACE revenues. The majority of revenues received in the Transportation Department come from the TUMF Program, which WRCOG anticipates receiving approximately \$50M in revenues from development impact fees in FY 2019/2020.

The Agency's FY 2019/2020 total Budget will present a higher total amount of revenues and expenditures than in previous years as staff will continue to include total TUMF revenue and total project expenditures in the Budget. In past years, the only portion included for TUMF was the administration fee WRCOG received from the Program. The revenue and expenditures will continue to include 100% of the TUMF Program's total revenue and expenditures. Because of this additional amount for TUMF, total Agency revenue for FY 2019/2020, plus transfers from other departments for overhead, is projected to be \$57,728,828 against total Agency expenditures of \$55,208,828.

Western Community Energy's (WCE) draft budget for FY 2019/2020 is also reflected in attachment 2. WCE was originally anticipated to launch in April 2020, but staff was recently informed of a change to Southern California Edison's (SCE) billing system that could push back WCE's launch into FY 2020/2021. Prior to

launching, CCA's are required to have certain energy contracts in place to ensure the CCA can provide energy for its clients, which is also known as Resource Adequacy (RA). Currently, if WCE launches in 2020/2021, WCE would have to secure RA for 2021 and part of 2022 in FY 2019/2020. WCE will be financing its RA from a loan through Barclay's Bank. The attached budget does not reflect the RA costs nor the debt service on the loan through Barclays, as staff is still working with SCE, consultants, and Barclays on updating cash flows due to the recent changes within SCE. The attached budget only represents costs associated with staff time, legal, consulting, and general operating expenses. Staff anticipates having finalized numbers within the next month and will update the budget when the information is available.

In 2018, the RCHCA's Board of Directors and WRCOG's Executive Committee approved the consolidation of the RCHCA and WRCOG. RCHCA remains as a separate JPA and operates under a separate budget administered by WRCOG. WRCOG's Executive Director serves as the General Manager / Executive Director of RCHCA and is responsible for general duties include administering, coordinating, and supervising the activities of RCHCA as set forth in RCHCA's JPA.

RCHCA's annual Budget is adopted by its Board of Directors. The RCHCA focus is on land management of Stephens' Kangaroo Rat (SKR) Reserves. The annual Budget is designed to support Agency goals and objectives with available resources and to be transparent so that the financial activities of the Agency are clear and easily tracked.

The Agency currently employs five full-time staff. The Budget consists of two parts: General Fund and the Lake Mathews Endowment Funds. The General Fund revenue sources include SKR mitigation fee transfers from member agencies, interest earned, and other contractual revenue. Expenditures from the General Fund include administrative salary and benefits, general operations, land management for RCHCA-owned lands, and educational outreach programs that are not covered by endowment funds.

The Lake Mathews Endowment supports salary and benefits of employee services dedicated to Lake Mathews land management activities, biological surveys and research programs.

FY 2019/2020 Fiscal Goals

WRCOG has set three fiscal-related goals going into Fiscal Year 2019/2020: 1) Reduce CalPERS Unfunded Liability; 2) reduce office space lease costs; and 3) expand commercial PACE.

The CalPERS Unfunded Liability is a liability of retirement contributions that public agencies are expected to pay back over a 30-year period to CalPERS. Staff reached out to CalPERS earlier this year and was notified that CalPERS does not expect to make any returns on its investments and anticipates the Unfunded Liability to increase approximately 15% for WRCOG. Currently, WRCOG's Unfunded Liability is approximately \$3M, which means it would increase to \$3.4M. Also, the 30-year payback period has a premium built in, so if WRCOG were to pay their Unfunded Liability over a 30-year period, total payments on \$3.4M would be \$6.6M. Staff is currently considering options on paying down a portion of the Unfunded Liability, changing the terms to a 10-, 15- or 20-year payback, or a combination thereof, as WRCOG would realize significant savings compared to paying it back to CalPERS as it is currently structured.

WRCOG moved to the Citrus Towers in January 2018 and has not yet fully utilized the entire 12,700 square feet and does not anticipate utilizing it all in the near term. Therefore, WRCOG is looking to reduce office lease costs by either subleasing existing space or relocating within the same building to an area with less space. WRCOG is currently in discussion with a potential tenant and may enter a sublease this month.

Since 2018, staff has actively sought to add additional commercial PACE (C-PACE) providers to operate within the WRCOG Statewide PACE footprint. In addition to Greenworks Lending, staff has onboarded Clean Fund, Twain Financial Partners, and Lord Capital PACE, and are in the process of onboarding Lever Capital. Apart from Clean Fund, all these providers can operate statewide through the WRCOG PACE Program. C-PACE is distinguished from residential PACE in that the financing can be used for new commercial construction, seismic strengthening and refinancing; these attributes are making C-PACE a more attractive financing option.

Additionally, the project size for many C-PACE assessments exceed \$1,000,000 and staff is now seeing project sizes in excess of \$20,000,000.

Prior Actions:

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

Fiscal Impact:

All known and expected revenues and expenditures impacting the Agency have been budgeted for Fiscal Year 2019/2020 but will be continually updated throughout the budget process.

Attachments:

1. Preliminary draft summary Agency Budget for Fiscal Year 2019/2020.
2. Preliminary draft summary Agency Budget for WCE for Fiscal Year 2019/2020.
3. Preliminary draft summary Agency Budget for RCHCA for Fiscal Year 2019/2020.

Item 5.A

Approval of Draft Fiscal Year
2019/2020 Agency Budget

Attachment 1

Preliminary draft summary Agency
Budget for Fiscal Year 2019/2020

Page Intentionally Left Blank



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020**

Total Agency Budget

Revenues

	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
Member Dues	\$ 311,410	\$ 311,410	\$ 311,410
General Assembly Revenue	11,600	300,000	300,000
Interest Revenue - Other	80,066	31,496	25,000
WRCOG HERO Revenue	196,865	480,573	212,500
Other HERO Revenue	150,373	149,833	680,000
Statewide HERO Revenue	833,097	1,650,000	807,500
Gas Company Revenue	56,941	86,676	108,400
SoCal Edison Revenue	75,123	86,750	108,438
PACE Commercial Revenue	30,844	34,078	165,000
PACE Residential Recording Rev	107,508	122,500	111,800
Statewide HERO Recording fee Rev	520,365	600,000	616,700
PACE Commercial Recording Rev	445	7,500	17,500
Regional Streetlights Revenue	261,500	300,000	187,511
NW Clean Cities - Member Dues	122,000	120,000	128,000
NW Clean Cities - Federal	18,500	12,500	82,500
Solid Waste	122,248	107,313	107,313
Statewide Used Oil Grant Revenue	203,820	228,820	377,654
CAP Grant Revenue	8,973	-	125,000
Adaptation Grant Revenue	-	-	125,000
LTF Revenue	775,500	675,000	775,000
RIVTAM Revenue	100,000	150,000	140,000
TUMF Admin Commerical	33,242	110,645	47,284
TUMF Admin Retail	77,114	130,094	109,687
TUMF Admin Industrial	353,126	272,663	502,285
TUMF Admin Single Family	788,576	1,144,551	1,121,669
TUMF Admin Multi-Family	139,957	142,045	199,074
Commerical/Service	797,812	2,718,853	1,134,806
Retail	1,850,746	3,142,672	2,632,497
Industrial	8,475,022	6,314,301	12,054,852
Single Family	18,925,836	27,492,115	26,920,065
Multi-Family	3,358,962	3,352,059	4,777,779
Carryover Fund Transfer In	1,456,738	1,456,738	720,000
Total Revenues & Carryover	\$ 40,244,310	\$ 52,231,187	\$ 55,732,226

Overhead Transfer In

\$ 1,483,740	\$ 2,278,335	\$ 1,996,602
---------------------	---------------------	---------------------

Total Revenues & Overhead

\$ 41,728,050	\$ 54,509,522	\$ 57,728,828
----------------------	----------------------	----------------------

Expenses

	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
Salaries & Wages - Fulltime	\$ 1,138,281	\$ 2,643,180	\$ 2,111,347
Fringe Benefits	500,079	817,283	689,131
CalPERS OPEB Paydown	152,727	200,000	200,000
Overhead Allocation	1,391,598	2,092,412	1,893,320
General Legal Services	269,404	465,035	387,000
OPEB Funding	98,823	98,823	98,823
Audit Svcs - Professional Fees	25,480	27,500	30,500

Bank Fees	27,159	19,000	38,512
Commissioners Per Diem	38,265	62,500	62,500
Parking Cost	8,925	18,578	16,400
Office Lease	269,836	400,000	465,000
WRCOG Auto Fuels Expenses	924	1,250	1,500
WRCOG Auto Maintenance Expense	84	84	500
Parking Validations	2,249	10,000	10,000
Staff Recognition	261	800	800
Coffee and Supplies	261	3,000	2,500
Event Support	132,010	130,861	187,283
Program/Office Supplies	9,886	23,988	22,263
Computer Equipment/Supplies	1,327	8,000	4,500
Computer Software	3,127	31,124	26,500
Rent/Lease Equipment	9,185	30,000	30,000
Membership Dues	19,472	31,500	32,500
Subscription/Publications	1,025	1,025	2,000
Meeting Support Services	1,744	9,498	10,198
Postage	2,694	6,043	5,600
Other Expenses	463	883	1,250
Storage	5,251	15,348	10,000
COG HERO Share Expenses	3,444	15,000	10,000
Printing Services	1,670	4,320	7,500
Computer Hardware	2,664	14,100	9,500
Misc. Office Equipment	-	1,000	1,000
Communications - Regular Phone	12,672	15,000	16,000
Communications - Cellular Phones	6,260	20,291	17,500
Communications - Computer Services	24,933	57,500	57,500
Communications - Web Site	6,932	8,000	8,000
Equipment Maintenance - General	4,451	10,000	10,000
Equipment Maintenance - Comp/Software	17,776	21,024	21,250
Insurance - Errors & Omissions	9,000	9,000	11,500
Insurance - Gen/Busi Liab/Auto	82,594	77,890	92,500
WRCOG Auto Insurance	1,954	-	2,000
Recording Fee	200,932	480,500	254,339
Seminars/Conferences	1,724	12,628	11,835
General Assembly Expenses	69,034	300,000	300,000
Travel - Mileage Reimbursement	7,210	21,367	18,750
Travel - Ground Transportation	1,280	3,448	5,160
Travel - Airfare	6,833	9,324	12,250
Lodging	4,309	6,640	7,500
Meals	2,678	6,434	8,809
Other Incidentals	5,811	10,411	6,600
Training	419	9,250	9,250
Supplies/Materials	3,546	8,033	22,350
OPEB Repayment	-	71,053	110,526
Staff Education Reimbursement	-	12,500	7,500
Advertising Media - Newspaper Ad	-	2,000	10,000
Advertisement Radio & TV Ads	20,420	39,293	72,000
Consulting Labor	1,330,006	2,343,341	2,264,782
Computer Equipment/Software	1,879	6,500	3,000
TUMF Project Reimbursement	22,006,311	38,000,000	45,000,000
Transfer Out to Reserves	-	-	480,000
Total Expenses	\$ 27,950,039	\$ 48,763,562	\$ 55,208,828
Surplus (Deficit)		\$	2,520,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020**

Total Administration Budget

Revenues	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
Member Dues	\$ 311,410	\$ 311,410	\$ 311,410
General Assembly Revenue	11,600	300,000	300,000
Interest Revenue - Other	80,066	31,496	25,000
Total Revenues	\$ 390,276	\$ 695,630	\$ 636,410
Overhead Transfer In	\$ 1,483,740	\$ 2,225,611	\$ 1,996,602
Total Overhead & Revenues	\$ 1,874,016	\$ 2,921,241	\$ 2,633,012
Expenses	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
Salaries & Wages - Fulltime	\$ 298,705	\$ 631,095	\$ 464,260
Fringe Benefits	172,941	277,903	202,102
Fringes - Retirements	152,727	200,000	200,000
General Legal Services	53,219	75,000	75,000
OPEB Expense	98,823	98,823	98,823
Audit Svcs - Professional Fees	25,480	27,500	30,500
Bank Fees	230	2,000	2,000
Commissioners Per Diem	36,315	60,000	60,000
Parking Cost	5,433	10,000	10,000
Office Lease	269,836	400,000	465,000
WRCOG Auto Fuels Expenses	924	1,250	1,500
WRCOG Auto Maintenance Expense	84	84	500
Parking Validations	2,249	10,000	10,000
Staff Recognition	261	800	800
Coffee and Supplies	261	3,000	2,500
Event Support	33,982	57,960	50,000
Program/Office Supplies	8,014	15,500	15,000
Computer Equipment/Supplies	140	1,000	1,000
Computer Software	1,304	20,000	20,000
Rent/Lease Equipment	9,185	30,000	30,000
Membership Dues	18,872	30,000	30,000
Subscription/Publications	568	568	1,000
Postage	975	2,500	2,500
Printing Services	-	150	500
Computer Hardware	1,704	11,000	8,000
Communications - Regular Phone	12,672	15,000	16,000
Communications - Cellular Phones	2,177	10,500	8,500
Communications - Computer Services	22,697	55,000	55,000
Communications - Web Site	6,932	8,000	8,000
Equipment Maintenance - General	4,451	10,000	10,000
Equipment Maintenance - Comp/Software	17,752	20,000	20,000
Insurance - Errors & Omissions	9,000	9,000	11,500
Insurance - Gen/Busi Liab/Auto	77,040	77,040	82,000
WRCOG Auto Insurance	1,954	-	2,000
Seminars/Conferences	135	4,000	3,000
General Assembly Expenses	69,034	300,000	300,000

Travel - Mileage Reimbursement	487	2,500	2,000
Travel - Ground Transportation	367	1,000	1,500
Travel - Airfare	565	2,000	2,000
Lodging	573	1,000	1,000
Meals	723	3,000	2,500
Other Incidentals	1,149	1,000	1,000
Training	270	5,000	5,000
OPEB Repayment	110,526	71,053	110,526
Staff Education Reimbursement	-	12,500	7,500
Consulting Labor	98,376	151,320	200,000
Computer Equipment/Software	1,879	3,000	3,000
Total Expenses	\$ 1,648,041	\$ 2,748,394	\$ 2,633,012



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020

Total Energy Budget

Revenues	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
WRCOG HERO Revenue	\$ 196,865	\$ 480,573	\$ 212,500
Other HERO Revenue	150,373	149,833	680,000
Statewide HERO Revenue	833,097	1,650,000	807,500
Gas Company Revenue	56,941	86,676	108,400
SoCal Edison Revenue	75,123	86,750	108,438
PACE Commercial Revenue	30,844	34,078	165,000
PACE Residential Recording Rev	107,508	122,500	111,800
Statewide HERO Recording fee Rev	520,365	600,000	616,700
PACE Commercial Recording Rev	445	7,500	17,500
Regional Streetlights Revenue	261,500	300,000	187,511
Total Revenues	\$ 2,243,061	\$ 3,517,910	\$ 3,015,349

Expenses	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
Salaries & Wages	\$ 284,390	\$ 628,693	\$ 546,637
Fringe Benefits	155,042	264,945	206,109
Overhead Allocation	545,612	820,000	890,000
GENERAL LEGAL SERVICES	161,638	332,500	238,000
Bank Fee	18,255	17,000	20,000
Commissioners Per Diem	1,950	2,500	2,500
Parking Validations	515	4,100	2,650
Statewide - Event Support	16,020	9,000	24,500
General Supplies	1,229	5,450	2,950
Computer Supplies	1,169	6,000	2,500
Computer Software	699	10,000	5,000
NWCC- Membership Dues	600	1,000	1,000
Subscriptions/Publications	32	32	250
Meeting Support Services	797	5,000	3,348
Postage	1,659	3,515	2,700
Other Expenses	-	500	500
COG HERO Share Expenses	3,444	15,000	10,000
Computer/Hardware	960	3,100	1,500
Misc. Office Equipment	-	1,000	1,000
Cellular Phone	2,270	5,500	4,500
Communications Computer Servic	2,236	2,500	2,500
Equipmebt Maintenance-Computer	-	1,000	1,000
Insurance - Gen/Busi Liab/Auto	2,777	-	3,500
Recording Fee	200,932	480,500	254,339
Seminar/Conferences	1,027	5,500	4,685
Travel - Mileage Reimbursement	3,520	7,750	6,750
Travel - Ground Transportatoin	628	1,500	1,650
Travel - Airfare	5,945	6,000	8,500
Lodging	3,096	3,000	3,500
Meals	627	1,300	2,609
Statewide Other Incidentals	3,277	8,000	4,000
Training	149	3,750	3,750

Supplies/Materials	-	2,628	4,750
Consulting Expense	221,305	749,935	428,171
Transfer to Reserves	-	-	320,000
Total Expenses	\$ 1,661,746	\$ 3,411,698	\$ 3,015,349

Surplus (Deficit) **\$ -**

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020**

Total Environmental Budget

Revenues	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
NW Clean Cities - Member Dues	\$ 122,000	\$ 120,000	\$ 128,000
NW Clean Cities - Federal	18,500	12,500	82,500
Solid Waste	122,248	107,313	107,313
Statewide Used Oil Grant Revenue	203,820	228,820	377,654
Total Revenues	\$ 466,568	\$ 468,633	\$ 695,467

Expenses	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
Salaries & Wages - Fulltime-OPP8	\$ 65,303	\$ 172,243	\$197,629
Fringe Benefits	35,695	53,694	60,061
Overhead Allocation	38,573	57,860	113,320
General Legal Services	368	500	2,000
Parking Validations	291	475	1,250
Event Support-OPP8	81,559	62,901	112,283
Program/Office Supplies	22	1,450	2,813
Membership Dues	-	500	1,500
SWMD - SUBSCRIP/PUBLICATION	32	32	250
Meeting Support Services	427	3,255	6,600
Other Expenses	221	133	500
Storage-OPP8	5,251	15,000	10,000
Printing Services	-	2,500	5,000
SW WMRD-Cellular Phones	304	1,000	1,000
Insurance - Gen/Busi Liab/Auto	185	850	2,000
Seminars/Conferences	128	1,128	2,000
Travel - Mileage Reimbursement	947	3,688	4,500
Travel - Ground Transportation	95	345	1,100
Travel-AirFare	324	324	750
Meals	329	529	2,100
SWMD - Other Incidentals	641	736	1,100
Training	-	500	500
Supplies/Materials	3,541	5,030	16,600
Advertising Media - Newspaper Ad	-	2,000	10,000
Advertisement Radio & TV Ads	20,420	39,293	72,000
Consulting Labor	37,642	42,668	68,611
Total Expenses	\$ 293,987	\$ 468,635	\$ 695,467

Surplus (Deficit)	\$	-
-------------------	----	---



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020**

Total Transportation & Planning Budget

Revenues

	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
CAP Grant Revenue	\$ 8,973	\$ -	\$ 125,000
Adaptation Grant Revenue	-	-	125,000
LTF Revenue	775,500	675,000	775,000
RIVTAM Revenue	100,000	150,000	140,000
TUMF Admin Commerical	33,242	110,645	47,284
TUMF Admin Retail	77,114	130,094	109,687
TUMF Admin Industrial	353,126	272,663	502,285
TUMF Admin Single Family	788,576	1,144,551	1,121,669
TUMF Admin Multi-Family	139,957	142,045	199,074
Commerical/Service	797,812	2,718,853	1,134,806
Retail	1,850,746	3,142,672	2,632,497
Industrial	8,475,022	6,314,301	12,054,852
Single Family	18,925,836	27,492,115	26,920,065
Multi-Family	3,358,962	3,352,059	4,777,779
Carryover Fund Transfer In	1,456,738	1,456,738	720,000
Total Revenues & Carryover	\$ 37,220,023	\$ 47,601,738	\$ 51,385,000

Expenses

	Actual 2/28/2019	Budget 6/30/2019	Proposed 6/30/2020
Salaries & Wages Fulltime	\$ 446,396	\$ 1,211,149	\$ 902,821
Fringe Benefits	136,401	220,741	220,858
Overhead Allocation	807,413	1,214,552	890,000
General Legal Services	54,178	57,035	72,000
Bank Fees	8,674	-	16,512
Parking Validations	2,687	4,003	2,500
Event Support	450	1,000	500
General Supplies	621	1,588	1,500
Computer Supplies	17	1,000	1,000
Computer Software	1,124	1,124	1,500
Subscriptions/Publications	392	392	500
Meeting Support Services	519	1,243	250
POSTAGE	60	28	400
Other Household Expenses	242	250	250
Printing Services	1,670	1,670	2,000
Cellular Phone	1,509	3,291	3,500
Computer Maintenance	24	24	250
Insurance - Gen/Busi Liab/Auto	2,592	-	5,000
Seminar/Conferences	435	2,000	2,150
Travel - Mileage Reimbursement	2,256	7,429	5,500
Travel - Ground Transportation	190	603	910
Travel-AirFare	-	1,000	1,000
Lodging	640	2,640	3,000
Meals	1,000	1,605	1,600
Other Incidentals	743	675	500
Supplies/Materials	5	375	1,000
Consulting Labor	972,683	1,399,418	1,568,000

TUMF Project Reimbursement	22,006,311	38,000,000	45,000,000
Transfer Out to Reserves			160,000
Total Expenses	\$ 24,456,792	\$ 42,134,834	\$ 48,865,001
	Surplus (Deficit)	\$	-

Page Intentionally Left Blank

Item 5.A

Approval of Draft Fiscal Year
2019/2020 Agency Budget

Attachment 2

Preliminary draft summary Agency
Budget for WCE for Fiscal Year
2019/2020

Page Intentionally Left Blank



Annual Budget
For the Year Ending June 30, 2020

	Approved Budget 6/30/2019	Thru Actual 3/31/2019	Proposed Budget 6/30/2020
Transfers In			
Fund Balance Carryover	945,845	945,845	410,452
Transfer in from WRCOG	-	-	100,000
Total Transfers	945,845	945,845	510,452
	Approved Budget 6/30/2019	Thru Actual 3/31/2019	Proposed Budget 6/30/2020
Expenditures			
Wages and Benefits			
Salaries & Wages	203,148	107,772	149,768
Fringe Benefits	80,947	58,409	59,959
Total Wages & Benefits	284,095	166,181	209,727
General Operations			
General Legal Services	150,000	101,445	100,000
Program/Office Supplies	2,336	2,763	2,500
Parking Validations	38	38	150
Membership Dues	1,500	1,500	1,500
Meeting Support Services	500	132	500
Postage	1	5	175
Insurance - Gen/Bus Liab	6,579	6,579	7,000
Seminars/Conferences	1,000	429	1,000
Travel - Mileage Reimbursement	2,000	956	1,500
Travel - Ground Transportation	1,500	839	1,000
Travel - Airfare	2,000	1,792	1,900
Lodging	2,441	2,566	2,000
Meals	1,000	257	500
Other Incidentals	62	330	1,000
Consulting Labor	490,794	115,735	180,000
Total General Operations	661,751	235,365	300,725
Total Expenditures	945,846	401,546	510,452

Page Intentionally Left Blank

Item 5.A

Approval of Draft Fiscal Year
2019/2020 Agency Budget

Attachment 3

Preliminary draft summary Agency
Budget for RCHCA for Fiscal Year
2019/2020

Page Intentionally Left Blank



**RIVERSIDE COUNTY HABITAT CONSERVATION AGENCY
PROPOSED ANNUAL BUDGET
For the Year Ending June 30, 2020**

Total Agency Budget			
	Approved 6/30/2019 Budget	Thru 3/31/2019 Actual	Proposed 6/30/2020 Budget
Revenues			
SKR Mitigation Fee Collections	767,523	1,023,810	780,000
Interest Income	65,000	228,251	215,000
Deposit Based Fee Draws	5,000	748	1,000
Reimbursement for Services	-	-	100,000
Lake Mathews Endowment Fund Drawdown	569,179	220,706	413,063
Total Revenues	1,406,702	1,473,514	1,509,063
	Approved 6/30/2019 Budget	Thru 3/31/2018 Actual	Proposed 6/30/2020 Budget
Expenditures			
Wages and Benefits			
Regular Salaries	465,193	253,963	420,659
Budgeted Benefits	167,510	56,147	186,605
Total Wages and Benefits	632,703	310,111	607,264
General Operations			
Uniforms and Replacement Clothing	3,000	5,069	3,000
Celluar Phones & Wireless Access	7,300	5,178	10,300
Computer Lines	100	-	-
Telephone Services (Desk Phones)	1,000	-	1,000
Insurance - Special Liability	37,000	41,584	43,000
Memberships	2,800	-	3,500
License & Permits	1,500	805	3,000
Misc. Other Expense	10,000	9,662	10,000
Computer Equipment - Non Fixed Assets	1,000	761	2,500
Printer Supplies	1,500	318	2,500
Office Equipment - Non Fixed Assets	1,000	78	1,000
Office Supplies	3,000	11,653	5,000
Postage / Mailing	1,500	1,339	1,500
Printing /Binding	2,000	318	3,500
Subscriptions	100	15	100



**RIVERSIDE COUNTY HABITAT CONSERVATION AGENCY
PROPOSED ANNUAL BUDGET
For the Year Ending June 30, 2020**

Total Agency Budget			
	Approved 6/30/2019 Budget	Thru 3/31/2019 Actual	Proposed 6/30/2020 Budget
Computer Equipment - Software	50	4,503	1,500
GIS Services	5,000	-	5,000
General Legal Services & Litigation	50,000	14,650	50,000
Personnel Services (HR Rate)	4,200	-	-
Pre-Employment Services	100	2,414	-
Research / Statistics	-	5,331	25,000
OASIS Financials Processing	2,500	-	-
Consulting / Professional Contracts & Audit	20,000	58,983	37,000
Salary Benefit Reimbursement (WRCOG Services)	29,154	-	81,912
RCIT Device Access	3,500	-	-
RCIT Laserfiche	1,000	-	-
Field Equipment & Materials	35,000	5,072	15,000
Small Tools & Instruments	10,000	2,314	10,000
Awards / Recognition	200	-	200
Special Program Expense	25,000	21,685	25,000
Training - Education /Tuition	10,000	150	5,000
Weed Abatement	22,000	2	22,000
Contract Services (Overhead & Lease)	74,724	47,035	135,000
Equipment Usage Non Cap Asset	500	-	500
Board Commission Expense	8,500	-	8,500
Conference Registration Fees	4,500	695	5,000
Carpool Expense (fuel, maintenance, vehicle lease)	20,000	8,653	45,000
Lodging	10,000	4,782	10,000
Meals	5,000	2,335	5,000
Misc. Travel Expense	5,000	1,653	5,000
Private Mileage Reimbursement	100	129	500
Equipment	25,000	36,006	25,000
Total General Operations	443,828	293,169	607,012
 Total Expenditures	 1,076,531	 603,280	 1,214,277



**RCHCA GENERAL FUND
PROPOSED OPERATIONS ANNUAL BUDGET
For the Year Ending June 30, 2020**

	6/30/2019 Budget	Thru 3/31/2019 Actual	Proposed 6/30/2020 Budget
Revenues			
SKR Mitigation Fee Collections	767,523	1,023,810	780,000
Interest Income	65,000	228,251	215,000
Deposit Based Fee Draws	5,000	748	1,000
Reimbursement for Services (MWD & Waste Agreement)	100,000	42,331	100,000
Total Revenues	937,523	1,295,139	1,096,000

	6/30/2019 Budget	Thru 3/31/2019 Actual	Proposed 6/30/2020 Budget
Expenditures			
Wages and Benefits			
Regular Salaries	149,311	106,746	191,882
Temporary Employee Salaries	3,000		-
Budgeted Benefits	44,012	30,206	85,119
Total Wages and Benefits	196,323	136,952	277,001

General Operations

Uniforms and Replacement Clothing	2,000	5,069	2,000
Celluar Phones & Wireless Access	3,000	5,178	6,000
Computer Lines	100	-	-
Telephone Services (Desk Phones)	1,000	-	1,000
Insurance - Special Liability	37,000	41,584	43,000
Memberships	1,800	-	2,500
License & Permits	-	805	1,500
Misc. Other Expense	10,000	9,662	10,000
Computer Equipment - Non Fixed Assets	1,000	761	2,500
Printer Supplies	1,500	318	2,500
Office Equipment - Non Fixed Assets	1,000	78	1,000
Office Supplies	3,000	11,653	5,000
Postage / Mailing	1,500	1,339	1,500
Printing /Binding	2,000	318	3,500
Subscriptions	100	15	100



**RCHCA GENERAL FUND
PROPOSED OPERATIONS ANNUAL BUDGET
For the Year Ending June 30, 2020**

	6/30/2019 Budget	Thru 3/31/2019 Actual	Proposed 6/30/2020 Budget
Computer Equipment - Software	50	4,503	1,500
General Legal Services & Litigation	50,000	14,650	50,000
Personnel Services (HR Rate)	4,200	-	-
Pre-Employment Services	100	2,414	-
Research / Statistics	-	5,331	25,000
OASIS Financials Processing	2,500	-	-
Consulting / Professional Contracts & Audit	20,000	58,983	37,000
Salary Benefit Reimbursement (WRCOG Services)	29,154	-	81,912
RCIT Device Access	3,500	-	-
RCIT Laserfiche	1,000	-	-
Field Equipment & Materials	-	1,683	15,000
Small Tools & Instruments	-	-	10,000
Awards / Recognition	200	-	200
Special Program Expense	25,000	21,685	25,000
Training - Education /Tuition	5,000	150	5,000
Weed Abatement	22,000	2	22,000
Contract Services (Overhead & Lease)	52,724	47,035	110,000
Equipment Usage Non Cap Asset	500	-	500
Board Commission Expense	8,500	-	8,500
Conference Registration Fees	4,500	695	5,000
Carpool Expense (fuel, maintenance, vehicle lease)	-	2,814	25,000
Lodging	10,000	4,782	10,000
Meals	5,000	2,335	5,000
Misc. Travel Expense	5,000	1,653	5,000
Private Mileage Reimbursement	100	129	500
Total General Operations	314,028	245,622	524,212
 Total Expenditures	 510,351	 382,574	 801,213



**LAKE MATHEWS RESERVE
PROPOSED LAKE MATHEWS ANNUAL BUDGET
For the Year Ending June 30, 2020**

	6/30/2019 Budget	Thru 3/31/2019 Actual	Requested 6/30/2020 Budget
Revenues			
Lake Mathews Endowment Fund Drawdown	569,179	220,706	413,063
Total Revenues	569,179	220,706	413,063
	Budget	Thru Actual	Proposed 6/30/2020 Budget
Expenditures			
Wages and Benefits			
Regular Salaries	315,882	147,217	228,777
Budgeted Benefits	123,498	25,942	101,486
Total Wages and Benefits	439,380	173,159	330,263
General Operations			
Uniforms and Replacement Clothing	1,000	-	1,000
Celluar Phones & Wireless Access	4,300	-	4,300
Memberships	1,000	-	1,000
License & Permits	1,500	-	1,500
GIS Services	5,000	-	5,000
Field Equipment & Materials	35,000	3,388	-
Small Tools & Instruments	10,000	2,314	-
Training - Education /Tuition	5,000	-	-
Contract Services (Patrol Agreement)	22,000	-	25,000
Carpool Expense (fuel, mainteneance, vehicle lease)	20,000	5,839	20,000
Equipment	25,000	36,006	25,000
Total General Operations	129,800	47,547	82,800
Total Expenditures	569,180	220,706	413,063

Page Intentionally Left Blank



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Nominations for WRCOG Chair, Vice-Chair, and 2nd Vice-Chair positions for Fiscal Year 2019/2020

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

Date: May 8, 2019

The purpose of this item is to request nominations for leadership positions on the Executive Committee for Fiscal Year 2019/2020.

Requested Action:

1. Provide recommendations for leadership positions of Chair, Vice-Chair, and 2nd Vice-Chair for Fiscal Year 2019/2020, to be considered by the Executive Committee on June 3, 2019, and the General Assembly on June 20, 2019.

The Administration & Finance Committee acts as the nominating Committee for WRCOG's leadership positions on the Executive Committee. The recommendations from this Committee for the positions of Executive Committee Chair, Vice-Chair, and 2nd Vice-Chair for Fiscal Year 2019/2020 will be forwarded to the Executive Committee for consideration on June 3, 2019, and then to the General Assembly for consideration on June 20, 2019.

Elected officials from WRCOG's member agencies were notified of the opportunity to nominate individuals for the WRCOG leadership positions on April 15, 2019; the deadline to nominate individuals is May 7, 2019. Staff will present the nominations received during that time period to the Administration & Finance Committee for consideration and to make recommendations to the Executive Committee and General Assembly.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

None.

Page Intentionally Left Blank



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: RHNA and Housing Legislative Priority Activities Update

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

Date: May 8, 2019

The purpose of this item is to provide an update on findings from the exploration of RHNA subregional delegation and activities WRCOG is leading in accordance with its 2019/2020 Legislative Platform to provide alternative support to members with RHNA and other housing-related challenges.

Requested Action:

1. Recommend that the Executive Committee take action to decline the option to take on subregional delegation for RHNA Cycle 6.

Background

The state-wide housing crisis is creating challenges locally in housing the subregion's growing population, complying with changing legislation, meeting Regional Housing Needs Assessment (RHNA) targets, and avoiding growing risks of non-compliance. New bills are anticipated to continue to emerge in a variety of areas aimed at increasing housing production. In response to this, WRCOG's 2019/2020 Legislative Platform established Housing as a Priority Issue Area, recognizing the acute impact of the state-wide housing shortage and housing-related legislative activity to the WRCOG subregion. For this Priority Issue Area, WRCOG committed, to the extent possible, to having staff lead more targeted lobbying efforts, including engaging state agency staff in solutions-oriented discussions regarding the housing crisis and related activities. One of the leading topics in Housing-related issues is RHNA.

Each local jurisdiction in California is required to adopt a Housing Element as part of its General Plan that shows how the community plans to meet the existing and projected housing needs of people at all income levels. RHNA is the state-mandated process to identify the total number of housing units (by affordability level) that each jurisdiction must accommodate in its Housing Element. As part of this process, the California Department of Housing and Community Development (HCD) and the Southern California Association of Governments (SCAG) identify the total housing need for the SCAG region. California's Housing Element Law ([Government Code](#), section [65584.04](#)) charges SCAG with developing a "methodology to distribute the identified housing need to local governments in a manner that is consistent with the development pattern included in the Sustainable Communities Strategy (SCS), unless a delegate subregion has been established." California's Housing Element Law ([Government Code](#), section [65584.03](#)) allows for "at least two or more cities and a county, or counties, to form a "subregional entity" for the purpose of allocation of the subregion's existing and projected need for housing among its members in accordance with the allocation methodology established."

SCAG is currently preparing for its 6th RHNA Cycle, which will cover the planning period of October 2021 through October 2029. WRCOG members directed staff to explore the costs and benefits of subregional delegation to identify whether subregional delegation could alleviate some of the challenges members have

faced with complying with RHNA. The following outlines the findings of WRCOG's research and presents alternative options for supporting members with addressing RHNA and related challenges in the future.

Subregional Delegation Process, Advantages, and Disadvantages

The 6th Cycle RHNA process is anticipated to begin in fall 2019, led by either SCAG or a subregional entity. Under the subregional delegation process, WRCOG would utilize consultant services to develop a methodology approved by SCAG and HCD to allocate the subregion's assigned housing targets in participating member agencies, as opposed to having SCAG lead the application of a methodology it develops. WRCOG would then work collaboratively with participating member agencies to allocate the units, by income level, to various areas within the WRCOG subregion, in accordance with the methodology.

The most significant advantages to subregional delegation include:

- Greater local control via the process of establishing a subregion-specific methodology for allocation.
- A separate appeal process from SCAG, meaning that a successful appeal within the SCAG region would not result in an increased allocation to the subregion.

The most significant disadvantages to subregional delegation include:

- Potential to cause friction between WRCOG and its members and even between members – this has been an issue with other agencies which have pursued subregional delegation in the past.
- High costs associated with contracting with a consultant team to lead the subregional delegation, in excess of SCAG's earmarked assistance dollars.
- Uncertainty of whether or not subregional delegation will yield a significantly more favorable outcome for member jurisdictions to justify the associated costs – the issues most agencies have with RHNA are likely deeper rooted in the program logistics than in the past SCAG methodologies.
- As a subregional entity, WRCOG would not have indemnification protection from SCAG and would have to be prepared to cover any other costs associated with challenges that could arise.

Feedback Received Regarding Subregional Delegation: WRCOG's Administration & Finance, Planning Directors, and Technical Advisory Committees have each received presentations on the subregional delegation process and provided feedback indicating a preference for declining the option to take on subregional delegation. Reasons cited have included the inherent risks, including potentially high out-of-pocket cost, the likelihood of negatively impacting WRCOG's relationship with its member jurisdictions, and loss of the ability to dispute growth assignments with jurisdictions outside of the WRCOG subregion as primary reasons.

Alternative Support: If WRCOG's leadership chooses not to move forward with subregional delegation, WRCOG would facilitate information sharing, coordinating presentations from SCAG and/or HCD, as well as coordinating information sharing between member jurisdictions through WRCOG's Committee structure throughout the process. In addition, WRCOG could connect interested member jurisdictions with qualified consultants to provide technical and RHNA review assistance. Note that consultant costs, like subregional delegation, have not been budgeted for by WRCOG and participating members would be responsible for covering the full consultant cost.

RHNA Update – Effective Next Cycle

Newly elected Governor Gavin Newsom's campaign platform centered on a plan to solve California's housing crisis and a proposal to construct 3.5 million new units across the State in the next six years. In his first few months of office, Governor Newsom's actions have further solidified his commitment to addressing housing and, on March 11, 2019, the Governor released a Proposal (Housing Planning and Production Grants Draft Trailer Bill Language) which explicitly calls for a revision to the RHNA Process stating that:

"It is the intent of the Legislature to revamp the existing regional housing needs allocation process pursuant to section 65584 of the Government Code, to accomplish the following objectives: (1) Creating a fair, transparent, and objective process for identifying housing needs across the state. (2) Strategically planning

for housing growth according to statewide priorities consistent with section 65041.1 of the Government Code and expected future need for housing at all income levels. And (3) Encouraging increased development to address the state's housing affordability issues."

The Governor's Proposal continues by providing a deadline of December 31, 2022, for proposing a revised RHNA, which will involve stakeholder participation.

The Proposal signals a willingness to address the downfalls of the existing RHNA process. While past actions on the part of WRCOG and member agencies did not result in any substantive change, the Proposal indicates that RHNA will be amended and WRCOG is committed to advocating for the interests of the subregion in the revised RHNA.

2018 RHNA White Paper

As a first step to working with the State to develop an enhanced RHNA, WRCOG is currently developing a White Paper with a solutions-based roadmap for improving the RHNA process. Staff have prepared an Outline for this White Paper, included as Attachment 1, and are seeking input from member agencies and stakeholders on recommended additions and/or modifications to the White Paper content.

Members and stakeholders are encouraged to share feedback on the White Paper Outline, including relevant anecdotes and stories, by Friday, May 3, 2019. Any questions, comments, or suggestions regarding the White Paper Outline can be directed to Christopher Gray at cgray@wrcog.us.

Legislative Outreach

In accordance with WRCOG's 2019-2020 Legislative Platform and its Housing Priority Area, staff have scheduled meetings with each of the subregion's state legislators district offices to discuss WRCOG's legislative priorities and have been sharing a handout, included as Attachment 2, developed for these meetings. As of the date of this report writing, staff have met with the following legislator's offices: Assembly Members Chad Mayes, Jose Medina, Melissa Melendez, Randy Voepel, and Marie Waldron; and Senators Mike Morrell, Richard Roth, and Jeff Stone. Staff are working to schedule a meeting with Assembly Member Sabrina Cervantes' office in the near future. Staff plan to schedule meetings with the legislators in their Sacramento offices later in the year and will seek an Executive Committee representative to participate in these meetings.

As an extension of this effort and the RHNA White Paper, staff are meeting with staff at the Coachella Valley Association of Governments (CVAG) and the San Bernardino Council of Governments (SBCOG) to assess interest in growing WRCOG's activities into a regional effort, including a White Paper signed by each of the three COG's and holding joint meetings with legislators in Sacramento. Staff believe that working collaboratively to establish a unified platform will help to signal the region's commitment to a solutions-oriented process and may help garner additional support for the platform from legislators representing our neighboring inland communities.

Prior Actions:

April 18, 2109: The Technical Advisory Committee received and filed.

April 11, 2109: The Planning Directors Committee received and filed.

March 4, 2019: The Executive Committee received and filed.

Fiscal Impact:

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

Attachments:

1. RHNA White Paper Outline.
2. Housing Legislation Handout.

Item 5.C

RHNA and Housing Legislative
Priority Activities Update

Attachment 1

RHNA White Paper Outline

Page Intentionally Left Blank

RHNA White Paper Outline

Question: Now that RHNA is 50 years old, has it increased housing production and/or affordability across the state and in areas like Western Riverside County

1. History of RHNA
 - a. Established in 1969
 - b. Periodic updates
 - c. Attempt to address housing scarcity in California through requiring jurisdictions to develop plans for housing
 - d. Assumes that designating sufficient land for housing will lead to the production of housing
 - e. Does not address housing production or housing turnover
2. How it works
 - a. Broad guidelines developed by State
 - b. Allocations done by HCD and SCAG
 - c. Local agencies implement through Housing Elements
 - d. Vast majority of housing built by private developers
3. WRCOG's Experience with RHNA
 - a. Prior activities
 - i. 2000 RHNA Update White Paper
 - ii. WRCOG 2002 Presentation on RHNA to SCAG's Growth Visioning Subcommittee
 - iii. 2007 RHNA Allocation Appeal
 - iv. 2008 RHNA Reform Committee
 - b. Current activities
 - i. WRCOG data review
4. How effective is RHNA?
 - a. Has housing production increased? - NO
 - i. Housing production lags behind population growth
 - ii. Housing production accelerated in early 2000's
 - iii. Housing slowed during great recession
 - iv. Housing production is still less than the required amount
 - b. Is there a lack of available land? - NO
 - i. Approximately 200,000 entitled parcels for housing development in Western Riverside County
 - c. Are WRCOG jurisdictions non-compliant with RHNA? - NO
 - i. Only 2 WRCOG jurisdictions have non-compliant housing elements
 - d. Has the RHNA process lead to increased housing production? - NO
5. Consequences of the current system
 - a. Long commutes to jobs in Orange County, San Bernardino County, LA, and SD
 - i. 60%+ of residents travel outside of Riverside County for their primary job
 - b. Persons per household is increasing
 - i. Added 25,000 houses but 125,000 population over the last 5 years
 - c. Greenhouse gas emissions and VMT are increasing
 - i. If RHNA goals were met in the WRCOG Region without the jobs, then there would be even higher levels of increases in GHG and VMT
6. If RHNA isn't solving the problem, then what are the root causes of the problem?

- a. Incomes
 - i. Household income is decreasing, adjusted for inflation
 - b. Jobs
 - i. Recent job growth is primarily in retail and transportation
 - ii. Limited employment in the professional and technical sectors
 - iii. Region lags behind the rest of the state in terms of high-paying, high-skilled jobs
 - c. Education
 - i. WRCOG lags behind the region in terms of education attainment, making it difficult for current residents to secure the education necessary for high-paying, high-skilled jobs
 - d. Labor and material shortages drive up the cost of housing
 - i. Construction cost for a new home is approximately \$250K just for labor and materials
 - e. Locational decisions are based on a variety of factors
 - i. Schools, family, friends, social activities, etc.
 - ii. Job location is not the sole reason for a person to locate in that community
 - f. Lack of existing home turnover
 - i. Demographics models assumed turnover of existing housing stock as people age, has not occurred- Why?
7. How Do We Solve the Housing Problem?
- a. RHNA
 - i. Base RHNA on job growth instead of household growth
 - 1. This approach will ensure that areas with employment growth provide sufficient housing for people working in that area
 - ii. Revisit the household income calculation process
 - 1. Consider calculation household income for affordability purposes based on a regional definition instead of a countywide definition
 - a. Addresses some of the intercounty commuting travel now occurring
 - iii. Revisit the definition of density in RHNA since the use of a uniform density (30 units per acre) ignores current development practices and is not fiscally viable in geographies where land costs are too low to justify the increased development cost per unit.
 - b. Other
 - i. Provide additional economic development incentives/support in those regions with high numbers of commuters
 - ii. Expand incentives for middle-class homebuyers who might be currently priced out of the market
 - iii. Invest in research for innovative methods related to home construction to bring down the cost of developing homes
 - iv. Determine what barriers currently exist that limit the turnover of existing single-family homes
 - v. Focus regulations and incentives on bringing denser development to urban areas with existing jobs and transit infrastructure, discourage increased sprawl which leads to increased VMTs and GHG emissions

Item 5.C

RHNA and Housing Legislative
Priority Activities Update

Attachment 2

Housing Legislation Handout

Page Intentionally Left Blank



WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
2019/2020

LEGISLATIVE PRIORITY: **HOUSING**



Picture Courtesy of Rodriguez Consulting Group

About WRCOG

The Western Riverside Council of Governments' (WRCOG's) member jurisdictions include 18 cities and the County of Riverside. This area is one of the fastest growing regions in the country by population, though growth of jobs—especially high paying jobs—is lagging. A majority of working residents commute outside of the subregion for work on a daily basis, contributing to the County's average annual per capita vehicle miles traveled (VMT) of 10,461 which exceeds the state-wide average by 210%.

Housing Issue Overview

Throughout California, there is a housing affordability crisis spurred by a mounting shortage of housing supply. The shortage itself is caused by myriad factors—regulatory measures, such as CEQA and stringent building codes; rising labor and materials costs; local fees and ordinances; and more—and as such, will require a multi-pronged, multi-sector approach to correct.

Western Riverside County communities have been acutely impacted by the crisis and, like state officials, leaders in the subregion recognize the need for more housing at all affordability levels and are eager to work collaboratively to achieve this goal. WRCOG's leadership urges law makers and state officials to engage local agencies in the solution to ensure that all measures meet their intended effect in each of the state's diverse geographies and work to complement other goals, such as the state's sustainability goals.

WRCOG LEGISLATIVE PRIORITY: HOUSING



LOW PRODUCTION RATES SYMPTOMATIC OF MARKET CONDITIONS

- Though Western Riverside County currently has 200,000 entitled lots, only 25,000 units have been built in the past 5 years.
- Separate from local codes and fees, developers face significant challenges in making projects viable to construct.

ECONOMIC FACTORS LIMIT OWNERS / RENTERS ABILITY TO AFFORD HOUSING

- Incomes in the WRCOG subregion have fallen since 2012, when adjusted for inflation.
- 60% of renters in Western Riverside County are cost burdened, spending 30% or more of monthly income on housing.
- The housing affordability strategy to "drive until you qualify" is leading families to locate increasingly further from jobs.

THE WRCOG SUBREGION HAS A JOBS-HOUSING IMBALANCE

- 2/3 of Western Riverside County residents currently commute outside of subregion for work.
- Employment throughout the County is concentrated in industries like retail, hospitality, and warehousing. These industries often provide low wage jobs and lack full-time employment and benefits.

WRCOG'S GOALS

1. Comprehensive state housing policy
2. Housing policy discussions that engage local jurisdictions
3. Economic development as a driving factor in housing policy