



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

**Wednesday, July 12, 2017
12:00 p.m.**

**County of Riverside
Administrative Center
4080 Lemon Street
5th Floor, Conference Room C
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) 955-8320. 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 4080 Lemon Street, 3rd Floor, 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 (Debbie Franklin, 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. CONSENT CALENDAR

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

- A. **Summary Minutes from the June 14, 2017, Administration & Finance Committee meeting are available for consideration.** **P. 1**
- Requested Action:** 1. *Approve the Summary Minutes from the June 14, 2017, Administration & Finance Committee meeting.*
- B. **Finance Department Activities Update** **P. 5**
- Requested Action:** 1. *Receive and file.*
- C. **Financial Report summary through May 2017** **P. 7**
- Requested Action:** 1. *Receive and file.*
- D. **Single Signature Authority Report** **P. 13**
- Requested Action:** 1. *Receive and file.*
- E. **4th Quarter draft Budget amendment for Fiscal Year 2016/2017** **P. 19**
- Requested Action:** 1. *Recommend that the Executive Committee approve the 4th Quarter draft Budget amendment for Fiscal Year 2016/2017.*
- F. **Approval of Professional Services and Contractor Agreement with Exigent Systems to provide IT technical support** **P. 45**
- Requested Action:** 1. *Recommend the Executive Committee approve the Professional Services Agreement between the Western Riverside Council of Governments and Exigent Systems, to provide Information Technology (IT) support services for the Agency in an amount not to exceed \$120,000 for Fiscal Year (FY) 2017/2018.*
- G. **On-Call Planning Professional Services** **P. 63**
- Requested Action:** 1. *Receive and file.*

4. REPORTS / DISCUSSION

- A. **Community Choice Aggregation Program Activities Update** **P. 65**
- Requested Actions:** 1. *Recommend the Executive Committee approve the CCA Joint Powers Agreement and Bylaws.*
2. *Recommend the Executive Committee approve the draft agreement between WRCOG and the CCA for staffing services.*
3. *Recommend the Executive Committee direct and authorize the Executive Director to negotiate and enter into an agreement with The Energy Authority and EES Consulting to provide CCA Operational Services.*
4. *Authorize and direct the Executive Director to enter into an agreement, substantially as to form, not to exceed \$100,000 with The Creative Bar for branding and marketing services.*

- Requested Action:** 1. *Support the PACE Ad Hoc Committee's recommendation to request that the Executive Committee direct and authorize the Executive Director to enter into contract negotiations and execution of any necessary documents to include PACE Funding under WRCOG's PACE umbrella.*

5. ITEMS FOR FUTURE AGENDAS **Members**

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

6. GENERAL ANNOUNCEMENTS **Members**

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

7. CLOSED SESSION

Conference with Labor Negotiators pursuant to Section 54957.6:

Agency designated Representative: Executive Director
Unrepresented Employees: All Agency Employees

- 8. NEXT MEETING:** **The next Administration & Finance Committee meeting is dark in August. The next meeting is scheduled for Wednesday, September 13, 2017, at 12:00 p.m., in the County of Riverside Administrative Center, 5th Floor, Conference Room C.**

9. ADJOURNMENT

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1. CALL TO ORDER

The meeting of the Administration & Finance Committee (Committee) was called to order at 12:05 p.m. by Chairman Ben Benoit, at the County of Riverside Administrative Center, 5th Floor, Conference Room C.

Members present:

Debbie Franklin, City of Banning
Eugene Montanez, City of Corona
Laura Roughton, City of Jurupa Valley
Brian Tisdale, City of Lake Elsinore
Kelly Seyarto, City of Murrieta
Ben Benoit, City of Wildomar (Chair)
Mike Naggar, City of Temecula
Chuck Washington, County of Riverside District 3
Marion Ashley, County of Riverside District 5

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, Executive Director
Ernie Reyna, Chief Financial Officer
Barbara Spoonhour, Director of Energy and Environmental Programs
Jennifer Ward, Director of Government Relations
Christopher Gray, Director of Transportation
Chris Tzeng, Program Manager
Michael Wasgatt, Program Manager
Daniel Ramirez-Cornejo, Staff Analyst
Andrea Howard, Staff Analyst
Janis Leonard, Executive Assistant

Guests present:

Warren Diven, Best Best & Krieger
Clint Lorimore, Building Industry Association
Sarah Rodriguez, County of Riverside District 3
Jennifer Dorgan, Gresham Savage

2. PUBLIC COMMENTS

There were no public comments.

3. CONSENT CALENDAR – (Ashley/Seyarto) 10 yes; 0 no; 0 abstention. Items 3.A through 3.C were approved by a unanimous vote of those members present. The City of Temecula was not present.

- A. Summary Minutes from the May 10, 2017, Administration & Finance Committee meeting are available for consideration.**

Action: 1. Approved the Summary Minutes of the May 10, 2017, Administration & Finance Committee meeting.

B. Finance Department Activities Update

Action: 1. *Received report.*

C. Financial Report Summary through April 2017

Action: 1. *Received report.*

4. REPORTS/DISCUSSION

A. Transportation Uniform Mitigation Fee (TUMF) Program Nexus Study Update

Chairman Benoit recused himself from this discussion due to a conflict of interest.

Christopher Gray reported that while there are many ways to implement or phase-in a fee increase, the Public Works Committee recommended an approximate 50% phase-in of the retail fee increase beginning July 1, 2018.

If the Nexus Study is approved, the City of Beaumont rejoins the Program, which generates additional revenue.

Member jurisdictions, as well as stakeholders from the retail and development communities, have asked for a phase-in, freezing, or reduction of fees. As part of the comprehensive fee study with regard to development, a 17% increase in retail is a significant increase in development costs.

All implementation options have a fiscal impact of 5% or less on the Program. Freezing the fees would be the most impactful.

The TUMF Nexus Study Ad Hoc Committee recommends a freeze to the retail fee for two years, followed by a two-year phase-in plus a two-year phase-in for the single-family land use fee. And again, the Public Works Committee recommended a 50% phase-in of the single-family residential and retail land uses beginning July 1, 2018.

A fee calculation specific to senior housing was adopted by the Executive Committee earlier this month. Staff is reviewing alternative means to calculate shopping center development given the various land uses. Distribution / fulfillment center calculations are being reviewed. A regional commuting study to identify where Riverside County residents are traveling to work. The Riverside County Transportation Commission (RCTC) recently kicked off a study to identify a fee on logistic centers. WRCOG received a grant from the Southern California Association of Governments to research how to implement SB 743. Staff is working with the County and RCTC to update the RIVTAM model. The Regional Active Transportation Plan is nearly complete and may be incorporated into future Nexus studies.

Clint Lorimore, Building Industry Association, spoke on concerns with right of way fees.

Actions:

1. *Recommended that the Executive Committee approve the 2016 TUMF Nexus Study.*
2. *Recommended a three-year phase-in for single-family residential; a fee reduction to \$7.50 / sq. ft. for retail; and directed staff to determine a blended rate for service. The multi-family residential and industrial fees will remain as presented.*

(Tisdale/Ashley) 10 yes; 0 no; 0 abstention. Item 4.A was approved by a unanimous vote of those members present. The City of Temecula was not present.

B. Community Choice Aggregation Program Activities Update

Barbara Spoonhour reported that staff has recently developed a draft JPA and Bylaws, and is working on a Scope of Work for WRCOG services to the Community Choice Aggregation (CCA). A marketing firm has been selected to develop the CCA name, logo, branding, and marketing strategy. An interview panel was convened and is scheduling a second round of interviews of consulting firms to assist with implementation of the CCA. Staff are meeting with member jurisdictions to provide updates on the Program. Ordinances are being developed and will need to be adopted by member jurisdictions. Staff is also recruiting for a CCA Director.

A governing board is anticipated to be established in October, an implementation plan is expected to be filed with the California Public Utilities Commission in October, and the Program is scheduled to launch in July 2018.

Action: 1. *Requested that member jurisdictions forward the draft CCA Joint Powers Agreement and Bylaws to its respective City Attorneys for review and comment.*

(Tisdale/Seyarto) 9 yes; 0 no; 1 abstention. Item 4.B was approved by a unanimous vote of those members present. The City of Banning abstained. The City of Temecula was not present.

C. 26th Annual General Assembly & Leadership Address Update

Jennifer Ward reported that the speaker, Dr. Robert Gates, will be bringing his Chief of Staff to the event. The VIP reception will provide the opportunity for pictures with the Dr. Gates. Dr. Gates will participate in 60 minutes of moderated Q&A. The Executive Committee will meet the following morning at 10:00 a.m.

Action: 1. *Received report.*

D. Anticipated Fiscal Year 2016/2017 carryover funds

Jennifer Ward reported that this matter will be discussed in detail at the June 23, 2017, Executive Committee meeting. Discussion will include potential allocations.

Action: 1. *Received report.*

5. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

6. GENERAL ANNOUNCEMENTS

There were no general announcements.

7. NEXT MEETING: The next Administration & Finance Committee meeting is scheduled for Wednesday, July 12, 2017, at 12:00 p.m., in the Riverside County Administrative Center, 5th Floor, Conference Room C.

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

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Finance Department Activities Update

Contact: Ernie Reyna, Chief Financial Officer, reyna@wrcog.coq.ca.us, (951) 955-8432

Date: July 12, 2017

The purpose of this item is to provide an update on the financial audit of Fiscal Year (FY) 2016/2017, the fourth quarter FY 2016/2017 Budget amendment, and the upcoming annual TUMF review for FY 2016/2017.

Requested Action:

1. Receive and file.

Financial audit

FY 2016/2017 is quickly coming to an end and the newly engaged auditors from Rogers, Anderson, Malody, & Scott (RAMS) were in the WRCOG offices the week of June 5, 2017, conducting the interim portion of the financial audit. The interim audit includes testing of payroll, accounts payable invoices, and personnel files. The auditors are anticipated to return for final fieldwork the week of August 28, 2017, and conclude their audit in the months of September and October 2017. The final Comprehensive Annual Financial Report (CAFR) will be issued no later than November 15, 2017, and presented at the December 2017 Administration & Finance Committee meeting, with the Executive Committee receiving the report at its January 8, 2018, meeting.

Budget amendment

June 30, 2017, marked the end of the fourth quarter and FY 2016/2017, and the Administration & Finance Committee will be presented with an amendment report at its July 12, 2017, meeting. It is also anticipated that the Executive Committee will consider the report at its August 7, 2017, meeting.

Annual TUMF review

Beginning the week of July 10, 2017, WRCOG staff will begin contacting jurisdictional staff to schedule the annual TUMF review for FY 2016/2017. It is anticipated the reviews will be conducted August through October, with the final reports issued to the respective jurisdictions by December 2017.

Prior Action:

June 5, 2017: The Executive Committee received report.

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Financial Report summary through May 2017

Contact: Ernie Reyna, Chief Financial Officer, reyna@wrcog.cog.ca.us, (951) 955-8432

Date: July 12, 2017

The purpose of this item is to provide a monthly summary of WRCOG's financial statements in the form of combined Agency revenues and costs.

Requested Action:

1. Receive and file.

Attached for Committee review is the Financial Report summary through May 2017.

Prior Action:

June 15, 2017: The Technical Advisory Committee received report.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – May 2017.

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Item 3.C

Financial Report summary through
May 2017

Attachment 1

Financial Report summary –
May 2017

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Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending May 31, 2017

		Approved 6/30/2017 Budget	Thru 5/31/2017 Actual	Remaining 6/30/2017 Budget
Revenues				
40001	Member Dues	309,410	306,410	3,000
40008	Gov Relation-Revenue	2,200,000	-	2,200,000
42001	Other Revenue	-	4,431	(4,431)
42004	General Assembly	300,000	162,600	137,400
40601	WRCOG HERO	1,963,735	1,125,240	838,495
40602	SCE Phase II	57,000		57,000
40603	CA HERO	7,615,461	5,757,956	1,857,505
40605	The Gas Company Partnership	62,000	58,654	3,346
40606	SCE WRELP	4,692	77,698	(73,006)
40607	WRCOG HERO Commercial	27,500	64,278	(36,778)
40609	SCE Phase III	10,643	10,634	9
40611	WRCOG HERO Recording Revenue	335,555	243,480	92,075
40612	CA HERO Recording Revenue	1,301,300	1,140,750	160,550
40614	Active Transportation	200,000	50,254	149,746
41201	Solid Waste	107,915	98,163	9,752
41401	Used Oil Opportunity Grants	290,227	264,320	25,907
41402	Air Quality-Clean Cities	228,000	150,500	77,500
40616	CCA Revenue	247,950	102,095	145,855
40617	Energy Admin Revenue	31,678	30,000	1,678
41701	LTF	701,300	701,250	50
43001	Commercial/Service - Admin (4%)	37,074	71,567	(34,492)
43002	Retail - Admin (4%)	142,224	125,198	17,026
43003	Industrial - Admin 4%)	128,446	176,718	(48,272)
43004	Residential/Multi/Single - Admin (4%)	1,067,271	788,315	278,956
43005	Multi-Family - Admin (4%)	224,983	92,786	132,197
43001	Commercial/Service	889,786	1,717,879	(828,093)
43002	Retail	3,413,375	3,004,745	408,629
43003	Industrial	3,082,710	4,227,220	(1,144,511)
43004	Residential/Multi/Single	25,614,514	18,920,187	6,694,328
43005	Multi-Family	5,399,595	2,226,866	3,172,729
	Total Revenues	61,037,038	41,700,233	19,336,805
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	2,379,171	1,990,309	388,862
61000	Fringe Benefits	578,219	1,168,930	(590,711)
	Total Wages and Benefits	2,957,390	3,159,239	(201,849)
General Operations				
63000	Overhead Allocation	1,520,636	1,391,625	129,011
65101	General Legal Services	566,612	632,763	(66,151)
65401	Audit Fees	25,000	23,879	1,121
65505	Bank Fees	25,500	162,642	(137,142)
65507	Commissioners Per Diem	46,950	50,700	(3,750)
65530	Interest Expense	-	110,526	(110,526)
73001	Office Lease	145,000	125,139	19,861
73003	WRCOG Auto Fuels Expense	678	463	215
73004	WRCOG Auto Maint Expense	33	59	(26)
73101	Special Mail Svcs	1,500	1,028	472
73102	Parking Validations	4,380	3,895	485
73104	Staff Recognition	1,200	681	519
73107	Event Support	187,278	115,949	71,329
73108	General Supplies	22,128	14,982	7,146
73109	Computer Supplies	8,937	5,979	2,958
73110	Computer Software	13,818	24,446	(10,628)
73111	Rent/Lease Equipment	25,000	29,051	(4,051)
73113	Membership Dues	25,946	29,594	(3,648)
73114	Subscriptions/Publications	8,789	16,754	(7,965)
73115	Meeting Support/Services	16,646	8,693	7,953
73116	Postage	5,759	3,946	1,813
73117	Other Household Expenditures	5,205	5,083	122
73118	COG Partnership Agreement	40,000	18,512	21,488
73119	Storage	16,000	6,613	9,387
73120	Printing Services	20,786	234	20,552
73122	Computer Hardware	4,000	337	3,663
73126	EV Charging Equipment	49,605	49,605	0
73201	Communications-Regular	2,000	1,902	98

Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending May 31, 2017

		Approved 6/30/2017 Budget	Thru 5/31/2017 Actual	Remaining 6/30/2017 Budget
73203	Communications-Long Distance	1,200	208	992
73204	Communications-Cellular	12,462	11,183	1,279
73206	Communications-Comp Sv	42,558	55,325	(12,767)
73209	Communications-Web Site	15,600	1,450	14,150
73301	Equipment Maintenance - General	8,407	12,023	(3,616)
73302	Equipment Maintenance - Computers	14,264	27,483	(13,219)
73405	Insurance - General/Business Liason	73,740	75,125	(1,385)
73407	WRCOG Auto Insurance	1,570	1,498	72
73502	County RCIT	2,500	800	1,700
73506	CA HERO Recording Fee	1,636,855	1,086,150	550,705
73601	Seminars/Conferences	23,405	14,874	8,532
73605	General Assembly	300,000	79,702	220,298
73611	Travel - Mileage Reimbursement	23,174	16,271	6,903
73612	Travel - Ground Transportation	9,212	3,991	5,221
73613	Travel - Airfare	23,369	14,441	8,928
73620	Lodging	19,016	11,193	7,823
73630	Meals	12,107	8,155	3,952
73640	Other Incidentals	17,368	11,222	6,146
73650	Training	12,200	919	11,281
73703	Supplies/Materials	34,851	4,474	30,377
73704	Newspaper Ads	21,863	12,200	9,663
73706	Radio & TV Ads	53,833	61,283	(7,450)
73801	Staff Education Reimbursement	25,000	2,500	22,500
XXXXX	TUMF Projects	38,399,980	47,803,491	(9,403,511)
85101	Consulting Labor	3,519,374	2,794,654	724,720
85102	Consulting Expenses	238,733	6,899	231,834
85180	BEYOND Expenditures	1,618,186	389,922	1,228,264
90101	Computer Equipment/Software	40,790	32,208	8,582
90501	Office Improvements	27,654	3,276	24,378
97005	Benefits Transfer Out	-	(534,361)	534,361
97001	Operating Transfer Out	(1,518,136)	(1,434,832)	(83,304)
Total General Operations		52,937,417	53,408,805	(471,388)
Total Expenditures		55,894,807	56,568,044	(673,237)





Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Single Signature Authority Report

Contact: Ernie Reyna, Chief Financial Officer, reyna@wrcog.coq.ca.us, (951) 955-8432

Date: July 12, 2017

The purpose of this item is to notify the Committee of any recent contracts signed under the single signature authority of the Executive Director.

Requested Action:

1. Receive and file.

The Executive Director has single-signature authority for contracts up to \$50,000. For the period of April 1, 2017, through June 30, 2017, one contract was signed by the Executive Director.

On April 24, 2017, a contract in the amount of \$26,102 was signed into agreement with Inland Empire Biking Alliance. This agreement is to provide for bicycle repair classes and services at two new sites in Western Riverside County. The contract itself is under the Active Transportation Program.

Prior Actions:

May 1, 2017: The Executive Committee received report for the period January 1, 2017, through March 31, 2017.

April 20, 2017: The Technical Advisory Committee received report for the period January 1, 2017, through March 31, 2017.

Fiscal Impact:

The amount of \$26,102 is covered by a grant through the Active Transportation Program under the Transportation Department.

Attachment

1. WRCOG Contracts Activity report.

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Item 3.D

Single Signature Authority Report

Attachment 1

WRCOG Contracts Activity report

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Western Riverside Council of Governments
 Contracts Activity Report
 For the Period April 1, 2017, through June 30, 2017

Level Of Authority	Date	Consultant	Description of Services	Amount
Executive Director				
	4/24/2017	Inland Empire Biking Alliance	Provide bicycle repair classes and services at two new sites in Western Riverside County.	\$26,102
Administration & Finance				
None				
Other				
None				
Total Amount for Single Signature				\$ 26,102



Prepared and Approved by

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: 4th Quarter draft Budget amendment for Fiscal Year 2016/2017

Contact: Ernie Reyna, Chief Financial Officer, reyna@wrcog.coq.ca.us, (951) 955-8432

Date: July 12, 2017

The purpose of this item is to request approval of WRCOG's 4th Quarter Budget amendments for Fiscal Year 2016/2017, as identified in the attachment to this staff report. The summary will include increases and/or decreases to both revenues and expenditures, by department. A summary of proposed amendments by Department is provided.

Requested Action:

1. Recommend that the Executive Committee approve the 4th Quarter draft Budget amendment for Fiscal Year 2016/2017.
-

General Fund: The General Fund will be adding a very minimal amount of revenue of \$8,116, while increasing expenditures by \$76,908. The majority of the increase is due to WRCOG switching from in-house IT services to an IT consultant. Other expenditure items being increased include legal (\$26,974), computer server (\$18,839), and computer equipment (\$15,257). The salaries and benefit line-item was able to be decreased by \$85,896 to help offset expenditures. In total, expenditures in the General Fund are increasing by \$76,908. The General Fund will offset this increase by charging additional amounts in overhead to both the Transportation and Energy Departments.

Revenue increase to the General Fund:	\$8,116
Expenditure increase to the General Fund:	\$76,908

Transportation Department: The Transportation Department will be reducing some revenue line items mostly from the Clean Cities Program. The reduction in revenue amounts to \$90,500. On the expenditure side, Transportation will be increasing its legal line item by \$110,597. This will be partially offset by a reduction to several line items, including consulting labor of \$25,236. In total, expenditures in the Transportation Department will increase by \$83,998. The decrease in revenue will be recovered by the Clean Cities Program over time as the grant year does not coincide with WRCOG's Fiscal Year. The increase in expenditures will be recovered through TUMF revenues in future months.

Revenue decrease to Transportation Department:	(\$90,500)
Expenditure increase to Transportation Department:	\$83,998

Energy Department: The Energy Department will be decreasing revenue in both the WRCOG and CA PACE Programs. The reduction in revenues can be attributed to projected amounts for both PACE Programs that did not hit their marks. For the WRCOG PACE Program, revenue will be decreased by \$796,165, and the CA PACE Program will be reducing revenues by \$1,899,952. In total, the Energy Department will be reducing revenues by \$2,827,427. For expenditures, the Energy Department will be increasing legal by \$57,440. In total, expenditures will be increasing by \$74,534. The reduction in revenues for the PACE Programs may or

may not be made up in the coming months, but the increase in expenditures will be taken from carryover revenues in Fiscal Year 2016/2017.

Revenue decrease to Energy Department:	(\$2,827,427)
Expenditure increase to Energy Department:	\$74,534

Environment Department: The Environment Department will be reducing revenues in the Used Oil Program \$10,252. The reduction is due to the timing in which the grants monies are to be received. The expenditures will increase in total by \$18,700, mostly due to an increase in Radio / TV ads of \$21,800 and Event Support of \$16,478. These amounts are offset by various line items, including Supplies / Materials and Consulting Expenses. The revenue of \$10,252 will be recovered in future months, and the increase in expenditures will be offset by future grant monies and additional support from the Energy Department.

Revenue decrease to the Environment Department:	(\$10,252)
Expenditure increase to the Environment Department:	\$18,700

With this amendment concluding Fiscal Year 2016/2017, the budget will remain balanced with revenues equaling or exceeded expenditures.

Prior Actions:

<u>May 1, 2017:</u>	The Executive Committee approved the 3rd Quarter draft Budget amendment for Fiscal Year 2016/2017.
<u>April 20, 2017:</u>	The Technical Advisory Committee recommended that the Executive Committee approve the 3rd Quarter draft Budget amendment for Fiscal Year 2016/2017.

Fiscal Impact:

General Fund: An increase in revenue of \$8,116 and an increase of expenditures of \$76,908.

Transportation: A decrease in revenue of \$90,500 and an increase of expenditures of \$83,998.

Energy: A decrease of revenue of \$2,827,427 and an increase of expenditures of \$74,534.

Environment: A decrease in revenue of \$10,252 and an increase of expenditures of \$18,700

In total, WRCOG will have a decrease of total Agency revenues of \$2,920,063 and expenditures increase of \$254,140.

Attachment:

1. Annual Budget for the year ending June 30, 2017, with 4th Quarter amendments.

Item 3.E

4th Quarter draft Budget amendment
for Fiscal Year 2016/2017

Attachment 1

Annual Budget for the year ending
June 30, 2017, with 4th Quarter
amendments

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Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Total General Fund			
	Approved 6/30/2017 Budget	Thru 3/31/2017 Actual	Amendment Needed 3/31/2017
Revenues			
42001 Other Miscellenous Revenue	-	8,116	8,116
Total Revenues	-	8,116	8,116
Expenditures			
Wages and Benefits			
60001 Salaries & Wages	1,194,921	941,822	(85,896)
Total Wages and Benefits	1,194,921	941,822	(85,896)
General Operations			
65101 General Legal Services	72,552	99,526	26,974
65507 Commissioners Per Diem	45,000	56,850	11,850
73004 WRCOG Auto Maintenance Expense	33	59	26
73102 Parking Validations	245	350	105
73107 Event Support	61,893	52,468	(9,414)
73108 General Supplies	196	566	370
73109 Computer Supplies	1,437	2,374	937
73110 Office Expense - Computer Software	10,525	24,033	13,508
73111 Office Expense - Rent/Lease Equip	25,000	32,174	7,174
73113 Membership Dues	17,911	26,349	8,438
73114 Subscriptions/Publications	4,864	16,864	12,000
73115 Meeting Support/Services	2,562	3,318	756
73201 Communications - Regular	2,000	4,636	2,636
73204 Communications - Cellular	241	495	254
73206 Communications - Computer Server	42,558	61,397	18,839
73301 Equipment Maintenance - General	7,907	9,736	1,829
73302 Equipment Maintenance - Computers	14,264	29,521	15,257
73405 Insurance - Gen/Business	72,585	73,985	1,400
73120 Printing Services	5,000	234	(4,766)
85101 Consulting Labor	46,112	100,743	54,631
Total General Operations	432,885	595,677	162,803
Total Net Revenue Increase/(Decrease)			\$ 8,116
Total Net Expenditure Increase/(Decrease)			\$ 76,908

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Administration			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues			
42001 Other Miscellaneous Revenue	-	8,116	8,116
Total Revenues	-	8,116	8,116
Expenditures			
Wages and Benefits			
60001 Salaries & Wages	631,223	552,677	(78,546)
Total Wages and Benefits	631,223	552,677	(78,546)
General Operations			
65101 General Legal Services	70,169	96,131	25,962
65507 Commissioners Per Diem	45,000	56,850	11,850
73004 WRCOG Auto Maintenance Expense	33	59	26
73107 Event Support	60,000	46,988	(13,000)
73110 Office Expense - Computer Software	10,525	24,033	13,508
73111 Office Expense - Rent/Lease Equip	25,000	32,174	7,174
73113 Membership Dues	15,511	23,064	7,553
73114 Subscriptions/Publications	4,864	16,664	11,800
73115 Meeting Support/Services	2,562	3,318	756
73201 Communications - Regular	2,000	4,636	2,636
73206 Communications - Computer Server	42,558	61,397	18,839
73301 Equipment Maintenance - General	7,907	9,736	1,829
73302 Equipment Maintenance - Computers	14,264	29,521	15,257
73405 Insurance - Gen/Business	72,585	73,985	1,400
73120 Printing Services	5,000	234	(4,766)
85101 Consulting Labor	46,112	100,743	54,631
Total General Operations	424,090	579,532	155,454
Total Net Revenue Increase/(Decrease)			\$ 8,116
Total Net Expenditure Increase/(Decrease)			\$ 76,908

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Government Relations (70)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	563,698	389,145	(7,350)
	Total Wages and Benefits	563,698	389,145	(7,350)
General Operations				
65101	General Legal Services	2,383	3,396	1,013
73102	Parking Validations	245	350	105
73107	Event Support	1,893	5,479	3,586
73108	General Supplies	196	566	370
73109	Computer Supplies	1,437	2,374	937
73113	Membership Dues	2,400	3,285	885
73114	Subscriptions/Publications		200	200
73204	Communications - Cellular	241	495	254
	Total General Operations	8,795	16,145	7,350
Total Net Revenue Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Transportation (Summary)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41402	Clean Cities	228,000	150,500	(77,500)
42005	Sponsorship	10,000	-	(10,000)
42006	Event Registration	3,000	-	(3,000)
	Total Revenues	241,000	150,500	(90,500)
Expenditures				
65101	General Legal Services	269,007	379,604	110,597
73102	Parking Validations	1,500	1,555	55
73114	Subscriptions/Publications	3,500	-	(3,000)
73117	Other Household Expenditures	213	277	64
73120	Printing Services	7,500	-	(7,000)
73203	Communications-Long Distance	1,633	2,254	621
73301	Equipment Maintenance - General	-	3,120	3,120
73601	Seminars/Conferences	1,673	2,758	1,085
73611	Travel - Mileage Reimbursement	1,471	2,943	1,472
73612	Travel - Ground Transportation	177	325	148
73613	Travel - Airfare	1,164	-	(325)
73620	Lodging	1,066	1,743	677
73630	Meals	3,482	4,511	1,029
73640	Other Incidentals	1,919	2,610	691
85101	Consulting Labor	779,602	672,944	(25,236)
	Total General Operations	1,073,907	1,074,644	83,998
Total Net Revenue Increase/(Decrease)				\$ (90,500)
Total Net Expenditure Increase/(Decrease)				\$ 83,998

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Transportation (TUMF - 1148)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures				
65101	General Legal Services	267,102	369,478	102,376
73102	Parking Validations	1,500	1,555	55
73114	Subscriptions/Publications	3,500		(3,000)
73117	Other Household Expenditures	213	277	64
73120	Printing Services	7,500		(7,000)
73203	Communications-Long Distance	1,633	2,254	621
73301	Equipment Maintenance - General		3,120	3,120
73601	Seminars/Conferences	1,123	1,883	760
73611	Travel - Mileage Reimbursement	1,471	2,943	1,472
73612	Travel - Ground Transportation	177	325	148
73620	Lodging	1,066	1,743	677
73630	Meals	3,482	4,511	1,029
73640	Other Incidentals	1,919	2,610	691
85101	Consulting Labor	621,507	496,300	(101,013)
	Total General Operations	912,193	886,999	0

Total Net Expenditure Increase/(Decrease) \$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Clean Cities - 1010)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41402	Clean Cities	228,000	150,500	(77,500)
42005	Sponsorship	10,000	-	(10,000)
42006	Event Registration	3,000	-	(3,000)
Total Revenues		241,000	150,500	(90,500)
Expenditures				
73601	Seminars/Conferences	550	875	325
73613	Travel - Airfare	1,164		(325)
Total General Operations		1,714	875	-
Total Net Revenue Increase/(Decrease)				\$ (90,500)
Total Net Expenditure Increase/(Decrease)				\$ -

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Clean Cities - 1010)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
General Operations			
65101 General Legal Services		7,744	7,744
85101 Consulting Labor		76,253	76,253
Total General Operations	-	83,998	83,998
Total Net Expenditure Increase/(Decrease)			\$ 83,998

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Clean Cities - 1010)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
65101 General Legal Services	1,905	2,381	476
85101 Consulting Labor	158,095	100,391	(476)
Total General Operations	160,000	102,772	0
 Total Net Expenditure Increase/(Decrease)			\$ 0

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (Summary)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues			
40601 WRCOG PACE Revenue	1,963,735	1,221,983	(741,752)
40602 SCE WRELP PH2	57,000	-	(57,000)
40603 CA PACE Revenue	7,615,461	5,840,266	(1,775,195)
40606 SCE WRELP	4,692	77,698	73,006
40607 WRCOG/CA PACE Commercial	27,500	64,278	36,778
40611 WRCOG PACE Recording	335,555	264,212	(71,343)
40612 SAMAS Recording	1,301,300	1,157,684	(143,616)
40613 Renovate Recording	1,200	-	(1,200)
40616 Community Choice Aggregation	247,950	102,095	(145,855)
40617 Energy Admin	31,678	30,000	(1,678)
42000 PACE Other Miscellaneous	-	428	428
Total Revenues	11,586,071	8,758,644	(2,827,427)
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	47,234	90,316	2,301
Total Wages and Benefits	47,234	90,316	2,301
General Operations			
65101 General Legal Services	145,530	202,970	57,440
65505 Bank Fees	2,500	10,080	7,580
73102 Parking Validations	1,370	1,455	85
73107 Event Support	16,443	5,635	(209)
73108 General Supplies	3,156	3,524	368
73109 Computer Supplies	2,000	2,234	234
73110 Computer Software	1,000	-	(1,000)
73113 Membership Dues	2,400	250	(2,150)
73114 Subscriptions/Publications	425	1,205	780
73115 Meeting Support/Services	648	1,085	437
73116 Postage	2,800	2,998	198
73117 Other Household Expenditures	1,858	2,403	545
73125 EV Charging Equipment	49,605	60,490	10,885
73201 Communications-Regular	-	1,135	1,135
73204 Communications-Cellular	2,000	2,110	110
73209 Communications-Web Site	2,000	-	(2,000)
73601 Seminars/Conferences	370	2,160	1,790
73611 Travel - Mileage Reimbursement	1,615	3,619	2,004
73612 Travel - Ground Transportation	1,680	2,112	432
73613 Travel - Airfare	7,833	10,095	2,262
73620 Lodging	-	846	846
73640 Other Incidentals	2,224	4,516	2,292
85101 Consulting Labor	365,867	363,349	(1,910)
85102 Consulting Expenses	213,733	-	(10,037)
90101 Computer Equipment Purchases	3,000	3,116	116
Total General Operations	830,057	687,386	72,233
Total Net Revenue Increase/(Decrease)			\$ (2,827,427)
Total Net Expenditure Increase/(Decrease)			\$ 74,534

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (WRCOG HERO - 2006)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues			
40601 WRCOG HERO Revenue	1,963,735	1,221,847	(741,888)
40607 WRCOG HERO Commercial	25,000	43,061	18,061
40611 WRCOG HERO Recording	335,555	264,132	(71,423)
40612 SAMAS Recording	-	285	285
40613 Renovate Recording	1,200	-	(1,200)
Total Revenues	2,325,490	1,529,325	(796,165)
Expenditures			
65101 General Legal Services	77,005	117,709	40,704
73102 Parking Validations	800	815	15
73110 Computer Software	1,000		(1,000)
73113 Membership Dues	2,400		(2,400)
73114 Subscriptions/Publications	-	258	258
73115 Meeting Support/Services	-	14	14
73204 Communications-Cellular	2,000	2,110	110
73209 Communications-Web Site	2,000		(2,000)
73612 Travel - Ground Transportation	1,378	1,706	328
73613 Travel - Airfare	5,000	6,794	1,794
73640 Other Incidentals	2,224	4,516	2,292
90101 Computer Equipment Purchases	3,000	3,116	116
Total General Operations	93,807	133,921	40,231
Total Net Revenue Increase/(Decrease)			\$ (796,165)
Total Net Expenditure Increase/(Decrease)			\$ 40,231

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (SCE - 2010)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40602	SCE WRELP PH2	57,000	-	(57,000)
40606	SCE WRELP	4,692	77,698	73,006
Total Revenues		61,692	77,698	16,006
Expenditures				
65101	General Legal Services	6,080	6,289	209
73107	Event Support	16,443	5,635	(209)
Total General Operations		22,523	11,923	(0)
Total Net Revenue Increase/(Decrease)				\$ 16,006
Total Net Expenditures Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (Regional Street Lights - 2026)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	33,316	45,711	12,395
Total Wages and Benefits	33,316	45,711	12,395
General Operations			
65101 General Legal Services	27,445	39,131	11,686
73113 Membership Dues		250	250
73115 Meeting Support/Services	545	944	399
73611 Travel - Mileage Reimbursement	1,215	2,352	1,137
85101 Consulting Labor	216,275	222,221	5,946
Total General Operations	29,205	42,677	19,419
Total Net Expenditure Increase/(Decrease)			\$ 31,814

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (Community Choice Aggregation - 2040)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues			
40616 Community Choice Aggregation	247,950	102,095	(145,855)
Total Revenues	247,950	102,095	(145,855)
Expenditures			
General Operations			
65101 General Legal Services	35,000	38,500	3,500
73115 Meeting Support/Services	103	127	24
73117 Other Household Expenditures		257	257
73601 Seminars/Conferences	370	2,160	1,790
73611 Travel - Mileage Reimbursement	400	1,267	867
73612 Travel - Ground Transportation	302	405	103
73613 Travel - Airfare	2,833	3,301	468
73620 Lodging		846	846
85101 Consulting Labor	149,592	141,128	(7,856)
Total General Operations	35,103	46,864	0
Total Net Revenue Increase/(Decrease)			\$ (145,855)
Total Net Expenditure Increase/(Decrease)			\$ -

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Base (Energy Dept - 2100)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40617	Energy Admin	31,678	30,000	(1,678)
	Total Revenues	31,678	30,000	(1,678)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	17,989	1,808	(11,150)
	Total Wages and Benefits	17,989	1,808	(11,150)
General Operations				
73114	Subscriptions/Publications	425	690	265
73125	EV Charging Equipment	49,605	60,490	10,885
	Total General Operations	50,030	61,180	11,150
Total Net Revenue Increase/(Decrease)				\$ (1,678)
Total Net Expenditure Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Spruce (2102)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	1,252	1,630	378
Total Wages and Benefits			378
General Operations			
65101 General Legal Services		1,341	1,341
73116 Postage		26	26
Total General Operations	-	1,367	1,367
Total Net Expenditure Increase/(Decrease)			\$ 1,745

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: CA First (2103)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40601	CA First Residential	-	137	137
40611	CA First Residential Recording	-	80	80
	Total Revenues	-	217	217
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	609	1,286	677
	Total Wages and Benefits			677
General Operations				
73116	Postage		68	68
	Total General Operations	-	68	68
Total Net Revenue Increase/(Decrease)				\$ 217
Total Net Expenditure Increase/(Decrease)				\$ 894

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (California HERO - 5000)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40603	CA PACE Revenue	7,615,461	5,840,266	(1,775,195)
40607	CA PACE Commercial Revenue	2,500	21,217	18,717
40612	CA PACE Recording Fee	1,301,300	1,157,399	(143,901)
42001	PACE Other Miscellaneous	-	428	428
Total Revenues		8,919,261	7,019,309	(1,899,952)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	191,547	222,955	31,408
Total Wages and Benefits		191,547	222,955	31,408
General Operations				
65505	Bank Fees	2,500	10,080	7,580
73102	Parking Validations	570	640	70
73108	General Supplies	3,156	3,524	368
73109	Computer Supplies	2,000	2,234	234
73114	Subscriptions/Publications		258	258
73116	Postage	2,800	2,904	104
73117	Other Household Expenditures	1,858	2,146	288
73201	Communications-Regular		1,135	1,135
85102	Consulting Expenses	213,733		(10,037)
Total General Operations		226,617	22,921	(0)
Total Net Revenue Increase/(Decrease)				\$ (1,899,952)
Total Net Expenditure Increase/(Decrease)				\$ 31,408

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Summary)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41201	Solid Waste	93,415	93,163	(252)
41201	DOC - Litter	14,500	5,000	(9,500)
41401	Riverside Used Oil	25,000	24,500	(500)
Total Revenues		132,915	122,663	(10,252)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	41,172	54,342	13,170
60010	Temp Wages & Salaries	3,380	-	(3,380)
Total Wages and Benefits		44,552	54,342	9,790
General Operations				
73102	Parking Validations	115	220	105
73107	Event Support	34,602	47,660	16,478
73110	Computer Software	113	138	25
73113	Membership Dues	1,500	-	(1,500)
73114	Subscriptions/Publications	3,000	-	(3,000)
73119	Storage	16,000	6,671	(3,339)
73120	Printing Services	2,012	-	(2,012)
73204	Communications-Cellular	-	313	313
73405	Insurance - General/Business Liason	175	360	185
73611	Travel - Mileage Reimbursement	764	1,145	381
73703	Supplies/Materials	16,200	4,474	(11,726)
73704	Newspaper Ads	15,000	12,200	(2,800)
73706	Radio & TV Ads	51,333	73,133	21,800
85102	Consulting Expenses	6,000	-	(6,000)
Total General Operations		146,814	146,313	8,909
Total Net Revenue Increase/(Decrease)				\$ (10,252)
Total Net Expenditure Increase/(Decrease)				\$ 18,700

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Solid Waste - 1038)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41201	Solid Waste	93,415	93,163	(252)
Total Revenues		93,415	93,163	(252)
Expenditures				
73107	Event Support	3,792	24	(473)
73110	Computer Software	113	138	25
73204	Communications-Cellular		313	313
73611	Travel - Mileage Reimbursement	500	635	135
Total General Operations		4,405	1,110	(0)
Total Net Revenue Increase/(Decrease)				\$ (252)
Total Net Expenditure Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental - (Riverside Used Oil - 2032)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	26,420	36,861	10,441
Total Wages and Benefits	26,420	36,861	10,441
General Operations			
73102 Parking Validations	115	220	105
73107 Event Support	28,000	43,470	15,470
73113 Membership Dues	1,500		(1,500)
73114 Subscriptions/Publications	3,000		(3,000)
73119 Storage	16,000	6,671	(3,339)
73120 Printing Services	2,012		(2,012)
73405 Insurance - General/Business Liason	175	360	185
73703 Supplies/Materials	15,000	300	(14,700)
73704 Newspaper Ads	15,000	12,200	(2,800)
73706 Radio & TV Ads	51,333	58,483	7,150
85102 Consulting Expenses	6,000		(6,000)
Total General Operations	50,802	50,721	(10,441)
Total Net Expenditure Increase/(Decrease)		\$	0

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental - (Used Oil OPP6 - 2033)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41401	Riverside Used Oil	25,000	24,500	(500)
	Total Revenues	25,000	24,500	(500)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	7,886	9,844	1,958
	Total Wages and Benefits	7,886	9,844	1,958
General Operations				
73107	Event Support	1,574	3,665	2,091
73706	Radio & TV Ads	-	14,650	14,650
	Total General Operations	1,574	18,315	16,741
Total Net Revenue Increase/(Decrease)				\$ (500)
Total Net Expenditure Increase/(Decrease)				\$ 18,699

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental - (Riverside Recycle - 2034)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41201	DOC - Litter	14,500	5,000	(9,500)
	Total Revenues	14,500	5,000	(9,500)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	6,866	7,637	771
60010	Temp Salary	3,380	-	(3,380)
	Total Wages and Benefits	10,246	7,637	(2,609)
General Operations				
73107	Event Support	1,236	501	(610)
73611	Travel - Mileage Reimbursement	264	510	246
73703	Supplies/Materials	1,200	4,174	2,974
	Total General Operations	2,700	5,184	2,609
Total Net Revenue Increase/(Decrease)				\$ (9,500)
Total Net Expenditure Increase/(Decrease)				\$ 0



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Approval of Professional Services and Contractor Agreement with Exigent Systems to provide IT technical support

Contact: Ernie Reyna, Chief Financial Officer, reyna@wrcog.coq.ca.us, (951) 955-8432

Date: July 12, 2017

The purpose of this item is to request approval of the Executive Committee for Agency IT support services.

Requested Action:

1. Recommend the Executive Committee approve the Professional Services Agreement between the Western Riverside Council of Governments and Exigent Systems, to provide Information Technology (IT) support services for the Agency in an amount not to exceed \$120,000 for Fiscal Year (FY) 2017/2018.

In FY 2016/2017, WRCOG began outsourcing its IT support services from in-house to consultant based. The goal of outsourcing WRCOG's IT service is to create savings to the budget, and at the same time, provide a different level of expertise for software, hardware, and programs.

Exigent Systems will provide WRCOG with technical assistance services including:

- Front line user support consisting of on-site and remote support;
- Service and network operations and monitoring; and
- Meetings and communications to inform WRCOG leadership and relevant stakeholders on current state of WRCOG's IT concerns and receive direction on resource allocation issue prioritization, and organization goals and policy.

The contract of Exigent Systems shall not exceed \$120,000 for the fiscal year.

Prior Action:

None.

Fiscal Impact:

The contract for Exigent Systems has been included in the FY 2017/2018 budget under the Administration Department, in the Consulting Services line item for \$120,000. This amount will represent a savings to the Agency based against the fully burdened rate of an in-house IT Manager.

Attachment:

1. Professional Services Agreement between the Western Riverside Council of Governments and Exigent Systems.

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Item 3.F

Approval of Professional Services
and Contractor Agreement with
Exigent Systems to provide IT
technical support

Attachment 1

Professional Services Agreement
between the Western Riverside
Council of Governments and Exigent
Systems

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

1. PARTIES AND DATE.

This Agreement is made and entered into this 1st day of July, 2017, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG") and Exigent Systems. ("Consultant"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

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

2.2 Project.

WRCOG desires to engage Consultant to render such professional services for the technical and computing needs ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

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

3.1.2 Term. The term of this Agreement shall be from the date first specified here in to June 30, 2018, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. WRCOG retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of WRCOG and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries,

and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

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

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

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

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

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

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

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling

necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from WRCOG, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by WRCOG to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to WRCOG, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

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

3.2.10 Insurance.

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

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

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

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal

injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

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

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

(A) General Liability.

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

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

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

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

(B) Automobile Liability.

(i) The automobile liability policy shall be endorsed to state that: (1) WRCOG, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects WRCOG, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying

coverage. Any insurance or self-insurance maintained by WRCOG, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

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

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

(D) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

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

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

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

(v) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled

or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

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

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

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

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

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

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

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

3.2.10.9 Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to WRCOG that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name WRCOG as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If

requested by Consultant, WRCOG may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

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

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **One Hundred Twenty Thousand (\$120,000)** without written approval of WRCOG's Executive Committee. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

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

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

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

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. WRCOG shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's

principal place of business and at the project site. Consultant shall defend, indemnify and hold the WRCOG, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

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

3.5 General Provisions.

3.5.1 Termination of Agreement.

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

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

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

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

Consultant: Exigent Systems
1050 Nevada Street
Suite 405
Redlands, CA 92374
Attn: Dustin Gray, President/Senior Engineer

WRCOG: Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor, MS 1032
Riverside, CA 92373
Attn: Rick Bishop
Facsimile: 951-787-7991

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

3.5.3 Ownership of Materials and Confidentiality.

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

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

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

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

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

WRCOG further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property otherwise owned by

Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

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

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

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

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

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

extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

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

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

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

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

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

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

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to WRCOG include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

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

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

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

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

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

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

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

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

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

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

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

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

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

Exigent Systems

By: _____
Rick Bishop
Executive Director

By: _____
Dustin Hoffman
President

APPROVED AS TO FORM:

By: _____
General Counsel
Best Best & Krieger, LLP

ATTEST:

By: _____
Its:

*A corporation requires the signatures of two corporate officers.

One signature shall be that of the chairman of board, the president or any vice president and the second signature (on the attest line) shall be that of the secretary, any assistant secretary, the chief financial officer or any assistant treasurer of such corporation.

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

EXHIBIT "A"
SCOPE OF SERVICES

General Scope of Services

Consultant promises and agrees to furnish to Western Riverside Council of Governments all labor materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately provide professional consulting services and advice on the various issues affecting the decisions of WRCOG and regarding IT operations and on other programs and matters affecting WRCOG, hereinafter referred to as "Services". All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state, and federal laws, rules and regulations.

Front-line user support consisting of on-site and remote support

Service & network operations and monitoring

Meetings & communications to inform WRCOG leadership and relevant stakeholders on current state of WRCOG's IT concerns and receive direction on resource allocation, issue prioritization, and organization goals and policy

Excluded:

Website development

Software development

Premise wiring



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: On-Call Planning Professional Services

Contact: Christopher Gray, Director of Transportation, gray@wrcog.coq.ca.us, (951) 955-8304

Date: July 12, 2017

The purpose of this item is to provide the Committee with an update on selected consulting firms to be used for on-call planning activities.

Requested Action:

1. Receive and file.
-

On-Call Planning Professional Services

Over the past few years, the need to expand the breadth of consultants has become evident from a number of requests from WRCOG member agencies requesting assistance in a variety of disciplines as they move forward with their jurisdiction's sustainable planning efforts. WRCOG has identified disciplines to provide direct assistance to its member agencies. WRCOG has received interest from member agencies in attaining assistance in a variety of disciplines as they move forward with sustainable planning efforts and further apply WRCOG's Sustainability Framework. Using the proposals received, WRCOG will be able to respond to member jurisdictions' requests in a more timely and efficient manner.

In order to continue assisting our member agencies, WRCOG released a Request for Proposal (RFP) for On-Call Planning Services in March 2017. WRCOG identified eight distinct planning disciplines for interested parties listed below. Included is a short description of the types of tasks that may be completed.

- General Plan / Sustainability Support
 - o Work with member agency to update of General Plan element(s) with respect to Sustainability planning
 - o Develop and implement appropriate community engagement plan
 - o Preparing a feasibility study for a regional Sustainability Center
- Grant Writing Assistance
 - o Provide technical grant writing assistance to WRCOG member agencies for the Active Transportation Program, Caltrans Sustainable Transportation Planning Grant Program and the Affordable Housing and Sustainable Communities Program
- Transportation Planning
 - o Provide assistance on the Traffic Analysis Model, programmatic TUMF support, Active Transportation Program development and support
- Healthy Communities Planning
 - o Develop multi-jurisdictional healthy community initiatives
 - o Facilitate Healthy Community Initiative(s) workshops
 - o Develop a health element for WRCOG member jurisdictions containing policies and programs to improve community health

- Climate Change Planning/Climate Action Plan Assistance
 - o Update Subregional Climate Action Plan (CAP)
 - o Perform a Programmatic Environmental Impact Report for CAP
- WRCOG General Support
 - o Assist WRCOG staff with management of projects
- Economic and Demographic Forecasting Assistance
 - o Review forecasts produced by the Southern California Association of Governments on behalf of jurisdictions in Western Riverside County
 - o Research possible economic and demographic trends for the WRCOG region
- Clean Cities Assistance

WRCOG received a total of 37 proposals for all disciplines. Staff, along with member jurisdictions and partner agencies, reviewed the proposals. After the evaluations, it was determined that 14 firms / teams qualified to be short-listed to provide future planning services in the respective on-call discipline they qualified for.

Professional Services Agreements (Agreements) have been drafted and are in the review process. It is likely that many of the Agreements will fall under the Executive Director's single-signature authority and will be reported back to the Committee after execution. For those Agreements that are in the threshold of \$50,001 and \$100,000, staff will be returning to this Committee for specific approval, and in the case an Agreement is larger than \$100,001, staff will bring forward a request for the Executive Committee's approval.

WRCOG would like to begin utilizing these On-Call Planning Services beginning in August 2017.

Prior Action:

None.

Fiscal Impact:

These Agreements have been included in the Fiscal Year 2017/2018 budget under the Transportation Department.

Attachment:

None.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Community Choice Aggregation Program Activities Update

Contact: Barbara Spoonhour, Director of Energy and Environmental Programs,
spoonhour@wrcog.cog.ca.us, (951) 955-8313

Date: July 12, 2017

The purpose of this item is to present and review the draft Community Choice Aggregation Joint Powers Agreement (JPA), Bylaws, and Community Choice Aggregation operational and marketing services.

Requested Actions:

1. Recommend the Executive Committee approve the CCA Joint Powers Agreement and Bylaws.
2. Recommend the Executive Committee approve the draft agreement between WRCOG and the CCA for staffing services.
3. Recommend the Executive Committee direct and authorize the Executive Director to negotiate and enter into an agreement with The Energy Authority and EES Consulting to provide CCA Operational Services.
4. Authorize and direct the Executive Director to enter into an agreement, substantially as to form, not to exceed \$100,000 with The Creative Bar for branding and marketing services.

Community Choice Aggregation (CCA) allows cities and counties to aggregate their buying power to secure electrical energy supply contracts on a region-wide basis. In California, CCA (Assembly Bill 117) was chaptered in September 2002 and allows for local jurisdictions to form a CCA for this purpose. Several local jurisdictions throughout California are pursuing the formation of CCAs as a way to lower energy costs and/or provide a "greener" energy supply. WRCOG's Executive Committee has directed staff to pursue the feasibility of CCA for Western Riverside County. WRCOG, the San Bernardino Council of Governments (SBCOG), and the Coachella Valley Association of Governments (CVAG) have funded a joint, two-county feasibility study in response to the Executive Committee's direction; the study has recently been completed.

Draft Joint Powers and Bylaws Agreements: On June 14 and 15, 2017, the Administration & Finance and Technical Advisory Committees, respectively, received a report on the revised draft CCA JPA and directed staff to release the draft CCA JPA and Bylaws to its member jurisdictions so that the member jurisdictions could provide the document to its respective legal counsels for review and input. Comments were received by a number of jurisdictions and those pertaining to the documents were incorporated into updated draft JPA and Bylaws Agreements (Attachment 1 and 2). A complete listing of the questions and responses will be provided to members under separate cover, prior to the meeting.

Staffing: The proposed JPA utilizes an administrative management agreement between the new CCA JPA and WRCOG for the provision of staffing and agency oversight services for as long as the CCA desires. Staff has worked with BB&K to develop the attached Scope of Services (Attachment 3).

Branding, marketing and outreach: Outreach and marketing to the local jurisdictions, as well as to the community, is key in having the CCA be a success. WRCOG staff has met, and is requesting to enter into a contract, with a local branding and marketing firm, The Creative Bar, to provide branding and marketing for the

CCA Program. By working with a local firm, staff believes that the development of the CCA brand will meet the goals and objectives of the CCA and will represent the subregion.

To make sure that the brand development is effective, The Creative Bar will host several interactive sessions with staff and any jurisdictional members that wish to participate on developing the CCA name, logo, and tagline. If the contract (Attachment 4) is approved, staff will begin working with The Creative Bar to schedule the interactive sessions and aims to announce the CCA name, logo, and tagline at the August Executive Committee meeting. Staff is recommending that the Administrative & Finance Committee direct and authorize the Executive Director to execute a contract, substantially as to form, with The Creative Bar in an amount not to exceed \$100,000 to provide branding and marketing services for the CCA through Program launch.

The Creative Bar will provide the following services:

- Branding: Program name, logo, core messaging
- Develop interactive website with translation and opt-out features
- Update FAQs and develop basic program collateral
- Develop public outreach and marketing plan (including multi-lingual, multi-cultural)
- Community engagement presentations, public workshops, event tabling, local sponsorships / memberships, key stakeholder meetings, etc.
- Press outreach / earned media (op-eds, featured stories, local radio and TV)
- Implement advertising campaign (paid media, social media, etc.)
- Develop call center script / call center live
- Prepare customer enrollment notices by phase, including NEM customers
- Manage customer enrollment printing and mailing
- Manage subsequent enrollments and develop ongoing community presence

CCA operational service assistance: WRCOG released an RFP for CCA Operational Service Assistance, which closed on April 6, 2017; the RFP was written in a manner whereby respondents could provide bids on all aspects of CCA operation for a potentially fully outsourced scenario. WRCOG and CVAG received nine proposals and interviewed six firms on May 23, 2017. On June 26, 2017, WRCOG and CVAG held a second interview with the proposers and is recommending that The Energy Authority (TEA), with the addition of EES Consulting, be recommended to the Executive Committee, authorizing the Executive Director to enter into negotiations and contracts for CCA operational services.

TEA and its subconsultants are being recommended for its expertise and experience with implementing CCAs in California (Peninsula Clean Energy, Redwood Coast Energy Authority, and Silicon Valley Clean Energy, to name a few), its ability to provide upfront capital and credit, and putting together a team that will lessen the need for WRCOG to hire additional staff during the initial start-up. EES Consulting is being recommended for its expertise in regulatory filings, rate setting, and development of the Integrated Resource Plan.

The TEA proposal anticipates one-time upfront costs of approximately \$400,000, with an estimated annual operating expense between \$5 million and \$8 million for its services. Through the agreement between WRCOG and the CCA, WRCOG will be able to utilize unallocated PACE funds, which are expected to be recouped through the implementation of the CCA.

These costs do not include the start-up costs for working capital for the power procurement which is estimated between \$21 million and \$50 million, depending on the amount of customers the CCA provides services to. While the numbers sound large, only a portion of the funds (5% to 10%) will be needed at implementation. The remainder will be built up over time through a reserve that will be used to build credit worthiness for the CCA. This capital is needed to cover the first few months of initial operations (billing, etc.), staffing, legal, and internal operations until the customers begin paying their utility bills. The majority of the initial funds needed for this phase of the Program will come from either CCA bonding and/or securing a loan. Other CCAs in California have successfully secured loans for the initial capital and have been able to repay the loans within the first three years. To assist the CCA with a successful launch, utilizing TEA's credit services will assist in lowering the amount of upfront capital needed to begin operations.

The following is an overview of the services that the TEA team, along with EES Consulting, will be presenting:

The Energy Authority

- Power procurement and credit support
- CAISO scheduling coordinator
- Portfolio planning & risk management
- Market & credit risk reporting
- Financial and technical analysis

Calpine

- Data management
- Call Center
- Billing administration
- Electronic data exchange
- Customer relationship management
- Reporting services

LEAN Energy

- Implementation support
- Program and policy development support

EES Consulting

- Rate setting
- Integrated Resource Plan development
- Regulatory reporting and tracking

Timeline: Staff is working to refine the timeline (Attachment 5) for launch of the CCA and has a goal of launching the municipal and 5% of the commercial accounts by July 2018, and the remaining accounts in early 2019.

Prior Action:

June 5, 2017: The CCA Ad Hoc Committee recommended the JPA document and Bylaws be reviewed by member jurisdictions' legal counsels to provide input, and for staff to provide a presentation to the WRCOG Technical Advisory Committee for additional input.

Fiscal Impact:

Any WRCOG costs associated with CCA administration would be initially paid for from existing Agency carryover funds, and would be recouped from the CCA once it becomes operational. (An agreement between WRCOG and the CCA will identify responsibilities and mechanisms for cost recovery.)

Attachments:

1. Revised draft Joint Powers Agreement.
2. Draft CCA Bylaws.
3. Draft agreement between WRCOG and the CCA.
4. Draft agreement between WRCOG and Creative Bar.
5. Timeline.

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Item 4.A

Community Choice Aggregation
Program Activities Update

Attachment 1

Revised draft Joint Powers
Agreement

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JOINT POWERS AGREEMENT COMMUNITY CHOICE ENERGY

This Joint Powers Agreement (“**Agreement**”), effective as of _____, 2017 (“**Effective Date**”) is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 *et seq.*) of the California Government Code relating to the joint exercise of powers among the parties set forth in Exhibit A (“**Member Agencies**”). The term “**Member Agencies**” shall also include an incorporated municipality or county added to this Agreement in accordance with Section 3.1.

RECITALS

A. In 2002, AB 117 was signed into law allowing public agencies to aggregate the electrical load of interested consumers within their jurisdictional boundaries and purchase electricity on behalf of those consumers.

B. The Member Agencies desire to establish a separate public agency, known as _____ (“**Authority**”), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code § 6500 *et seq.*) (“**Act**”) in order to collectively study, promote, develop, conduct, operate, and manage energy programs, and exercise any powers common to the Authority’s members to further these purposes.

C. The Member Agencies have each adopted an ordinance electing to implement through the Authority a community choice aggregation program pursuant to California Public Utilities Code § 366.2. The priority of the Authority will be the consideration of those actions necessary to implement the program.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Member Agencies as follows:

SECTION 1. FORMATION OF AUTHORITY

1.1 Creation of Agency. Pursuant to the Joint Exercise of Powers Act, California Government Code § 6500 *et seq.* and other pertinent provisions of law, there is hereby created a public entity to be known as the _____. The Authority shall be a public entity separate and apart from the Member Agencies.

1.2 Effective Date and Term. This Agreement shall become effective and Authority shall exist as a separate public agency on the date this Agreement is executed by at least two Member Agencies after adoption of the ordinances required by California Public Utilities Code § 366.2(c)(10). The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with Section 5, subject to the rights of a Member Agency to withdraw from the Authority.

1.3 Member Agencies. The names, particular capacities, and addresses of the Member Agencies are shown on Exhibit A, attached hereto, as may be amended from time to time.

1.4 Purpose. The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Member Agency to study, promote, develop, conduct, operate, and manage energy, energy efficiency and conservation, and other energy-related and climate change programs (the “**CCA Program**”), and to exercise all other powers necessary and incidental to accomplishing this purpose. The Member Agencies intend for this Agreement to be used as a contractual mechanism by which the Member Agencies are authorized to participate in the CCA Program. The Member Agencies intend that other agreements shall define the terms and conditions associated with the implementation of the CCA Program and any energy programs approved by the Authority.

1.5 Powers. The Authority shall have all powers common to the Member Agencies and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purpose, including, but not limited to, each of the following powers:

1.5.1 Serve as a forum for the consideration, study, and recommendation of energy services for the CCA Program;

1.5.2 To make and enter into any and all contracts to effectuate the purpose of this Agreement, including, but not limited to, those relating to the purchase or sale of electrical energy or attributes thereof, and related service agreements;

1.5.3 To employ agents and employees, including, but not limited to, engineers, attorneys, planners, financial consultants, and separate and apart therefrom to employ such other persons, as it deems necessary;

1.5.4 To acquire, contract, manage, maintain, and operate any buildings, works, or improvements, including, but not limited to, electric generating facilities;

1.5.5 To acquire property by eminent domain, or otherwise, except as limited by section 6508 of the Act, and to hold or dispose of property;

1.5.6 To lease any property;

1.5.7 To use and be sued in its own name;

1.5.8 To incur debts, liabilities, and obligations, including, but not limited to, loans from private lending sources pursuant to its temporary borrowing powers, such as California Government Code § 53850 *et seq.* and authority under the Act;

1.5.9 To form subsidiary or independent corporations or entities, if appropriate, to carry out energy supply and energy conservation programs, or to take advantage of legislative or regulatory changes;

1.5.10 To issue revenue bonds and other forms of indebtedness;

1.5.11 To apply for, accept, and receive all licenses, permits, grants, loans, or other assistance from any federal, state, or local agency;

1.5.12 To submit documentation and notices, register, and comply with orders, tariffs, and agreements for the establishment and implementation of the CCA Program and other energy and climate change programs;

1.5.13 To adopt rules, regulations, policies, bylaws, and procedures governing the operation of the Authority; and

1.5.14 To receive gifts, contributions, and donations of property, funds, services, and other forms of financial assistance from persons, firms, corporations, and any governmental entity.

1.6 Manner of Exercising Powers. The powers of the Authority are subject to the restrictions upon the manner of exercising power possessed by a general law city.

SECTION 2: GOVERNANCE

2.1 Board of Directors. The governing body of the Authority shall be a Board of Directors consisting of one director for each Member Agency appointed in accordance with Section 2.2.

2.2 Appointment of Directors. The governing body of each Member Agency shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Member Agency on matters within the powers of the Authority. The governing body of each Member Agency shall also appoint and designate in writing one alternate Director who may vote in matters when the regular Director is absent from a Board meeting. The persons appointed and designated as the regular Director and the alternate Director shall be a member of the governing body of the Member Agency.

2.3 Terms of Office. Each regular and alternate Director shall serve at the pleasure of the governing body of the Member Agency that the Director represents, and may be removed as Director by the governing body of the Member Agency at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed by the governing body to fill the position of the previous Director within ninety (90) days of the date that such position becomes vacant.

2.4 Quorum. A majority of the Directors of the entire Board shall constitute a quorum, except that less than a quorum may adjourn a meeting from time to time in accordance with law.

2.5 Powers of the Board of Directors. The Board may exercise all the powers enumerated in this Agreement and shall conduct all business and activities of the Authority consistent with this Agreement and any bylaws, operating procedures, and applicable law.

2.6 Executive Committee. The Board may establish an executive committee consisting of a smaller number of Directors. The Board may delegate to the executive committee such authority as the Board might otherwise exercise.

2.7 Committees. The Board may establish advisory committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the purposes of this Agreement.

2.8 Director Compensation. The Board may adopt policies establishing a stipend to compensate work performed by a Director on behalf of the Authority as well as policies for the reimbursement of expenses incurred by a Director.

2.9 Voting by the Board of Directors. Each member of the Board or participating alternate shall be entitled to one vote. Action of the Board on all matters shall require an affirmative vote of a majority of all Directors present and qualified to vote constituting a quorum.

2.10 Officers.

2.10.1 Chair and Vice Chair. On an annual basis, the Directors shall select from among themselves, a Chair and a Vice-Chair. The Chair shall be the presiding officer of all Board meetings. The Vice-Chair shall serve in the absence of the Chair. The term of office of the Chair and Vice-Chair shall continue for one year. There shall be no limit on the number of terms held by either the Chair or Vice-Chair. The office of either the Chair or Vice-Chair shall be declared vacant and a new selection shall be made if: (a) the person serving dies, resigns, or the Member Agency that the person represents removes the person as its representative on the Board, or (b) the Member Agency that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement.

2.10.2 Secretary. The Board shall appoint a Secretary who need not be a member of the Board. The Secretary shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.

2.10.3 Treasurer/Auditor. The Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom need be members of the Board. If the Board so designates, and in accordance with the provisions of applicable law, a qualified person may be appointed as the Treasurer and Auditor.

Such person or persons shall possess the powers of, and shall perform those functions required of them by California Government Code §§ 6505, 6505.5, and 6505.6, and by all other applicable laws and regulations and amendments thereto.

2.11 Meetings. The Board shall provide for its regular meetings, the date, hour, and place of which shall be fixed by resolution of the Board. Regular, adjourned, and special meetings shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code § 54950 *et seq.*

2.12 Executive Director. The Executive Director shall be the chief administrative officer of the Western Riverside Council of Governments, or whomever is appointed by the Board thereafter. Compensation shall be fixed by the Board. The powers and duties of the Executive Director shall be subject to the authority of the Board.

2.13 Initial Administration of Authority. The Authority will be initially administered by the Western Riverside Council of Governments (“**WRCOG**”), which shall provide Executive Director, staff, and consultant services to the Authority. WRCOG shall provide administrative services for three years from the Effective Date of this Agreement pursuant to a services agreement, attached hereto as Exhibit B. The term and conditions of the administrative services agreement may be extended by mutual agreement of WRCOG and the Authority without further amendment of this Agreement, as set forth in the administrative services agreement.

2.14 Additional Officers and Employees. The Board shall have the power to authorize such additional officers and assistants as may be appropriate, including retaining one or more administrative service providers for planning, implementing, and administering the CCA Program. Such officers and employees may also be, but are not required to be, officers and employees of the individual Member Agencies.

2.15 Bonding Requirement. The officers or persons who have charge of, handle, or have access to any property of the Authority shall be the members of the Board, the Treasurer, the Executive Director, and any such officers or persons to be designated or empowered by the Board. Each such officer or person shall be required to file an official bond with the Authority in an amount which shall be established by the Board. Should the existing bond or bonds of any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bond attributable to the coverage required herein shall be the appropriate expenses of the Authority.

2.16 Audit. The records and accounts of the Authority shall be audited annually by an independent certified public accountant and copies of such audit report shall be filed with the State Controller, and each Member Agency to the Authority no later than fifteen (15) days after receipt of said audit by the Board.

SECTION 3: PARTICIPATION IN AUTHORITY AND IMPLEMENTATION OF CCA PROGRAM

3.1 Participation in Authority. An interested incorporated municipality or county may become a Member Agency of the Authority and a party to this Agreement upon approval by the Board and satisfaction of the following:

3.1.1 Adoption of a resolution by the governing body of an incorporated municipality or county requesting participation and an intent to join the Authority;

3.1.2 Adoption of an ordinance required by California Public Utilities Code § 366.2(c)(12) and execution of all necessary CCA Program documents by an incorporated municipality or county;

3.1.3 Adoption by the Board of a resolution authorizing participation of the additional incorporated municipality or county;

3.1.4 Payment of a membership payment, if any; and

3.1.5 Satisfaction of any conditions established by the Board.

3.2 Continuing Participation. The Member Agencies acknowledge that participation in the CCA Program may change by the addition or withdrawal or termination of a Member Agency. The Member Agencies agree to participate with additional Member Agencies as may later be added. The Member Agencies also agree that the withdrawal or termination of a Member Agency shall not affect this Agreement or the remaining Member Agencies' continuing obligations under this Agreement.

3.3 Implementation of CCA Program.

3.3.1 Enabling Ordinance. Each Member Agency shall adopt an ordinance in accordance with California Public Utilities Code § 366.2(c)(12) specifying that the Member Agency intends to implement a community choice aggregation program by and through its participation in this Authority.

3.3.2 Implementation Plan. The Authority shall cause to be prepared an implementation plan meeting the requirements of California Public Utilities Code § 366.2 and any applicable regulations of the California Public Utilities Commission ("CPUC"). The Board shall approve the implementation plan prior to it being filed with the CPUC.

3.4 Authority Documents. The Member Agencies acknowledge and agree that the operations of the Authority will be implemented through various program documents and regulatory filings duly adopted by the Board, including, but not limited to, operating rules, an annual budget, and plans and policies related to the provision of the CCA Program. The Member Agencies agree to abide by and comply with the terms and conditions of all such Authority documents that may be approved or adopted by the Board.

3.5 Termination of CCA Program. Nothing contained in this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

SECTION 4: FINANCIAL PROVISIONS

4.1 Fiscal Year. The Authority's fiscal year shall be twelve (12) months commencing July 1 of each year and ending June 30 of the succeeding year.

4.2 Treasurer. The Treasury of the member agency whose Treasurer is the Treasurer for the Authority shall be the depository for the Authority. The Treasurer of the Authority shall have custody of all funds and shall provide for strict accountability thereof in accordance with California Government Code § 6505.5 and other applicable laws. The Treasurer shall perform all of the duties required in California Government Code § 6505 *et seq.* and all other such duties as may be prescribed by the Board.

4.3 Depository & Accounting. All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with the funds of any Member Agency or any other person or entity. Disbursement of such funds during the term of this Agreement shall be accounted for in accordance with generally accepted accounting principles applicable to governmental entities and pursuant to California Government Code § 6505 *et seq.* and other applicable laws. There shall be a strict accountability of all funds. All revenues and expenditures shall be reported to the Board. The books and records of the Authority shall be open to inspection by the Member Agencies at all reasonable times.

4.4 Budget. The Board shall establish the budget for the Authority, and may from time to time amend the budget to incorporate additional income and disbursements that might become available to the Authority for its purposes during a fiscal year.

4.5 Initial Funding of Authority. WRCOG has funded certain activities necessary to implement the CCA Program. If the program becomes operational, these initial costs shall be included in the customer charges for electric services to the extent permitted by law, and WRCOG shall be reimbursed from the payment of such charges by customers of the Authority pursuant to a reimbursement agreement between Authority and WRCOG. Prior to such reimbursement, WRCOG shall provide such documentation of costs paid as the Board may request. The Authority may establish a reasonable time period over which such costs are recovered. In the event the program does not become operational, WRCOG shall not be entitled to any reimbursement of the initial costs.

4.6 No Liability to the Member Agencies. The debts, liabilities, or obligations of the Authority shall not be the debts, liabilities, or obligations of the individual Member Agencies unless the governing board of a Member Agency agrees in writing to assume any of the debts, liabilities, or obligations of the Authority. Notwithstanding Government Code section 895.2, if the Authority is found to be liable for injury caused by a negligent or wrongful act or omission

occurring in the performance of an agreement, no Member Agency is jointly or severally liable for such injury.

SECTION 5: WITHDRAWAL AND TERMINATION

5.1 Right to Withdraw. A Member Agency may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 180 days advance written notice of its election to do so, which notice shall be given to the Authority and each Member Agency. Withdrawal of a Member Agency shall require an affirmative vote of the Member Agency's governing board. A Member Agency that withdraws its participation in the Authority pursuant to this subsection may be subject to certain continuing liabilities as described in Section 5.4. The withdrawing Member Agency and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Member Agency.

5.2 Right to Withdraw Prior to Program Launch. After receiving bids from power suppliers, the Authority must provide to the Member Agencies the report from the electrical utility consultant retained by the Authority that compares the total estimated electrical rates that the Authority will be charging to customers as well as the estimated greenhouse gas emissions rate and the amount of estimated renewable energy used with that of the incumbent utility. If the report provides that the Authority is unable to provide total electrical rates, as part of its baseline offering, to the customers that are equal to or lower than the incumbent utility or to provide power in a manner that has a lower greenhouse gas emissions rate or uses more renewable energy than the incumbent utility, a Member Agency may immediately withdraw its membership in the Authority without any financial obligation, as long as the Member Agency provides written notice of its intent to withdraw to the Authority Board no more than thirty (30) days after receiving the report.

5.3 Involuntary Termination. Membership in the Authority may be terminated for material non-compliance with the provisions of this Agreement or any other agreement or Board operating procedure relating to the Member Agency's participation in the CCA Program upon a vote of the Board.

5.4 Continuing Liability. Except as provided by Section 5.2, upon the withdrawal or involuntary termination of a Member Agency, the Member Agency shall remain responsible for any claims, demands, damages, or liabilities arising from the Member Agency's membership or participation in the Authority through the date of its withdrawal or termination. Claims, demands, damages, or liabilities for which a withdrawing or terminated Member Agency may remain liable, include, but are not limited to, losses from the resale of power contracted for by the Authority to serve the Member Agency's load and the administrative costs associated thereto. The Authority may withhold funds otherwise owed to the Member Agency or require the Member Agency to deposit sufficient funds with the Authority, as reasonably determined by the Authority to cover the Member Agency's costs described above. Upon notice by a Member Agency that desire to withdraw from the Authority, the Authority shall notify the Member

Agency of the minimum waiting period under which the Member Agency would have no costs for withdrawal if the Member Agency agrees to stay in for such period. The waiting period will be set to the minimum duration such that there are no costs transferred to remaining ratepayers. If the Member Agency elects to withdraw from the Authority before the end of the minimum waiting period, the charge for exiting shall be set at a dollar amount that would offset the actual costs to the remaining ratepayers served by the Authority, and may not include punitive damages that exceed actual costs.

5.5 Mutual Termination. This Agreement may be terminated by mutual agreement of all the Member Agencies; provided, however, that this subsection shall not be construed as limiting the rights of a Member Agency to withdraw in accordance with Section 5.1.

5.6 Disposition of Authority Assets Upon Termination of Agreement. Upon termination of this Agreement, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred by the Authority, shall be returned to the then-existing Member Agencies in proportion to the contributions made by each.

SECTION 6: MISCELLANEOUS PROVISIONS

6.1 Dispute Resolution. The Member Agencies and Authority shall make efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Member Agency or Member Agencies and the Authority shall engage in nonbinding mediation in the manner agreed to by the Member Agency or Member Agencies and the Authority. In the event that nonbinding mediation does not resolve a dispute within 120 days after the demand for mediation is made, any Member Agency or the Authority may pursue any all remedies provided by law.

6.2 Liability of Directors, Officers, and Employees. The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify, and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by California Government Code § 995 *et seq.* Nothing in this section shall be construed to limit the defenses available under the law to the Member Agencies, the Authority, or its Directors, officers, or employees.

6.3 Indemnification. The Authority shall acquire such insurance coverage as the Board deems necessary to protect the interests of the Authority, the Member Agencies, and the Authority's ratepayers. The Authority shall indemnify, defend, and hold harmless the Member Agencies and each of their respective members board or council members, officers, agents, and employees, from any and all claims, losses, damages, costs, injuries, and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.

6.4 Amendment of Agreement. This Agreement may be amended in writing with the approval of not less than two-thirds (2/3) of a vote of the Member Agencies.

6.5 Assignment. Except as otherwise expressly provided in this Agreement, the rights and duties of the Member Agencies may not be assigned or delegated without the advance written consent of all other Member Agencies. Any attempt to assign or delegate such rights or duties without express written consent shall be null and void. This Agreement shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Member Agencies. This section does not prohibit a Member Agency from entering into an independent agreement with another entity regarding the financing of that Member Agency's contributions to the Authority, or the disposition of proceeds which that Member Agency receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Member Agencies under this Agreement.

6.6 Severability. If any part of this Agreement is held, determined, or adjudicated to be illegal, void, or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

6.7 Further Assurances. Each Member Agency agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary to effectuate the purposes of this Agreement.

6.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

6.9 Notices. Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 48 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Member Agency, as the case may be, or such other person designated in writing by the Authority or Member Agency. Notices given to one Member Agency shall be copied to all other Member Agencies. Notices given to the Authority shall be copied to all Member Agencies.

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[INSERT SIGNATURE PAGES]

EXHIBIT A

List of Member Agencies

EXHIBIT B

**Administrative Services Agreement with the
Western Riverside Council of Governments**

Item 4.A

Community Choice Aggregation
Program Activities Update

Attachment 2

Draft CCA Bylaws

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BYLAWS FOR THE _____ ENERGY AUTHORITY

ARTICLE I FORMATION

These Bylaws are provided for the organization and administration of the _____ Energy Authority (“**Authority**”) which has been established pursuant to the _____ Authority Joint Powers Agreement (“**Agreement**”). These Bylaws supplement the Agreement.

ARTICLE II PURPOSES

The Authority is formed to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs, and to exercise all other powers necessary and incidental to accomplishing this purpose. These programs include, but are not limited to, the establishment of a Community Choice Aggregation Program known as the CCA Energy Program in accordance with the terms of the Agreement.

ARTICLE III BOARD OF DIRECTORS

Section 1. Board of Directors.

The Authority shall be governed by a Board of Directors composed of one representative of each of the Member Agencies. The Board shall have all the powers and functions as set forth in Section 1.5 of the Agreement. The governing body of each Member Agency shall appoint and designate in writing to the Authority one regular Director who shall be authorized to act for and on behalf of the Member on all matters within the power of the Authority. The governing body of each Member Agency shall also appoint and designate in writing to the Authority one alternate Director who may vote on all matters when the regular Director is absent for a Board meeting. Both the Director and the Alternate Director shall be members of the governing body of the Member Agency.

Section 2. Appointment

Each Director and Alternate Director shall serve at the pleasure of the governing body of the Member Agency that the Director represents and may be removed as Director or Alternate Director by such governing body at any time.

Section 3. Vacancy

If at any time a vacancy occurs on the Board, for whatever reason, a replacement shall be appointed by the governing body of the subject member to fill the position of the previous Director within ninety days of the date that such position becomes vacant.

ARTICLE IV OFFICERS AND TERMS OF OFFICE

Section 1. Officers

There shall be a Chairperson, a Vice-Chairperson, a Secretary and a Treasurer.

- A. Chairperson. The Chairperson of the Authority shall be a Director. Duties of the Chairperson are to supervise the preparation of the business agenda, preside over Authority meetings, and sign all ordinances, resolutions, contracts and correspondence adopted or authorized by the Board. The term of office of the Chairperson shall be for one year.
- B. Vice-Chairperson. The Vice-Chairperson shall be a Director. The Vice-Chairperson shall perform the duties of Chairperson in the absence of such officer. The term of office of the Vice-Chairperson shall be for one year.
- C. Secretary. The Secretary will supervise the preparation of the meeting minutes and the maintenance of the records of the Authority. The term of the Secretary shall be for one year. The Secretary does not need to be a Director.
- D. Treasurer and Auditor. The Treasurer shall have custody of all the money of the Authority and shall have all of the duties and responsibilities specified in Government Code § 6505.5. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The positions of Treasurer and Auditor may be combined into one position known as the Treasurer/Auditor of the Authority. Neither the Treasurer nor the Auditor needs to be a Director. The term of the Treasurer and Auditor shall be for one year. The Board may transfer the responsibilities of the Treasurer and Auditor to any person or entity permitted by law.
- E. Election of Officers. An annual meeting of the Board shall be held in [INSERT MONTH] of each year or as soon thereafter as possible to elect the officers of the Authority.
- F. Terms of Office. The elected Chairperson and Vice-Chairperson shall assume office at the close of the meeting of their election and each officer shall hold office for one year, or until his or her successor shall be elected.
- G. No Term Limits. There are no limits on the numbers of terms that an officer of the Authority may serve.
- H. Committees. The Board or the Chairperson may delegate specified functions or actions to a committee that may be established by the Board. Each duly established committee may establish any standing or ad hoc committees determined to be appropriate or necessary. The duties and authority of all committees shall be subject to the approval and direction of the Board.

ARTICLE V MEETINGS

Section 1. Regular Meetings

The Board by resolution shall establish the date, time and meeting location of all regular meetings of the Board. Special meetings may be called upon the request of a majority of the members of the Board or by the Chairperson.

Section 2. Open Meetings

The meetings of the Board, the Executive Committee and all other committees established by the Board shall be governed by the provisions of the Ralph M. Brown Act (California Government Code § 54950 *et seq.*).

ARTICLE VII VOTING

Each member of the Board shall have one vote on all matters unless otherwise provided by the Agreement or these Bylaws. Unless the Agreement or these Bylaws require a two-thirds vote, action on all items shall be determined by a majority vote of the quorum present and voting on the item.

ARTICLE VIII POLICY REGARDING CONFIDENTIAL INFORMATION DISCLOSED DURING CLOSED SESSIONS

It is vital that members of the Board divulge certain privileged information obtained in closed sessions at the Authority to their own governing bodies meeting in closed sessions. Thus, these Bylaws adopt the policy set forth in California Government Code § 54956.96, which authorizes the disclosure of closed session information that has direct financial or liability implications for that Member Agency to the following individuals.

- A. All information received by the governing body of the Member Agency in a closed session related to the information presented to the Authority in closed session shall be confidential. However, a member of the governing body of a Member Agency, or his/her duly appointed alternate to the Authority, may disclose information obtained in a closed session that has direct financial or liability implications for that Member Agency to the following individuals:
 - 1. Legal counsel of that Member Agency for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Member Agency.
 - 2. Other members of the governing body of the Member Agency present in a closed session of that Member Agency, as well as other persons that may be invited to attend the closed session by the Member Agency's governing body.

- B. The governing body of the Member Agency, upon the advice of its legal counsel, may conduct a closed session in order to receive, discuss, and take action concerning information obtained in a closed session of the Authority pursuant to this policy.

ARTICLE IX

EXECUTIVE DIRECTOR

Section 1. Duties.

In addition to those duties set forth in the Agreement, the duties of the Executive Director are:

- A. To administer all contracts.
- B. To have full charge of the administration of the business affairs of the Authority.
- C. To exercise general supervision over all property of the Authority.
- D. To accept, on behalf of the Authority, easements and other property rights and interests.
- E. To be responsible for the purchase of all supplies and equipment of the Authority.

Section 2. Contracts.

The Executive Director is authorized to contract and execute on behalf of the Authority, contracts for supplies, equipment and materials, and consultants not to exceed \$100,000.00, provided the contract relates to purposes previously approved and budgeted by the Board.

ARTICLE VIII

DEBTS, LIABILITIES AND OBLIGATIONS

As provided by Section 6.2 of the Agreement, the debts, liabilities and obligations of the Authority shall not be debts, liabilities or obligations of the individual Member Agencies.

ARTICLE IX

AMENDMENTS

These Bylaws and any amendments may be amended by the Board.

Item 4.A

Community Choice Aggregation
Program Activities Update

Attachment 3

Draft agreement between WRCOG
and the CCA

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MANAGEMENT SERVICES AGREEMENT
BETWEEN THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND THE [INSERT ENTITY NAME]

This Management Services Agreement (“**Agreement**”) is made and entered into by and between the Western Riverside Council of Governments (“**WRCOG**”) and the [INSERT ENTITY NAME] (“**Authority**”) and shall become effective upon the terms set forth herein. WRCOG and Authority are sometimes referred to in this Agreement individually as a “**Party**,” or collectively as “**Parties**.”

RECITALS

A. WHEREAS, WRCOG is a public agency formed by a Joint Powers Agreement (“**WRCOG JPA**”) made and entered into on the 1st day of April 1991, pursuant to Government Code section 6500 *et seq.* and other pertinent provisions of law, by and between numerous cities located within Western Riverside County and the County of Riverside; and

B. WHEREAS, the purpose of the formation of WRCOG is, among other things, to provide an agency to conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an area-wide and regional basis through the establishment of an association of governments; and

C. WHEREAS, WRCOG now consists of the following member agencies: County of Riverside, City of Banning, City of Calimesa, City of Canyon Lake, City of Corona, City of Eastvale, City of Hemet, City of Jurupa Valley, City of Lake Elsinore, City of Menifee, City of Moreno Valley, City of Murrieta, City of Norco, City of Perris, City of Riverside, City of San Jacinto, City of Temecula, and City of Wildomar, and the following participating agencies: Eastern Municipal Water District, Western Municipal Water District, Riverside County Superintendent of Schools, and Morongo Band of Mission Indians; and

D. WHEREAS, under the WRCOG JPA, the functions of WRCOG include, among other things:

- i. Serving as a forum for consideration, study and recommendations on area-wide and regional problems; and
- ii. Assembling information helpful in the consideration of problems peculiar to Western Riverside County; and
- iii. Exploring practical avenues for intergovernmental cooperation, coordination and action in the interest of local public welfare and means of improvements in the administration of governmental services.

E. WHEREAS, WRCOG has the power to make and enter into contracts under Section 1.2.2 of the WRCOG JPA; and

F. WHEREAS, the Authority is a public agency formed by a Joint Powers Agreement (“**Authority JPA**”) made and entered into on the ____ day of _____ 2017, pursuant to Government Code section 6500 *et seq.* and other pertinent provisions of law, by and between the County of Riverside and numerous cities located within Western Riverside County; and

G. WHEREAS, the purpose of the formation of Authority is to establish an independent public agency in order to exercise powers common to each Member Agency to study, promote, develop, conduct, operate, and manage energy, energy efficiency and conservation, and other energy-related and climate change programs related to a Community Choice Aggregation program (“**CCA Program**”), and to exercise all other powers necessary and incidental to accomplishing this purpose; and

H. WHEREAS, Authority now consists of [INSERT ENTITIES]; and

I. WHEREAS, Section 3.3 of the Authority JPA sets forth numerous powers of the Authority in carrying out its purposes, including the power to make and enter into contracts and to employ agents, consultants, attorneys and employees. Section 2.12 of the Authority JPA authorizes the Authority through its Board of Directors (“**Board**”) to appoint an Executive Director (“**Executive Director**”) and an attorney. Under Section 2.13, the Authority Board may also

contract with its member agencies for the use of employees of the member agencies on mutually agreeable terms and conditions; and

J. WHEREAS, Section 2.12 of the Authority JPA sets forth certain powers and duties of such Executive Director or other employees of the Authority to whom the Board delegates authority; and

L. WHEREAS, the Authority now desires to contract with WRCOG to provide an Executive Director to assist the Authority in its obligations to implement the CCA Program to ensure a regional perspective.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. APPOINTMENT OF EXECUTIVE DIRECTOR. The Authority hereby retains WRCOG, acting through its Executive Director, to serve as the Executive Director of the Authority to fulfill the needs and requirements of the Authority, and WRCOG agrees to provide such services through such personnel as may be required by the Authority, all upon the terms set forth below. The Executive Director shall serve at the direction and pleasure of the WRCOG Executive Committee. If the Authority Board has concerns about the Executive Director's performance for Authority, the Chair and Vice-Chair of the Authority Board shall bring such concerns to the WRCOG Chair.

2. DUTIES OF EXECUTIVE DIRECTOR. The Executive Director of WRCOG, acting either individually or through such personnel as he or she shall from time to time appoint or contract with, shall act as and be the Executive Director of the Authority and shall administer, coordinate, and supervise the activities of the Authority as set forth in the Authority JPA, and shall act for the Authority in accomplishing its purposes set forth in Section 3.2 of the Authority JPA. The Executive Director of WRCOG, acting either individually or through such personnel as he or she shall from time to time appoint, shall have and exercise all of those powers

and responsibilities of the Authority enumerated in Section 1.5 of the Authority JPA and of the Executive Director enumerated in Section 2.12 of the Authority JPA.

3. OTHER PERSONNEL SERVICES. The Executive Director may retain and appoint additional staff as may from time to time be necessary or convenient to fulfill the needs of the Authority. Such additional staff may be retained as WRCOG employees. If such additional staff are employees of the member agencies of the Authority, an amendment shall be required to the agreement for staffing and services between the member agency and the Authority.

4. TERM; TERMINATION. This Agreement shall be effective for a three-year term as of the effective date of the certain document entitled [INSERT AUTHORITY JPA AGREEMENT NAME], dated _____, 2017, and only upon execution by both Authority and WRCOG. Once effective, this Agreement shall continue thereafter for successive three-year terms without further action by the Authority Board or WRCOG, unless earlier terminated at any time by either party giving the other party sixty (60) days prior written notice.

5. COMPENSATION. In consideration of WRCOG's Executive Director's performance of the services of Executive Director as set forth in Section 2 above, and in the event that the Executive Director retains and appoints additional staff as set forth in Section 3 above, the Authority shall pay to WRCOG the sums specified in Exhibit A attached hereto. Such sums shall be paid at the times and in the manner specified in Exhibit A. In the event of the early termination of this Agreement under Section 4 above, the Authority shall, with respect to fixed compensation amounts such as personnel salaries and general overhead charges, pay WRCOG a pro rata proportion of the monthly payment represented by the proportion of days of the payment month which this Agreement remains in effect.

6. INDEMNIFICATION AND INSURANCE.

A. Authority shall defend, indemnify and hold the WRCOG, its officials, officers, consultants, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or in connection with

this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses, except for losses ultimately determined to be the result of the sole negligence or willful misconduct of WRCOG. Authority shall defend, at Authority's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against WRCOG, its directors, officials, officers, consultants, employees, agents or volunteers in any manner arising out of or in connection with this Agreement. Authority shall have the right to approve any and all counsel retained pursuant to this section and Authority and WRCOG shall reasonably cooperate in all aspects involving any defense made pursuant to this section. Authority shall pay and satisfy any judgment, award or decree that may be rendered against WRCOG or its directors, officials, officers, consultants, employees, agents or volunteers, in any such suit, action or other legal proceeding in any manner arising out of or in connection with this Agreement. Authority shall reimburse WRCOG and its directors, officials, officers, consultants, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Authority's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the WRCOG, its directors, officials, officers, consultants, employees, agents or volunteers. This section shall survive any expiration or termination of this Agreement.

B. During the term of the Agreement, Authority shall maintain Commercial General Liability Insurance with limits not less than \$XXXXXXXX per occurrence. The policies shall be endorsed to state that WRCOG, its directors, officials, officers and employees shall be covered as additional insured under such policy and that such policy shall be primary to any policies held by WRCOG.

7. ADMINISTRATION. The Authority Board, or designee, shall administer this Agreement on behalf of the Authority. The WRCOG Executive Committee shall administer this Agreement on behalf of the WRCOG.

8. ASSIGNMENT. This Agreement shall not be assigned by either party, in whole or in part, without the prior written consent of the other party.

9. NOTICE. A party giving notice as required in this Agreement shall provide for personal delivery of such notice or shall send such notice by United States mail, postage prepaid, to the agent and address of the other party as set forth below:

If to the Authority:

With a copy to:

If to the WRCOG: Attn: Executive Director
4080 Lemon Street
3rd Floor, MS 1032
Riverside, CA 92501-3609
Phone: (951) 955-7985
Fax: (951) 787-7991

With a copy to: Attn: Steven C. DeBaun
Best Best & Krieger, LLP
3390 University Avenue, 5th Floor
Riverside, CA 92502-1028
Phone: (951) 686-1450
Fax: (951) 686-3083

10. AMENDMENT; ENTIRE AGREEMENT. This Agreement represents the entire agreement between the parties with respect to personnel provided by WRCOG to the Authority. Any amendment or modification of the provisions of this Agreement must be in writing and signed by each of the parties hereto.

11. WAIVER. Any waiver by either party of a breach of any of the terms of this Agreement shall not be construed as a waiver of any succeeding breach of the same or other term of this Agreement.

12. SEVERABILITY. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the rest of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

13. GOVERNING LAW AND VENUE. This Agreement and its construction and interpretation as to validity, performance and breach shall be construed under the laws of the State of California applicable to agreements both entered into and to be performed in California.

The provisions of the Government Claims Act (Government Code section 900 et seq.) shall be applicable for any disputes under this Agreement.

Venue shall be within the County of Riverside for any legal or equitable action to enforce the terms of this Agreement, to declare the rights of the parties under this Agreement, or for any action which relates to this Agreement in any manner.

14. APPROVAL/COUNTERPARTS. This Agreement must be approved by the Authority Board of Directors and WRCOG. Each party has had the opportunity to participate in drafting and preparation of this Agreement. Any construction to be made in the Agreement of any of its terms or provisions shall not be construed against any one party.

This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same Agreement.

15. CERTIFICATION OF AUTHORITY TO EXECUTE THIS AGREEMENT. WRCOG and Authority certify that the individuals signing below on behalf of the party has authority to execute this Agreement on behalf of the party, and may legally bind the party to the terms and conditions of this Agreement, and any attachments hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date or dates indicated below.

WESTERN RIVERSIDE COUNCIL OF

[INSERT ENTITY NAME]

GOVERNMENTS

DATE: _____

DATE: _____

BY: _____

BY: _____

NAME: _____

NAME: _____

EXHIBIT A

Compensation shall be paid to WRCOG by the Authority for the services provided under this agreement. These include:

1. The cost of the WRCOG Executive Director and other WRCOG staff while performing the services under this Agreement. Those costs shall include recapture overhead costs in the amount of the then current Indirect Cost Allocation Plan ("ICAP"), which will be updated annually. As of the date of this Agreement, WRCOG's ICAP rate is 100.45% which was calculated using audited figures from the 2014-2015 Fiscal Year.

2. The reimbursement of non-employee costs incurred by WRCOG while performing the services hereunder, which may include, but not be limited to, supplies, legal services, consultant services, equipment, board member stipends and board member and staff expense reimbursements. The reimbursement of these costs will be provided at the same rate charged to WRCOG.

WRCOG shall periodically, but no more frequently than monthly nor less frequently than semiannually, provide an invoice to the Authority itemizing charges for the billing period. The Authority shall provide prompt payment to WRCOG by means of Journal Vouchers transferring funds from the Authority to WRCOG.

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Item 4.A

Community Choice Aggregation
Program Activities Update

Attachment 4

Draft agreement between WRCOG
and Creative Bar

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WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS PROFESSIONAL SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into this ___ day of July, 2017, by and between the Western Riverside Council of Governments, a California public agency (“WRCOG”) and The Creative Bar LLC, a California limited liability company (“Consultant”). WRCOG and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant.

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

2.2 Project.

WRCOG desires to engage Consultant to render such professional services for the establishment of the Community Choice Aggregation Program (“Project”), as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to WRCOG all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately prepare and deliver the plan, policies, procedures and reports associated with the branding and marketing for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference, and which are stated in the proposal to WRCOG and approved by WRCOG’s Executive Committee. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the date first above written to December 31, 2018, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

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

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

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

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

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

3.2.6 Consultant's Representative. Consultant hereby designates Brittany Philippi and Randy Swanson, or his or her designee, to act as its representative for the performance

of this Agreement (“Consultant’s Representative”). Consultant’s Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant’s Representative shall supervise and direct the Services, using her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

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

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

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

3.2.10 Insurance.

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

work on any subcontract until it has provided evidence satisfactory to WRCOG that the subcontractor has secured all insurance required under this section.

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

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

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

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

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

(A) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) Bodily Injury and Property Damage; (2) Personal Injury/Advertising Injury; (3) Premises/Operations Liability; (4) Products/Completed Operations Liability; (5)

Aggregate Limits that Apply per Project; (6) Explosion, Collapse and Underground (UCX) exclusion deleted; (7) Contractual Liability with respect to this Agreement; (8) Broad Form Property Damage; and (9) Independent Consultants Coverage.

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

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

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

(B) Automobile Liability.

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

(C) Workers’ Compensation and Employers Liability Coverage.

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

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

(D) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

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

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

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

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

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

(vii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, WRCOG has the right but not the duty to obtain the insurance it deems necessary and any premium paid by WRCOG will be promptly reimbursed by Consultant or WRCOG will withhold amounts sufficient to pay premium from Consultant payments. In the

alternative, WRCOG may cancel this Agreement. WRCOG may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

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

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

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

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

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

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

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as

safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed One Hundred Thousand Dollars (\$100,000) without written approval of WRCOG's Executive Director. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

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

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

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

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

3.4 Accounting Records.

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

3.5 General Provisions.

3.5.1 Termination of Agreement.

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

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

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

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

Consultant: The Creative Bar
29995 Technology Dr., # 104
Murrieta, CA 92563
Attn: Justin Lawler
Facsimile: 213.489.4085

WRCOG: Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor, MS 1032
Riverside, CA 92501
Attn: Rick Bishop
Facsimile: 951.787.7991

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

3.5.3 Ownership of Materials and Confidentiality.

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

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

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

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

All materials and documents which were developed or prepared by the Consultant for general use prior to the execution of this Agreement and which are not the copyright

of any other party or publicly available and any other computer applications, shall continue to be the property of the Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

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

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

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

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

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

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

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

3.5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party

warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

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

[SIGNATURES ON FOLLOWING PAGE]

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

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

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

THE CREATIVE BAR LLC,
a California limited liability company

By: _____
Rick Bishop
Executive Director

By: _____
Justin Lawler
Principal

APPROVED AS TO FORM:

By: _____
General Counsel
Best Best & Krieger

EXHIBIT “A”

SCOPE OF SERVICES

Brand Development: Phase One

- Naming
- Brand Position Statements (in-depth)
- Taglines
- Brand Personality
- Brand Persona
- Brand Writing Style
- Tone and Manner
- Brand Communication Style
- Fonts
- Color Palette
- Photo Style
- Corporate Identity Collateral
- One (1) Organizational Marketing Collateral Concept (Taken from Corporate Identity—See Phase 3)

Go-to-Market Strategy: Phase Two

- Service Summary – Service Questionnaire
- Developing a Strategy
 - Service/Channel Strategy
 - Market Strategy, Creative Pitch
- Customer Experience – Customer Experience Chart
- Setting a Timeline & Budget – Timeline & Budget Meeting
- Measuring Success
 - Evaluation Meeting

Creative Deployment: Phase Three

- Corporate Identity
 - Stationery (Letterhead, Envelopes, Business Cards)
 - Website Design
 - Mockup of Flowchart and Homepage Design
- (Does not include programming or printing costs.)

Removed Phase Four

EXHIBIT “B”
SCHEDULE OF SERVICES

Brand Development: Phase One	ESTIMATED TIME FRAME: 10 - 12 weeks**
Go-to-Market Strategy: Phase Two	ESTIMATED TIME FRAME: 4 - 6 weeks**
Creative Deployment: Phase Three	ESTIMATED TIME FRAME: 6 - 8 weeks**
<u>Removed Phase Four</u>	

**All timelines are suggested and subject to change as needed.

**EXHIBIT “C”
COMPENSATION**

<u>Name</u>	<u>Title</u>	<u>Hourly Rate</u>
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Brand Development: Phase One = \$60,000
Go-to-Market Strategy: Phase Two = \$32,000
Creative Deployment: Phase Three = \$7,900

All “Extra Work”, outlined in Section 3.3.4, shall be billed at the agency’s blended rate of \$130 per hour.

Item 4.A

Community Choice Aggregation Program Activities Update

Attachment 5

Timeline

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Implementation and Timeline

Who		Q3 2017		Q4 2017		Q1 2018			Q2 2018		Q3 2018			Q4 2018			Q1 2019					
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M
Program Governance/JPA Issues																						
WRCOG	Work with COGs, their members and staff to determine program service territories, governance and mgmt. structure(s)																					
WRCOG	Draft new or modify existing JPA Agreement(s) for one or more CCA agencies																					
WRCOG	Draft and adopt CCA Ordinances/JPA resolutions (cities/counties)																					
WRCOG	Determine CCE-related voting and need for extended or separate Board meetings																					
WRCOG	Prepare CCE-related program policies and approve operating budget																					
WRCOG	Develop CCA staffing plan(s); hire director(s) and any other staff once governance and structure is determined																					
WRCOG	Consider CCA related committees (e.g. citizens advisory committee or technical committee)																					
Implementation Services/Project Management																						
All	Finalize vendor service contract(s); kick off meeting to establish team member roles, contacts, steps and timing												P						P			
WRCOG	Establish implementation goals, tasks, workplan and finalize timelines for formation and launch												H						H			
WRCOG	Confirm method of team communication/frequency; participate in team meetings/calls												A						A			
WRCOG	Finalize program budget(s) and establish chart of accounts to track expenses												S						S			
WRCOG	Support outreach to determine which municipalities will be part of initial program(s) [Submit Imp. Plan by December]												E						E			
WRCOG	Prepare reports, provide updates for City Council(s) and Board of Supervisors			ONGOING																		
WRCOG	Develop and track performance metrics in collaboration with Client				ONGOING								#1						#2			
WRCOG	Support JPA Board meetings and all elements of program administration/operations			ONGOING																		
WRCOG	Help develop admin/org infrastructure as needed (e.g. office space, equipment, insurance policies, etc)																					
Communications/Marketing																						
Creative Bar	Update FAQs and develop basic program collateral																					
Creative Bar	Develop public outreach and marketing plan (including multi-lingual, multi cultural)																					
Creative Bar	Branding: program name, logo, core messaging																					
Creative Bar	Develop interactive website with translation and opt-out features																					
Creative Bar	Community engagement-presentations, public workshops, event tabling, local sponsorships/memberships, key stakeholder meetings, et al				ONGOING																	
Creative Bar	Press outreach/earned media (op-eds, feature stories, local radio and TV)				ONGOING																	
Creative Bar	Implement advertising campaign (paid media, social media, et al)																					
Creative Bar	Develop call center script/Call Center live																					
Creative Bar	Prepare customer enrollment notices; by phase, including NEM customers																					
Creative Bar	Manage customer enrollment printing and mailing												#1	#2			#3	#4				
Creative Bar	Manage subsequent enrollments and develop ongoing community presence																					
Technical/Energy Services																						
TEA	Update load data analysis, verify assumptions and generate load forecast																					
TEA	Develop proforma model for operating budgets, forecasts, headroom calculations; determination of credit needs																					
TEA	Determine power supply portfolio mix and product options, (i.e. default and voluntary products)																					
TEA	Provide wholesale market, IOU generation / PCIA rates and energy risk management overview and training																					
TEA	Develop and document Energy Risk Management Policy and initial procurement strategy; obtain Board approval																					
TEA	Procure Phase 1 power requirements (energy, RA and RPS) using TEA's counterparty credit and contracts																					
TEA	Initial rate design for Phase 1 customers																					
TEA/Calpine	Meet with SCE to review timeline and customer enrollment plans																					
TEA	Assist with SCE certification and complete all registrations for program compliance (CPUC, WREGIS etc)																					
TEA	Build short-term load forecast model and setup transfer of SQMD load data to TEA																					
TEA/Calpine	Prepare Utility Service Agreement, Deposits and Bond Posting																					
TEA	CAISO SC setup (submit SC request letter, new SCID, setup digital certs), configure TEA's systems /draft desk procedures																					
TEA	CAISO CRR registration (provide officer certification, risk policies, post \$500k minimum requirements, other CAISO requirements)																					

Implementation and Timeline

Who		Q3 2017	Q4 2017				Q1 2018			Q2 2018			Q3 2018			Q4 2018				Q1 2019		
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M
TEA	Issue and manage power supply procurement process for Phase 2 loads (board approvals, RFPs, bid evaluation)																					
TEA	Negotiate and secure counterparty agreements (ISDAs, EEs, WSPPs, et al)																					
TEA	Support rate design, rate setting and approvals (incl PCIA and utility cost comparisons, FiT and NEM tariffs, 100% voluntary product, etc)																					
TEA/Calpine	Confirm and assist with standard reporting requirements																					
Calpine	Automate data exchange between selected proposer and CCA																					
TEA/EES/TV	Develop initial assessment of local DER potential to support long-term procurement and IRP plans																					
EES/TV	Create Integrated Resource Plan in compliance with SB 350 and the goals of the CCE program (Initial IRP prepared in 2019)																					
Data Management/Call Center																						
Calpine	Finalize data management and call center plans																					
Calpine	Infrastructure and Application configuration																					
Calpine	CRM Install and Configuration																					
Calpine	EDI Certification (utility and bank)																					
Calpine	Scripting and FAQ Approval																					
Calpine	IFrame Approval and Configuration																					
Calpine	IVR Recordings																					
Calpine	Phone & IVR Programming																					
Calpine	Hiring Customer Service Representatives																					
Calpine	Training Customer Service Representatives																					
Calpine	CAISO/OMAR Configuration																					
Calpine	Call Center Live																					
Calpine	List of Phase 1 customers																					
Calpine	1st opt-out period (90 days out)																					
Calpine	2nd opt-out period (60 days out)																					
Calpine	Program rates and reports																					
Calpine	Utility account set up ("dead period")																					
Calpine	Account Switches/Program Live																					
Calpine	1st Full Billing Cycle																					
Calpine	3rd opt-out period (30 days post)																					
Calpine	4th opt-out period (60 days post)																					
Calpine	2nd Full Billing Cycle																					
Calpine	Settlement Quality Meter Data Reporting																					
Calpine	Billing Administration																					
Calpine	Customer Service																					
Finance/Banking																						
TEA	Clarify power supply credit requirements																					
TEA/WRCOG	Develop CCE operating budget (based on final votes/load) and annual budgets thereafter																					
TEA	Determine bank related services and need for additional operating capital																					
TEA/Calpine	Interview and select banking partner if different from existing bank partner																					
Calpine	Establish CCA deposit and lockbox accounts (Bank, SCE, Calpine)																					
TEA/Client	Establish fiscal management policies to augment risk mgmt policies																					
Calpine	Coordinate with data management vendor to ensure daily deposits and controls																					
TEA/Calpine	Determine plan for internal accounting and annual audits																					
Regulatory/Legislative																						
EES/BBK/WRCOG	Begin monitoring CCE-related regulatory and legislative activity and participating in statewide efforts																					

Implementation and Timeline

Who

EES/BBK/WRCOG
EES/BBK/WRCOG
EES/BBK/WRCOG
EES/BBK/WRCOG

Develop monthly regulatory and legislative reports for staff and Board leadership
Closer to operations, begin deeper regulatory engagement by participation in proceedings and rulemakings at the CPUC
Register with the CPUC and obtain party status for priority regulatory proceedings
Ensure full regulatory/program compliance and related reporting

Q3 2017			Q4 2017			Q1 2018			Q2 2018			Q3 2018			Q4 2018			Q1 2019		
J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M
			ONGOING																	

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Administration of additional PACE Programs in the WRCOG subregion

Contact: Barbara Spoonhour, Director of Energy and Environmental Programs,
spoonhour@wrcog.cog.ca.us, (951) 955-8313

Date: July 12, 2017

The purpose of this item is to provide the Committee with an update on the PACE Programs that have interest in operating under WRCOG's PACE "umbrella." On June 6, 2016, the Executive Committee established a PACE Ad Hoc Committee to review and administer the vetting process and provide recommendations on the possible inclusion of additional PACE providers under the WRCOG "umbrella" for the subregion.

Requested Action:

1. Support the PACE Ad Hoc Committee's recommendation to request that the Executive Committee direct and authorize the Executive Director to enter into contract negotiations and execution of any necessary documents to include PACE Funding under WRCOG's PACE umbrella.

Request from PACE Funding to operate under WRCOG umbrella

WRCOG was approached by PACE Funding with a proposal to operate under the WRCOG PACE umbrella. PACE Funding initially interviewed with the PACE Ad Hoc Committee on August 3, 2016, and was recommended to be reevaluated after staff conducted a site visit. On August 22, 2016, PACE Funding submitted a letter of withdrawal from the application process to focus on internal processes. In December 2016, PACE Funding reengaged with WRCOG to express interest in operating under its PACE umbrella.

On June 14, 2017, the PACE Ad Hoc Committee conducted another review of PACE Funding and is recommending approval by the Administration & Finance Committee, with the caveat that staff conduct another site visit to ensure that all operations that PACE Funding presented are intact.

On June 26, 2017, WRCOG staff and a member of the PACE Ad Hoc Committee conducted a site visit and received a presentation on PACE Funding's call center and procedures, contractor management, and plans for expanding in the WRCOG subregion.

Highlights of the site visit include the following:

- PACE Funding already has contractors based in southern California, and several already working in the WRCOG subregion. If accepted under WRCOG's umbrella, PACE Funding will aim to grow its network in Riverside County, adding contractors from the region. PACE Funding has three channel managers, including one based in Riverside, which are working to establish relationships with at least 10 additional contractors in the County.
- Per the Ad Hoc Committee's request, PACE Funding has also agreed to remove the maximum financing amount from its quoting software ("Know Before You Go").
- Should there be a contractor complaint, the complaint would be subjected to an immediate review by PACE

Funding's Chief Operating Officer and the contractor onboarding manager.

- PACE Funding will provide WRCOG a login to its portal, known as PACE Power Tool, to access relevant documents such as assessment contracts and completion certificate, as well as statistics on financing completed in the region.
- During PACE Funding's "welcome call" to property owners, the mechanics of repayment are explained to customers including how the assessment becomes a line item on property owner's tax bill, contacting a property owner's impound account, and adjusting their monthly impound amount to include the PACE assessments.

What are the next steps? If recommended to move forward by the Administration & Finance Committee, the item will be presented to the Executive Committee for approval. Staff would then collaborate with PACE Funding to finalize policies, documents, and procedures to roll out PACE Funding in the WRCOG subregion this year.

If the Administration & Finance Committee decides not to recommend PACE Funding to move forward, staff would send notification to PACE Funding.

What are the next steps for the member agencies? Member jurisdictions will always retain the right to include or exclude additional PACE providers who are not participating under the WRCOG umbrella.

If the Executive Committee's action is to adopt PACE Funding as an additional provider, the Program will automatically be able to operate in each member jurisdiction, unless a jurisdiction takes action to prohibit its inclusion. If a jurisdiction desires NOT to include PACE Funding as an additional Provider, it must adopt a resolution to opt-out of the Program. WRCOG will continue to provide outreach with the adoption of each additional PACE Program and provide each member jurisdiction with the opt-out resolution if requested.

Prior Action:

None.

Fiscal Impact:

Costs, including additional staff time, consulting fees, and any other expenditures not originally budgeted for administering additional PACE Programs, will be recaptured through a one-time administrative fee and added during the course of a quarterly budget amendment in Fiscal Year 2017/2018.

Attachment:

None.