



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

**Wednesday, June 12, 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 May 8, 2019, Administration & Finance Committee Meeting are Available for Consideration.

P. 1

Requested Action: 1. *Approve the Summary Minutes from the May 8, 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. 7

Requested Action: 1. *Receive and file.*

B. Amendment to Professional Services Agreements for On-Call Planning Services P. 13

Requested Actions:

1. *Approve the Second Amendment to the Professional Services Agreement between WRCOG and Michael Baker International, Inc., for support to WRCOG on its economic development activities to increase the total not to exceed amount from \$50,000 to \$150,000, and to extend the term of the Agreement through June 30, 2020.*
2. *Approve the First Amendment to the Professional Services Agreement between WRCOG and PlaceWorks, Inc., for support to WRCOG in its economic and demographic forecasting services and general staff support activities to increase the total not to exceed amount from \$50,000 to \$150,000, and to extend the term of the Agreement through June 30, 2020.*
3. *Approve the First Amendment to the Professional Services Agreement between WRCOG and WSP USA, Inc., for support to WRCOG in its transportation planning, grant writing assistance, economic and demographic forecasting, and general WRCOG staff support activities to increase the total not to exceed amount from \$50,000 to \$150,000, and to extend the term of the Agreement through June 30, 2020.*
4. *Approve the Second Amendment to the Professional Services Agreement between WRCOG and Blais & Associates for support to WRCOG grant writing services assistance to increase the total not to exceed amount from \$100,000 to \$200,000, and to extend the term of the Agreement through June 30, 2020.*
5. *Approve the Second Amendment to the Professional Services Agreement between WRCOG and Fehr & Peers for support to WRCOG on transportation planning services to increase the total not to exceed amount from \$100,000 to \$200,000, and to extend the term of the Agreement through June 30, 2020.*
6. *Approve the Second Amendment to the Professional Services Agreement between WRCOG and National Community Renaissance of California for support to WRCOG staff in planning and housing related activities to increase the total not to exceed amount from \$100,000 to \$200,000, and to extend the term of the Agreement through June 30, 2020..*

C. Approval of Fiscal Year 2019/2020 Agency Salary Schedule P. 53

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

5. REPORTS / DISCUSSION

A. PACE Programs Activities Update: Approval of Amended Program Reports, Debt Management Policy and Authorized Maximum Bonding Amounts P. 61

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

B. Agency Office Move P. 93

- Requested Action:**
1. *Discuss and provide input.*

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, July 10, 2019, at 12:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.

11. ADJOURNMENT

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1. CALL TO ORDER

The meeting of the Administration & Finance Committee was called to order at 12:50 p.m. by Vice-Chair Bonnie Wright at WRCOG's Office, Citrus Conference Room.

Members present:

Bonnie Wright, City of Hemet
Brian Tisdale, City of Lake Elsinore (1:22 p.m. departure)
Kelly Seyarto, City of Murrieta
Rita Rogers, City of Perris
Rusty Bailey, City of Riverside
Ben Benoit, City of Wildomar
Karen Spiegel, County of Riverside District 2 (12:52 p.m. arrival)

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, Executive Director
Barbara Spoonhour, Deputy Executive Director – Operations
Andrew Ruiz, Interim Chief Financial Officer
Christopher Gray, Director of Transportation & Planning
Casey Dailey, Director of Energy and Environmental Programs
Andrea Howard, Program Manager
Janis Leonard, Administrative Services Manager
Rachel Singer, Staff Analyst
Suzy Nelson, Administrative Assistant

Guests present:

None.

2. PUBLIC COMMENTS

There were no public comments.

3. MINUTES – *(Perris / Murrieta) 6 yes; 0 no; 0 abstention. Item 3.A was approved. The Cities of Beaumont and Norco, the County of Riverside Districts 2 and 3, and the Western Municipal Water District were not present.*

A. Summary Minutes from the April 10, 2019, Administration & Finance Committee Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the April 10, 2019, Administration & Finance Committee meeting.*

4. CONSENT CALENDAR – *(Wildomar / Lake Elsinore) 6 yes; 0 no; 0 abstention. Items 4.A through 4.E were approved. The Cities of Beaumont and Norco, the County of Riverside Districts 2 and 3, and the Western Municipal Water District were not present.*

A. Finance Department Activities Update

Action: 1. *Received and filed.*

B. Approval of Updated Agency Policies and Procedures

Action: 1. *Recommended 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

Action: 1. *Recommended 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

Action: 1. *Authorized 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

Action: 1. *Recommended 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

Andrew Ruiz reported that this is the second presentation on the Agency Budget and nothing has changed. The total Agency revenues are approximately \$57.7M and expenditures are approximately \$55.2M. The difference is what staff anticipates to pay-out in reimbursements on TUMF projects.

The Annual Budget for Western Community Energy (WCE), an agency under WRCOG's umbrella, reflects a launch of next year. The budget is relatively small at this point and covers legal expenses and staff time as well as general operational expenses.

The Annual Budget for the Riverside County Habitat Conservation Agency (RCHCA) is approximately \$1.5M in revenues and \$1.2M in expenditures. RCHCA's budget consists of two funding categories – a general fund and the Lake Mathews Endowment.

Since moving into its current location, staff has determined that WRCOG is not utilizing all the office space. Internal discussions have occurred to sublease a portion of the office and have found a tenant; however, Citrus Towers ownership has provided an offer for WRCOG to move to the 2nd floor which has 4,000 square feet less than the current office.

Prior to WRCOG relocating its office from the County Administrative Center to its current location, PACE revenues were much higher than they are now. Actions have been taken to adjust to the loss of revenues such as a reduction in staff and adjustments to the budget.

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.

Going into the next fiscal year, the budget is balanced, and the Agency holds a robust reserve. Mr. Ruiz shared potential lease / sublease options.

Rick Bishop added that the tenant who has expressed interest in subleasing a portion of WRCOG's current location has also expressed interest in moving with WRCOG to the 2nd floor, should that occur. WRCOG's fiscal ebb and flow is less constrained than compared to a city's budget.

Committee member Kelly Seyarto indicated that there is more flexibility for the Agency if it stays where it is.

Committee member Brian Tisdale would like additional information on subleasing should WRCOG move to the 2nd floor.

Committee member Karen Spiegel indicated that staying on the 4th floor is the most feasible option.

Committee member Rusty Bailey asked how long WRCOG can afford to stay at its currently location and in what year would WRCOG have to dip into its reserves to stay in its current location.

Mr. Bishop indicated that at this time right-sizing the office would be the most prudent thing to do not knowing what the future brings.

Vice-Chair Bonnie Wright indicated that WRCOG has not downsized any of its programs in the past. When PACE began we ramped up the residential side, knowing that solar is not always the answer and realizing other energy efficient items that people would be more willing to finance. There is a greater opportunity to sublease additional space if WRCOG remains in its current location.

- Actions:**
1. *Recommended that the Executive Committee and General Assembly approve the draft Fiscal Year 2019/2020 Agency Budget.*
 2. *Recommended that staff pursue subleasing office space while remaining on the 4th floor.*
 3. *Directed staff to return with a fiscal analysis on how long WRCOG can afford to stay in its current location.*

(Lake Elsinore / Riverside) 7 yes; 0 no; 0 abstention. Item 5.A was approved. The Cities of Beaumont and Norco, the County of Riverside District 3, and the Western Municipal Water District were not present.

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

Rick Bishop reported that this Committee serves as the nominating Committee for leadership positions. Mr. Bishop shared a list of those who expressed interest in the various positions. Historically the Vice-Chair and 2nd Vice-Chair positions move up each year.

Committee member Rusty Bailey asked if there is a requirement to have a County Supervisor in one of the positions.

Mr. Bishop responded that there is no requirement that there be a Supervisor within a leadership position. There is, however, a requirement that at least two Supervisors serve on this Committee.

- Actions:**
1. *Nominated Bonnie Wright, Mayor, City of Hemet, as Chair for Fiscal Year 2019/2020.*
 2. *Nominated Kevin Bash, Council member, City of Norco, as Vice-Chair for Fiscal Year 2019/2020.*
 3. *Nominated Kelly Seyarto, Mayor, City of Murrieta, as 2nd Vice-Chair for Fiscal Year 2019/2020.*

(Lake Elsinore / Wildomar) 7 yes; 0 no; 0 abstention. Items 5.B.1 through 5.B.3 were approved. The Cities of Beaumont and Norco, the County of Riverside District 3, and the Western Municipal Water District were not present.

C. RHNA and Housing Legislative Priority Activities Update

Christopher Gray reported that staff is currently engaged in a series of proactive discussions with local legislators, member jurisdictions, and fellow Councils of Governments regarding housing. The Governor has a one-size-fits-all approach to housing. We believe this issue is not titling housing but building housing. Staff is preparing a research paper with potential updates to RHNA such as tying RHNA to job growth and looking at economic development. The state actually has down payment assistance; however, to qualify, you have to be very low income. By the time you qualify, you do not actually make enough to pay the mortgage. There are opportunities to revise state programs. There were over 190 bills introduced in the legislature specifically regarding housing. WRCOG is working closely with the League of CA Cities on its position on the various bills. We will oppose anything that takes away local control, state funding based on housing production or approvals, and anything that limits local jurisdictions' ability to impose impact fees.

Committee member Rusty Bailey indicated that, in terms of where to incentivize economic development, you have to fall back to the High Quality Transit Areas (HQTAs) to determine a nexus between economic development and building in the high quality transit areas. As RHNA continues, more numbers will be forced on to cities with HQTAs.

Mr. Gray indicated that WRCOG's Experience Program is a tangible attempt to make an effort with economic development. Staff have also been conducting research with job automation; the current economy is very much at risk for losing jobs due to automation and technological advances. There is a way to tie all of this together to address housing. But we also need to be proactive and find a solution in stead of just saying no.

Committee member Karen Spiegel indicated that for her it is about local control. Most of the new bills pull away local control.

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

(Riverside / Murrieta) 6 yes; 0 no; 0 abstention. Item 5.C was approved. The Cities of Beaumont, Lake Elsinore, and Norco, the County of Riverside District 3, and the Western Municipal Water District were not present.

6. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that Al Zelinka, City Manager for the City of Riverside, inquired if WRCOG had any interest in co-sponsoring a summit on homelessness and housing. The agenda was intriguing in that cities would meet and talk about best practices. WRCOG appreciates the opportunity to participate in this.

Secondly, the City of Perris is interested in having WRCOG assist in developing an advertising package for the subregion in preparation for the 2028 Olympics. The City is on tap to host two water-related events at Lake Perris. The City wants to market the area with all the amenities and to work with WRCOG's transportation partners to queue up transportation options for visitors. This is in alignment with this Committee's desire to get WRCOG involved and engaged with economic development, which has always been some sort of regional marketing. SilverLakes in the City of Norco, is also being looked at as a practice facility for the soccer events.

7. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

8. GENERAL ANNOUNCEMENTS

There were no general announcements.

9. CLOSED SESSION

Due to time constraints this item was adjourned to the next meeting.

10. NEXT MEETING: The next 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: The meeting of the Administration & Finance Committee adjourned at 1:32 p.m.

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Western Riverside Council of Governments

Administrative & Finance Committee

Staff Report

Subject: Finance Department Activities Update

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

Date: June 12, 2019

The purpose of this item is to provide an update on the Fiscal Year 2018/2019 Audit, office move, and the Agency Financial Report summary through April 2019.

Requested Action:

1. Receive and file.

Fiscal Year 2018/2019 Agency Audit

WRCOG's annual Agency interim audit will begin on June 20, 2018. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit; in August, RAMS will return to finish its second round, which is known as "fieldwork."

Financial Report Summary through April 2019

The Agency Financial Report summary through April 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:

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

Fiscal Impact:

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

Attachment:

1. Financial Report summary – April 2019.

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Item 4.A

Finance Department Activities Update

Attachment 1

Financial Report summary – April 2019

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

Total Agency			
	Approved Budget 6/30/2019	Thru Actual 4/30/2019	Remaining Budget 6/30/2019
Revenues			
Member Dues	311,410	311,410	-
PACE Residential Revenue	480,573	223,216	257,357
WRELP Phase 2 Revenue	86,750	81,502	5,248
Statewide HERO Revenue	1,650,000	986,266	663,734
Gas Co. Prtnrshp Revenue	86,676	56,941	29,735
PACE Commercial Revenue	46,499	30,844	15,655
WRCOG HERO-Recording Revenue	122,500	156,951	(34,451)
PACE Commercial Recording Revenue	11,454	445	11,009
Statewide Recording Revenue	600,000	601,340	(1,340)
Renovate Comm Recording Rev	7,500		7,500
Active Transportation Revenue	-	71,443	(71,443)
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	143,020	(10,520)
LTF Revenue	675,000	775,500	(100,500)
Adaptation Grant Revenue	-	97,632	(97,632)
CAP Grant Revenue	-	4,977	(4,977)
RivTAM Revenue	150,000	112,600	37,400
General Assembly Revenue	300,000	116,525	183,475
PACE Admin Requisition Fee	25,000	25,000	-
Commerical/Service	110,645	73,164	37,481
Retail	130,094	94,203	35,891
Industrial	272,663	367,280	(94,617)
Residential/Multi/Single	1,144,551	929,949	214,603
Multi-Family	142,045	347,525	(205,480)
Interest Revenue - Other	80,066	80,077	(11)
HERO - Other Revenue	149,833	150,823	(990)
Commercial/Service - Non-Admin Portion	2,655,491	1,829,109	826,382
Retail - Non-Admin Portion	3,122,265	2,355,075	767,190
Industrial - Non-Admin Portion	6,543,923	9,182,000	(2,638,077)
Residential/Multi/Single - Non-Admin Portion	27,469,233	23,248,714	4,220,519
Multi-Family - Non-Admin Portion	3,409,088	8,688,126	(5,279,039)
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	58,797,407	(393,927)
Expenditures	Approved 6/30/2019	Actual 4/30/2019	Remaining Budget
Wages and Benefits			
Salaries & Wages	2,863,402	1,953,410	909,992
Fringe Benefits	903,736	695,610	208,126
Overhead Allocation	2,084,260	1,732,773	351,487

Total Wages, Benefits and Overhead	6,001,857	4,381,793	1,469,606
General Legal Services	641,447	499,677	141,770
PERS Unfunded Liability	198,823	152,327	46,496
Audit Svcs - Professional Fees	27,500	25,480	2,020
Bank Fees	25,252	41,747	(16,495)
Commissioners Per Diem	62,500	58,065	4,435
Office Lease	400,000	338,782	61,218
WRCOG Auto Fuels Expenses	1,250	1,134	116
WRCOG Auto Maintenance Expense	84	89	(5)
Parking Validations	27,244	14,120	13,124
Staff Recognition	800	332	468
Coffee and Supplies	3,000	1,230	1,770
Event Support	166,229	152,536	13,693
Program/Office Supplies	24,017	13,514	10,503
Computer Equipment/Supplies	8,207	2,369	5,838
Computer Software	31,111	3,127	27,984
Rent/Lease Equipment	30,000	12,333	17,667
Membership Dues	33,000	22,322	10,678
Subscription/Publications	1,448	1,315	133
Meeting Support Services	9,776	2,330	7,446
Postage	6,198	3,315	2,883
Other Household Exp	975	535	440
COG HERO Share Expenses	15,000	4,468	10,532
Storage	7,500	5,251	2,249
Printing Services	4,777	1,670	3,107
Computer Hardware	14,100	2,664	11,436
Communications - Regular Phone	15,000	12,708	2,292
Communications - Cellular Phones	20,200	7,739	12,461
Communications - Computer Services	57,936	31,752	26,184
Communications - Web Site	8,000	6,932	1,068
Equipment Maintenance - General	10,000	4,701	5,299
Equipment Maintenance - Comp/Software	21,000	17,776	3,224
Insurance - Gen/Busi Liab/Auto	94,334	102,110	(7,776)
PACE Residential Recording	485,240	253,795	231,445
Seminars/Conferences	12,887	5,580	7,307
General Assembly Expenses	300,000	95,946	204,054
Travel - Mileage Reimbursement	24,052	12,415	11,637
Travel - Ground Transportation	4,985	2,533	2,452
Travel - Airfare	13,361	9,749	3,612
Lodging	9,518	10,004	(486)
Meals	7,497	3,984	3,513
Other Incidentals	10,531	7,059	3,472
Training	9,250	419	8,831
Supplies/Materials	33,181	15,724	17,457
Advertisement Radio & TV Ads	47,886	22,020	25,866
Staff Education Reimbursement	12,500	-	12,500
Consulting Labor	2,934,856	1,717,514	1,217,342
TUMF Project Reimbursement	38,000,000	26,781,690	11,218,310
BEYOND Program REIMB	2,799,015	828,919	1,970,096
Computer Equipment/Software	3,500	3,207	293
Misc Equipment Purchased	3,000	2,735	265
Total General Operations	47,676,204	31,317,742	16,052,277
Total Expenditures and Overhead	53,678,061	35,699,535	17,521,883



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Amendment to the Professional Services Agreements for On-Call Planning Services

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

Date: June 12, 2019

The purpose of this item is to request approvals of Amendments to existing Professional Services Agreements for On-Call Planning Services with the following firms: Michael Baker International, Inc., PlaceWorks, Inc., WSP USA, Inc., Blais & Associates, Fehr & Peers, and National Community Renaissance of California.

Requested Actions:

1. Approve the Second Amendment to the Professional Services Agreement between WRCOG and Michael Baker International, Inc., for support to WRCOG on its economic development activities to increase the total not to exceed amount from \$50,000 to \$150,000, and to extend the term of the Agreement through June 30, 2020.
 2. Approve the First Amendment to the Professional Services Agreement between WRCOG and PlaceWorks, Inc., for support to WRCOG in its economic and demographic forecasting services and general staff support activities to increase the total not to exceed amount from \$50,000 to \$150,000, and to extend the term of the Agreement through June 30, 2020.
 3. Approve the First Amendment to the Professional Services Agreement between WRCOG and WSP USA, Inc., for support to WRCOG in its transportation planning, grant writing assistance, economic and demographic forecasting, and general WRCOG staff support activities to increase the total not to exceed amount from \$50,000 to \$150,000, and to extend the term of the Agreement through June 30, 2020.
 4. Approve the Second Amendment to the Professional Services Agreement between WRCOG and Blais & Associates for support to WRCOG grant writing services assistance to increase the total not to exceed amount from \$100,000 to \$200,000, and to extend the term of the Agreement through June 30, 2020.
 5. Approve the Second Amendment to the Professional Services Agreement between WRCOG and Fehr & Peers for support to WRCOG on transportation planning services to increase the total not to exceed amount from \$100,000 to \$200,000, and to extend the term of the Agreement through June 30, 2020.
 6. Approve the Second Amendment to the Professional Services Agreement between WRCOG and National Community Renaissance of California for support to WRCOG staff in planning and housing related activities to increase the total not to exceed amount from \$100,000 to \$200,000, and to extend the term of the Agreement through June 30, 2020.
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Background

In July 2017, the Administration & Finance Committee received a report on the selection of 14 qualified consulting firms / teams for WRCOG on-call planning activities. Shortly after, WRCOG executed Professional Services Agreements (PSAs) with the qualified firms / teams.

The need for WRCOG on-call planning activities is evident as WRCOG continues to receive requests from member agencies for assistance on a variety of disciplines related to jurisdictions' planning efforts. WRCOG identified disciplines to provide direct assistance to its member agencies and has utilized some of the qualified firms / teams for on-call planning activities to assist member agencies and WRCOG.

Per WRCOG's policy, the Executive Director has single signature authority for contracts up to \$100,000. Contracts between \$100,001 and \$200,000 are to be approved by the Administration & Finance Committee, and Contracts amounting to larger than \$200,000 are to be approved by the Executive Committee.

On-Call Planning Professional Services – Second Amendment to Michael Baker International, Inc. (Michael Baker) Agreement

WRCOG entered into an Agreement for On-Call Planning Professional Services with Michael Baker in July 2017. This Agreement incorporated duties in the General Plan / Sustainability Support and Healthy Community Planning disciplines for On-Call Planning Services. Michael Baker has assisted WRCOG with the review of anticipated development in the City of Banning based on the latest growth forecasts to develop an Implementation Plan for the delivery of key transportation infrastructure projects in the City. With the assistance of Michael Baker, WRCOG hosted a "Lunch and Learn" for members of the Planning Directors and Public Works Committees on smart cities and discussed the transformation of transportation through connected and autonomous vehicles, and related infrastructure. In April 2018, the Administration & Finance Committee approved the First Amendment to the PSA to increase the not to exceed dollar amount from \$50,000 to \$100,000 to provide these services. To allow Michael Baker to continue to be on-call to provide WRCOG assistance as it continues to provide economic development strategy assistance on an as-needed basis per direction from the Executive Committee, the contract amount is increasing to not to exceed \$150,000.

On-Call Planning Professional Services – First Amendment to PlaceWorks, Inc. (PlaceWorks) Agreement

WRCOG entered into an Agreement for On-Call Planning Professional Services with PlaceWorks in July 2017. This Agreement incorporated duties in the Staff Support and Economic and Demographic Forecasting disciplines for On-Call Planning Services. PlaceWorks has assisted some WRCOG member jurisdictions in reviewing data and providing feedback for the Southern California Association of Governments' (SCAG) Regional Transportation Plan (RTP) / Sustainable Communities Strategy (SCS) socio-economic data review. PlaceWorks has also provided WRCOG staff support assistance with content, topics, and presentations for Committee meetings. In order to allow PlaceWorks to continue to be on-call to provide WRCOG assistance as it relates to project management of projects and studies WRCOG will be undertaking the Staff Support discipline, the contract amount is increasing to not to exceed \$150,000.

On-Call Planning Professional Services – First Amendment to WSP USA, Inc. (WSP) Agreement

WRCOG entered into an Agreement for On-Call Planning Professional Services with WSP in July 2017. This Agreement incorporated duties in the Transportation Planning, Grant Writing Assistance, Economic and Demographic Forecasting, and WRCOG Staff Support disciplines for On-Call Planning Services. WSP has assisted WRCOG with grant writing application development on several applications, including the successful Caltrans Sustainable Transportation Planning Grant application for the Resilient IE project. WSP has also assisted WRCOG on a few tasks as it relates to transportation planning and the TUMF Program. In order to allow WSP to continue to be on-call to continue to provide WRCOG assistance as it relates to grant writing assistance and transportation planning disciplines, the contract amount is increasing to not to exceed \$150,000.

On-Call Planning Professional Services – Second Amendment to Blais & Associates (B&A) Agreement

WRCOG entered into an Agreement for On-Call Planning Professional Services with B&A in July 2017. This Agreement incorporated duties in the Grant Writing Assistance disciplines for On-Call Planning Services. WRCOG received significant interest in the Grant Writing Assistance discipline and assisted numerous

member agencies with applying for a variety of grants. In December 2017, the Executive Committee approved an expansion of the Grant Writing Assistance Program, triggering a need to increase but not to exceed the budget of B&A in order for the firm to continue providing assistance. As the Grant Writing Assistance Program has expanded, B&A has provided grant writing assistance to a number of WRCOG member agencies, and will continue with this assistance, especially in the area of Active Transportation. B&A has also provided advisory services to member agencies in their pursuit of grant opportunities and finding the right fit. In April 2018, the Administration & Finance Committee approved the First Amendment to the PSA to increase the not to exceed dollar amount from \$50,000 to \$100,000 to continue to provide assistance. In order to allow B&A to continue to be on-call to provide WRCOG assistance as it relates to active transportation and transportation planning disciplines, the contract amount is increasing to not to exceed \$200,000.

On-Call Planning Professional Services – Second Amendment to Fehr & Peers (F&P) Agreement

WRCOG entered into an Agreement for On-Call Planning Professional Services with F&P in July 2017. This Agreement incorporated duties in the Transportation Planning, TUMF Program and Active Transportation disciplines for On-Call Planning Services. F&P has assisted WRCOG in a review of the communications strategy for the TUMF Program, providing transportation planning assistance related to the “Move I-15 Through Temecula Valley Regional Task Force” by conducting traffic pattern analysis along the I-15 corridor. In April 2018, the Administration & Finance Committee approved the First Amendment to the PSA to increase the not to exceed dollar amount from \$50,000 to \$100,000 to provide these services. In order to allow F&P to continue to provide transportation planning assistance and Senate Bill 743 implementation assistance to WRCOG member agencies on an as needed basis, the contract amount is increasing to not to exceed \$200,000.

On-Call Planning Professional Services – Second Amendment to National Community Renaissance of California (National CORE) Agreement

WRCOG entered into an Agreement for On-Call Planning Professional Services with National CORE in July 2017. This Agreement incorporated duties in the WRCOG Staff Support and Grant Writing Assistance disciplines for On-Call Planning Services. National CORE has assisted WRCOG in the Experience Phase I study, grant writing support, CAPtivate 2.0—Subregional Climate Action Plan update, Resilient IE—Regional Climate Adaptation Toolkit, and Planning Directors Committee support. In February 2019, the First Amendment to the PSA was executed under the Executive Director’s Single Signature Authority and increased the not to exceed dollar amount from \$50,000 to \$100,000 in order to provide these services. Based on WRCOG staff time and grant funding received, and to allow National CORE to continue to assist WRCOG in the following tasks: Experience Phase II Implementation, CAPtivate 2.0—Subregional Climate Action Plan update, Resilient IE—Regional Climate Adaptation Toolkit, Grant Writing Support, and Planning Directors Committee support, the contract amount is increasing to not to exceed \$200,000.

Prior Action:

July 27, 2017: The Administration & Finance received and filed.

Fiscal Impact:

Expenditures for On-Call Planning Services are included in the Fiscal Year 2019/2020 Agency Budget under the Transportation Department.

Attachments:

1. Second Amendment to the Professional Services Agreement between WRCOG and Michael Baker International, Inc.
2. First Amendment to the Professional Services Agreement between WRCOG and PlaceWorks, Inc.
3. First Amendment to the Professional Services Agreement between WRCOG and WSP USA, Inc.
4. Second Amendment to the Professional Services Agreement between WRCOG and Blais & Associates.

5. Second Amendment to the Professional Services Agreement between WRCOG and Fehr & Peers.
6. Second Amendment to the Professional Services Agreement between WRCOG and National Community Renaissance of California.

Item 4.B

Amendment to the Professional
Services Agreements for On-Call
Planning Services

Attachment 1

Second Amendment to the
Professional Services Agreement
between WRCOG and Michael Baker
International, Inc

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**SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
MICHAEL BAKER INTERNATIONAL, INC.**

1. PARTIES AND DATE.

This Second Amendment is made and entered into this _____ day of June 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG"), and Michael Baker International, Inc., a Pennsylvania C-Corporation ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Professional Services Agreement dated July 30, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant entered into a First Amendment for the purpose of providing additional planning services as it relates to economic development activities of WRCOG and its member jurisdictions ("Services").

2.3 Second Amendment.

WRCOG and Consultant desire to enter into this Second Amendment for the purposes of providing additional compensation for on-call planning services as it relates to economic development activities of WRCOG and its member jurisdictions ("Services") and extending the term of the Master Agreement.

3. TERMS.

3.1 Additional Compensation.

The maximum compensation for Services performed under this Second Amendment shall not exceed Fifty Thousand Dollars (\$50,000) without written approval of WRCOG's Executive Director. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibits "A" and "B", respectively, to the Master Agreement. The Services shall be more particularly described in the individual Task Order issued by WRCOG or its designee. No Services shall be performed unless authorized by a fully executed Task Order.

The total not-to-exceed-value of the Master Agreement, the First Amendment, and this Second Amendment shall be increased from One-Hundred Thousand Dollars (\$100,000) to One-Hundred Fifty Thousand Dollars (\$150,000).

3.2 Term.

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

3.3 Continuation of Existing Provisions.

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

3.4 Counterparts.

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

[Signatures on the following page]

SIGNATURE PAGE TO
SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
MICHAEL BAKER INTERNATIONAL, INC.

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

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

MICHAEL BAKER INTERNATIONAL, INC.

By: _____
Rameeta Garewal

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

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Item 4.B

Amendment to the Professional
Services Agreements for On-Call
Planning Services

Attachment 2

First Amendment to the Professional
Services Agreement between
WRCOG and PlaceWorks, Inc

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**FIRST AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
PLACEWORKS, INC.**

1. PARTIES AND DATE.

This First Amendment is made and entered into this _____ day of June 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG") and PlaceWorks, Inc., a California S-Corporation ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Professional Services Agreement dated July 24, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant desire to enter into this First Amendment for the purposes of providing additional compensation for on-call planning services as it pertains to WRCOG Staff Support and Economic and Demographic Forecasting ("Services"), and extending the term of the Master Agreement.

3. TERMS.

3.1 Additional Compensation.

The maximum compensation for Services performed under this First Amendment shall not exceed One-Hundred Thousand Dollars (\$100,000) without written approval of WRCOG's Executive Director. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibits "A" and "B", respectively, to the Master Agreement. The Services shall be more particularly described in the individual Task Order issued by WRCOG or its designee. No Services shall be performed unless authorized by a fully executed Task Order.

The total not-to-exceed-value of the Master Agreement and this First Amendment shall be increased from Fifty Thousand Dollars (\$50,000) to One-Hundred Fifty Thousand Dollars (\$150,000).

3.2 Term.

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

3.3 Continuation of Existing Provisions.

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

3.4 Counterparts.

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

[Signatures on the following page]

**SIGNATURE PAGE TO
FIRST AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
PLACEWORKS, INC.**

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

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

PLACEWORKS, INC.,
a California S-Corporation

By: _____
Karen Gulley
Principal

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

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Item 4.B

Amendment to the Professional
Services Agreements for On-Call
Planning Services

Attachment 3

First Amendment to the Professional
Services Agreement between
WRCOG and WSP USA, Inc

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**FIRST AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
WSP USA, INC.**

1. PARTIES AND DATE.

This First Amendment is made and entered into this _____ day of June 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG") and WSP USA Inc. ("Consultant"), a New York Corporation ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Professional Services Agreement dated July 15, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant desire to enter into this First Amendment for the purposes of providing additional compensation for on-call planning services as it pertains to Transportation Planning, Grant Writing Assistance, Economic and Demographic Forecasting, and WRCOG Staff Support ("Services"), and extending the term of the Master Agreement.

3. TERMS.

3.1 Additional Compensation.

The maximum compensation for Services performed under this First Amendment shall not exceed One-Hundred Thousand Dollars (\$100,000) without written approval of WRCOG's Executive Director. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibits "A" and "B", respectively, to the Master Agreement. The Services shall be more particularly described in the individual Task Order issued by WRCOG or its designee. No Services shall be performed unless authorized by a fully executed Task Order.

The total not-to-exceed-value of the Master Agreement and this First Amendment shall be increased from Fifty Thousand Dollars (\$50,000) to One-Hundred Fifty Thousand Dollars (\$150,000).

3.2 Term.

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

3.3 Continuation of Existing Provisions.

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

3.4 Counterparts.

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

[Signatures on the following page]

**SIGNATURE PAGE TO
FIRST AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
WSP USA, INC.**

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

WRCOG

CONSULTANT

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

WSP USA, INC.

By: _____
Rick Bishop
Executive Director

By: _____
Victor Martinez
Vice President/Area Manager

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

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Item 4.B

Amendment to the Professional
Services Agreements for On-Call
Planning Services

Attachment 4

Second Amendment to the
Professional Services Agreement
between WRCOG and Blais &
Associates

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**SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
BLAIS & ASSOCIATES, INC.**

1. PARTIES AND DATE.

This Second Amendment is made and entered into this _____ day of June 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG"), and Blais and Associates, Inc., a Texas S-Corporation ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Professional Services Agreement dated July 31, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant entered into a First Amendment of the Master Agreement for the purpose of providing additional compensation for grant writing assistance ("Services").

2.3 Second Amendment.

WRCOG and Consultant desire to enter into this Second Amendment for the purposes of providing additional compensation for on-call planning services as it pertains to grant writing assistance ("Services") and extending the term of the Master Agreement.

3. TERMS.

3.1 Additional Compensation.

The maximum compensation for Services performed under this Second Amendment shall not exceed One-Hundred Thousand Dollars (\$100,000) without written approval of WRCOG's Executive Director. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibits "A" and "B", respectively, to the Master Agreement. The Services shall be more particularly described in the individual Task Order issued by WRCOG or its designee. No Services shall be performed unless authorized by a fully executed Task Order.

The total not-to-exceed-value of the Master Agreement, the First Amendment, and this Second Amendment shall be increased from One-Hundred Thousand Dollars (\$100,000) to Two-Hundred Thousand Dollars (\$200,000).

3.2 Term.

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

3.3 Continuation of Existing Provisions.

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

3.4 Counterparts.

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

[Signatures on the following page]

**SIGNATURE PAGE TO
SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
BLAIS & ASSOCIATES, INC.**

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

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

BLAIS & ASSOCIATES, INC.

By: _____
Neil Blais
President

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

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Item 4.B

Amendment to the Professional
Services Agreements for On-Call
Planning Services

Attachment 5

Second Amendment to the
Professional Services Agreement
between WRCOG and Fehr & Peers

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**SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
FEHR & PEERS**

1. PARTIES AND DATE.

This Second Amendment is made and entered into this _____ day of June 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG"), and Fehr & Peers, a California Sub Chapter S-Corporation ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Professional Services Agreement dated July 30, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant entered into a First Amendment of the Master Agreement for the purpose of providing additional transportation planning services as it relates to the WRCOG TUMF Program and responding to requests and questions on the TUMF Program from WRCOG member jurisdictions ("Services").

2.3 Second Amendment.

WRCOG and Consultant desire to enter into this Second Amendment for the purposes of providing additional compensation for on-call planning services as it pertains to transportation planning services as it relates to the WRCOG TUMF Program ("Services") and extending the term of the Master Agreement.

3. TERMS.

3.1 Additional Compensation.

The maximum compensation for Services performed under this Second Amendment shall not exceed One-Hundred Thousand Dollars (\$100,000) without written approval of WRCOG's Executive Director. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibits "A" and "B", respectively, to the Master Agreement. The Services shall be more particularly described in the individual Task Order issued by WRCOG or its designee. No Services shall be performed unless authorized by a fully executed Task Order.

The total not-to-exceed-value of the Master Agreement, the First Amendment, and this Second Amendment shall be increased from One-Hundred Thousand Dollars (\$100,000) to Two-Hundred Thousand Dollars (\$200,000).

3.2 Term.

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

3.3 Continuation of Existing Provisions.

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

3.4 Counterparts.

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

[Signatures on the following page]

SIGNATURE PAGE TO
SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
FEHR AND PEERS

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

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

FEHR AND PEERS

By: _____
Jason Pack
Principal

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

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Item 4.B

Amendment to the Professional
Services Agreements for On-Call
Planning Services

Attachment 6

Second Amendment to the
Professional Services Agreement
between WRCOG and National
Community Renaissance of
California

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**SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA**

1. PARTIES AND DATE.

This Second Amendment is made and entered into this ____ day of June 2019, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG"), and National Community Renaissance of California, a 501(c)(3) not-for-profit public benefit corporation ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Professional Services Agreement dated July 1, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant entered into a First Amendment for the purpose of modifying the Scope of Services as defined in the Master Agreement, for Experience Phase II Implementation, CAPtivate 2.0—Subregional Climate Action Plan update, Resilient IE—Regional Climate Adaptation Toolkit, Grant Writing Support, and Planning Directors Committee Support, and providing additional compensation for the performance of the existing and additional Services.

2.3 Second Amendment.

WRCOG and Consultant desire to enter into this Second Amendment for the purposes of providing additional compensation for on-call planning services as it pertains to services for CAPtivate 2.0—Subregional Climate Action Plan update, Resilient IE—Regional Climate Adaptation Toolkit, and Planning Directors Committee Support ("Services"), and extending the term of the Master Agreement.

3. TERMS.

3.1 Additional Compensation.

The maximum compensation for Services performed under this Second Amendment shall not exceed One-Hundred Thousand Dollars (\$100,000) without written approval of WRCOG's Executive Director. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibits "A" and "B", respectively, to the Master Agreement. The Services shall be more particularly described in the individual Task

Order issued by WRCOG or its designee. No Services shall be performed unless authorized by a fully executed Task Order.

The total not-to-exceed-value of the Master Agreement, the First Amendment, and this Second Amendment shall be increased from One-Hundred Thousand Dollars (\$100,000) to Two-Hundred Thousand Dollars (\$200,000).

3.2 Term.

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

3.3 Continuation of Existing Provisions.

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

3.4 Counterparts.

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

[Signatures on the following page]

SIGNATURE PAGE TO
SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA

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

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

NATIONAL COMMUNITY RENAISSANCE
OF CALIFORNIA

By: _____
Alexa Washburn
Vice President of Policy & Planning

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Approval of Fiscal Year 2019/2020 Agency Salary Schedule

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

Date: June 12, 2019

The purpose of this item is to present the Fiscal Year 2019/2020 Agency Salary Schedule to be adopted by the Executive Committee in order to meet compliance with CalPERS' requirements of having a governing body-approved salary schedule.

Requested Action:

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

Per California Code of Regulations (CCR) Section 570.5, a public agency must have its salary schedules approved by its Board, or highest governing body. Attachment 1 outlines the Agency's salary schedule effective July 1, 2019.

Prior Actions:

May 6, 2019: The Executive Committee adopted WRCOG Resolution Number 07-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting the Fiscal Years 2012/2013, 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018, and 2018/2019 publicly available salary schedules effective July 1, 2012, with revisions through April 1, 2019, as required by the California Public Employee's Retirement System.

April 1, 2019: The Executive Committee adopted WRCOG Resolution Number 04-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting the Fiscal Years 2012/2013, 2013/2014; 2014/2015, 2015/2016 and 2016/2017 publicly available salary schedules as required by CalPERS.

Fiscal Impact:

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

Attachment:

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

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Item 4.C

Approval of Fiscal Year 2019/2020
Agency Salary Schedule

Attachment 1

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

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RESOLUTION NUMBER 25-19

**A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
ADOPTING THE FISCAL YEAR 2019/2020 PUBLICLY AVAILABLE SALARY
SCHEDULE, EFFECTIVE JULY 1, 2019, AS REQUIRED BY THE CALIFORNIA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

WHEREAS, Western Riverside Council of Governments (WRCOG) is a participant in the California Public Employees' Retirement System (CalPERS); and

WHEREAS, as defined in the California Code of Regulations Section 570.5, pay schedules must indicate the time base and must be approved and adopted by the Agency's governing body in accordance with requirements of applicable public meetings laws; and

WHEREAS, to ensure compliance with the California Code of Regulations Section 570.5, the salary schedules for Fiscal Year 2019/2020, July 1, 2019, must be approved and adopted by WRCOG's governing body.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Executive Committee of the Western Riverside Council of Governments hereby adopts the Fiscal Year 2019/2020 salary schedule for WRCOG employees, attached hereto as Exhibit "A," and incorporated herein by this reference, with an effective date of July 1, 2019.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on June 21, 2019.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Steven DeBaun
WRCOG Legal Counsel

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

EXHIBIT A
SALARY SCHEDULE FOR FISCAL YEAR 2019/2020

[ATTACHED]



Western Riverside Council of Governments
Staff Salary Structure
As of July 1, 2019

<u>CLASSIFICATION</u>	<u>ANNUAL SALARY RANGE</u>	
	<u>Bottom</u>	<u>Top</u>
Deputy Executive Director*	\$ 109,720	\$ 206,898
Chief Financial Officer*	107,482	202,673
Director*	107,482	202,673
Program Manager*	65,458	123,427
Administrative Services Manager*	65,458	123,427
Senior Analyst / Executive Assistant II**	46,446	87,589
Staff Analyst / Executive Assistant I**	42,162	83,450
Administrative Assistant / Staff Technician I**	31,096	58,635
Intern**	26,000	31,200
Executive Director*	\$	<u>Annual Salary</u> 264,513

*Salaried Position

**Hourly Position

Employees are paid bi-weekly

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: PACE Programs Activities Update: Approval of Amended Program Reports, Debt Management Policy and Authorized Maximum Bonding Amounts

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

Date: June 12, 2019

The purpose of this item is to seek recommendation for the Executive Committee to adopt Resolution Number 26-19 updating the Debt Management Policy, seek recommendation for the Executive Committee to adopt Resolution Number 27-19 to increase the maximum bond authorization amount for PACE Programs, and to seek Executive Committee's approval of the amended California HERO Program Report and the WRCOG Energy Efficiency and Water Conservation Program Report that reflect an increase to the maximum bond indebtedness for bonds issued in connection with each authorized commercial and residential Program Provider.

Requested Actions:

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

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

Maximum Bond Indebtedness

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

Initially, when the Program was put into place in 2011, this amount was identified to be \$900 million. As the Programs grew, the amount was increased to \$3 billion in 2016 and currently reads, "the maximum aggregate dollar amount of contractual assessments available under the Program is \$3 billion. If this amount is

exceeded, WRCOG may, in its sole discretion, pass a resolution to increase the maximum aggregate dollar amount of contractual assessments.”

On January 9, 2017, the Executive Committee approved a Debt Management Policy to meet the California Debt Investment Advisory Commission (CDIAC) statutory requirements. Legal counsel has recommended that WRCOG update the current Debt Management Policy to further outline Debt Issuance Guidelines with respect to PACE Programs. Additionally, new commercial providers, including CleanFund Commercial PACE Capital, Greenworks Lending, and Ygrene Energy Fund, have been added to the Program and are not reflected in the current maximum bond indebtedness policy and maximum bond indebtedness limit.

Legal counsel has also recommended that WRCOG update the Program Reports to increase the maximum amounts identified in the Program Parameter’s section of the Report and clearly outline the bond indebtedness by Programs through resolutions. With the inclusion of PACEfunding, Greenworks, Clean Fund, and California First, WRCOG is approaching the \$3 billion threshold in the Program Reports and needs to increase the amounts.

Staff is bringing forward the amended Program Reports (Attachment 1), Resolution 26-19 (Attachment 2) that updates the Debt Management Policy, and Resolution 27-19 (Attachment 3) which increases the maximum portfolio amount from \$3 billion to \$3.7 billion, breaking down the increased maximum portfolio amount by PACE Providers:

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

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

Prior Action:

January 9, 2017: The Executive Committee approved the Debt Management Policy.

Fiscal Impact:

Raising the maximum bond indebtedness may increase the financial exposure and liability of WRCOG; however, any additional exposure will be offset by properties securing assessments by which the proceeds of the bond are to be paid.

Attachments:

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

Item 5.A

PACE Programs Activities Update:
Approval of Amended Program
Reports, Debt Management Policy
and Authorized Maximum Bonding
Amounts

Attachment 1

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

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PROGRAM REPORT

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

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

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

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

WATER CONSERVATION/EFFICIENCY

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

ENERGY EFFICIENCY

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

RENEWABLE ENERGY

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

CUSTOM PROJECTS

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

PROGRAM PARAMETERS

MINIMUM FINANCING AMOUNT AND DURATION OF ASSESSMENT

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

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

REFINANCING

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

MAXIMUM PORTFOLIO

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

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

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

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

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

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

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

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

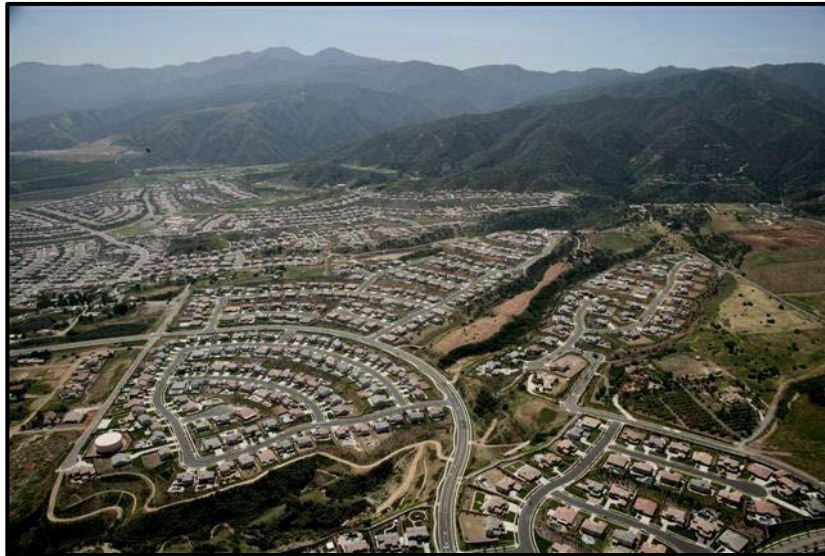
ASSESSMENT INTEREST RATE

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

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

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

ENERGY EFFICIENCY AND WATER CONSERVATION PROGRAM FOR WESTERN RIVERSIDE COUNTY



ADMINISTRATIVE GUIDELINES AND PROGRAM REPORT

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



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VII. PROGRAM PARAMETERS

MINIMUM ENERGY FINANCING AMOUNT AND DURATION OF ASSESSMENT

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

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

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

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



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

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

PRIORITY IN APPLICATION PROCESSING

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

MAXIMUM PORTFOLIO

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

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

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

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



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

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

ASSESSMENT INTEREST RATE

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

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

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

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

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

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

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Item 5.A

PACE Programs Activities Update:
Approval of Amended Program
Reports, Debt Management Policy
and Authorized Maximum Bonding
Amounts

Attachment 2

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

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RESOLUTION 26-19

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

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

WHEREAS, on September 12, 2016, the Governor of the State of California signed into law Senate Bill No. 1029 ("SB 1029"); and

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

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

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

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

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

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

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

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on July 1, 2019.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
Bond Counsel

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

Exhibit "A"
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROPERTY ASSESSED CLEAN ENERGY ("PACE") FINANCINGS
DEBT MANAGEMENT POLICY

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

POLICY STATEMENT

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

Purpose of Policy

The purpose of this debt management policy is to:

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

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

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

Types of Debt

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

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

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

2. Long-Term Debt

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

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

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

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

5. Other debt as statutorily authorized.

Types of Improvements Eligible to be Financed

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

Debt Issuance Guidelines

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

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

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

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

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

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

Method of Sale

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

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

Investment of Proceeds

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

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

Refunding/Restructuring

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

Goals of Debt Management Policy

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

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

Oversight Procedure

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

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

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Item 5.A

PACE Programs Activities Update:
Approval of Amended Program
Reports, Debt Management Policy
and Authorized Maximum Bonding
Amounts

Attachment 3

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

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RESOLUTION NUMBER 27-19

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

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

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

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

WHEREAS, Resolution Nos. 03-12 and 04-12 of the Executive Committee specifically authorized Renovate America to serve as a residential program administrator for the Program (the "HERO Program") and the issuance of bonds for the HERO Program; and

WHEREAS, Resolution No. 04-17 of the Executive Committee authorized Renew Financial to serve as a residential and commercial program administrator for the WRCOG Program (the "CaliforniaFirst Program") and the issuance of bonds for the CaliforniaFirst Program; and

WHEREAS, Resolution No. 43-17 of the Executive Committee authorized PACE Funding Group to serve as a residential program administrator for the WRCOG Program (the "PACEfunding Program") and the issuance of bonds for the PACEfunding Program; and

WHEREAS, Resolution No. 02-18 of the Executive Committee authorized Greenworks to serve as a commercial program administrator for the Programs (the "Greenworks Program") and the issuance of bonds for the Greenworks Program;

WHEREAS, Resolution No. 36-18 of the Executive Committee authorized Ygrene Energy Fund California LLC ("Ygrene") to serve as a residential program administrator for the Programs (the "Ygrene Program") and the issuance of bonds for the Ygrene Program; and

WHEREAS, Resolution No. 46-18 of the Executive Committee authorized Clean Fund to serve as a commercial program administrator for the WRCOG Program (the “Clean Fund Program”); and

WHEREAS, Resolution No. 08-13 was subsequently amended by Resolution Nos. 10-18 which collectively authorized the issuance of one or more series of bonds to finance the Authorized Improvements and provided from a maximum amount of aggregate principal amount of bonds that maybe issued for the HERO Program, the CaliforniaFirst Program, the PACEfunding Program, the Greenworks Program and the Clean Fund Program (collectively the “PACE Programs”); and

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

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

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

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

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

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

The HERO Bonds, CalFirst Bonds, PACEfunding Bonds, Greenworks Bonds, Ygrene Bonds and Clean Fund Bonds are collectively referred to herein as the “Bonds.” Such amounts are aggregate amounts since the inception of the PACE Programs and such authorizations shall apply retroactively since that date.

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

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

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

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

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

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

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

thereof. Market interest rates are affected by economic and other factors beyond the control of the WRCOG.

Section 4. No Obligation of WRCOG, its Regular Members or Associate Members. Pursuant to Streets and Highways Code Section 8769, this Executive Committee does hereby determine that WRCOG will not obligate itself to advance funds from the WRCOG treasury to cure any deficiency in the redemption fund established pursuant to any master indenture entered into in connection with the Bonds. The Executive Committee further declares and determines that no Regular Member or Associate Member shall be obligated to advance funds from the treasury of such Regular Member or Associate Member to cure any such deficiency in such redemption funds.

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

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

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

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on July 1, 2019.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
Bond Counsel

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



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Agency Office Relocation

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

Date: June 12, 2019

The purpose of this item is to provide an update on costs associated with the Agency's office lease and relocating to the 2nd floor.

Requested Action:

1. Discuss and provide input.

Background

WRCOG moved from the County Administrative Center to the Citrus Tower in December 2017. The Agency went from occupying approximately 5,700 square feet to 12,700 square feet, a gain of over 7,000 square feet. During this time, the PACE Programs, one of WRCOG's largest funding sources, has seen a continual drastic decline, and as such, staffing changes were made and it has been determined that the Agency does not need all the space it resides in.

Relocation Update

During the development of the Fiscal Year 2019/2020 Agency Budget, staff reported to the various committees that it had three fiscal-related goals going into Fiscal Year (FY) 2019/2020, one of which included subleasing 2,000 square feet on the 4th floor where WRCOG currently resides. At the May Executive Committee meeting, the Committee authorized the Executive Director, in consultation with the Chair and Legal Counsel, to negotiate and execute a sublease for a portion of WRCOG's office space and potential relocation within the Citrus Tower building. Staff have been in discussions with building ownership regarding the excess office space and ownership has offered WRCOG the ability to lessen its lease burden by relocating to the 2nd floor as they have a prospective tenant wanting to occupy the space WRCOG currently occupies. Since the May Executive Committee meeting, WRCOG has entered into a sublease agreement with David Taussig & Associates (DTA) to sublease 2,000 square feet on the 4th floor and has also agreed to ownership's offer to relocate to the 2nd floor. The 2nd floor office space has approximately 4,000 square feet less than where WRCOG currently resides.

At the May Administration & Finance Committee meeting, an item was presented regarding the potential savings the Agency would experience given various scenarios, such as DTA relocating to the 2nd floor with WRCOG. Staff was directed to return with an analysis as to when the Agency would begin to tap into its reserves to support current year operations if WRCOG stayed on the 4th floor as opposed to relocating to the 2nd floor. If WRCOG stayed on the 4th floor and PACE revenues continue to decline at its current pace while all other revenues remained stable, the Agency would most likely tap into its reserves in FY 2021/2022.

While the Agency anticipates growth in the future, this analysis did not factor new programs as there is still some uncertainty as to when these programs will be launched. One program that WRCOG anticipates launching at some point is the Regional Energy Network (REN), which could provide a solid and stable

revenue source for the Agency. Western Community Energy (WCE) anticipates launching in FY 2020/2021, which would also lessen the burden of WRCOG's administrative expenses. There are also grant opportunities that could become available in the future.

While the 2nd floor is 4,000 square feet less than the 4th floor, staff will work to compress the current open space concept into a more compact workplace while still retaining the same number of conference rooms, offices, and workspaces. There will still be enough space on the 2nd floor to accommodate growth if the REN or WCE launches. The savings in relocating to the 2nd floor represents a 20% reduction in the overall lease cost. While the savings are one area of focus when considering relocating, the larger issue at hand is the PACE revenues that have continually declined year after year. Due to the uncertainty of PACE and no Program funding guaranteed in the near future, staff believes that relocating is the most fiscally prudent thing to do.

HERO & PACE residential revenues have declined nearly 75% since moving into Citrus Tower. 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, Community Choice Aggregation Program development, etc.). At the end of FY 2018/2019, WRCOG anticipates minimal carryover revenues, which will be used to fund the development of a REN and to build PACE reserves. With the addition of commercial PACE providers to the Program during the last year or so, staff anticipates growth in the commercial PACE market in FY 2019/2020, which could potentially bring more revenues to the Agency. Unlike PACE residential, which completes projects on an almost daily basis and provided a somewhat stable revenue source, commercial PACE projects come in sporadically, which means it will not be a stable revenue source for the Agency.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

None.