



Western Riverside Council of Governments Administration & Finance Committee

REVISED AGENDA

**Wednesday, October 10, 2018
12:00 p.m.**

**Western Riverside Council of Governments
Citrus Tower
3390 University Avenue, Suite 450
Riverside, CA 92501**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Administration & Finance Committee meeting, please contact WRCOG at (951) 405-6703. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 3390 University Avenue, Suite 450, Riverside, CA, 92501.

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

1. CALL TO ORDER (Chuck Washington, Chair)

2. PUBLIC COMMENTS

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

3. MINUTES

A. Summary Minutes from the July 11, 2018, Administration & Finance Committee Meeting are Available for Consideration.

P. 1

Requested Action: 1. *Approve the Summary Minutes from the July 11, 2018, Administration & Finance Committee meeting.*

4. CONSENT CALENDAR

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

- A. **Finance Department Activities Update** **P. 7**
Requested Action: 1. *Receive and file.*
- B. **Single Signature Authority Report** **P. 13**
Requested Action: 1. *Receive and file.*
- C. **Update on Assembly Bill 1912: Public Employees' Retirement: Joint Powers Agreements: Liability** **P. 15**
Requested Action: 1. *Receive and file.*
- D. **Amendment to the Appendix of the WRCOG Conflict of Interest Code** **P. 23**
Requested Action: 1. *Recommend that the Executive Committee adopt WRCOG Resolution Number 42-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974.*
- E. **Development of a Sustainability Indicators Report Update** **P. 41**
Requested Action: 1. *Receive and file.*
- F. **Experience Regional Innovation Center Feasibility Analysis Activities Update** **P. 45**
Requested Action: 1. *Receive and file.*

5. REPORTS / DISCUSSION

- A. **27th Annual General Assembly & Leadership Address Update** **P. 123**
Requested Action: 1. *Receive and file.*
- B. **PACE Programs Activities Update** **P. 125**
Requested Actions: 1. *Recommend that the Executive Committee defer the judicial foreclosure proceedings on delinquent residential parcels of the 2017/2018 tax year and to assign WRCOG's collection rights to a third party for 400 delinquent parcels totaling \$1,162,811.03.*
2. *Recommend that the Executive Committee authorize the Executive Director to enter in a Purchase and Sales Agreement with the third party, First National Assets, for the purchase of the delinquent assessment receivables.*

3. *Recommend that the Executive Committee either a) advance funds from WRCOG, or from a third party, to allow for the deferral of judicial foreclosure proceedings on delinquent commercial properties, or b) adopt WRCOG Resolution Number 41-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Ordering the Initiation of Judicial Foreclosure Proceedings Pursuant to the Improvement Bond Act Of 1915 of Certain Property for Which the Payment of Assessment Installments Are Delinquent.*

C. Update to WRCOG JPA and Bylaws

P. 141

- Requested Actions:**
1. *Recommend that the Executive Committee approve the updated Bylaws. (Note: This document has changed since the initial publication of the agenda packet.)*
 2. *Recommend that the Executive Committee approve the updated JPA.*
 3. *Recommend that the Executive Committee direct WRCOG to forward the updated JPA to WRCOG member agencies for their approval.*

D. TUMF Zone Boundaries Update

P. 183

- Requested Action:**
1. *Recommend that the Executive Committee approve an update to the TUMF Zone boundaries to align with County of Riverside Supervisorial Districts.*

6. ITEMS FOR FUTURE AGENDAS

Members

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

7. GENERAL ANNOUNCEMENTS

Members

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

- 8. NEXT MEETING:** The next Administration & Finance Committee meeting is scheduled for Wednesday, November 14, 2018, at 12:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.

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 Chair Chuck Washington at WRCOG's Office, Citrus Conference Room.

Members present:

Debbie Franklin, City of Banning
Eugene Montanez, City of Corona
Bonnie Wright, City of Hemet
Laura Roughton, City of Jurupa Valley
Brian Tisdale, City of Lake Elsinore
Kelly Seyarto, City of Murrieta
Ben Benoit, City of Wildomar
Chuck Washington, County of Riverside District 3 (Chair)
Marion Ashley, County of Riverside District 5
Brenda Dennstedt, Western Municipal Water District

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, Executive Director
Barbara Spoonhour, Director of Community Choice Aggregation Development
Casey Dailey, Director of Energy and Environmental Programs
Princess Hester, Administrative Services Officer
Crystal Adams, Program Manager
Michael Wasgatt, Program Manager
Andrew Ruiz, Program Manager
Andrea Howard, Program Manager
Tyler Masters, Program Manager
Janis Leonard, Administrative Services Manager
Daniel Ramirez-Cornejo, Staff Analyst
Rachel Hom, Staff Analyst
Sofia Perez, Staff Analyst
Suzy Nelson, Administrative Assistant

Guests present:

Warren Diven, Best Best & Krieger
Jeff Dunn, Best Best & Krieger

2. PUBLIC COMMENTS

There were no public comments.

3. MINUTES – (Murrieta / Jurupa Valley) 9 yes; 0 no; 1 abstention. Item 3.A was approved. The City of Riverside was not present. The Western Municipal Water District abstained.

A. Summary Minutes from the June 13, 2018, Administration & Finance Committee Meeting are Available for Consideration.

- Action:** 1. *Approved the Summary Minutes from the June 13, 2018, Administration & Finance Committee meeting.*

4. CONSENT CALENDAR – (County, 5th District / Banning) 10 yes; 0 no; 0 abstention. Items 4.A through 4.D were approved. The City of Riverside was not present.

A. Finance Department Activities Update

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

B. Single Signature Authority Report

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

C. Western Community Energy Activities Update

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

D. Experience Regional Innovation Center Feasibility Analysis Update

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

5. REPORTS / DISCUSSION

A. PACE Programs Activities Update

Michael Wasgatt reported that over the past six months staff have been working with its PACE providers to develop a comprehensive Compliance Program to be applied uniformly across the Programs WRCOG administers. The purpose of the Program is to provide standards for the review of assessments prior to counter signatures and procedures for complaint reporting.

Prior to counter signatures, WRCOG reviews all assessments for compliance with Program parameters. During signing staff reviews multiple data points. Last March, a Call Center was implemented; these staff contact every homeowner who is participating in the Program. The purpose of the calls is to ensure every homeowner understands their project and the terms of their financing, and to answer any questions. Since implementation of the Call Center, complaints have decreased approximately 88%.

As part of the Program, providers are required to implement a tracking system to track and verify all complaints and provide weekly reports to WRCOG. Providers are required to report any contractors which are on watch lists or have been suspended, and are also required to complete asset verifications on 5% of all projects completed.

If it has been determined that an ineligible product has been installed, that item on the assessment must be paid down prior to the sale of a home.

Committee member Debbie Franklin asked why complaints are down so much.

Mr. Wasgatt responded that Call Center staff are contacting every homeowner to discuss the terms of their project, and follow up with emails and voicemails to those who are not spoken with directly. This “Quality Assurance” call, which is in addition to the “Confirm Terms” call that occurs earlier in the process, provides another opportunity for consumers to discuss their improvements and terms and confirm whether they wish to move ahead. Additionally, nearly 200 contractors have been removed from the Program due to violations, which might also be a factor in reduced complaints.

When the Executive Committee adopted Resolution Number 35-17, approving requirements for the

implementation of the financing of seismic strengthening improvements in member or associate member jurisdictions, member jurisdictions were required to take an action to opt-in to the Program. This has been cumbersome on WRCOG and member jurisdictions. The amended resolution being presented today is an opt-out resolution.

There is one commercial property owner in the SAMAS Program that has consistently been unable to pay its property taxes since April 2016. As of July 3, 2018, the parcel is delinquent \$27,380.89. The Executive Committee has previously elected to defer judicial foreclosure on delinquent properties; however, the bond holder for this assessment would like to pursue foreclosure.

Committee member Brenda Dennstedt asked if the business is going through a restructure.

Casey Dailey responded that staff have been in communication with the property owner for several months. A payment plan was offered, and the owner was amenable to that, but has not acted. The property has tenants and is generating revenue. The bond investors have indicated that often times, property owners know that until the foreclosure process is actually initiated, nothing happens.

Staff does not anticipate that we will go through the entire process. Once the paperwork is filed, it is anticipated that the property owner will make amends to become current.

Mr. Wasgatt indicated that staff is vetting a potential new PACE provider, Clean Fund Commercial Capital, which is solely a commercial provider, based out of Sausalito. Clean Fund currently has a potential project within the City of Temecula. Staff recently completed a site visit in Sausalito and will be reconvening the PACE Ad Hoc Committee in the coming weeks. Because this Committee will be dark in August, staff requests that any recommended action from the Ad Hoc Committee go directly to the Executive Committee. The Committee was in agreement with this.

- Actions:**
1. *Recommended that the Executive Committee adopt Amended WRCOG Resolution 35-17; A Resolution of the Executive Committee of the Western Riverside Council of Governments amending Resolution Number 35-17 to revise the requirements for the implementation of the financing of seismic strengthening improvements in member or associate member jurisdictions.*
 2. *Recommended that the Executive Committee initiate judicial foreclosure on the delinquent property participating in the SAMAS Commercial PACE Program.*

(Wildomar / Murrieta) 10 yes; 0 no; 0 abstention. Item 5.A was approved. The City of Riverside was not present.

B. Local Assistance for WRCOG Member Agencies: Grant Writing Assistance and BEYOND Program Activities Updates

Andrea Howard reported that through two rounds of funding, the Executive Committee has allocated \$4.1 million to the BEYOND Program. In Round I, \$1.8 million was allocated to 32 projects; in Round II, in addition to the fixed sum that each member jurisdiction was allocated, two competitive pots of funding were created – one to support collaborative efforts (BEYOND Team), and one supporting healthy activities (BEYOND Health). Through these two additional pots of funding, 51 projects have been funded.

One of the projects funded through BEYOND Health was the Pardy Partners Program in the City of Norco. Pardy Partners was granted \$6k (partial from BEYOND Health in addition to funding from other supporters), and is now able to continue their bi-monthly social and recreational activities for individuals with disabilities.

C. Action: 1. Received and filed.
Regional Streetlight Program Activities Update

Tyler Masters reported that 11 jurisdictions are participating in this Program. A service provider (Siemens) has been identified to provide retrofit, operations, and maintenance services. LED fixtures provider has also been identified. General Electric (GE) fixtures have been selected by the regional evaluation committee and the fixture will be purchase and delivered through California Electric Supply. These fixtures are 43% more cost effective than originally anticipated, and 61% to 69% more energy efficient than current systems.

Mr. Masters shared potential retrofit schedules with Committee members.

Committee member Ben Benoit indicated that the City of Wildomar is reviewing the financing agreement with Banc of America to fund its purchase of streetlights, and discovered a clause regarding being allowed to put a 5G cell tower and/or other improvements on only 5% of their streetlights.

Mr. Masters responded that the 5% restriction applies to what equipment Southern California Edison can put on the streetlights.

Committee member Benoit indicated that the City of Wildomar was approached by XG Communications and provided a presentation, and desires to be the middleman between the City and all the 5G cell phone provider companies.

Mr. Masters responded that staff have researched all the small cell agreements and have created a list of results and are currently reporting this information through the WRCOG Committee structure.

Action: 1. *Received and filed.*

D. 4th Quarter Budget Amendment

Andrew Ruiz reported that the Administration Department had an increase of approximately \$119,000 due to additional IT and AV construction costs of the new office, electromagnetic door locks, and permit fees. These expenditures will be offset by savings in line items where there was an available budget.

The Transportation Department had an increase of approximately \$6,000 due to Active Transportation salaries and roadway signs for TUMF projects. These expenses will be offset by reducing unused consulting labor expenditures.

The Environmental Department had an increase of approximately \$32,000 due to advertising costs for the Used Oil Program; this year we experimented with a social media platform. These expenses will be offset by unused line items.

The Energy Department had an increase of approximately \$413,000 due to SB 2 recording fees and CCA legal costs. These expenses will be offset by reducing unused consulting labor expenditures. Approximately \$300,000 of the SB 2 recording fees will be recovered. PACE revenues are being reduced by approximately \$608,000 due to projected revenues not being realized. A large portion of this amount is with Spruce, which ceased its operations this fiscal year. These expenditures will be offset by reducing unused consulting and salary line items.

Action: 1. *Recommend that the Executive Committee approve the 4th Quarter Budget Amendment for Fiscal Year 2017/2018.*

(Wildomar / Banning) 10 yes; 0 no; 0 abstention. Item 5.D was approved. The City of Riverside was not present.

E. Public Service Fellowship Activities Update

Andrea Howard reported that WRCOG has placed 36 Fellows with member jurisdictions over the past two funding cycles. To staff's knowledge, there are 18 who have secured jobs here in Western Riverside County. For this third round, 15 applicants were selected to fill 19 positions. Fellows were placed in 11 jurisdictions, and provided the opportunity for jurisdictions to appeal the fact that they did not receive one or more than one Fellows requested. WRCOG received two appeals.

Fellows are in the process of interviewing with their host jurisdictions and, once finalized, will serve up to 960 hours for the year. In April the Fellowship will conclude. For Round 4, jurisdictions which did not receive a Fellow will be prioritized.

Committee member Debbie Franklin asked what the ideas are to cover the shortage of qualified Fellows.

Mrs. Howard responded that WRCOG now has three university partners. One university has had the same staff member participate in the process each year, while another has experienced staff turnover. One university is new to the Program.

Chair Washington asked staff to reach out to the Cal State extension in the City of Temecula.

Committee member Eugene Montanez asked if staff have reached out to La Sierra University.

Mrs. Howard responded that staff have reached out and attempted to make contact; however, nothing has moved forward as of yet.

Action: 1. *Received and filed.*

F. Distribution of Beaumont Settlement Agreement Revenues

Rick Bishop reported that WRCOG has received just over \$11 million as part of the third party settlements. The City of Beaumont has agreed to remit just of \$9.5 million in future Measure A funds.

A couple of months ago WRCOG sent correspondence to the County, the Riverside County Transportation Commission (RCTC), and the Cities of Banning, Calimesa, asking for their formal input. The two cities had similar proposals in that the first \$5 million received should be allocated at the discretion of the affected communities. The City of Banning recommended that after the first \$5 million, 90% of those funds should go to those impacted communities, and the remaining 10% to RCTC. The City of Calimesa recommend a 95% / 5% split.

Mr. Bishop noted in the Pass Zone is that there has not been a regional project funded by RCTC. RCTC has desired to distribute the regional funds in accordance with the Nexus Study to projects that were adopted by RCTC prior to moving on to additional projects. RCTC is now ready to add additional projects into the regional pot for future funding and has indicated the I-10 bypass is a regional candidate.

Staff is working on identifying regional projects in the Pass Zone to be placed on its Transportation Improvement Program. Staff is coordinating another meeting with the County, RCTC, and the Cities of Banning and Calimesa to determine a consensus recommendation.

Action: 1. *Received and filed.*

6. ITEMS FOR FUTURE AGENDAS

Committee member Laura Roughton asked about a previously discussed matter on AB 1912. Barbara Spoonhour responded that that presentation will occur in September because the legislative session has just ended and legal counsel is working on the update.

Committee member Debbie Franklin asked if staff has any additional information on the cell tower bill. Erin Sasse with the League of California Cities sent out an urgent email last night.

Tyler Masters responded that staff is aware and are looking into it.

7. GENERAL ANNOUNCEMENTS

Rick Bishop announced that Crystal Adams has secured a position with the City of Eastvale and her last day with WRCOG is next week.

8. CLOSED SESSION

There were no reportable actions.

- 9. NEXT MEETING:** The Administration & Finance Committee is dark in August. The next meeting is scheduled for Wednesday, September 12, 2018, at 12:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.
- 10. ADJOURNMENT:** The meeting of the Administration & Finance Committee adjourned at 1:27 p.m.



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Finance Department Activities Update

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

Date: October 10, 2018

The purpose of this item is to provide an update on the Fiscal Year (FY) 2017/2018 Agency Audit, Annual TUMF review, and the Agency Financial Report summary through July 2018.

Requested Action:

1. Receive and File.

FY 2017/2018 Agency Audit

FY 2017/2018 ended on June 30, 2018. WRCOG's annual Agency Interim Audit was completed on May 31, 2018. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit, which involves preliminary audit work that is conducted prior to fiscal year end. The interim audit tasks are conducted in order to compress the period needed to complete the final audit after fiscal year end. In late September, RAMS returned to finish its second round, which is known as "fieldwork." The final Comprehensive Annual Financial Report is expected to be issued by the end of October 2018, and dependent upon its release may be presented to the Finance Directors on October 25, 2018. If the report is issued after the Finance Director's Committee meeting, staff will transmit the report to the Finance Directors to solicit any comments prior to bringing the report to the Administration & Finance Committee in November or December 2018, with the Executive Committee receiving the report no later than at its January 7, 2019, meeting.

Annual TUMF review of participating agencies

Each year, WRCOG meets with participating members to review TUMF Program fee collections and disbursements to ensure compliance with Program requirements. It is anticipated that the FY 2017/2018 reviews will be conducted from October through November, with the final reports issued to the respective jurisdictions and agencies by December 2018.

Financial Report summary through July 2018

The Agency Financial Report summary through July 2018, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Prior Action:

October 1, 2018: The Executive Committee received and filed.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – July 2018.

Item 4.A

Finance Department Activities Update

Attachment 1

Financial Report summary – July 2018

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**Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending July 31, 2018**

Total Agency			
	Approved Budget 6/30/2019	Thru Actual 7/31/2018	Remaining Budget 6/30/2019
Revenues			
PACE Residential Revenue	560,000	60,198	499,802
Statewide HERO Revenue	2,400,000	131,383	2,268,617
WRCOG HERO-Recording Revenue	122,500	16,890	105,610
Statewide Recording Rev	600,000	81,665	518,335
Regional Streetlights Revenue	300,000	63,500	236,500
 FY 17/18 Carryover Funds Transfer in	 945,845	 945,845	 -
Carryover Funds Transfer in	4,268,757	4,268,757	-
Overhead Transfer in	2,084,260	173,688	1,910,572
Total Revenues and Carryover Funds	58,937,742	5,741,926	53,195,816
 Expenditures	 Approved 6/30/2019	 Actual 7/31/2018	
Wages and Benefits			
Salaries & Wages	2,987,699	96,868	2,890,831
Fringe Benefits	929,898	56,170	873,728
Overhead Allocation	2,084,260	173,688	1,910,572
Total Wages, Benefits and Overhead	6,001,857	326,727	5,675,130
 PERS Unfunded Liability	198,823	152,327	46,496
Bank Fees	19,000	3,420	15,580
Commissioners Per Diem	62,500	7,050	55,450
Office Lease	400,000	33,482	366,518
Parking Validations	27,550	2,741	24,810
Coffee and Supplies	3,000	151	2,849
Event Support	102,369	36,512	65,857
Program/Office Supplies	24,150	642	23,508
Computer Equipment/Supplies	8,000	125	7,875
Computer Software	30,000	222	29,778
Rent/Lease Equipment	30,000	1,129	28,871
Membership Dues	33,000	18	32,982
Meeting Support Services	9,681	233	9,448
Postage	6,015	761	5,254
Other Household Exp	750	541	209
Storage	16,000	1,259	14,741
Communications - Cellular Phones	21,000	804	20,196
Communications - Computer Services	57,500	4,591	52,909
Communications - Web Site	8,000	6,552	1,448
Equipment Maintenance - General	10,000	1,641	8,359
Equipment Maintenance - Comp/Software	21,000	1,590	19,410
Insurance - Gen/Busi Liab/Auto	79,850	51,345	28,505
PACE Residential Recording	727,500	96,190	631,310
Travel - Mileage Reimbursement	23,600	303	23,297
Other Incidentals	9,950	563	9,387
Consulting Labor	3,102,373	663,724	2,438,649
TUMF Project Reimbursement	38,000,000	83,612	37,916,388
Total General Operations	47,676,204	1,151,527	46,524,677
 Total Expenditures and Overhead	53,678,061	1,478,254	52,199,808

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Single Signature Authority Report

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

Date: October 10, 2018

The purpose of this item is to notify the Committee of contracts recently signed under the Single Signature Authority of the Executive Director.

Requested Action:

1. Receive and file.

The Executive Director has Single Signature Authority for contracts up to \$50,000. For the months of June through September, 2018, one contract was signed by the Executive Director.

1. On June 18, 2018, a contract in the amount of \$25,000 was signed with Westbound Communications, Inc. The purpose of the agreement is to develop and implement a PACE communication strategy to effectively communicate with the public, decision makers, community organizations and trade associations the benefits, achievements and developments in the WRCOG Residential PACE Program. The contract includes the development and implementation of a media outreach strategy.

Prior Action:

July 11, 2018: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachment

None.

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Update on Assembly Bill 1912: Public Employees' Retirement: Joint Powers Agreements: Liability

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

Date: October 10, 2018

The purpose of this item is to provide an update on Assembly Bill 1912: Public Employees' Retirement: Joint Powers Agreements: Liability, Chaptered September 29, 2018.

Requested Action:

1. Receive and file.

At the July 2018 Administration & Finance Committee meeting, members requested an overview of Assembly Bill (AB) 1912: Public Employees' Retirement: Joint Powers Agreements: Liability. The bill has had many amendments over the past few months and was signed by the Governor on September 29, 2018.

Some highlights from the bill include the below. A memo (Attachment 1) outlining more information on the bill is attached for members' review.

- The retirement liabilities of a JPA are the debts of the parties to the JPA agreement. This rule applies on a retroactive and prospective basis. However, AB 1912 would not apply to members of a JPA whose retirement contract was terminated prior to AB 1912's passage or to members of a JPA that dissolved prior to January 1, 2019.
- Member agencies would only be required to apportion retirement liabilities of a JPA *if* the JPA dissolved, ceased operations, or when its contract with the public retirement system terminated.
- If member agencies are unable to agree as to apportionment, the retirement board (i.e., CalPERS for WRCOG) would determine apportionment between member agencies based on share of service received from each agency, or the population of each member agency. A member agency may challenge the retirement board's determination, in which case an arbitrator would make the final and binding determination.
- Terminating JPAs and their member agencies will remain liable to CalPERS if there are still inadequate funds available for the benefits promised (e.g., one member agency defaults on its obligations), even after member agencies agree or the Board apportions 100% of the JPA's retirement liabilities.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. Memo regarding Assembly Bill 1912.

Item 4.C

Update on Assembly Bill 1912:
Public Employees' Retirement: Joint
Powers Agreements: Liability

Attachment 1

Memo regarding Assembly Bill 1912

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MEMORANDUM

To: Executive Committee, WRCOG
From: Legal Counsel
Date: September 27, 2018
Re: AB 1912 Synopsis

HISTORICAL BACKGROUND

Assembly Bill 1912 (“AB 1912”) was introduced on January 23, 2018 by Assemblyman Freddie Rodriguez as a legislative response to the highly-publicized default and subsequent termination of East San Gabriel Valley Human Services Consortium’s (also known as “LA Works”), a joint powers authority (“JPA”), pension contract with CalPERS. LA Works’ default ultimately resulted in a sixty-three percent (63%) reduction in accrued retirement benefits for 193 retirees. As a result of this default, CalPERS now considers existing JPAs that contract with CalPERS to be at significant risk of defaulting on their CalPERS obligations. According to CalPERS and the California State Retirees, the goals of AB 1912 are to: (1) protect employees and retirees of JPAs by ensuring their retirement benefits will be paid in full, as promised, even if a JPA dissolves or terminates its contract with a pension system; (2) ensure that member agencies forming JPAs will be liable for its pension obligations; and (3) ensure payment of current and future JPA employees’ retirement benefits.¹

EARLIER VERSIONS OF AB 1912

At its introduction in January 2018, AB 1912 would have prohibited any state, school employer, or contracting agency from failing or refusing to pay their employer contributions as required by the Public Employees’ Retirement Law (“PERL”). On March 19, 2018, this initial version of the bill was amended in its entirety and replaced with language specifically targeting JPAs. As first amended, AB 1912 provided that: (1) all debts, obligations and liabilities (not only pension liabilities) of a JPA must be shared by its members; and (2) JPA members (both current and former) would be jointly and severally liable for the retirement obligations of the JPA. This version of the bill also made substantive changes to the Public Utility Code that would have limited the flexibility accorded to community choice aggregators (“CCA”), implying that the Legislature was specifically targeting CCA entities.

On April 19, 2018, AB 1912 was amended for a second time, and reinstated the Government Code section 6508.1 language which permits a JPA agreement to specify that the debts, liabilities and obligations of the JPA are the JPA’s alone except with respect to retirement

¹ CalPERS’ Board of Administration Agenda Report, “Assembly Bill 1912 Public Employees’ Retirement – Joint Powers Agreements Liability,” July 16, 2018, p. 4-5.

liabilities if the JPA contracts with a public retirement system. This version also eliminated the proposed changes specifically targeting CCA entities instead making them subject to AB 1912 to the extent they are organized as JPAs rather than because of their CCA status. This second amended version also provided that the apportionment of the JPA's retirement liabilities was to be done by mutual apportionment of the JPA members, *instead* of on a joint and several basis. If JPA members could not reach an agreement on apportionment, then the retirement board (i.e., CalPERS for WRCOG) would determine how to allocate pension liabilities. The Board's apportionment could be later superseded by agreement of the JPA members.

ADOPTED VERSION OF AB 1912

Since April 19, 2018, AB 1912 has been amended several more times, with the latest amendment on August 24, 2018 just days before the State Senate and Assembly passed the bill. We summarize a few of the most significant aspects of adopted bill below:

- The retirement liabilities of a JPA are the debts of the parties to the JPA agreement. This rule applies on a retroactive and prospective basis. However AB 1912 would not apply to members of a JPA whose retirement contract was terminated prior to AB 1912's passage or to members of a JPA that dissolved prior to January 1, 2019.²
- Member agencies would only be required to apportion retirement liabilities of a JPA *if* the JPA dissolved, ceased operations, or when its contract with the public retirement system terminated. This means that members of a JPA that is not at risk of failing, would not be forced to apportion the JPA's retirement liability among themselves.
- For any JPA participating in CalPERS, member agencies would need to apportion retirement liabilities of the JPA and submit a copy of the agreement to the CalPERS Board³ *prior to filing a notice to terminate*. Previously the bill would have permitted agencies to apportion liability before the effective date of termination.
- Any JPA participating in CalPERS that is subject to potential termination for failure to pay employer contributions, must provide the board with a copy of its apportionment agreement within 60 days' notice.
- If member agencies are unable to agree as to apportionment, the retirement board (i.e., CalPERS for WRCOG) would determine apportionment between member agencies based on share of service received from each agency, or the population of each member

² Please note, extreme caution should be exercised before a JPA with a retirement contract dissolves or terminates its contract, as there might be other viable alternatives.

³ We make reference to the CalPERS Board specifically in cases where the provisions of AB 1912 amend the Public Employees' Retirement Law, rather than a statute of general applicability, thus making the provisions only applicable to CalPERS employers.



agency. A member agency may challenge the retirement board's determination, in which case an arbitrator would make the final and binding determination.

- Terminating JPAs and their member agencies will remain liable to CalPERS if there are still inadequate funds available for the benefits promised (e.g. one member agency defaults on its obligations), even after member agencies agree or the Board apportions 100% of the JPA's retirement liabilities.

In an effort to keep this report as concise as possible, we have omitted some timing and procedural requirements for apportioning retirement liabilities. Please let us know if you have any follow-up questions.

ISABEL C. SAFIE
STEVEN C. DEBAUN

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Amendment to the Appendix of the WRCOG Conflict of Interest Code

Contact: Janis L. Leonard, Administrative Services Manager, jleonard@wrcog.us, (951) 405-6702

Date: October 10, 2018

The purpose of this item is to recommend that the Executive Committee approve an amendment to the WRCOG Conflict of Interest Code.

Requested Action:

1. Recommend that the Executive Committee adopt WRCOG Resolution Number 42-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974.

A review of the WRCOG Conflict of Interest Code is performed every two years, and if changes are necessary, an amendment must be adopted by the Executive Committee. Upon review of the current Conflict of Interest Code, the below changes are needed, as several titles have been added within the list of Designated Positions. Employees with these newly designated titles will be required to provide an annual Form 700, Statement of Economic Interest, beginning April 1, 2019.

Titles removed:

Director of Government Relations
Program Manager Administration
IT Administrator

Titles added:

Director of Administration, RCHCA
Director of Natural Resources, RCHCA
Program Manager, Government Relations, Planning, and Special Projects
Senior Fiscal Analyst
Senior Ecological Resources Specialist, RCHCA

Revision of titles of existing positions:

From Director of Transportation to Director of Transportation & Planning

Prior Action:

None.

Fiscal Impact:

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

Attachments:

1. Conflict of Interest Code for the Western Riverside Council of Governments (Redline version).
2. Notice of Intention to Amend the Conflict of Interest Code of the Western Riverside Council of Governments.
3. WRCOG Resolution Number 42-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974 (with attached Legislative Version (Show Changes Made) of the Appendix).

Item 4.D

Amendment to the Appendix of the
WRCOG Conflict of Interest Code

Attachment 1

Conflict of Interest Code for the
Western Riverside Council of
Governments (Redline version)

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**CONFLICT OF INTEREST CODE
OF THE
WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS**

CONFLICT OF INTEREST CODE **OF THE** **WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS**

(Amended ~~September 11, 2017~~November 5, 2018)

The Political Reform Act, (Gov. Code § 81000, et seq.), requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730), that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Western Riverside Council of Governments ("WRCOG")**.

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Administrative Services Manager** as WRCOG's Filing Officer. The **Administrative Services Manager** shall make and retain a copy of all statements filed by Members of the Executive Committee, the Executive Director and the Treasurer, and forward the originals of such statements to the Clerk of the Board of Supervisors. The **Administrative Services Manager** shall retain the originals of the statements of all other officials and designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code Section 81008.)

APPENDIX
CONFLICT OF INTEREST CODE
OF THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

(Amended ~~September 11, 2017~~ November 5, 2018)

PART “A”
OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

WRCOG Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to WRCOG’s Code, but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Executive Committee Members, including ex-officio non-voting members
Executive Director
Treasurer
Chief Financial Officer
Investment Consultant

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS
GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITIONS'
TITLE OR FUNCTION

DISCLOSURE CATEGORIES
ASSIGNED

<u>Administrative Assistant</u>	<u>5</u>
Administrative Services Manager	5
Deputy Executive Director <u>(ALL)</u>	1, 2
<u>Director of Administration, RCHCA</u>	<u>4</u>
Director of Energy & Environmental Programs	2, 5
Director of Government Relations	4
<u>Director of Natural Resources, RCHCA</u>	<u>5</u>
Director of Transportation <u>& Planning</u>	1, 2
Fiscal Analyst	4
General Counsel	1, 2
Program Manager, Accounting	4
Program Manager, Administration	2, 3, 5
Program Manager, Environmental	5
Program Manager, HERO	2, 3, 5
Program Manager, Transportation	1, 2
Program Manager, TUMF	1, 2
<u>Program Manager, Government Relations, Planning, and Special Projects</u>	<u>2, 3, 5</u>
<u>Senior Ecological Resources Specialist, RCHCA</u>	<u>2, 3, 5</u>
Staff Analyst (ALL)	5

IT Administrator	5
DESIGNATED POSITIONS' TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED

Technician, General (ALL)	5
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**MEMBERS OF BOARDS,
COMMITTEES AND COMMISSIONS**

DESIGNATED POSITIONS' TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Finance Directors' Committee	1, 2
Planning Directors' Committee	2, 3, 5
Public Works Committee	2, 3, 5
Solid Waste Committee	2, 5
Technical Advisory Committee	1, 2

Consultants and New Positions²

² Individuals serving as a consultant as defined in FPPC Reg 18700.3(a) or in a new position created since this Code was last approved that makes or participates in the making of decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The Executive Director may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART “B”

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designate position must disclose for each disclosure category to which he or she is assigned.³ “Investment” means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of WRCOG.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in or that own real property in the jurisdiction of WRCOG.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of WRCOG.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property in within the jurisdiction of WRCOG.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by WRCOG.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position’s department, unit or division.

³ This Conflict of Interest Code does not require the reporting of gifts from outside this agency’s jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

Item 4.D

Amendment to the Appendix of the
WRCOG Conflict of Interest Code

Attachment 2

Notice of Intention to Amend the
Conflict of Interest Code of the
Western Riverside Council of
Governments

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NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

NOTICE IS HEREBY GIVEN that the Executive Committee of the Western Riverside Council of Governments (“WRCOG”) intends to amend WRCOG’s Conflict of Interest Code (the “Code”) pursuant to Government Code section 87306.

The Appendix of the Code designates those employees, members, officers, and consultants who make or participate in the making of decisions and are subject to the disclosure requirements of WRCOG’s Code. WRCOG’s proposed amendment includes a new positions that must be designated, removes positions that have been eliminated and revises the title of an existing position.

The proposed amended Code will be considered by the Executive Committee on November 5, 2018, at 2:00 p.m. at the Riverside County Administrative Center – Board Hearing Room, 4080 Lemon Street, Riverside, California. Any interested person may be present and comment at the public meeting or may submit written comments concerning the proposed amendment. Any comments or inquiries should be directed to the attention of Janis Leonard, Administrative Services Manager, Western Riverside Council of Governments, 3390 University Ave., Suite 450, Riverside, CA 92501-3315; (951) 405-6702. Written comments must be submitted no later than November 5, 2018, at 2:00 p.m.

The proposed amended Code may be reviewed at, and copies obtained from, the office of the Administrative Services Manager, during regular business hours.

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Item 4.D

Amendment to the Appendix of the
WRCOG Conflict of Interest Code

Attachment 3

WRCOG Resolution Number 42-18;
A Resolution of the Executive
Committee of the Western Riverside
Council of Governments Amending
the Conflict of Interest Code
Pursuant to the Political Reform Act
of 1974

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RESOLUTION NUMBER 42-18

RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AMENDING THE CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the “Act”), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Western Riverside Council of Governments (“WRCOG”) and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Executive Committee adopted a Conflict of Interest Code (the “Code”) for WRCOG which was amended on September 11, 2017, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within WRCOG have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update WRCOG’s Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in WRCOG being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Executive Committee, the proposed amended Code was provided each affected designated position and publicly posted for review at the County Administrative Offices at 4080 Lemon Street, Riverside, California; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Executive Committee of WRCOG on November 5, 2018, at which all present were given an opportunity to be heard on the proposed amended Code.

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

Section 1. The Executive Committee does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the Executive Assistant and available to the public for inspection and copying during regular business hours.

Section 2. The said amended Code shall be submitted to the Board of Supervisors of the County of Riverside for approval.

Section 3. The said amended Code shall become effective immediately upon approval by the Riverside County Board of Supervisors.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on November 5, 2018.

Chuck Washington, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Steven DeBaun
WRCOG Legal Counsel

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



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Development of a Sustainability Indicators Report Update

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

Date: October 10, 2018

The purpose of this item is to provide a report on the update of the Sustainability Framework Indicators WRCOG is undertaking.

Requested Action:

1. Receive and file.

WRCOG's Economic Development and Sustainability Framework was developed in 2012 and was the first step in a collaborative regional effort to build a more sustainable region. The Framework established a work plan by which WRCOG can seek funding and implement new projects and programs that support the Framework's vision. It also looked into the potential role in sustainability that WRCOG may play for the subregion. WRCOG wants to ensure that the Agency does not duplicate existing efforts but help fill in gaps not met by current programs and policies that are in place in Western Riverside County.

Indicators Update

In 2012, WRCOG completed work on the *Economic Development and Sustainability Framework*, which was intended to serve the following four broad objectives:

1. Provide a starting point for dialogue about sustainability and its importance to the region.
2. Provide a vision for a sustainable Western Riverside County and establish goals to inform and guide regional collaboration.
3. Define and prioritize short-term actions that WRCOG can pursue.
4. Define initial indicators, benchmarks, and targets by which WRCOG can measure the effectiveness of efforts to create a more sustainable subregion.

The Framework can be found on the WRCOG website at
<http://www.wrcog.coq.ca.us/DocumentCenter/View/189/Sustainability-Framework-PDF>

The Framework identified six key areas related to the Region, including:

1. Economic Development
2. Education
3. Transportation
4. Health
5. Water
6. Energy and the Environment

One component of the Framework is a list of regional indicators related to the key issue outlined above. When the Framework was first completed, there were approximately 50 regional indicators. Earlier this year, WRCOG embarked on a review of the indicators and determined that many were either outdated (in that the data was no longer collected for that specific indicator) or were duplicative of each other. Therefore a decision was made to update the list of indicators to reflect the best information currently available.

Working with a consultant, WRCOG developed a streamlined list of indicators for reporting purposes. The goal of this exercise was to arrive at a set of 15 - 20 sustainability indicators that could enhance the ability of WRCOG and its members to:

- Track important economic, environmental, and social variables and trends over time.
- Compare WRCOG trends in the relevant geographical context, often at the regional level.
- Assist WRCOG and members to identify areas of further research and spur collaboration.

Based on the review, the following indicators are proposed under one of the six topic areas identified in the Sustainability Framework.

Topic	Indicator	Target
Economic Development	Total and Base Sector Job Growth	Track job growth over time
	Jobs in Each Sector in WRCOG Versus Residents Employed in Job Sector	Improve the ratio of WRCOG jobs per employed resident in key job sectors
	% of Employed Residents Working Outside of WRCOG	Reduce the proportion of residents commuting outside the region to work
	Median Household Income for WRCOG region and by city	Track and support household income growth
Education	Educational Attainment	Track and compare WRCOG educational attainment to LA, Orange, and San Bernardino counties
	Graduates Meeting UC/CSU Requirements	Continual Improvement and surpass statewide average
Transportation	Riverside Transit Agency Ridership	Increase transit ridership (annual boardings)
	Per Capita VMT	Reduce per capita VMT
	Metrolink Ridership	Increase ridership (average weekday boardings)
Health (Access, Quality, Safety)	Healthcare facilities per 1,000 residents (access)	Increase ratio of healthcare facilities per 1,000 residents to meet/surpass California
	Acres of local parks per 1,000 residents (access)	Track and seek to increase acres of parks per 1,000 residents
	Number of Days of Good/Moderate Air Quality (quality)	Increased 3-Year average of good/moderate air quality days
	Bike/Ped Collisions per 1,000 Residents (safety)	Continuously reduce bike/ped collisions per 1,000 residents
	Reduction in Violent Crime (safety)	Continue to reduce violent crimes
Water, Energy and Environment	Daily Water Usage per Resident	Track residential daily water conservation over time
	Grid Renewable Energy %	Meet RPS required % in most recent compliance period

	Acres of Agricultural Land Conserved Under the Williamson Act	No established target. Track changes annually
	Acres of Habitat Land Conserved under Multiple Species Habitat Conservation Plan (MSHCP)	153,000 acres of habitat land conserved

This summary is being provided to the Committee for any comments. If there are no comments at this time, WRCOG will proceed with compiling data on this list of indicators and present the information to the Committee at a later date.

Prior Action:

None.

Fiscal Impact:

The allocation of funding for the Sustainability Framework Indicators Update has been allocated in WRCOG's Local Transportation Fund and is reflected in the Agency's Fiscal Year 2018/2019 Budget.

Attachment:

None.

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Experience Regional Innovation Center Feasibility Analysis Activities Update

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

Date: October 10, 2018

The purpose of this item is to provide an update on the Feasibility Analysis for Experience, the concept of a regional innovation center, which would provide a host of community resources, promote sustainable practices, and showcase the assets and capabilities of the subregion.

Requested Action:

1. Receive and file.

Background

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

In 2016, staff introduced the concept of Experience, envisioned as a vibrant, regional center with a variety of visitor attractions that could also serve as a sustainability demonstration center, innovation hub, business incubator, and more. The aim of Experience is to showcase the assets and capabilities of inland southern California while serving community needs and advancing the Framework goal areas. Experience would be designed to draw audiences for a variety of purposes by including such elements as an education center, community farm, water efficient garden, walking loop, amphitheater, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more. Experience would borrow inspiration from similar concepts from across the globe including, but not limited to the Los Angeles Cleantech Incubator (LACI) in Los Angeles; the Frontier Project in Rancho Cucamonga; Southern California Edison Energy Education Center in Irwindale; and Alegria Farms in Irvine.

Feasibility Analysis

On October 2, 2017, the Executive Committee authorized staff to enter into a contract with PlaceWorks consultants to perform a comprehensive Feasibility Analysis of the Experience concept. The analysis scope includes thorough research of relevant models, a demand analysis for the center and program elements, analysis of up to four potential sites, analysis of governance options and partnership opportunities, financial analysis, and a final feasibility analysis with recommendation(s). Additionally, the Analysis would review potential funding partners and mechanisms to ensure a viable implementation plan for Experience, should it be found feasible to move forward.

Staff and consultants held an internal kick-off meeting on October 16, 2017, to discuss the goals and visions, as well as potential sites to include in the Analysis, and the formation of an advisory Steering Committee. The Steering Committee is scheduled to convene six times during the course of the Analysis to weigh in on the process and findings. The Steering Committee is composed of members from the Executive Committee, who volunteered to serve in this role, in response to an email solicitation to all members. Additionally, staff invited a variety of stakeholders, including member agency staff, utility partners, and university representatives, to participate on the Steering Committee.

Steering Committee Meeting #5

On Monday, August 20, 2018, the Steering Committee convened for its fifth meeting. The meeting was largely devoted to reviewing the draft mission and vision statements, goals, and priority program elements as selected by or developed with input from the Steering Committee. The purpose of the review was to ensure that these four pillars of Experience were mutually supportive of each other. The Mission Statement was generally agreed upon by the Committee as follows:

“Experience connects our community with public, private, nonprofit, and education sectors to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.”

The previously identified goals for Experience were also still endorsed by the Steering Committee. However, it was recognized that one component of the mission and goals that was not supported by the prioritized program elements was economic development. To address this inconsistency, the Steering Committee opted to add to the priority programming list, the inclusion of a best practices incubator space, which would be a fully functional incubator, but not intended serve a large number of businesses, but instead aimed at modeling best practices in fostering business development. Attachment 1 to this Staff Report is a summary of the Mission, Goals, and Program Elements, that was shared at the August 20 meeting.

For the remainder of the meeting, the project team shared two generic programming models. The first program model, the “Entry-Level” encompasses the minimum mix of complementary program elements to achieve synergy and be commercially viable. The second model, the “Everything-Level,” integrates all desired program elements at a scope deemed feasible given market conditions. For each of the two models, preliminary financial information was presented. These models served as a preview of what would be presented at the following meeting for each prospective host site. This modeling method allows for an “apples-to-apples” comparison of the three host site options.

Finally, the project team initiated a discussion on governance options for Experience. Steering Committee participants directed staff to return with a listing of the pros and cons of each governance option. At the conclusion of the meeting, staff announced that, due to changes to the project scope and items needing consideration of the Steering Committee, a 7th Steering Committee meeting was added to the cue in October. The meeting summary and PowerPoint slides are included as Attachments 2 and 3, respectively, of this report.

Steering Committee Meeting #6

On Monday, September 17, 2018, the Steering Committee convened for its sixth meeting. This meeting centered around presentations from the prospective host agencies – the Cities of Riverside and Temecula, and the Eastern Municipal Water District. Each of the three agencies have worked with staff to identify a suitable mix of program elements for inclusion on their site, summarized in the table below, along with the “Entry Level” and “Everything Level” models introduced at meeting 5.

EXPERIENCE PROGRAM DETAILS

	EMWD/Perris	Riverside	Temecula	Entry Level	Everything Level
Building and Indoor Functions					
Welcome center	750	1,000	750	750	1,000
Demonstrations/display	5,000	5,000	3,000	3,000	5,000
Meeting rooms/student learning opportunities	2,000	2,000	2,000	2,000	4,000
Conference space/event facilities	7,500		7,500	7,500	15,000
Seated performance venue			6,000		12,000
Coworking space/office space/space for lease	10,000		1,500	1,500	10,000
Incubator/accelerator		10,000	10,000	10,000	15,000
Maker space					10,000
Administrative core	700	900	700	700	900
Commercial kitchen (membership)	1,000	1,500	1,000	1,000	1,500
Restaurant/tasting room	2,500	2,500	2,500	2,500	2,500
Coffee bar	350	350	350		350
Microbreweries and local wineries		2,000	2,000		4,000
Other building core	4,470	3,788	5,595	2,843	12,188
Building circulation	8,568	7,259	10,724	5,448	23,359
Total building size (sq. ft.)	42,838	36,297	53,619	37,241	116,797
Building footprint (sq. ft.)	42,838	36,297	53,619	37,241	58,398
Coverage	19.3%	24.5%	28.8%	24.3%	15.5%
Site and Outdoor Functions					
Regional demonstration area	4,500	2,500	2,500	2,500	4,500
Community areas	3,000	3,000	3,000		4,500
Event space	25,000	10,000	10,000	10,000	25,000

The consultant team provided a general overview of the conceptual cost estimate framework including assumptions, inclusions, and exclusions applied to all jurisdictions' program goals and then presented a preliminary pro forma analysis for each site. For the three locations, the upfront outside funding needed ranged from \$21M to \$26M. Once Experience is operational, the analysis estimates that necessary annual outside funding would range from \$200k – \$305k. Outside funding for both upfront capital costs and annual operating costs could be some combination of grants, federal, state, and local government funding, sponsors and corporate contributions, philanthropists, and, especially for the upfront costs, direct state appropriation. PowerPoint slides from meeting 6, complete with the host site slides and pro forma estimates, are included as Attachment 4 to this report.

Steering Committee Meeting Schedule

The seventh and final Steering Committee meeting will convene on October 22, 2018. At this meeting, staff and consultants will review results of applying the evaluation criteria to each of the prospective host sites, review a revised vision statement, review pros and cons of various governance options, and discuss the final recommendations of the voting members of the Steering Committee.

Following this meeting, the findings of the Feasibility Analysis and recommendations of the Steering Committee will be presented through WRCOG's Committee structure for consideration.

Prior Actions:

August 16, 2018: The Technical Advisory Committee received and filed.

August 9, 2018: The Planning Directors Committee received and filed.

Fiscal Impact:

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

Attachments:

1. Experience Mission, Goals, and Program Elements.
2. Meeting 5 summary.
3. Meeting 5 PowerPoint slides.
4. Meeting 6 PowerPoint slides.

Item 4.F

Experience Regional Innovation
Center Feasibility Analysis Activities
Update

Attachment 1

Experience Mission, Goals, and
Program Elements

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Experience Sustainability and Innovation Center
Review of Evolution: Mission, Goals, and Program Elements
August 2018

Throughout the Experience Feasibility Analysis, the Steering Committee has provided input on the Experience Mission, Goals, and desired Program Elements. Some of these have evolved over time and will continue to be refined. The draft Mission, Goals, and Program elements, as they stand currently are provided below along with any early versions to chart the evolution.

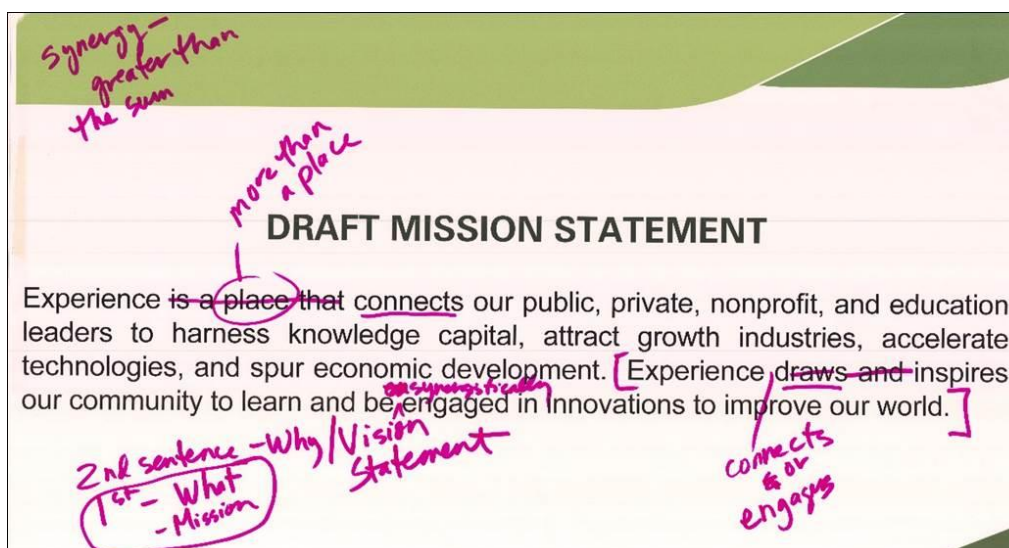
Mission & Vision

At the first Experience Steering Committee meeting in January 2018, the project consultants presented a series of mission statements from model programs relevant to Experience to initiate a discussion on what the mission for Experience might be. The Steering Committee discussion resulted in a brief listing of ideals, which WRCOG and project consultants later translated into a first draft Experience mission statement.

Steering Committee meeting 1 identified mission components

1. To build a regenerative future, EXPERIENCE must:
 - a. Be Proactive
 - b. Educate
 - c. Familiarize
 - d. Promote
 - e. Encourage
 - f. Inspire
 - g. Connect
2. Make our motivation clear

At the third Steering Committee Meeting in March 2018, a draft Mission Statement was presented to the Steering Committee. The draft Mission with comments received at the Meeting is depicted below.



Current Draft Mission and Vision Statements (not yet presented to Steering Committee)

Mission Statement

Experience connects public, private, nonprofit, and education communities to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.

Vision Statement

Experience elevates quality of life in Western Riverside County.

EXPERIENCE GOALS

WRCOG held an Experience kick-off meeting with consultants in October 2017, and drafted initial goals. At the first Steering Committee meeting in January 2018, these initial goals were presented to the Steering Committee and expanded upon. The Steering Committee discussion resulted in the following list of goals.

EXPERIENCE should...

1. Benefit all WRCOG organizations and the communities served
2. Be tied to WRCOG's mission
3. Support WRCOG's Economic Development and Sustainability Framework
4. Not resemble a monument, but a place that engages, educates and motivates people
 - a. The building design should reflect the energy/resource conserving technologies and tell a story (function over form)
5. Provide economic development opportunities for individuals and businesses and prepare people for jobs in the subregion
6. Be relevant to what's important to the region and provide a sustained public benefit
7. Be financially feasible from construction to operations and maintenance overtime
8. Have a high-level of performance for program elements and the facilities, which should be tracked and evaluated
9. Provide multiple reasons to visit through a wide variety of cohesive activities that result in returning visitors
10. Be innovative, cutting-edge, and provide a rotation of forward-thinking displays, events, and activities
11. Incorporate best practices for water and energy efficiency, sustainable building design, and business strategy
12. Empower the community to adopt techniques/take action
13. Provide visitors with a unique experience that encapsulates the region
14. Be embraced by both the public and private sector – encouraging partnerships and collaboration
15. Be accessible by all modes of transportation (e.g., car, bus, train, pedestrians, cyclists) and all segments of the population (low income, rural/urban, non-English speaking, multiple ages, etc.)
16. Serve as a centralized resource and information center for the region
17. Tell the story of Western Riverside County by showcasing the region's current assets/successes. This should also include promoting the vision for Western Riverside County through visual simulations or other techniques.

18. Compliment UC Riverside and Cal Poly Pomona sustainability and regenerative studies research (agricultural living labs, solar/micro grids)
19. Be accessible to everyone in the community – be affordable and open to the public
20. Accommodate large and small audiences
21. Provide interactive educational opportunities for all ages

Program Elements

At the third meeting of the Steering Committee in March 2018, participants were surveyed regarding Program Elements desirable for inclusion in Experience. From that discussion, some Program elements were clearly identified as desirable, while others received a mixed reaction. The below summarizes the results of that discussion.

Generally Agreed “Must Have”

1. Rotating display/demonstration area (Indoors)
2. Student-oriented education / learning area (Indoors)
3. Meeting and event space (Indoors)
4. Food-related services: restaurant, reheat kitchen, small business incubator kitchen, coffee bar, beer/ wine bar, etc. (Indoors)
5. Regional resiliency demonstrations and innovations (Outdoors)
6. Community Areas (Outdoors)
7. Event space (Outdoors)
8. Urban Agriculture: Food Gardens showcasing emerging technology (not community garden)

Generally Agreed “Not Necessary”

1. Training center for the trades

Not Agreed on by All

1. Office space for lease
2. Coworking space
3. Administrative Core
4. Incubator
5. Labs/Fabrication/Prototype Area

Following the Program Elements discussion at meeting three, WRCOG asked each potential site host to complete the survey once more, and to resubmit a single survey response on behalf of the jurisdiction. Following are the results of each potential host jurisdiction survey.

Host Site Survey Results

Temecula	Riverside	Perris		Survey Key	
				✓	Must Have
				✓	Like to Have
				✗	Neutral
				✗	Not Necessary
✗	✗	✓	Demonstration Area (Indoor)		
✗	✗	✓	Training Center (Indoor)		
✓	✗	✓	Student-Oriented Learning Area (Indoor)		
✓	✓	✓	Meeting/Event Space (Indoor)		
✗	✓	✓	Co Working (Indoor)		
✗	✓	✗	Administrative Core (Indoor)		
✗	✓	✗	Labs/Fabrication/Prototype Area (Indoor)		
✓	✗	✓	Welcome Center (Indoor)		
✓	✓	✗	Food (Indoor)		
✗	✓	✓	Office Space for Lease (Indoor)		
✓	✗	✓	Regional Resiliency Demonstrations (Outdoor)		
✓	✓	✓	Community Areas (Outdoor)		
✓	✓	✗	Event Space (Outdoor)		
✓	✓	✓	Urban Agriculture (Outdoor)		

Item 4.F

Experience Regional Innovation
Center Feasibility Analysis Activities
Update

Attachment 2

Meeting 5 summary

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Feasibility Study for EXPERIENCE A Regional Innovation Center

Steering Committee Meeting #5 Summary
August 20, 2018 | 11:00 AM- 1:00 PM

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

Steering Committee:

Executive Committee Members: Council Member Debbie Franklin, City of Banning; Council Member Adam Rush, City of Eastvale; Council Member Laura Roughton, City of Jurupa Valley; Council Member Kelly Seyarto, City of Murrieta; Council Member Kevin Bash, City of Norco; Mayor Rusty Bailey, City of Riverside.

Member Agency Staff: Clara Miramontes, City of Perris; Steve Massa, City of Riverside; Sherry Shimshock, City of Riverside; Matt Peters, City of Temecula; Danielle Coats, Eastern Municipal Water District (EMWD); Melanie Nieman EMWD; Mike Barney, Riverside County Office of Education; Rohan Kuruppu, Riverside Transit Agency

Regional Stakeholders: Joanna Chang, Southern California Edison; Ana Aceves, Southern California Gas Company (SoCal Gas); Nicole Cleary, University of California, Riverside (UCR).

Staff and Consultants: Rick Bishop, WRCOG; Chris Gray, WRCOG; Andrea Howard, WRCOG; Rachel Hom, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; and Eric Carbonnier, HMC Architects

Experience – Concept and Origin:

WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as an education center, community farm, water efficient garden, walking loop, amphitheater, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more.

In 2010, WRCOG adopted the Sustainability Framework, which recognized six interrelated goal areas for achieving a high quality of life and regional economic growth: transportation, water and waste water, energy and environment,



economic development, health, and education. Experience would be a physical space to explore and grow the subregion's work to advance the Framework Goals.

Meeting #5 Review:

The Steering Committee held its fifth meeting on August 20, 2018. The agenda included: revisiting the Mission and Vision Statements, an update on the remaining tasks for this study, a presentation on the space program assumptions, and an initial discussion on governance options.

RE-EXAMINING THE MISSION AND VISION STATEMENTS

The project team provided a review of the evolution of the Experience Mission and Vision Statements to date. A summary of these elements' evolution is included as Attachment 1 to this Meeting Summary. Based on feedback received in all previous discussions, the project team presented the below draft Mission and Vision statements.

Mission: Experience connects our community with public, private, nonprofit, and education sectors to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.

Vision: Experience elevates quality of life in Western Riverside County.

Attendees generally agreed on the Mission Statement as it was presented, however, they directed the project team to refine the Vision Statement further. Potential phrases, ideas and buzz-words suggested included the following:

- Nurture the quality of life
- Our "Disneyland" – main attraction
- Embodies
- Enhances
- Improves
- Advances to the next level
- Sustainability
- Innovation
- Make companies want to stay in business in this region
- Attract
- Create opportunity
- Encourage investment
- Showcase
- Develop Experience to be "the most" intriguing or desirable
- Action-oriented
- Participation
- The leading center of opportunity
 - Limitless (this branding is already taken)

PROGRAMMING DISCUSSION

Two different generic programs models for Experience were presented (Attachment 2) based on previous Committee input, the goals for Experience, and results of the market demand analysis. A Summary of Findings from the Economic and Market Assessment is included as Attachment 3 to this Meeting Summary. The first program model, the "Entry-Level," encompasses the minimum mix of complementary program elements to achieve synergy and be commercially

viable. The second model, the “Everything-Level,” integrates all desired program elements at a scope deemed feasible given market conditions. Input and questions from the Committee is summarized below:

- Experience should absolutely include a WRCOG member information kiosk/marketing material to promote region
 - This aim could be met by marketing the region with photos
 - Include city/County marketing materials in display area (the project team confirmed this is included in entrance area of building)
- Meeting participants inquired about financing and raised questions regarding the costs of construction, maintenance, operations, and revamping Experience if needed in the future?
 - Some of the questions related to expenses are being evaluated now and will be presented at the next meeting as part of the pro-forma. However, there will need to be more detailed evaluation in later stages (following this initial Feasibility Study)
- How does Western Riverside capture millennials?
- How do visitors know what the different cities offer?
- Think of it as a progression – I’m in the door, but what’s next in the business development process?
- Consider what Experience will offer – will it be the adoption of tech or the innovation of tech?

PROGRAM SPACE ASSUMPTIONS

- The Entry/Everything Program Matrix accounts for expansion
- Co-working/incubators/maker space are the primary facilities – where innovation and mentorship happen
- The administrative core is for leadership and executives
- The amenities of the building are scalable
- Consider the kitchen could also be used for catering event services
- Outdoor space allows for flexibility – it’s a community outdoor environment
- Municipalities agreed to include incubator space in entry – it should serve as a successful example
- Municipalities wanted to know what the minimum space is for incubator and maker spaces

ALIGNMENT OF MISSION/VISION, GOALS, AND PROGRAM ELEMENTS

Participants re-visited the Mission/Vision, Goals, and priority Program Elements in relation to one another to ensure that these components were supportive of one another. The project team provided a written summary of its assessment of the synergy of these elements, provided as Attachment 4 to this Meeting Summary. Participants noted that, while Economic Development is a central concept in both the Mission Statement and in the Goals, it was under represented in the Program Elements prioritized for inclusion in Experience. Therefore, participants voted to make an Incubator space a “must have” in the priorities list, but noted that it should be a small-scale program developed for the purpose of promoting best practices in business incubation, but not for the purpose of serving as the subregion’s primary incubator. It was also noted that there may be a need for a “human component” within Experience—docents or ambassadors to serve as liaisons to Experience and the subregion to facilitate regional economic development, by driving investment and business development across the subregion.

GOVERNANCE

An initial list of options for establishing the Lead Organization for Experience was presented. The list included:

- WRCOG as Lead Organization
- City, County, or other Agency as Lead Organization
- New JPA with WRCOG, lead jurisdictions, utilities, CARB, UCR, etc.
- If Accelerator/Incubator included, may create a separate entity to run (JPA, P3, Non-Profit)
- New Non-Profit P3 Organization
- New Non-Profit Organization of public entities
- New Public Partnership created with an MOU

As a deliverable, participants requested the pros and cons to each governing option presented. It was also asked if building governance will be different than the operating governance. Lastly, the Committee noted the importance of public perspective and inquired which governance option would be best received by the public.

OVERVIEW OF THE PROCESS GOING FORWARD

As the Feasibility Analysis concludes, there will be several important tasks and milestones to cover, summarized below:

- Consultants and potential host jurisdictions to develop a detailed program model, tailored for each jurisdiction
- Potential host jurisdictions to present pitch at next meeting
- Consultants to Present pros/cons for governance options
- Consultants to present feasibility analysis findings and discussion of financing options Consultants and Steering Committee to apply evaluation criteria to the three potential host locations
- Gather input from the Committee for Board meeting

Attachments:

1. **Review of Evolution: Mission, Goals, and Program Elements**
2. **Draft Space Program: Entry Level and Everything Level**
3. **Economic and Market Assessment Summary of Findings**
4. **Mission, Goals, & Program Elements Synergy**

Next Meeting: September 17, 2018 from 11:00 am to 1:30 pm (NOTE TIME EXTENSION!)

Item 4.F

Experience Regional Innovation
Center Feasibility Analysis Activities
Update

Attachment 3

Meeting 5 PowerPoint slides

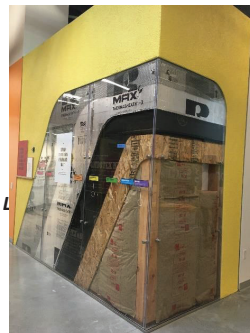
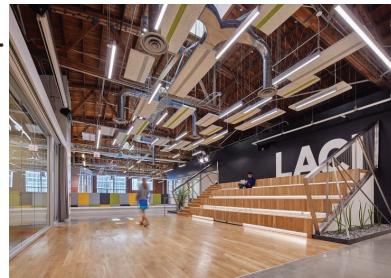
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Feasibility Study for EXPERIENCE – A Regional Innovation Center

Steering Committee Meeting #5
August 20, 2018

Today's Agenda

- Meeting Purpose/Summary of Meeting #4
- Mission/Vision Check-in
- Process Going Forward
- Experience Space Programming Assumptions
- Governance Discussion

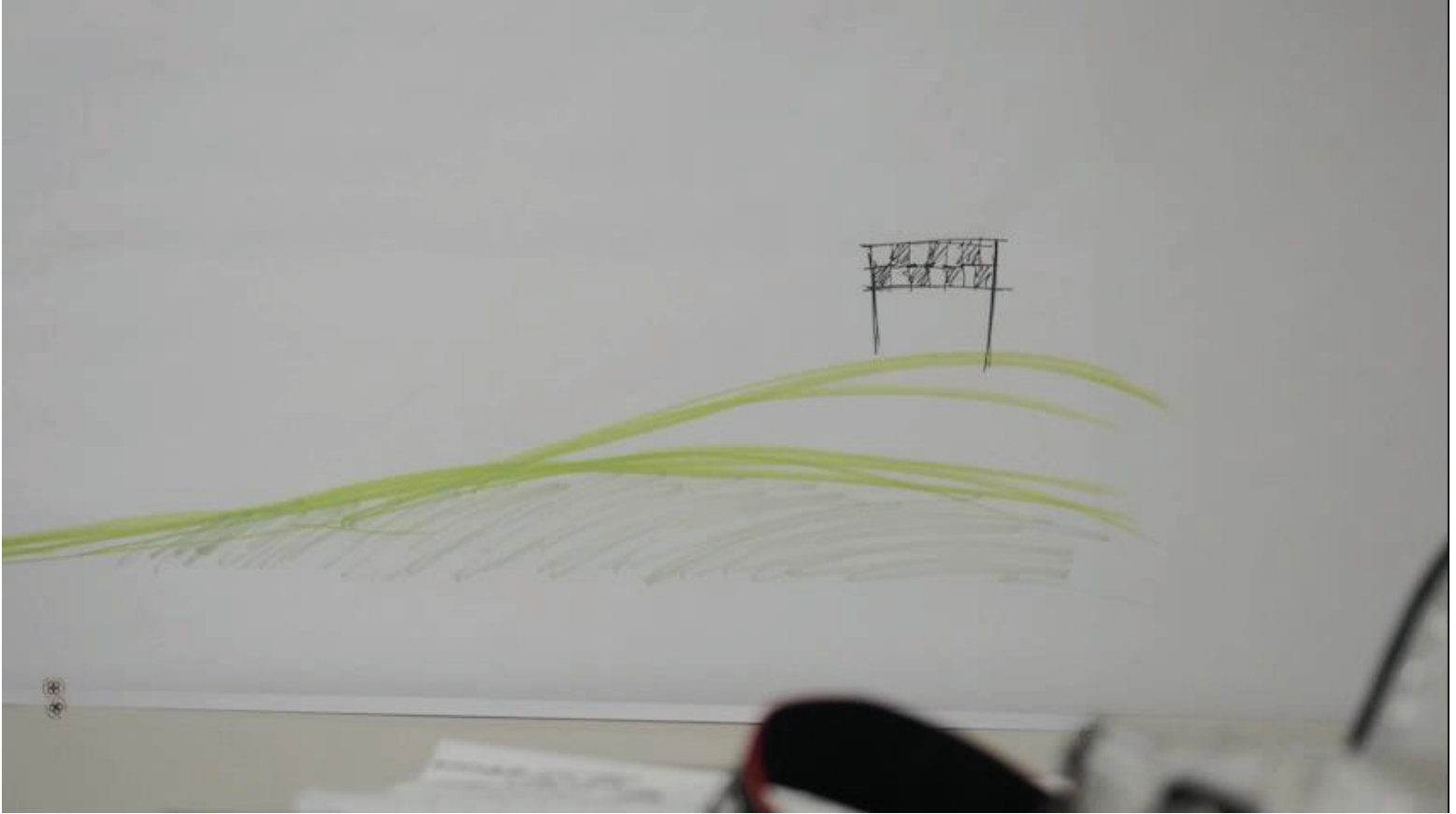


Economic and Market Assessment

- Regional and location-specific analysis (Perris, Riverside, Temecula) for must-have and should-have functions for Experience
- Current population and employment plus projected growth
- Current economic and market conditions
- Business start-ups and growth of very small (1-4 employee) businesses
- Market demand indicators
- Existing supply

Evaluation Criteria – Top Ten

1. Financial Sustainability
2. Regional Economic Development Impact
3. Sufficient Space for Must Haves/Like to Haves
4. Alignment with Goals
4. Sufficient Parking Either On- or Off-site
6. Expansion Potential
7. Competitive Location for Grant Funding
7. Proximity to Existing Population and Employment
9. Proximity to Transit
10. Sufficient Demand for Must Haves/Like to Haves



Mission/Vision Check-In

Mission Statement (What Experience is and does)

- Experience connects our community with public, private, nonprofit, and education sectors to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.

Vision Statement (Describes the desired future)

- Experience elevates quality of life in Western Riverside County.

Process Going Forward

September Agenda: Focus on Jurisdictions

- Presentations from Perris/EMWD, Riverside, Temecula
- Results of pro-formas
- Evaluation based on top ten criteria

October Agenda: Final Recommendations

- Present recommendations re overall feasibility, location and programming
- Present recommendations re governance/operations/partnerships
- Direction from Committee to share with the Board

Programming

Generally Agreed “Must Have”

- Rotating display/demonstration area (Indoors)
- Student-oriented education / learning area (Indoors)
- Meeting and event space (Indoors)
- Food-related services: restaurant, reheat kitchen, small business incubator kitchen, coffee bar, beer/wine bar, etc. (Indoors)
- Regional resiliency demonstrations and innovations (Outdoors)
- Community Areas (Outdoors)
- Event space (Outdoors)
- Urban Agriculture: Food Gardens showcasing emerging technology (not community garden)

Not Agreed on by All

- Office space for lease
- Coworking space
- Administrative Core
- Incubator
- Labs/Fabrication/Prototype Area

Generally Agreed “Not Necessary”

- Training center for the trades

Program Space Assumptions

- Entry Level Program – Includes base program elements based on Steering Committee input, market analysis, and minimum mix of uses needed for creating synergy and a successful place.
- Everything Level Program – Includes all program elements identified by the Steering Committee as desirable or potentially desirable, with square footages reflecting the higher-end of the range.

Governance – Establishing a Lead Organization for Experience

Role: A Lead Organization and staff will have authority and responsibility to bring together money, land, and execute development of Experience. Will also be responsible for operations (which can be delegated to others).

Keys to Success: Sophistication and creativity in layering various financial resources and effectively managing the partnership

Governance Options

- WRCOG as Lead Organization
- City, County, or Other Agency as Lead Organization
- New JPA with WRCOG, lead jurisdiction, utilities, UCR, etc
- If Accelerator/Incubator included, may create a separate entity to run it (JPA, P3, Non-Profit)
- New Non-Profit P3 Organization (LACI example)
- New Non-Profit Organization of public entities (EXCITE example)
- New Public Partnership created with an MOU

Note:

Lead Organization can contract with private entities for O&M (InSoCal Connect).

Lead Organization can bring on other partners and sponsors

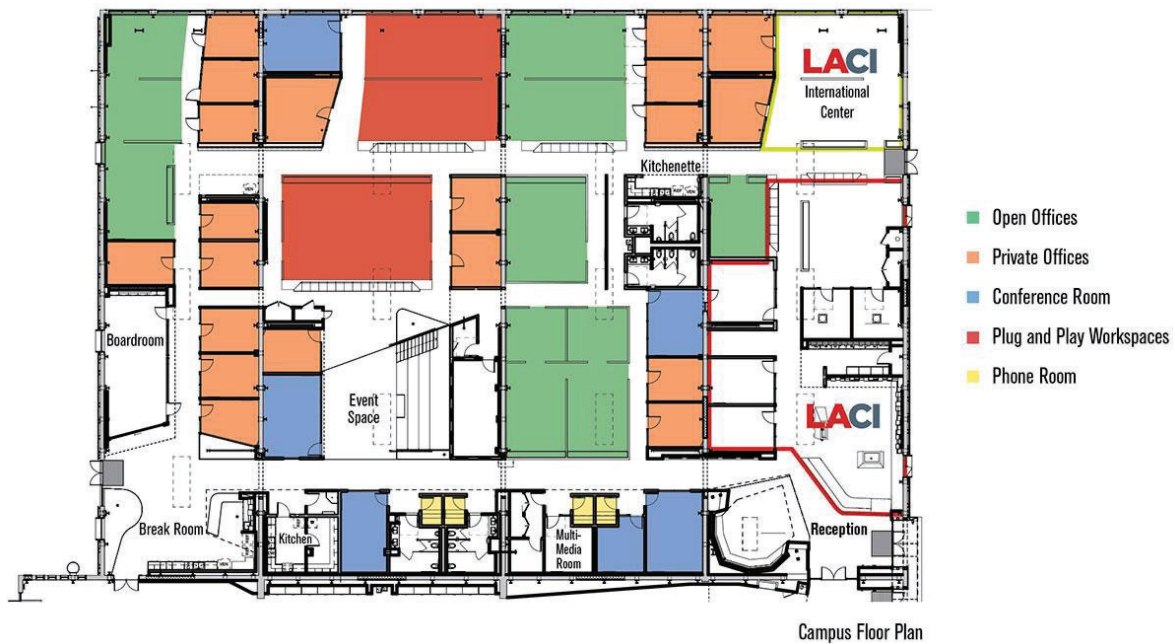
Next Meeting

- Next Meeting: **September 17**, 11-1 pm

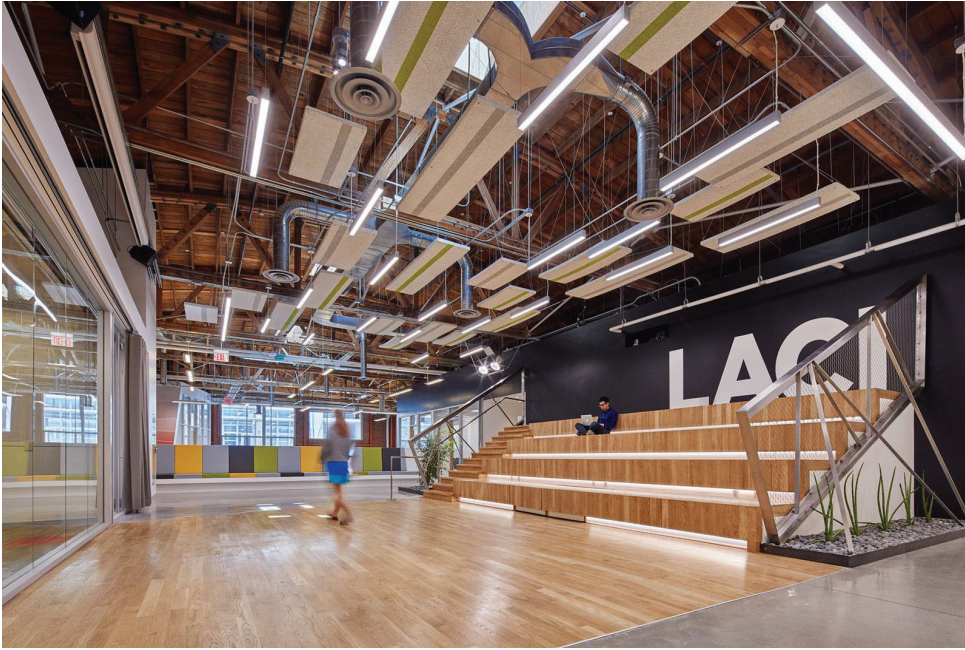
Maker Space



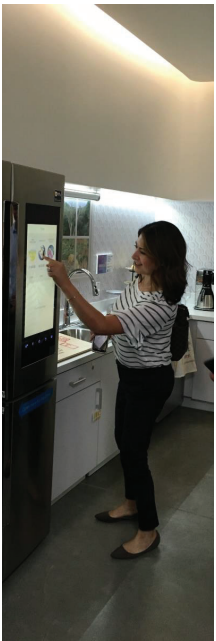
Space Organization



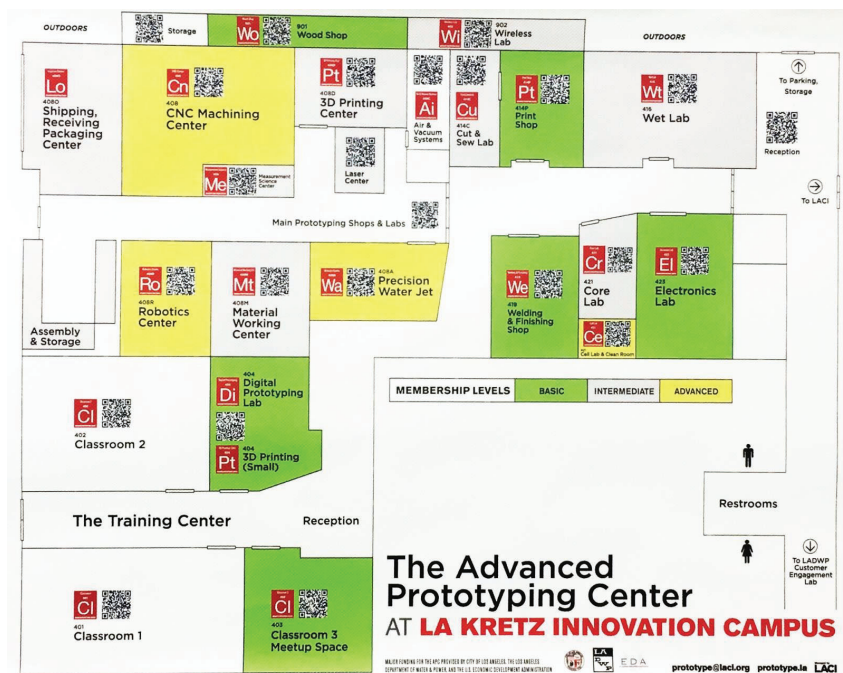
Assembly Area



Smart Home Display



LACI Program Organization



Cleantech Display

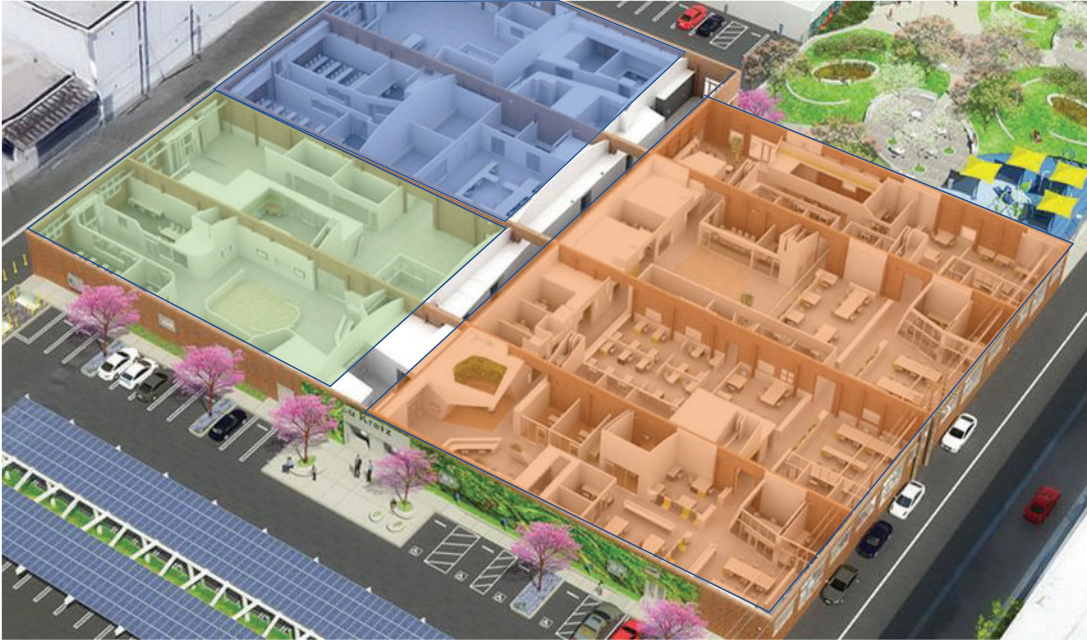


Construction Display



Microgrid Display

Los Angeles Cleantech Incubator



3.2 acre footprint
60,000sf under roof
230 desks
100+companies/organizations

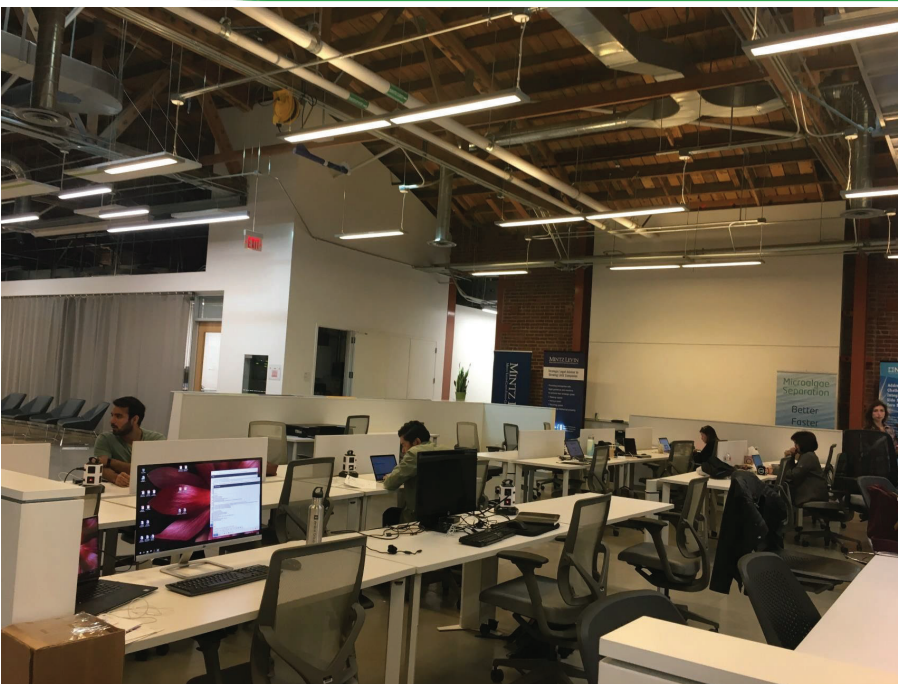
Makerspace/Prototyping
Laboratories

Training center

Display Area: micro-grid, UV
grey water system, Smart
Home

LADWP testing and
certification lab

Co-Working Space





OUR MISSION

LACI is creating an inclusive, green economy

OUR STRATEGY

UNLOCKING INNOVATION



TRANSFORMING MARKETS



ENHANCING COMMUNITY



OUR PRIORITY AREAS

MOBILITY & GOODS MOVEMENT



CLEAN ENERGY SMART GRID



SMART CITIES



TO POSITIVELY IMPACT LA'S...

GHG EMISSIONS

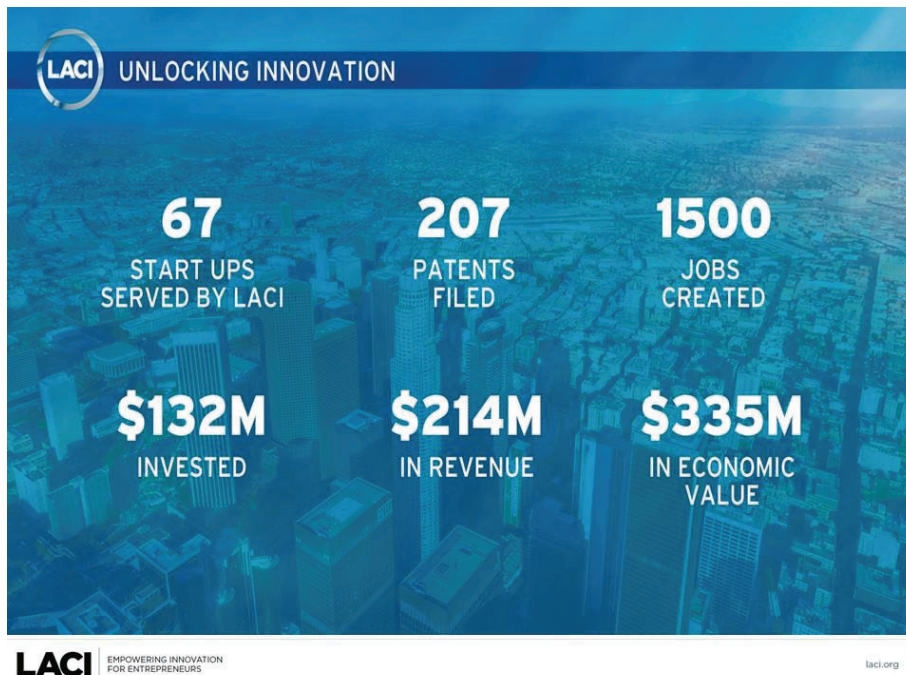


AIR QUALITY AND EQUITY



JOBS & ECONOMY





History

- **PPP Founded by City of LA in October 2011**
- **City's primary objective: To revitalize industrial core through the creation of a cleantech cluster = "Cleantech Corridor"**
- **Independent non-profit, run by entrepreneurs, partnering w/LADWP and the City of Los Angeles**
- **La Kretz Innovation Campus: 60,000sf (30,000 for LACI + 30,000 for labs/demonstration space/prototyping space**

LACI + LADWP owned

LACI EMPOWERING INNOVATION FOR ENTREPRENEURS

laci.org



■ Key Stakeholders

- City of LA Mayor's Office
- LA Department of Water & Power (LADWP)
- UCLA, USC, Caltech, JPL, Cal State Northridge (CSUN)
- Los Angeles County Economic Development Corporation (LAEDC), LA Chamber of Commerce, LA Business Council (LABC)
- Los Angeles County
- State of California
- Federal Government
- Port of Los Angeles, Metro, Metropolitan Water District (MWD), Southern California Edison (SCE)
- Industry partners
- Financial institutions (JP Morgan, Wells Fargo)



■ Sources of funding

- City funding
- State funding
- Federal funding
- Corporate sponsorship
- Contract for hire
- Philanthropy
- Events
- Tenant fees
- Equity stake in companies

■ Examples of Clean Technologies in the LACI Portfolio

- Energy efficiency
- Energy storage
- Home energy management
- Online solar marketplace
- Efficient lighting
- Advanced transportation
- Goods movement
- Water leak detection
- Electronic waste recycling
- Sustainable consumer goods
- Controlled environment agriculture

■ Partners

JPMORGAN CHASE & CO.



Entrepreneurial Support Organizations

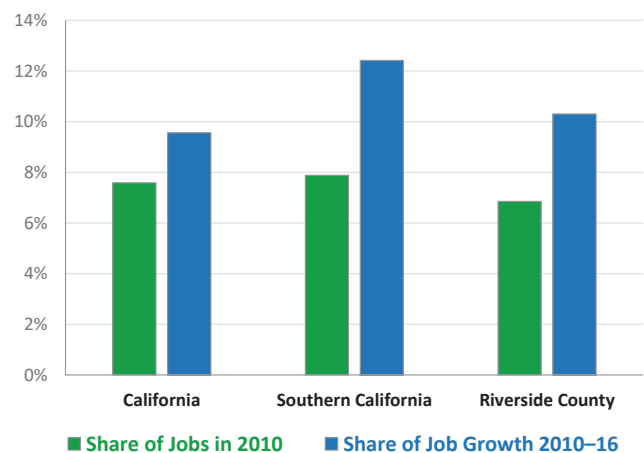
Organizations that help and support entrepreneurs in starting and building small businesses with the intent to:

- Improve and expand the local/regional economy
- Increase the number of jobs
- Build wealth

Why Entrepreneurs?

Employment at Firms with 0 to 4 Employees

	Share of Jobs in 2010	Share of Job Growth 2010–16	Difference
California	7.6%	9.6%	1.26
Southern California	7.9%	12.4%	1.57
Riverside County	6.8%	10.3%	1.50



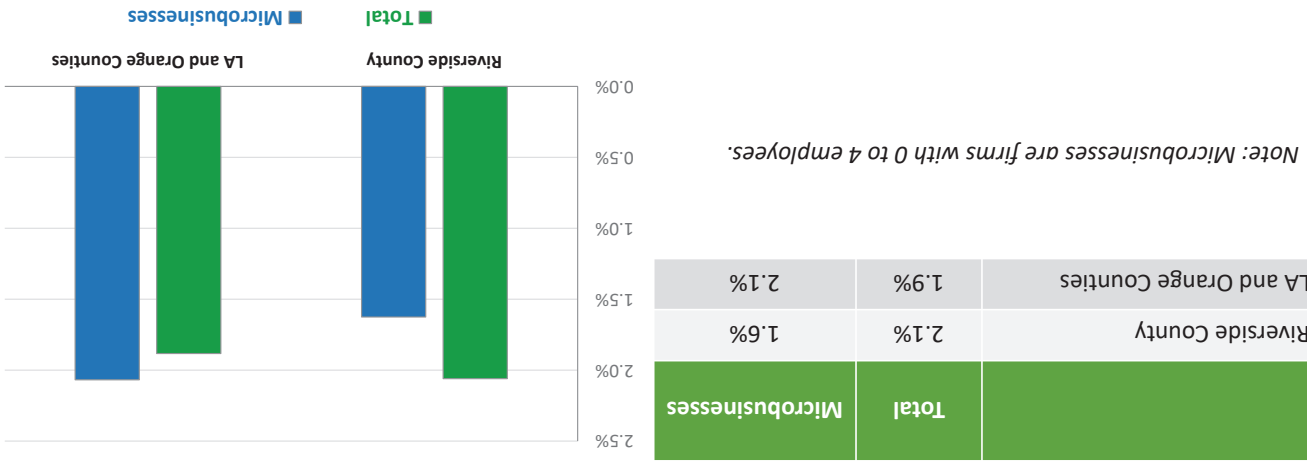
Entrepreneurial Support Organizations

- Economic development organization
- Higher education
- Small business development centers

Entrepreneurial Support Organizations

- Economic development organization
 - Higher education
 - Small business development centers
-
- Incubator
 - Accelerator
 - Makerspace
 - Coworking space

Annual Rate of Change in Number of Businesses, 2012 to 2016



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Item 4.F

Experience Regional Innovation
Center Feasibility Analysis Activities
Update

Attachment 4

Meeting 6 PowerPoint slides

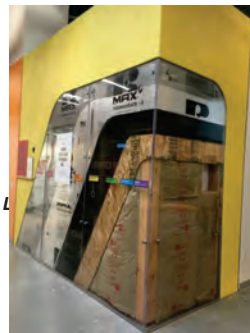
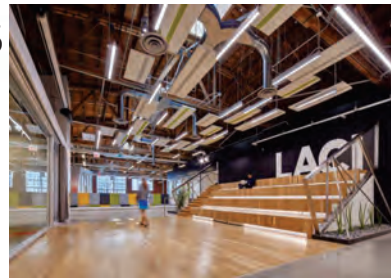
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Feasibility Study for EXPERIENCE – A Regional Innovation Center

Steering Committee Meeting #6
September 17, 2018

Today's Agenda

- Meeting Purpose/Summary of Meeting #5
- Presentations by IRWD/Perris, Riverside, and Temecula
- Preliminary Financial Analysis
- Initial Funding and Financing Options



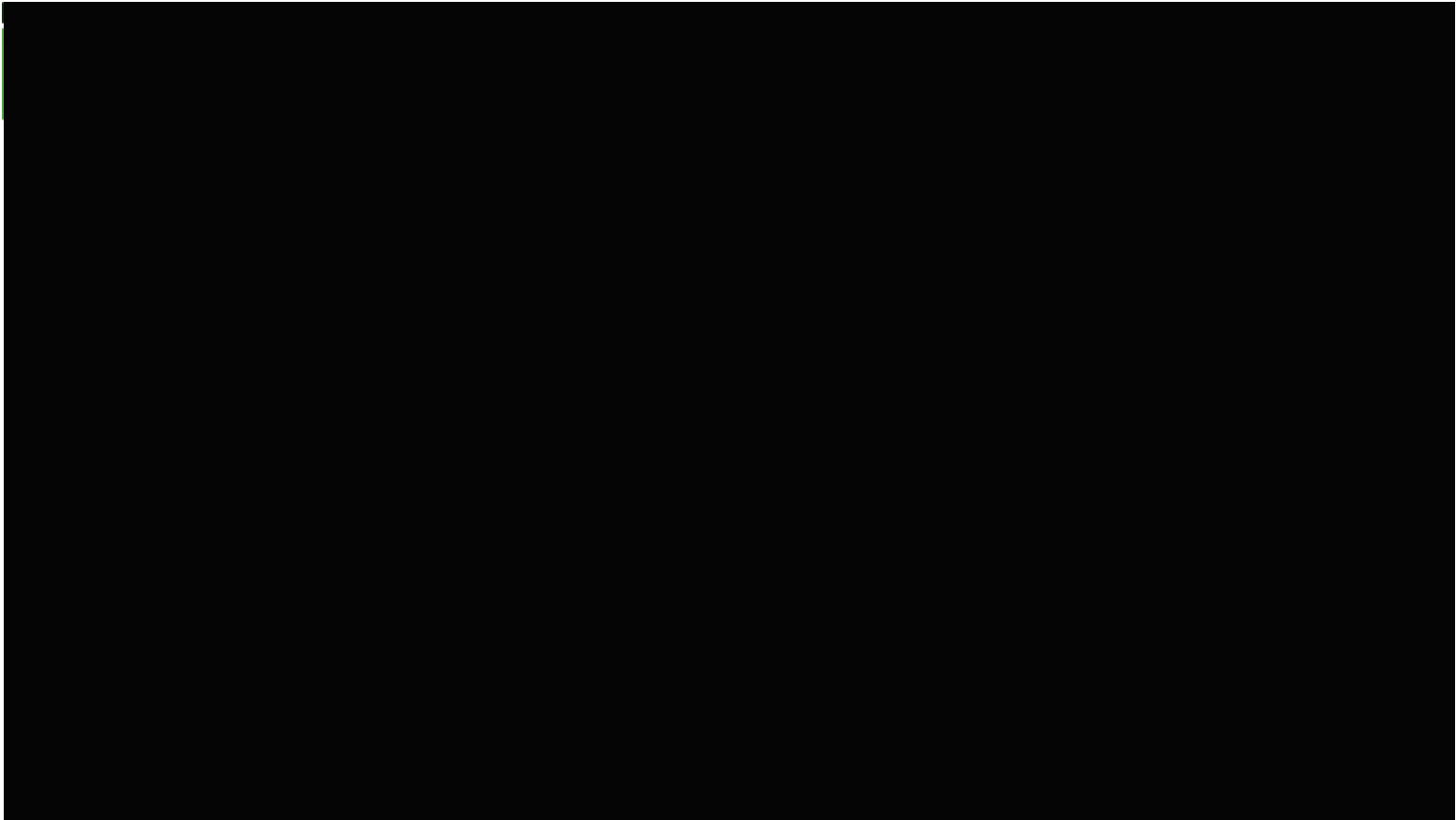
September Meeting

- Re-Examined the Mission and Vision Statements
 - Provided additional direction on the Vision
- Presented Entry-Level and Everything-Level Program Elements
 - Provided ideas on how to ensure that the programming is successful and that everything works together to “make a casual visitor a frequent visitor”
- Discussed Initial Options for Governance
 - Requested that we identify the pros/cons of each for our next meeting (October meeting)



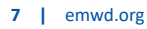
WRCOG Experience Center Building Layout

Paul D. Jones II, P.E.
EMWD General Manager
September 17, 2018

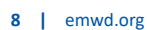


EXPERIENCE Western Riverside County

- Proposed Location/Site
- Proposed Facility Features
- What will you EXPERIENCE?



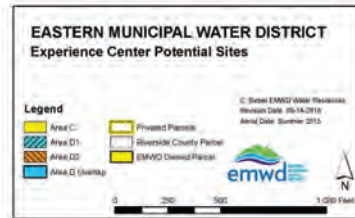
- Central to all WRCOG member agencies
- Fills a void of service along the I-215
- Has the opportunity to be a location that represents the county as a whole



Proposed Site

Considerations:

- Visible and easy access to/from freeway
- Proximity to frequently used active spaces and program partners
 - Big League Dreams Sports Park
 - DropZone Water Park
 - Skydive Perris
 - EMWD
 - City of Perris
 - Southern California Edison
 - SoCal Gas



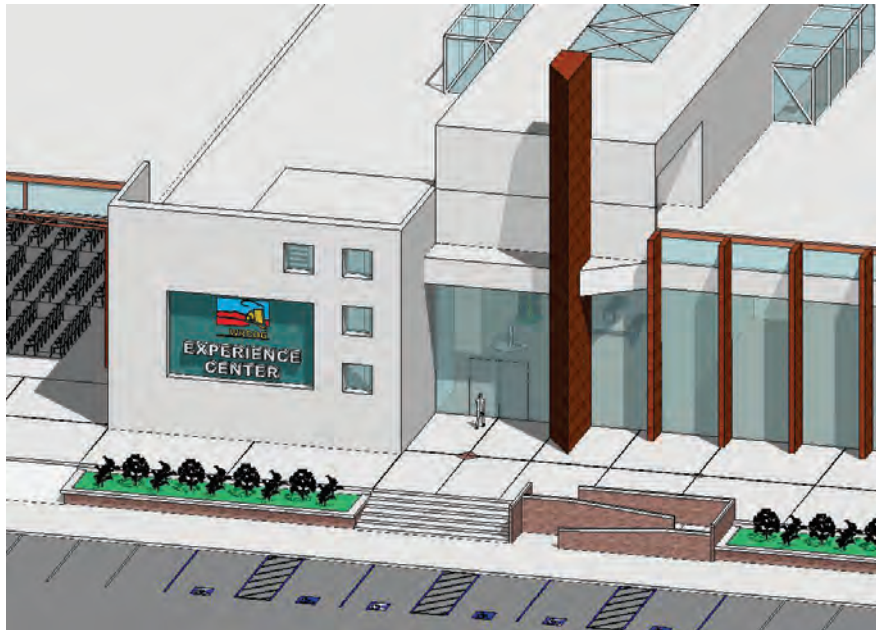
Proposed Site

Considerations:

- More than 20 acres of programmable space
- Provides an opportunity for outdoor habitat or urban garden space for educational and community workshops



What will you EXPERIENCE?



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What will you EXPERIENCE?

- State-of-the-art
- Theme focus on energy, water and agricultural technologies throughout the county
- Display space for each WRCOG member agency to highlight their contribution to the county

Static Display Space



Rotating Display Space

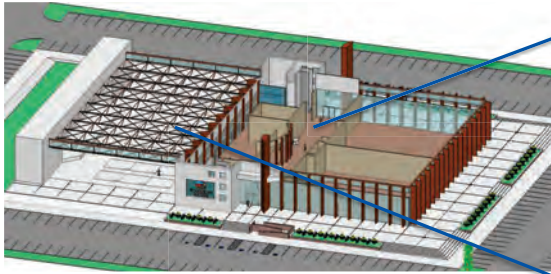


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What will you EXPERIENCE?

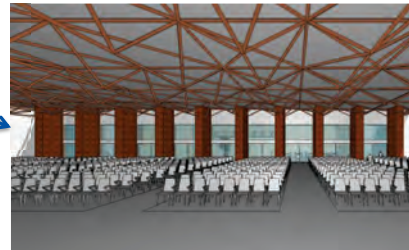
- Multi-functional facility
- Flexible indoor/outdoor space



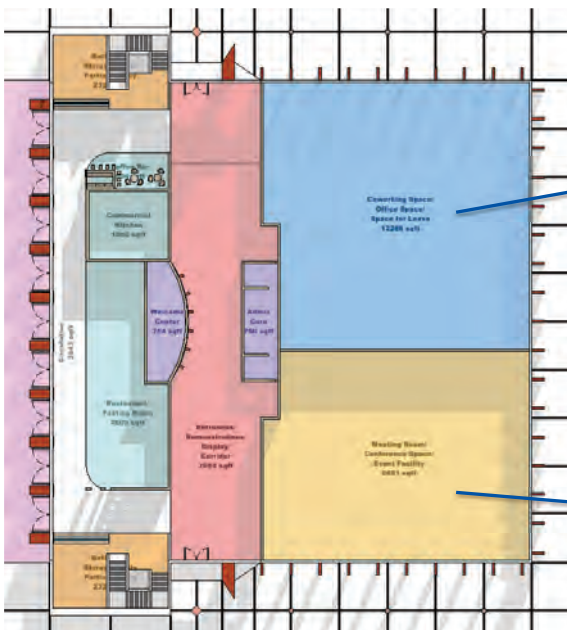
Foyer/Hallway Space



Covered/Modern Outdoor Venue



What will you EXPERIENCE?



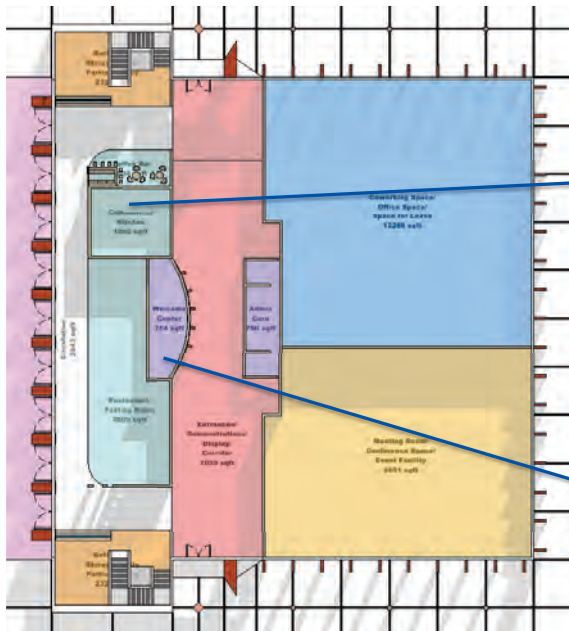
Co-Working/Incubator Space



Meeting/Conference Rooms



What will you EXPERIENCE?



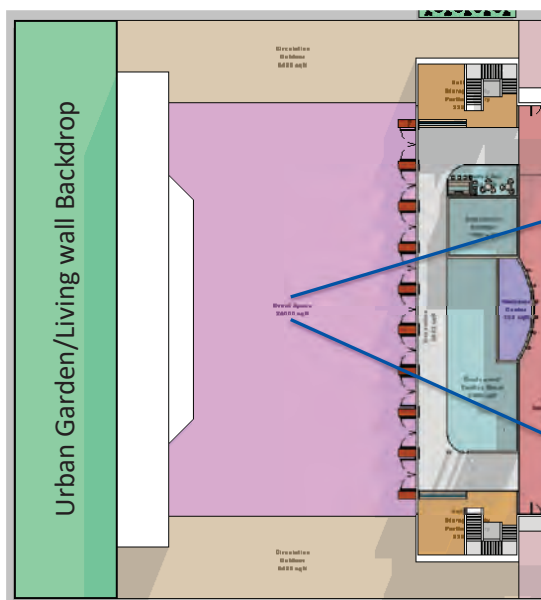
Restaurant/Coffee Bar



Welcome Center



What will you EXPERIENCE?



Versatile Outdoor Space



Versatile Outdoor Space



EXPERIENCE Connects

- EXPERIENCE will prioritize collaboration and function, while utilizing inviting, versatile and interactive indoor and outdoor spaces.



EXPERIENCE Harnesses Knowledge Capital

- EXPERIENCE will support a regional vested interest in attracting, educating and retaining those with career aspirations in the science, technology, engineering, art and math fields.



EXPERIENCE Attracts Growth Industries

- EXPERIENCE will showcase water and energy conserving technologies through architectural design, landscaping and interactive displays.



19 | emwd.org



EXPERIENCE Accelerates Technologies

- Job creation aims for high-paying wages by harnessing knowledge capital.
- Partnerships with colleges/universities will ensure that EXPERIENCE compliments and inspires.



20 | emwd.org



EXPERIENCE Spurs Economic Development

- EXPERIENCE will tap local resources to grow outwards, while assisting in the growth of the region.



EXPERIENCE Stimulates Action

- EXPERIENCE will be built to attract diverse audiences, optimize experience, and identify and connect with resources—onsite and throughout the region.





Thank You



EXPERIENCE IN RIVERSIDE



RiversideCA.gov

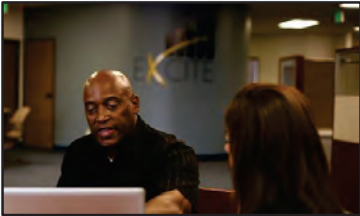
EXPERIENCE IN RIVERSIDE

MISSION:

To connect our community with **public, private, nonprofit and education sectors** to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.

SMART DENSITY

Experience in Riverside will **leverage population trends** which indicate a desire **to live/work/play** in an urban environment.



 **327,728**
Riverside Population (2017)



URBAN INNOVATION



DEVELOPMENT IN RIVERSIDE IS **THRIVING**



INNOVATION DISTRICT

The Innovation District will drive **more investment** into the region and offer better ways to **commercialize research** and **encourage new creative spaces**.



PLUG AND PLAY ECOSYSTEMS

Riverside offers a platform of **existing networks** and **ecosystems** which are designed to



Foster **Entrepreneurship**



Expand New **Training Programs** to Attract Talent



Engage Employers Seeking **Stronger Connections** to the Local Community

A GREEN COMMUNITY



CREATIVE PARTNERSHIPS

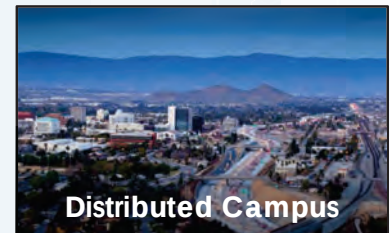
Riverside is flexible and will work with WRCOG to establish the

BEST PROGRAM MANAGEMENT STRUCTURE



A BLENDED EXPERIENCE

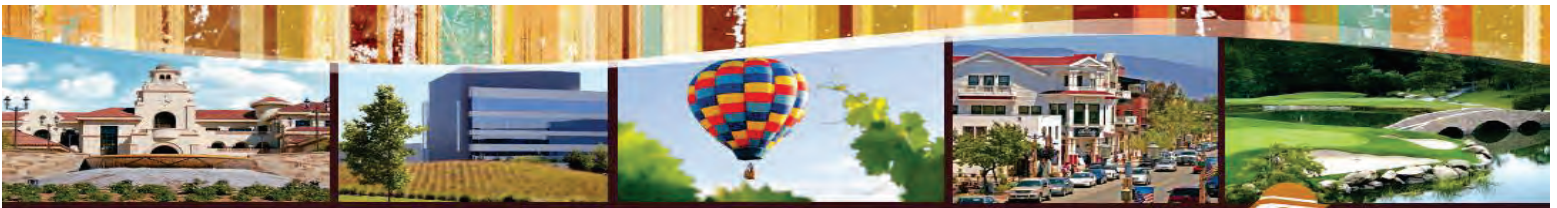
A pro forma model comprised of **multiple revenue channels** managed directly or through **strategic partnerships**.



PLAN FOR TOMORROW, TODAY.



RiversideCA.gov



EXPERIENCE A Regional Innovation Center

What is Experience?

- Meeting #5 Summary – Concept and Origin:
- “WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as:”
 - Education Center
 - Community Farm
 - Water Efficient Garden
 - Walking Loop
 - Amphitheater
 - Farm-to-Fork Café
 - Other Public Assets

Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects and more.

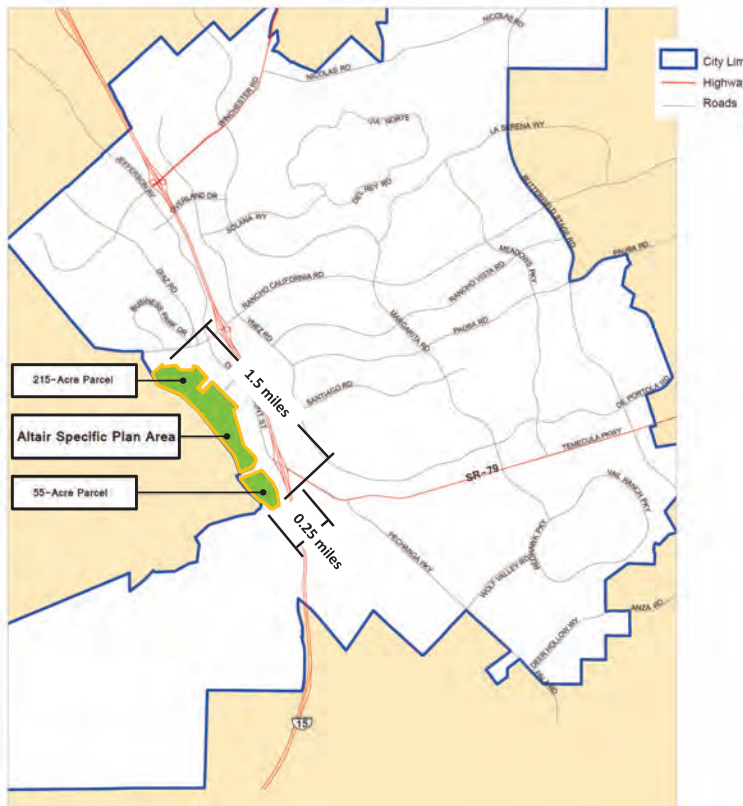


Why Temecula?

- Altair Specific Plan
- Development Agreement requires delivery of a finished/graded pad for Civic Uses
 - \$150k for Old Town Trolley and/or bikeshare



Location



- 270 Acres
- West of Old Town
- 1.5 miles long
- 0.25 miles wide
- Walkable!



Altair Specific Plan



- 270 acres
- Max 1,750 d.u.
- Elem school 730 students
- Community Center
- Civic Site
- 100+ acres of natural hillside preservation



Planned Development



- Density (20+ dwelling units per acre)
 - Apartments, condos, rowhomes, stacked flats, single family, senior housing, daycare and live-work units
- Mix of Land Uses
 - Housing, elementary school, parks, neighborhood commercial, and a civic use
 - Reduces vehicle trips
- Transportation Options
 - Sidewalks, bike lanes, trails, and a trolley/shuttle with connections to Old Town and RTA bus stops





Civic Site

- High visibility and convenient access near the interchange
- 55 acres
- 3.8 acre buildable pad
 - o 20,000 sf max.
 - o 2 stories
 - o 120 parking spaces
 - o Dawn – 2hrs after Dusk



Civic Site Conceptual Layout and Trails



- Loop Trail
- Area of Regional Significance
- Last free-flowing river in Southern California
- Wildlife Corridor
- Pechanga TCP
 - Origin Area
- SDSU/SMER
 - Solar Project



Civic Site

- Project description in EIR and Specific Plan:
 - “This land use would provide a public benefit to the City by offering education programs and/or exhibits related to culture, the natural environment, and sustainability of the region”
 - “The building and key outdoor spaces should be arranged to maximize and/or frame views that have historic or regional significance”
 - “Educational installations may include plaques, artwork, or other displays”
 - “Permitted uses include conference facilities, library, museum/gallery, restaurant, offices, community gardens...”



Civic Site

- Project description in EIR and Specific Plan:
 - “Landscaping and parking lot to be a model example of water efficient landscaping and stormwater containment”
 - “A deck for outdoor gathering should be oriented to take advantage of views from this site”
 - “A 2-mile, out-and-back, loop trail will be provided utilizing existing dirt roads wherever possible”



WRCOG “Must Haves”

- ☒ Rotating Display/Demonstration Area (indoors)
- ☒ Student-oriented education/area (indoors)
- ☒ Meeting and event space (indoors)
- ☒ Food-related services: restaurant, reheat kitchen, small business incubator kitchen, coffee bar, beer/wine bar, etc.. (indoors)
- ☒ Regional resiliency demonstrations and innovations (outdoors)
- ☒ Community areas (outdoors)
- ☒ Event space (outdoors)
- ☐ Urban agriculture: Food gardens showing emergency technology (no community garden)



WRCOG Market Analysis

- Based on general assessment of market demand, potential revenue generation, and input from the City, the Temecula Experience could support:
 - 53,619 sf, one-story building
 - 304 parking spaces
 - 3.7 acres



Site Options

- Civic Site at Altair
- 37 acres at Temecula Parkway/I-15 Interchange
- 2nd floor of the Incubator (TVE2)
- City-owned parcels in Old Town
- Vacant Industrial Buildings and Land
- Lease space from MSJC



Temecula Experience

- Temecula Experience would include a destination center with all the “Must Have” components
- The Temecula Experience is Connected to other “Everything” program elements, which already exist, linked by bike trails and pedestrian connections in an urban/walkable environment
- Doesn’t all have to be under one roof!

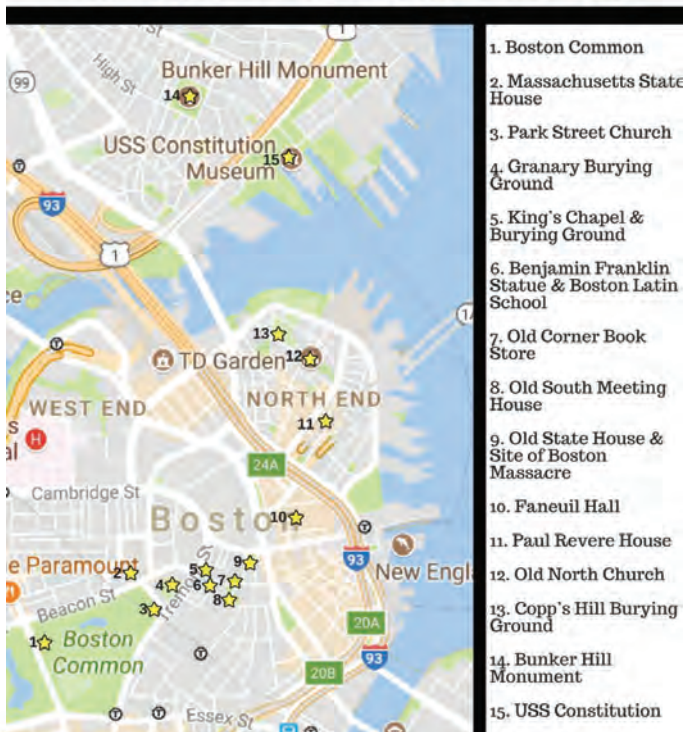


Temecula/WRCOG Experience

- The Temecula/WRCOG Experience is about community and shared experiences in a walkable, urban, and sustainable environment
- Synergy can be achieved between the different program elements within the community



Boston Freedom Trail



Example

- Freedom Trail
 - 2.5 mile self-guided walking tour
 - Red-lined brick route
 - 15 historically significant sites
- “Experience Trail”



Experience

Civic Site

- Begin your Experience here!
- Would include all the “Must Have” Entry Level program elements
- Highly visible destination and information center
- Pick up your self guided tour map and experience the “Everything” Level of programs walking in and around Old Town
- Tell the story of Western Riverside County and showcase the regions assets/successes



Experience

- Hike/Bike/Transit
 - Trails
 - Sidewalks
 - Bikeshare
 - Trolley Connections to RTA Transit Stops



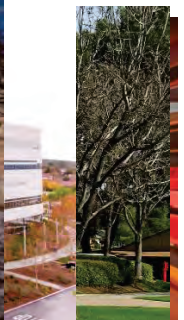
Experience

- HELP Center
 - Comprehensive approach to solving the problem of regional homelessness
 - Multiagency partnership to connect homeless to resources
 - All people are treated with respect and dignity



Experience

- Temecula Community Center
- Children's Museum
- Old Town Theater
- Temecula Valley Museum
- Economic Incubator
- Higher Education Campus (MSJC)
- Senior Center
- Temecula Civic Center



- ECONOMIC DEVELOPMENT



Existing Partnerships



Just the Facts

- **POPULATION: 113,181** (1.9% INCREASE FROM 2017)
- **MEDIAN AGE: 35.1**
- **AVERAGE HOUSEHOLD INCOME: \$109,659**
(12.4% INCREASE FROM 2017!)
- **UNEMPLOYMENT RATE (JULY 18): 3.8%**
- **AVERAGE HOME SALES PRICE (JULY 18): \$516,750**
- **TEMECULA VALLEY SCHOOL DISTRICT:**
 - * High Schools Ranked within the 2018 US News Best Schools List
 - * Highest performing school district in Riverside County
 - * Highest Scores on Standardized Tests in Riverside County



Lifestyle



- ★ **9 news hotels in the development pipeline!**
- ★ **Shout out to our local “foodie-entrepreneurs!”**

Gourmet Italia: #5 Most Romantic Restaurant in the USA!

Per Travel & Leisure Magazine

- ★ **Retail Sales in Top 6% of CA**



Lifestyle Temecula ❤️ Breweries!



Jobs & Business Growth



- Industry and Job Growth Leader for SW Riverside County with over 55,000 jobs in City limits
- 10% rise in employment in last 4 years



Temecula Valley Entrepreneur's Exchange



Temecula Valley Entrepreneur's Exchange

TVE²

(Occupies the 1st floor)

- 12 Startups currently occupy the Incubator;
- One-on-one business consultations (Approx. 330/year);
- Workshops (Approx. 100/year with 1,500 attendees);
- Events, mixers, conferences to promote job growth.

Temecula Higher Education Center

THE Center

(Occupies 2nd Floor)

Earn an Associate and Bachelor Degree

- THE Center provides a program developed by CSUSM Temecula & MSJC where students can earn an Associate and a Bachelor degree in four years at THE Center



Future of Higher Education

MT. SAN JACINTO COLLEGE
TEMECULA



350,000 + square foot college campus!



Tourist Destination

\$724 Million
in Travel Spending!

2.7 Million Visitors!



Opportunity to share the WRCOG Experience with these Visitors!



Think Regionally!

Murrieta Creek Regional Trail Plan (MCRT)

The Murrieta Creek Regional Trail project represents a joint effort between the Cities of Lake Elsinore, Murrieta, Temecula, and Wildomar in partnership with the Santa Margarita Group of the San Geronio Chapter of the Sierra Club.

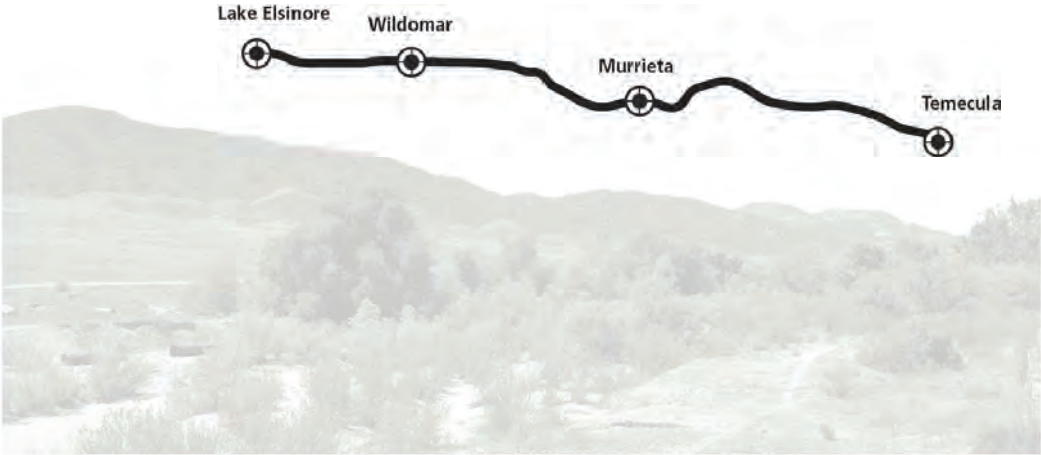


Technical assistance on this project was provided by the National Park Service's Rivers, Trails, and Conservation Assistance (RTCA) program.



regional connectivity

murrieta creek regional trail project



regional connectivity

murrieta creek regional trail project



Waves to Wineries Trail Project

Gap Analysis Study Corridors



Waves to Wineries

- Temecula
- Santa Margarita Ecological Reserve (SMER)
- Wildlands Conservancy Trails
- Fallbrook
- San Luis Rey River Trail
- Oceanside



Western Riverside/Experience Trail!

Waves to Wineries Trail Project

Regional Context Map



Preliminary Financial Analysis

Assumes

- Clear and level balanced site and all new construction
- 18 Month Construction Phase
- Contractor to pay Prevailing wages
- Contractor O&P, Bonds, Insurance, General Conditions and General Requirements
- Cost Escalation, 6.5% per annum, to Midpoint of Construction

Excludes

- Unforeseen soil conditions prompting enhanced foundation costs
- Off-Site work
- Hazardous mitigation measures
- Design Fees, Permits, Regulatory Reports, EIRs

Risk Register

- Land Purchase Fees
- Any and all Project Cost Fees
- The construction market has been fairly volatile with continuing increases in materials prices and labor which will continually to increase escalation rates.

Preliminary Financial Analysis

	<i>SF</i>	<i>\$/SF</i>	<i>Total \$</i>
Entry	27,241	\$546	\$14,873,248
Everything	116,797	\$398	\$46,491,593
Temecula	53,619	\$467	\$25,042,554
Riverside	36,297	\$529	\$19,191,764
Perris	42,838	\$503	\$21,556,228

Preliminary Financial Analysis

- Net revenue from each Experience component
- Annual operating income for five Experience scenarios
- Funding for Experience development

Preliminary Financial Analysis

	Net Program Revenue
Meeting Space	-1.71
Conference Space / Event Venue	-5.48
Coworking / Office Space	2.94
Performance Venue	2.17
Incubator / Accelerator	-0.39
Commercial Kitchen	-27.89
Restaurant/Coffee/Brewery/Winery	18.00
Urban Agriculture	-0.09

Preliminary Financial Analysis

	Net Program Revenue	Outside Contributions and Grants
Meeting Space	-1.71	27.95
Conference Space / Event Venue	-5.48	13.98
Coworking / Office Space	2.94	2.84
Performance Venue	2.17	5.40
Incubator / Accelerator	-0.39	3.48
Commercial Kitchen	-27.89	71.24
Restaurant/Coffee/Brewery/Winery	18.00	0.00
Urban Agriculture	-0.09	0.61

Preliminary Financial Analysis

	Net Program Revenue	Outside Contributions and Grants	Net Total Revenue
Meeting Space	-1.71	27.95	26.24
Conference Space / Event Venue	-5.48	13.98	8.50
Coworking / Office Space	2.94	2.84	5.78
Performance Venue	2.17	5.40	7.57
Incubator / Accelerator	-0.39	3.48	3.09
Commercial Kitchen	-27.89	71.24	43.35
Restaurant/Coffee/Brewery/Winery	18.00	0.00	18.00
Urban Agriculture	-0.09	0.61	0.52

Preliminary Financial Analysis

	Net Program Revenue	Annual Contributions and Grants	Annual Operating Income Annual Debt Service	Maximum Permanent Financing
EMWD/Perris	6,290	+ 274,000	= 280,000	4,054,000
Riverside	61,150	+ 199,000	= 261,000	3,769,000
Temecula	37,430	+ 305,000	= 343,000	4,959,000
Entry-Level	-16,680	+ 238,000	= 221,000	3,204,000
Everything Level	62,440	+ 587,000	= 650,000	9,400,000

Preliminary Financial Analysis

	Estimated Site Acquisition Cost	Development Cost	Less Permanent Loan	Upfront Capital Cost
EMWD/Perris	2,023,000	+ 23,882,000	-4,054,000	= 22,279,000
Riverside	3,855,000	+ 21,262,000	-3,769,000	= 21,746,000
Temecula	2,620,000	+ 27,743,000	-4,959,000	= 25,930,000
Entry-Level	2,082,000	+ 16,478,000	-3,204,000	= 15,694,000
Everything Level	5,477,000	+ 52,842,000	-9,400,000	= 49,914,000

Range of Funding/Financing Options

- Federal Funds
- State Funds
- Local Funds
- Foundations
- Corporate Sponsorships
- Private Funds

* Note: These are above and beyond the expected revenues from on-site activities (events, restaurant, co-working space, etc.)

Next Meeting

- Next Meeting: October 22, 2018 (11 – 1:30 pm)
 - Review Results of Applying Evaluation Criteria to Sites – Get Feedback
 - Review Revised Vision Statement – Get Final Buy-Off
 - Present Pros/Cons of Governance Options – Get Direction from Committee
 - Present Final Feasibility Recommendations – Get Direction from Committee for WRCOG Board Meeting



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: 27th Annual General Assembly & Leadership Address Update

Contact: Cynthia Mejia, Staff Analyst, cmejia@wrcoq.us, (951) 405-6752

Date: October 10, 2018

The purpose of this item is to provide an event update for the 27th Annual General Assembly & Leadership Address.

Requested Action:

1. Receive and file.

WRCOG's 27th Annual General Assembly & Leadership Address was held on Thursday, June 21, 2018, at the Morongo Casino, Resort & Spa, and engaged over 700 prominent business and political leaders to celebrate the region and discuss key policy issues facing Western Riverside County.

As projected, this year's expenditures for the event were met by revenue collected through sponsorships. Staff will provide a verbal recap of the event.

Prior Action:

None.

Fiscal Impact:

Expenditures for the annual General Assembly & Leadership Address will be offset by sponsorship revenues secured prior to the event, as demonstrated in the Agency's Fiscal Year 2017/2018 Budget.

Attachment:

None.

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: PACE Programs Activities Update

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

Date: October 10, 2018

The purpose of this item is to provide an update on delinquent parcels, seek direction on options for judicial foreclosure proceedings for properties using PACE financing, and provide an update on the establishment of long term PACE administration reserve.

Requested Actions:

1. Recommend that the Executive Committee defer the judicial foreclosure proceedings on delinquent residential parcels of the 2017/2018 tax year and to assign WRCOG's collection rights to a third party for 400 delinquent parcels totaling \$1,162,811.03.
2. Recommend that the Executive Committee authorize the Executive Director to enter in a Purchase and Sales Agreement with the third party, First National Assets, for the purchase of the delinquent assessment receivables
3. Recommend that the Executive Committee either a) advance funds from WRCOG, or from a third party, to allow for the deferral of judicial foreclosure proceedings on delinquent commercial properties, or b) adopt WRCOG Resolution Number 41-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Ordering the Initiation of Judicial Foreclosure Proceedings Pursuant to the Improvement Bond Act Of 1915 of Certain Property for Which the Payment of Assessment Installments Are Delinquent.

WRCOG's PACE Programs provide financing to property owners to implement energy saving, renewable energy, and water conservation improvements to their homes and businesses. Financing is paid back through a lien placed on the property tax bill. The HERO Program was initiated in December 2011 and has been expanded (an effort called "California HERO") to allow for jurisdictions throughout the state to join WRCOG's Program and allow property owners in these jurisdictions to participate. WRCOG now offers CaliforniaFIRST, Greenworks, Ygrene, and PACE Funding as additional PACE Providers under the WRCOG PACE Program.

PACE Delinquencies

On September 14, 2015, the Executive Committee adopted a policy to review, on an annual basis, the number and amount of delinquencies and determine the assignment of collection rights, or to begin the judicial foreclosure process.

Under WRCOG's Master Bond Indentures, it is stated that any property owner that is delinquent in his or her tax bill on October 1 of each year will be subject to WRCOG initiating a judicial foreclosure process. However, WRCOG may elect to defer the judicial foreclosure proceedings if WRCOG has received or advances funds to cover the delinquent amounts. Previous actions by the Executive Committee include:

2013/2014 Tax Year – deferred 8 of 3,288 parcels totaling \$12,748.21.

2014/2015 Tax Year – deferred 44 of 9,125 parcels totaling \$97,687.67.
2015/2016 Tax Year – deferred 155 of 21,811 parcels totaling \$401,909.87.
2016/2017 Tax Year – deferred 263 of 38,367 parcels totaling \$738,004.43

2017/2018 Tax Year Delinquencies: David Taussig & Associates (DTA), the HERO Program Assessment Administrator, issues a preliminary report that details the delinquencies for the tax year. For the 2017/2018 Tax Year, WRCOG enrolled 51,395 assessments on parcels totaling \$161,509,336. As of September 24, 2018, the total delinquency rate is 0.72%, or \$1,162,811.03. A breakdown by county is provided in Attachment 1. A delinquency means that the property owner(s) did not make timely payment of his and/or her property taxes (including the HERO Assessment installment(s)) for the past tax year and did not pay the delinquent HERO Assessment installments and any accrued penalties and interest prior to the date of the November Executive Committee meeting. In order to provide some context, the County of Riverside delinquency rate for property taxes levied for 2017/2018 Tax Year is 2.43%.

In previous years, Renovate America had purchased the collection rights to the delinquent HERO Assessment receivables; however, Renovate America notified WRCOG staff that it does not intend to purchase the delinquent assessment receivables for the 2015/2016, 2016/2017, and 2017/2018 Tax Year delinquent assessments receivables. Staff has identified a third-party, First National Assets, who has agreed to purchase the delinquent assessment receivables.

Staff is recommending, as has occurred in past years, that the Executive Committee defer judicial foreclosure on the residential delinquencies and direct the Executive Director to enter into negotiations for a Purchase and Sales Agreement with First National Assets.

Judicial Foreclosure on One Commercial PACE Parcel

Pursuant to WRCOG's Master Indenture Agreements providing for the issuance of bonds to finance the installation of authorized improvements on both residential and commercial properties, WRCOG pledged, for the benefit of the owners of the bonds, that it would order initiation of judicial foreclosure proceedings to commence against any property to recover delinquent assessment installments. For both commercial and residential properties, WRCOG is required to determine no later than October 1 of each year if the assessments on any property are delinquent and, if so, WRCOG must initiate foreclosure proceedings within sixty days of making such determination.

On August 6, 2018, the Executive Committee adopted Resolution Number 39-18, ordering the initiation of judicial foreclosure proceedings on one commercial property for which the assessment installments were delinquent for the 2016/2017 and 2017/2018 Tax Year. This tax year there is one additional commercial property located in the City of Fresno (the "Fresno Parcel") for which the assessment is delinquent in its payment of the first and second installment in the 2017/2018 Tax Year. The delinquent status of the commercial property is grounds to initiate the foreclosure proceedings. At the time of this writing, the Fresno Parcel was delinquent in the amount of \$3,164.58. It is possible the property owner may become current on their property taxes and PACE assessment installments by the time the Executive Committee reconvenes. In the case that the property owner does not become current on their taxes, the Executive Committee may elect to defer the initiation of judicial foreclosure proceedings on the Fresno Parcel if a third-party advances funds to cover the delinquent amount. Proceeding in this manner will ensure the timely payment of debt service on the bond secured by the assessment lien on the parcel. Staff is discussing a potential advancement of funds to enable WRCOG to defer the initiation of judicial foreclosure proceedings against the Fresno Parcel with Green Capital, LLC. Green Capital is the owner of the bond secured by the Fresno Parcel and a member of The Inland Real Estate Group of Companies, Inc., one of the nation's largest commercial real estate and finance groups.

Staff cannot guarantee that an agreement to provide the advanced funds can be reached prior to December 1st, the last day that funds may be advanced for the purpose of deferring the initiation of judicial foreclosure proceedings. Subsequently, staff is recommending that the Administration & Finance Committee advise the Executive Committee to adopt Resolution Number 41-18 to order the initiation of such judicial foreclosure proceedings against the Fresno Parcel in the event that the parcel remains delinquent and an agreement is not

reached by December 1st with a third party. If an agreement is reached and funds can be advanced from the Inland Company or another third party prior to December 1st, staff may direct the measure to initiate judicial foreclosure proceedings be abandoned.

Enhanced Consumer Protections

As part of the PACE Compliance Manual, staff has developed a process to track and follow-up with complaints as they arise. This process was developed to ensure cases are resolved to the greatest extent possible, and to give all parties an opportunity to address a problem prior to it being elevated. Upon receiving a complaint, the contractor on record is first given the opportunity to rectify the situation, if they cannot, or do not, the provider will be responsible for the resolution. Once a provider determines that a case is closed, WRCOG will contact the homeowner to ensure that the issue has been addressed and that the homeowner understands the resolution. If during this contact, WRCOG determines the case to not be resolved, it will be returned to the provider to have the case reopened.

Throughout the course of developing this process, staff has identified certain situations where all relevant parties have done what was required, but the homeowner is still not whole. To date and to staff's knowledge it appears that very few cases fall into this category. It is important to note that most complaints, such as sales practices or price concerns, typically have no distinguishable resolution, and therefore would not be part of this process. However, some cases might have a more clear, quantifiable restitution path, and staff is requesting authority to examine the viability of assisting homeowners in these isolated situations. Staff will only utilize this process once the above described process is completed and there is an opportunity for resolution to the issue through minimal additional resources.

Update on Establishment of Long-Term PACE Administration Reserve

In an effort to develop a long-term reserve to administer PACE for those with existing assessments in the unlikely event that the Program ceases, staff believes that an increase of \$10 on the annual administrative fee placed on those with existing PACE assessments is warranted. The new annual fee would be \$50; the Executive Committee has given staff discretion to increase the Annual Administrative Fee up to \$90 without prior approval. Based on the current number of outstanding PACE assessments, staff anticipates this adjustment will provide approximately \$500,000 per year, with a goal of building the PACE reserve to approximately \$2.5 million.

New Construction for Residential

In 2008, AB 811 was passed into law with the primary objective to be used as a mechanism to meet and implement the requirements set forth by AB 32, The Global Warming Solutions Act. The California Energy Commission (CEC) develops and maintains California's Building Energy Efficiency Standards, also known as Title 24, on a three-year cycle for new construction, alterations, and improvements on residential and commercial buildings.

This past year, the CEC developed energy efficiency standards that will require new homes to be equipped with photovoltaic solar panels, ventilation and lighting upgrades, as well as thermal envelopes. The new building standards will go into effect in January of 2020 and aim to reduce greenhouse gas emissions by cutting energy use in new homes by 50%. Staff believes that PACE has the potential to become a viable tool for the development community as it meets these new requirements by adding a mezzanine financing option for developers, similar to Commercial PACE new construction. Staff will be convening meetings with representatives of the development community to see if there is interest in and support for pursuing this further, which could involve potential legislation to allow PACE financing for new construction on residential homes and development.

Prior Action:

October 1, 2018: The Executive Committee received and filed.

Fiscal Impact:

Expenditures for enhanced consumer protections are included in the FY 2018/2019 budget in the amount of \$25,000 (up to five cases per year). The increase in the annual admin fee will have no fiscal impact in FY 2018/2019, but will add approximately \$513k in PACE revenues in FY 2019/2020.

Attachments:

1. WRCOG Residential Delinquency Summary Report (FY 2017/2018).
2. WRCOG Resolution Number 41-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Ordering the Initiation of Judicial Foreclosure Proceedings Pursuant to the Improvement Bond Act Of 1915 of Certain Property for Which the Payment of Assessment Installments are Delinquent.

Item 5.B

PACE Programs Activities Update

Attachment 1

WRCOG Residential Delinquency
Summary Report (FY 2017/2018)

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Western Riverside Council of Governments
Residential Delinquency Summary Report (Both Installments) [1]
Fiscal Year 2017-2018
Alameda County
Fund #518

Total Levy For FY 2017-2018: \$1,442,414.16
Number of Parcels Subject to Levy: 407
Number of Parcels Delinquent: 0

Total Amount Collected: \$1,442,414.16
Delinquent Amount: \$0.00
Delinquency Rate: 0.00%

Amador County
Fund #76800

Total Levy For FY 2017-2018: \$6,685.98
Number of Parcels Subject to Levy: 2
Number of Parcels Delinquent: 0

Total Amount Collected: \$6,685.98
Delinquent Amount: \$0.00
Delinquency Rate: 0.00%

Fund #76810

Total Levy For FY 2017-2018: \$9,521.78
Number of Parcels Subject to Levy: 3
Number of Parcels Delinquent: 0

Total Amount Collected: \$9,521.78
Delinquent Amount: 0.00%
Delinquency Rate: 0.00%

Amador County - All Funds

Total Levy For FY 2017-2018: \$16,207.76
Number of Parcels Subject to Levy: 5
Number of Parcels Delinquent: 0

Total Amount Collected: \$16,207.76
Delinquent Amount: \$0.00
Delinquency Rate: 0.00%

Butte County
Fund #88500

Total Levy For FY 2017-2018: \$144,202.88
Number of Parcels Subject to Levy: 46
Number of Parcels Delinquent: 1

Total Amount Collected: \$142,788.49
Delinquent Amount: \$1,414.39
Delinquency Rate: 0.98%

Contra Costa County
Fund #TE43949970

Total Levy For FY 2017-2018: \$4,659,471.38
Number of Parcels Subject to Levy: 1,406
Number of Parcels Delinquent: 4

Total Amount Collected: \$4,646,646.06
Delinquent Amount: \$12,825.32
Delinquency Rate: 0.28%

Del Norte County
Fund #104

Total Levy For FY 2017-2018: \$707.06
Number of Parcels Subject to Levy: 1
Number of Parcels Delinquent: 0

Total Amount Collected: \$707.06
Delinquent Amount: \$0.00
Delinquency Rate: 0.00%

El Dorado County
Fund #20852

Total Levy For FY 2017-2018: \$632,806.14
Number of Parcels Subject to Levy: 189
Number of Parcels Delinquent: 1

Total Amount Collected: \$631,850.91
Delinquent Amount: \$955.23
Delinquency Rate: 0.15%

Fresno County
Fund #6056 [2]

Total Levy For FY 2017-2018: \$8,368,621.50
Number of Parcels Subject to Levy: 3,143
Number of Parcels Delinquent: 30

Total Amount Collected: \$8,305,275.36
Delinquent Amount: \$63,346.14
Delinquency Rate: 0.76%

Glenn County
Fund #50968

Total Levy For FY 2017-2018: \$4,875.58
Number of Parcels Subject to Levy: 3
Number of Parcels Delinquent: 0

Total Amount Collected: \$4,875.58
Delinquent Amount: \$0.00
Delinquency Rate: 0.00%

Humboldt County
Fund #50100

Total Levy For FY 2017-2018: \$9,213.14
Number of Parcels Subject to Levy: 3
Number of Parcels Delinquent: 0

Total Amount Collected: \$9,213.14
Delinquent Amount: \$0.00
Delinquency Rate: 0.00%

Imperial County
Fund #96200 [3]

Total Levy For FY 2017-2018: \$1,081,259.20
Number of Parcels Subject to Levy: 542
Number of Parcels Delinquent: 9

Total Amount Collected: \$1,071,251.71
Delinquent Amount: \$10,007.49
Delinquency Rate: 0.93%

Kern County
Fund #42912 [4]

Total Levy For FY 2017-2018: \$7,968,600.26
Number of Parcels Subject to Levy: 2,924
Number of Parcels Delinquent: 25

Total Amount Collected: \$7,909,006.81
Delinquent Amount: \$59,593.45
Delinquency Rate: 0.75%

Kings County
Fund #5011

Total Levy For FY 2017-2018: \$712,472.56
Number of Parcels Subject to Levy: 306
Number of Parcels Delinquent: 3

Total Amount Collected: \$707,789.30
Delinquent Amount: \$4,683.26
Delinquency Rate: 0.66%

Los Angeles County
Fund #96-21 [5]

Total Levy For FY 2017-2018: \$5,779,726.57

Total Amount Collected: \$5,728,294.60

Number of Parcels Subject to Levy: 1,668	Delinquent Amount: \$51,431.97
Number of Parcels Delinquent: 18	Delinquency Rate: 0.89%
Madera County	
Fund #83000	
Total Levy For FY 2017-2018: \$969,142.28	Total Amount Collected: \$969,142.28
Number of Parcels Subject to Levy: 354	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Marin County	
Fund #109286	
Total Levy For FY 2017-2018: \$287,983.44	Total Amount Collected: \$287,983.44
Number of Parcels Subject to Levy: 64	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Mariposa County	
Fund #971	
Total Levy For FY 2017-2018: \$9,569.33	Total Amount Collected: \$9,073.71
Number of Parcels Subject to Levy: 5	Delinquent Amount: \$495.62
Number of Parcels Delinquent: 1	Delinquency Rate: 5.18%
Mendocino County	
Fund #92	
Total Levy For FY 2017-2018: \$13,404.18	Total Amount Collected: \$13,404.18
Number of Parcels Subject to Levy: 2	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Merced County	
Fund #86510	
Total Levy For FY 2017-2018: \$1,579,442.04	Total Amount Collected: \$1,555,746.87
Number of Parcels Subject to Levy: 594	Delinquent Amount: \$23,695.17
Number of Parcels Delinquent: 5	Delinquency Rate: 1.50%
Mono County	
Fund #66100	
Total Levy For FY 2017-2018: \$36,445.34	Total Amount Collected: \$36,445.34
Number of Parcels Subject to Levy: 9	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Monterey County	
Fund #99600	
Total Levy For FY 2017-2018: \$361,686.98	Total Amount Collected: \$360,956.47
Number of Parcels Subject to Levy: 92	Delinquent Amount: \$730.51
Number of Parcels Delinquent: 1	Delinquency Rate: 0.20%
Napa County	
Fund #52160	
Total Levy For FY 2017-2018: \$591,709.76	Total Amount Collected: \$591,709.76
Number of Parcels Subject to Levy: 147	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Nevada County	
Fund #750	
Total Levy For FY 2017-2018: \$5,544.36	Total Amount Collected: \$5,544.36
Number of Parcels Subject to Levy: 2	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Orange County	
Fund #749CE	
Total Levy For FY 2017-2018: \$16,470,259.01	Total Amount Collected: \$16,356,633.00
Number of Parcels Subject to Levy: 4,458	Delinquent Amount: \$113,626.01
Number of Parcels Delinquent: 21	Delinquency Rate: 0.69%
Eastern Riverside	
Fund #68-9010	
Total Levy For FY 2017-2018: \$4,467,284.60	Total Amount Collected: \$4,421,025.50
Number of Parcels Subject to Levy: 1,532	Delinquent Amount: \$46,259.10
Number of Parcels Delinquent: 20	Delinquency Rate: 1.04%
Riverside County	
Fund #68-9020 [6]	
Total Levy For FY 2017-2018: \$42,690,458.30	Total Amount Collected: \$42,345,106.27
Number of Parcels Subject to Levy: 14,646	Delinquent Amount: \$345,352.03
Number of Parcels Delinquent: 130	Delinquency Rate: 0.81%
Fund #68-9021 [7]	
Total Levy For FY 2017-2018: \$1,094,522.80	Total Amount Collected: \$1,091,167.83
Number of Parcels Subject to Levy: 521	Delinquent Amount: \$3,354.97
Number of Parcels Delinquent: 2	Delinquency Rate: 0.31%
Riverside County - All Funds	
Total Levy For FY 2017-2018: \$43,784,981.10	Total Amount Collected: \$43,436,274.10
Number of Parcels Subject to Levy: 15,167	Delinquent Amount: \$348,707.00
Number of Parcels Delinquent: 132	Delinquency Rate: 0.80%
Sacramento County	
Fund #1030	
Total Levy For FY 2017-2018: \$4,182,803.12	Total Amount Collected: \$4,172,113.68
Number of Parcels Subject to Levy: 1,620	Delinquent Amount: \$10,689.44

Number of Parcels Delinquent: 6	San Diego County Fund #6265-01 [8]	Delinquency Rate: 0.26%
Total Levy For FY 2017-2018: \$36,229,358.61		Total Amount Collected: \$35,996,736.11
Number of Parcels Subject to Levy: 9,533		Delinquent Amount: \$232,622.50
Number of Parcels Delinquent: 62		Delinquency Rate: 0.64%
	San Francisco County Fund #84	
Total Levy For FY 2017-2018: \$275,378.32		Total Amount Collected: \$263,035.10
Number of Parcels Subject to Levy: 53		Delinquent Amount: \$12,343.22
Number of Parcels Delinquent: 1		Delinquency Rate: 4.48%
	San Joaquin County Fund #72900 [9]	
Total Levy For FY 2017-2018: \$5,241,799.29		Total Amount Collected: \$5,186,005.10
Number of Parcels Subject to Levy: 1,849		Delinquent Amount: \$55,794.19
Number of Parcels Delinquent: 22		Delinquency Rate: 1.06%
	San Luis Obispo Fund #2102	
Total Levy For FY 2017-2018: \$84,766.94		Total Amount Collected: \$81,180.20
Number of Parcels Subject to Levy: 20		Delinquent Amount: \$3,586.74
Number of Parcels Delinquent: 1		Delinquency Rate: 4.23%
	San Mateo County Fund #C06F12	
Total Levy For FY 2017-2018: \$739,574.82		Total Amount Collected: \$737,287.24
Number of Parcels Subject to Levy: 153		Delinquent Amount: \$2,287.58
Number of Parcels Delinquent: 1		Delinquency Rate: 0.31%
	Santa Clara County Fund #995	
Total Levy For FY 2017-2018: \$2,427,911.76		Total Amount Collected: \$2,423,623.18
Number of Parcels Subject to Levy: 628		Delinquent Amount: \$4,288.58
Number of Parcels Delinquent: 2		Delinquency Rate: 0.18%
	Santa Cruz County Fund #405000	
Total Levy For FY 2017-2018: \$260,657.96		Total Amount Collected: \$255,998.59
Number of Parcels Subject to Levy: 55		Delinquent Amount: \$4,659.37
Number of Parcels Delinquent: 2		Delinquency Rate: 1.79%
	Shasta County Fund #84002	
Total Levy For FY 2017-2018: \$2,476.80		Total Amount Collected: \$2,476.80
Number of Parcels Subject to Levy: 1		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
	Solano County Fund #8998	
Total Levy For FY 2017-2018: \$2,738,997.24		Total Amount Collected: \$2,721,996.23
Number of Parcels Subject to Levy: 858		Delinquent Amount: \$17,001.01
Number of Parcels Delinquent: 3		Delinquency Rate: 0.62%
	Sonoma County Fund #94000	
Total Levy For FY 2017-2018: \$521,212.58		Total Amount Collected: \$521,212.58
Number of Parcels Subject to Levy: 144		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
	Stanislaus County Fund #64075 [10]	
Total Levy For FY 2017-2018: \$3,974,047.16		Total Amount Collected: \$3,952,347.33
Number of Parcels Subject to Levy: 1,586		Delinquent Amount: \$21,699.83
Number of Parcels Delinquent: 10		Delinquency Rate: 0.55%
	Sutter County Fund #HP	
Total Levy For FY 2017-2018: \$43,763.36		Total Amount Collected: \$43,763.36
Number of Parcels Subject to Levy: 19		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
	Tehama County Fund #50050	
Total Levy For FY 2017-2018: \$49,838.40		Total Amount Collected: \$46,801.42
Number of Parcels Subject to Levy: 18		Delinquent Amount: \$3,036.98
Number of Parcels Delinquent: 1		Delinquency Rate: 6.09%
	Tulare County Fund #690 [11]	
Total Levy For FY 2017-2018: \$1,381,499.38		Total Amount Collected: \$1,375,978.34
Number of Parcels Subject to Levy: 605		Delinquent Amount: \$5,521.04
Number of Parcels Delinquent: 6		Delinquency Rate: 0.40%
	Ventura County Fund #1070	
Total Levy For FY 2017-2018: \$120,315.58		Total Amount Collected: \$113,446.88

Number of Parcels Subject to Levy: 40	Delinquent Amount: \$6,868.70
Number of Parcels Delinquent: 1	Delinquency Rate: 5.71%
Fund #1071	
Total Levy For FY 2017-2018: \$690,677.20	Total Amount Collected: \$675,854.33
Number of Parcels Subject to Levy: 213	Delinquent Amount: \$14,822.87
Number of Parcels Delinquent: 3	Delinquency Rate: 2.15%
Fund #1072	
Total Levy For FY 2017-2018: \$154,387.00	Total Amount Collected: \$149,949.44
Number of Parcels Subject to Levy: 45	Delinquent Amount: \$4,437.56
Number of Parcels Delinquent: 1	Delinquency Rate: 2.87%
Fund #1073	
Total Levy For FY 2017-2018: \$1,358,123.57	Total Amount Collected: \$1,352,199.80
Number of Parcels Subject to Levy: 381	Delinquent Amount: \$5,923.77
Number of Parcels Delinquent: 2	Delinquency Rate: 0.44%
Fund #1074	
Total Levy For FY 2017-2018: \$405,353.70	Total Amount Collected: \$405,353.70
Number of Parcels Subject to Levy: 133	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Fund #1075	
Total Levy For FY 2017-2018: \$81,059.16	Total Amount Collected: \$77,438.08
Number of Parcels Subject to Levy: 23	Delinquent Amount: \$3,621.08
Number of Parcels Delinquent: 1	Delinquency Rate: 4.47%
Fund #1076	
Total Levy For FY 2017-2018: \$43,639.38	Total Amount Collected: \$38,386.30
Number of Parcels Subject to Levy: 12	Delinquent Amount: \$5,253.08
Number of Parcels Delinquent: 1	Delinquency Rate: 12.04%
Fund #1077	
Total Levy For FY 2017-2018: \$223,827.34	Total Amount Collected: \$223,827.34
Number of Parcels Subject to Levy: 70	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Fund #1078	
Total Levy For FY 2017-2018: \$373,149.08	Total Amount Collected: \$373,149.08
Number of Parcels Subject to Levy: 101	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Fund #1079	
Total Levy For FY 2017-2018: \$101,341.24	Total Amount Collected: \$99,059.05
Number of Parcels Subject to Levy: 25	Delinquent Amount: \$2,282.19
Number of Parcels Delinquent: 1	Delinquency Rate: 2.25%
Ventura County - All Funds	
Total Levy For FY 2017-2018: \$3,551,873.25	Total Amount Collected: \$3,508,664.00
Number of Parcels Subject to Levy: 1,043	Delinquent Amount: \$43,209.25
Number of Parcels Delinquent: 10	Delinquency Rate: 1.22%
Yolo County	
Fund #80101 [12]	
Total Levy For FY 2017-2018: \$339,678.94	Total Amount Collected: \$335,804.62
Number of Parcels Subject to Levy: 113	Delinquent Amount: \$3,874.32
Number of Parcels Delinquent: 1	Delinquency Rate: 1.14%
Yuba County	
Fund #88152	
Total Levy For FY 2017-2018: \$65,667.94	Total Amount Collected: \$61,241.62
Number of Parcels Subject to Levy: 28	Delinquent Amount: \$4,426.32
Number of Parcels Delinquent: 1	Delinquency Rate: 6.74%
All Counties	
Total Levy For FY 2017-2018: \$161,509,336.48	Total Amount Collected: \$160,346,525.45
Number of Parcels Subject to Levy: 51,395	Delinquent Amount: \$1,162,811.03
Number of Parcels Delinquent: 400	Delinquency Rate: 0.72%

Created on: September 27, 2018

[1] Delinquency data as of 9/24/2018.

[2] 2 of the 30 delinquent parcels are currently on a payment plan.

[3] 2 of the 9 delinquent parcels are currently on a payment plan.

[4] 2 of the 25 delinquent parcels are currently on a payment plan.

[5] 1 of the 18 delinquent parcels is currently on a payment plan.

[6] 14 of the 130 delinquent parcels are currently on a payment plan.

[7] 1 of the 2 delinquent parcels is currently on a payment plan.

[8] 3 of the 62 delinquent parcels are currently on a payment plan.

[9] 2 of the 22 delinquent parcels are currently on a payment plan.

[10] 2 of the 10 delinquent parcels are currently on a payment plan.

[11] 1 of the 6 delinquent parcels is currently on a payment plan.

[12] 1 of the 1 delinquent parcels is currently on a payment plan.

Item 5.B

PACE Programs Activities Update

Attachment 2

WRCOG Resolution Number 41-18;
A Resolution of the Executive
Committee of the Western Riverside
Council of Governments Ordering the
Initiation of Judicial Foreclosure
Proceedings Pursuant to the
Improvement Bond Act Of 1915 of
Certain Property for Which the
Payment of Assessment Installments
are Delinquent

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RESOLUTION NUMBER 41-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS ORDERING THE INITIATION OF JUDICIAL FORECLOSURE PROCEEDINGS PURSUANT TO THE IMPROVEMENT BOND ACT OF 1915 OF CERTAIN PROPERTY FOR WHICH THE PAYMENT OF ASSESSMENT INSTALLMENTS ARE DELINQUENT

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee") has established the "Western Riverside Council of Governments Energy Efficiency and Water Conservation Program for Western Riverside County" (the "WRCOG PACE Program") and the California PACE Program (together with the WRCOG PACE Program, the "WRCOG PACE Programs") pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code ("Chapter 29"), the Joint Exercise of Powers Agreement of the Western Riverside Council of Governments ("WRCOG"), originally made and entered April 1, 1991, as further amended to date (the "Joint Exercise of Powers Agreement"), and, as to the WRCOG HERO Program, Implementation Agreements by and between WRCOG and its Regular Members and, as to the California PACE Program, amendments to the Joint Exercise of Powers Agreement by and between WRCOG and its Associate Members, separate voluntary contractual assessment programs to assist residential and commercial property owners within the jurisdictional boundaries of the WRCOG HERO Program and of the California PACE Program, with the cost of installing distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure ("Authorized Improvements") that are permanently affixed to their property; and

WHEREAS, the City of Fresno ("Fresno") entered into an amendment to the Joint Exercise of Powers Agreement with WRCOG to participate in the California PACE Program to assist the owners of residential and commercial properties within the boundaries of the Fresno with the cost of installing Authorized Improvements that are permanently affixed to their properties; and

WHEREAS, the Executive Committee authorized the issuance of one or more series of limited obligation improvement bonds (the "Improvement Bonds") under the provisions of Chapter 29 and the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code of California (the "1915 Act") upon the security of voluntary contractual assessments levied on participating parcels of commercial or residential property (each, a "Participating Parcel"), as applicable, within the jurisdictional boundaries of the PACE Programs, authorized the sale of such Improvement Bonds secured by Assessment levied on commercial properties to SAMAS Capital, LLC, or the assigns thereof and approved and directed the execution of a master indenture, supplemental indentures and related documents and approved related actions for the purpose of financing the installation Authorized Improvements on such Participating Parcels; and

WHEREAS, the Improvement Bonds that have been issued by WRCOG are secured by the lien of the voluntary contractual assessments (each, an "Assessment") levied on each Participating Parcel pursuant to the assessment contract entered into by and between WRCOG and the

owner of such Participating Parcel to enable such owner to participate in the PACE Program in which such property is located (each, an "Assessment Contract") and such liens (each, an "Assessment Lien") are coequal to and independent of the lien for general taxes; and

WHEREAS, the owners of the commercial property located 2539 East White Avenue, Fresno, California (the "Subject Property") entered into an Assessment Contract with WRCOG to finance the installation of Authorized Improvements on the Subject Property; and

WHEREAS, pursuant to the Assessment Contract, an Assessment was levied against the Subject Property to provide for the repayment of the financing provided by WRCOG and the repayment of the Assessment was secured by an Assessment Lien that was recorded against the Subject Property (the "Subject Property Assessment Lien"); and

WHEREAS, WRCOG issued an Improvement Bond secured by the Subject Party Assessment Lien pursuant to the 1915 Act pursuant to the Master Indenture, dated as of January 1, 2015 (the "Master Indenture"), by and between WRCOG and Deutsche Bank National Trust Company, as trustee (the "Trustee") to finance the installation of the Authorized Improvements on the Subject Property; and

WHEREAS, pursuant to Chapter 29, the 1915 Act and the Assessment Contract, WRCOG has placed annual assessment installments of the Assessment on the Subject Property; and

WHEREAS, pursuant to the provisions of Chapter 29 and the 1915 Act, WRCOG covenanted in the Master Indenture with and for the benefit of the owner of the Improvement Bond that WRCOG would order, and caused to be commenced, and thereafter diligently prosecuted an action to foreclose on the Assessment Lien and file the complaint in such action within sixty (60) days for the date of receipt by WRCOG of the notification of the Delinquency; and

WHEREAS, the assessment installments have not been paid when due and remain delinquent (the "Delinquency"); and

WHEREAS, Streets & Highways Code Section 8833 requires that when the Executive Committee has ordered the initiation of judicial foreclosure proceedings, it must cause the removal of the Delinquency from the tax roll pursuant to such section; and

WHEREAS, the Executive Committee desires to order General Counsel of WRCOG ("General Counsel") to initiate judicial foreclosure proceedings to foreclose on the Assessment Lien.

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

Section 1. The Executive Committee hereby authorizes and orders General Counsel to cause an action to be brought in the superior court to foreclose the Assessment Lien to collect the Delinquency, together with penalties, interest and costs thereon

Section 2. The Executive Committee finds that the 1915 Act provides for the payment of the costs and attorneys' fees for prosecution of the judicial foreclosure action hereby authorized on redemption prior to entry of judgment as well as on post-judgment redemption, and hereby authorizes the General Counsel to require payment on its behalf of all costs and all attorneys' fees incurred in such action as a condition of such redemption.

Section 3. All actions taken or to be taken on behalf of WRCOG by General Counsel in furtherance of such foreclosure are hereby approved and ratified.

Section 4. The Executive Director of WRCOG, in cooperation and in conjunction with General Counsel, is authorized and directed if and as applicable, pursuant to Streets & Highways Code Section 8833 to: 1) record a notice of intent to remove the delinquent assessment from the tax rolls, and 2) request that the applicable County officials remove current and future delinquent assessments from the tax rolls.

Section 5. This resolution shall become effective upon its adoption.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on November 5, 2018.

Chuck Washington, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger LLP
WRCOG Legal Counsel

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

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Western Riverside Council of Governments Administration & Finance Committee

Revised Staff Report

Subject: Update to WRCOG JPA and Bylaws

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

Date: October 10, 2018

The purpose of this item is to present an updated version of the WRCOG Joint Powers Agreement (JPA) and Bylaws. These updates were made based on direction at a previous Administration & Finance Committee meeting to prepare this comprehensive update, and incorporates a variety of changes, mostly minor in nature, based on staff and legal counsel review.

Requested Actions:

1. Recommend that the Executive Committee approve the updated Bylaws. (Note: This document has changed since the initial publication of the agenda packet.)
2. Recommend that the Executive Committee approve the updated JPA.
3. Recommend that the Executive Committee direct WRCOG to forward the updated JPA to WRCOG member agencies for their approval.

Earlier in 2018, WRCOG was asked by several members of the Executive Committee to research and recommend potential options related to the appointment of alternates for the Board of Supervisors. This topic was discussed at the April 11th and June 13th Administration & Finance Committee meetings. During the course of these discussions, the issue of a larger update to the WRCOG JPA and Bylaws was also discussed. It was determined that it would be appropriate to conduct a comprehensive review of both documents as a significant period of time had lapsed (over five years) since the last comprehensive update of these documents.

The items for consideration today is the result of a comprehensive review of both documents by staff and legal counsel. While numerous changes are recommended, many of these changes reflect minor word changes, corrections, or address other minor issues. Red-line versions of both documents are attached to this staff report as a reference.

To facilitate review, staff has identified noteworthy changes to the JPA and Bylaws which are discussed below.

Joint Powers Agreement Changes

1. Sections 2.12, 3.1 and 4.5 of the Agreement updates the JPA to formally recognize that the Treasurer / Auditor of WRCOG is a WRCOG employee appointed pursuant to Section 6505.6 of the Government Code. The language in the current agreement includes outdated language referencing the County Treasurer.
2. Section 2.12 formally adds the position of a Second Vice-Chair to the JPA. Currently the Second Vice-Chair is only listed in the Bylaws.
3. Section 2.4 of the Agreement rewords the language establishing the membership of the General Assembly and Executive Committee to more clearly set forth the voting membership of each

Committee. The changes do not impact the current process used by WRCOG. Pursuant to the direction of the Administration & Finance Committee, the process for appointing Executive Committee alternates for the Board of Supervisors has not been revised.

4. Section 2.15 clarifies the bond requirements for WRCOG Committee members.
5. Section 2.13 clarifies that the attendance of Executive Committee members at a standing meeting is subject to the Brown Act.

Bylaws Changes

1. Article I expressly clarifies the relationship between the JPA and Bylaws.
2. Article II, Section 2.F, specifically empowers the Chair to appoint ad hoc committees in accordance with WRCOG's standard practices.
3. Article III, Section 5, Article IV, Section 1.D, and Article IV, Section 2.D, adds language making the Bylaws consistent with the JPA in respect to which agencies can vote on TUMF matters.

Staff also wants to highlight one area where changes were not made to either documents. At previous meetings of the Administration & Finance Committee, there have been extended discussions regarding member representation of the Executive Committee.

The first issue was in regards to the topic of alternates for the Riverside County Board of Supervisors. WRCOG previously presented several options for consideration and discussion. Specific direction was provided at the June 13, 2018, meeting to not implement any changes and to maintain the current process for alternates for the Board of Supervisors.

The second issue relates to appointments by member cities to the WRCOG Executive Committee. Staff and legal counsel also reviewed the overall language in the Bylaws related to the appointment of members to the Executive Committee, which currently states:

The Executive Committee will be composed of the Mayor from each of the member cities, four members of the Riverside County Board of Supervisors, the President of each water district, and the Tribal Chairman of the Morongo Band of Mission Indians. Any City Council, at its discretion, can appoint a Mayor Pro Tem or other City Council member in place of the Mayor. Each water district Board, at its discretion, can appoint another Board member in place of the President. The Tribal Council of the Morongo Band of Mission Indians, at its discretion, can appoint another Tribal Council member in place of the Tribal Chairman.

The Administration & Finance Committee members centered discussions on whether this section created a potential conflict by noting that the Mayor was the member of the Executive Committee from any member City and then noting that the City Council could appoint a representative in place of the Mayor. Staff and legal counsel reviewed this section and determined that the language seems to clearly note that each City shall have the discretion to establish a process to appoint its own representatives to the Executive Committee. Therefore, no changes were made to the Bylaws related to this item.

Implementation

Approval of the Bylaws requires action by the Executive Committee. Once approved, the Bylaws changes take effect immediately. The updated Bylaws will also be brought forward for approval by the WRCOG General Assembly in 2019; however, this approval is a formality as the changes become effective once the Executive Committee acts on them.

The process to approve the updated JPA is more involved. As with the Bylaws, formal action of the Executive Committee is first required. The updated JPA must then be approved by 2/3 of WRCOG member agencies to take effect. Once 2/3 of WRCOG member agencies have approved these changes, the changes become effective. If directed to do so by the Executive Committee, staff will work with each member agency to secure their approval of the updated JPA.

Prior Actions:

- June 13, 2018: The Administration & Finance Committee directed staff to prepare a comprehensive review of the JPA and Bylaws.
- April 11, 2018: The Administration & Finance Committee directed staff to return with options for future consideration and discussion regarding an alternate policy.

Fiscal Impact:

There is no fiscal impact.

Attachments:

1. Redlined Joint Powers Agreement of the Western Riverside Council of Governments.
2. Redlined Bylaws for the Western Riverside Council of Governments. (Note: This document has changed since the initial publication of the agenda packet.)

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Item 5.C

Update to WRCOG JPA and Bylaws

Attachment 1

Redlined Joint Powers Agreement of
the Western Riverside Council of
Governments

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JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS

This Agreement is 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 six or more of the cities located within Western Riverside County and the County of Riverside.

RECITALS

A. Each member and party to this Agreement is a governmental entity established by law with full powers of government in legislative, administrative, financial, and other related fields.

B. The purpose of the formation is 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. The Council will explore areas of inter-governmental cooperation and coordination of government programs and provide recommendations and solutions to problems of common and general concern.

C. When authorized pursuant to an Implementation Agreement, the Council shall manage and administer thereunder.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

I.

PURPOSE AND POWERS

1.1 Agency Created.

There is hereby created a public entity to be known as the "Western Riverside Council of Governments" ("WRCOG" or "the Council"). WRCOG is formed by this Agreement pursuant to the provision of Government Code Section 6500 et. seq. and other pertinent provision of law. WRCOG shall be a public entity separate from the parties hereto.

1.2 Powers.

1.2.1. WRCOG established hereunder shall perform all necessary functions to fulfill the purposes of this Agreement. Among other functions, WRCOG shall:

- a. Serve as a forum for consideration, study and recommendation on area-wide and regional problems;
- b. Assemble information helpful in the consideration of problems peculiar to Western Riverside County;
- c. Explore 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; and
- d. Serve as the clearinghouse review body for Federally-funded projects in accordance with Circular A-95 in conjunction with the Southern California Association of Governments.

1.2.2. The Council shall have the power in its own name to do any of the following;

a. When necessary for the day to day operation of the Council, to make and enter into contracts;

b. To contract for the services of engineers, attorneys, planners, financial consultants and separate and apart therefrom to employ such other persons, as it deems necessary;

c. To apply for an appropriate grant or grants under any federal, state, or local programs.

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

e. To lease, acquire, construct, manage, maintain, and operate any buildings, works, or improvements;

f. To delegate some or all of its powers to the Executive Committee and the Executive Director of the Council as hereinafter provided.

1.2.3 The association shall have the power in its own name, only with the approval of all affected member agencies to:

a. Acquire, hold and dispose of property by eminent domain, lease, lease purchase or sale.

b. To incur debts, liabilities, obligations, and issue bonds;

II.

ORGANIZATION OF COUNCIL

2.1 Parties.

The parties to WRCOG shall be the County of Riverside and each city located within Western Riverside County which has executed or hereafter executes this Agreement, or any addenda, amendment, or supplement ~~thereto~~hereto and agrees to ~~such~~ become a member upon such terms and conditions as established by the General ~~council~~Assembly or Executive Committee, and which has not, pursuant to provisions hereof, withdrawn ~~therefrom~~herefrom (the "Member Agencies"). Only the parties identified in this section and Associate Members approved under section 8.2 of this Agreement, if any, shall be considered contracting parties to this Agreement under Government Code section 6502, provided that the rights of any Associate Member under this Agreement shall be limited solely those rights expressly set forth in a PACE Agreement authorized in section 8.2 of this Agreement.

2.2 Names.

The names, particular capacities and addresses of the parties ~~at any time~~ shall be shown on Exhibit "A" attached hereto, as amended or supplemented from time to time by the Executive Director. If the Executive Director amends or supplements Exhibit "A", a copy of the revised Exhibit "A" shall be provided to the members.

2.3 Duties.

WRCOG shall do whatever is necessary and required to carry out the purposes of this Agreement and when authorized by an Implementation Agreement pursuant to section 1.2.3 as appropriate, to make and enter into such contracts, incur such debts and obligations, assess contributions from the members, and perform such other acts as are necessary to the accomplishment of the purposes of such agreement,

within the provisions of Government Code Section 6500 et seq. and as prescribed by the laws of the State of California.

2.4 Governing Body.

2.4.1. WRCOG shall be governed by a General Assembly with membership consisting of ~~the appropriate~~ representatives from the County of Riverside, each city which is a signatory to this Agreement, the Western Municipal Water District, the Eastern Municipal Water District, and the Morongo Band of Mission Indians ("Morongo"), ~~the number of which shall be determined as hereinafter set forth. The~~ (collectively, the "General Assembly shall meet at least once annually, preferably scheduled in the evening. Each Member Agencies"). Each General Assembly Member Agency ~~of the General Assembly~~ shall have one vote for each mayor, council member, county supervisor, water district board member, and tribal council member present at the General Assembly. The General Assembly shall act only upon a majority of a quorum. A quorum shall consist of a majority of the total authorized representatives, provided that ~~members representing~~ voting representatives of a majority of the General Assembly Member Agencies are present. The General Assembly shall adopt and amend by-laws for the administration and management of this Agreement, which when adopted and approved shall be an integral part of this Agreement. Such by-laws may provide for the management and administration of this Agreement. The General Assembly shall meet at least once annually, preferably scheduled in the evening.

2.4.2. There shall be an Executive Committee which exercises the powers of this Agreement between sessions of the General Assembly. Members of the Executive Committee shall be the Mayor from each of the member cities, four members

of the Riverside County Board of Supervisors, the President of each Water District, and the Tribal Chairman of Morongo; ~~(the remaining member of the Board of Supervisors shall serve as an alternate, except any~~ Executive Committee Members). Each City Council, at its discretion, can appoint ~~a~~its Mayor Pro Tem or other City Council member in place of the Mayor; Each water district board, at its discretion, can appoint another Board member in place of the President, ~~and.~~ The Tribal Council of Morongo, at its discretion, can appoint another Tribal Council member in place of the Tribal Chairman. The Executive Committee shall act only upon a majority of a quorum. A quorum shall consist of a majority of the ~~member agencies~~ Executive Committee Members. Membership of Morongo on the General Assembly and Executive Committee of WRCOG shall be conditioned on Morongo entering into a separate Memorandum of Understanding with WRCOG.

2.4.3. Each member of the General Assembly and the Executive Committee shall be a current member of the legislative body such member represents.

2.4.4. Each ~~participating member on the~~ Executive Committee Member shall also have an alternate, who must also be a current member of the legislative body of the party such alternate represents. The remaining member of the Board of Supervisors shall serve as an alternate for the Board of Supervisors. The name of the alternate members shall be on file with the Executive Committee. In the absence of the regular member from an agency, the alternate member from such agency shall assume all rights and duties of the absent regular member.

2.5 Executive Director.

The Executive Director shall be the chief administrative officer of the Council. He shall receive such compensation as may be fixed by the Executive Committee. The powers and duties of the Executive Director shall be subject to the authority of the Executive Committee and include the following:

- a. To appoint, direct and remove employees of the Council.
- b. Annually to prepare and present a proposed budget to the Executive Committee and General Assembly.
- c. Serve as Secretary of the ~~Council~~ General Assembly and of the Executive Committee.
- d. To attend meetings of the General Assembly and Executive Committee.
- e. To perform such other and additional duties as the Executive Committee may require.

2.6 Principal Office.

The principal office of WRCOG shall be established by the Executive Committee and shall be located within Western Riverside County. The Executive Committee is hereby granted full power and authority to change said principal office from one location to another within Western Riverside County. Any change shall be noted by the Secretary under this section but shall not be considered an amendment to this Agreement.

2.7 Meetings.

The Executive Committee shall meet at the principal office of the agency or at such other place as may be designated by the Executive Committee. The time and place of regular meetings of the Executive Committee shall be determined by

resolution adopted by the Executive Committee; a copy of such resolution shall be furnished to each party hereto. Regular, adjourned and special meetings shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code Section 54950 et. seq., as it may be amended.

2.8 Powers and Limitations of the Executive Committee.

Unless otherwise provided herein, each Member or participating alternate of the Executive Committee shall be entitled to one vote, and a vote of the majority of those present and qualified to vote constituting a quorum may adopt any motion, resolution, or order and take any other action they deem appropriate to carry forward the objectives of the Council.

2.9 Minutes.

The secretary of the Council shall cause to be kept minutes of regular adjourned regular and special meetings of the General Assembly and Executive Committee, and shall cause a copy of the minutes to be forwarded to each member ~~and to each of the members hereto.~~

2.10 Rules.

The Executive Committee may adopt from time to time such rules and regulations for the conduct of its affairs consistent with this Agreement or any Implementation Agreement.

2.11 Vote or Assent of Members.

The vote, assent or approval of the members in any manner as may be required, hereunder shall be evidenced by a certified copy of the action of the governing

body of such party filed with the Council. It shall be the responsibility of the Executive Director to obtain certified copies of said actions.

2.12 Officers.

There shall be selected from the membership of the Executive Committee, a chairperson, a vice chairperson and a second vice chairperson. The Executive Director shall be the secretary. The Treasurer ~~of the County of Riverside shall be the Treasurer of the Council and the Controller or Auditor of the County of Riverside shall be the Auditor of the Council. Such persons~~ and the Auditor shall be appointed by the Executive Director and must be officers or employees of WRCOG. The Executive Director may appoint a single officer or employee of WRCOG to serve in both the Treasurer and Auditor positions. Such person(s) shall possess the powers of, and shall perform the treasurer and auditor functions respectively, for WRCOG and perform those functions required of them by Government Code Sections 6505, 6505.5 and 6505.6, and by all other applicable laws and regulations, including any subsequent amendments thereto.

The chairperson ~~and~~ vice chairperson, and second vice chairperson shall hold office for a period of one year commencing ~~July 1st of each and every fiscal year; provided, however, the first chairperson and vice chairperson appointed shall hold office from the date of appointment to June 30th of the ensuing fiscal year~~ at the close of the General Assembly meeting of their election, and ending one year thereafter, or until his or her successor is elected. Except for the Executive Director, any officer, employee, or agent of the Executive Committee may also be an officer, employee, or agent of any of

the members. The appointment by the Executive Committee of such a person shall be evidence that the two positions are compatible.

2.13 Committees.

The Executive Committee may, as it deems appropriate, ~~appoint~~establish committees to accomplish the purposes set forth herein. All standing committee meetings of WRCOG, including those of the Executive Committee, shall be open to all Executive Committee Members: in accordance with the Brown Act

2.14 Additional Officers and Employees.

The Executive Committee shall have the power to authorize such additional officers and ~~assistants~~employees as may be appropriate. ~~Such officers and employees may also be, but are not required to be, officers and employees of the individual members.~~

2.15 Bonding Requirement.

The officers or persons who have charge of, handle, or have access to any property of WRCOG shall be the ~~members of the Executive Committee, the Treasurer, the Executive Director, and any other officers or persons~~ ~~to be~~ designated or empowered by the Executive Committee. Each such officer or person shall be required to file an official bond with the Executive Committee in an amount which shall be established by the Executive Committee. 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 bonds attributable to the coverage required herein shall be appropriate expenses of WRCOG.

2.16 Status of Officers and Employees.

All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, worker's compensation, and other benefits which apply to the activity of officers, agents, or employees of any of the members when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. None of the officers, agents, or employees appointed by the Executive Committee shall be deemed, by reason of their employment by the Executive Committee, to be employed by any of the members or, by reason of their employment by the Executive Committee, to be subject to any of the requirements of such members.

2.17 Restrictions.

Pursuant to Government Code Section 6509, for the purposes of determining the restrictions to be imposed by the Council in its exercise of the above-described joint powers, reference shall be made to, and the Council shall observe, the restrictions imposed [by state law](#) upon the County of Riverside.

2.18 TUMF Matters – Water Districts and Morongo.

Pursuant to this Joint Powers Agreement, WRCOG administers the Transportation Mitigation Fee (“TUMF”) for cities in Western Riverside County. The fee was established prior to the Water District’s and Morongo’s involvement with WRCOG and will fund transportation improvements for the benefit of the County of Riverside and the cities in Western Riverside County. As such, the Western Municipal Water District, the Eastern Municipal Water District, and Morongo General Assembly and Executive

Committee Members shall not vote on any matter related to the administration of the TUMF program or the expenditure of TUMF revenues.

III

FUNDS AND PROPERTY

3.1 Treasurer.

~~The Treasury of the member agency whose Treasurer is the Treasurer for WRCOG shall be the depository for WRCOG.~~ The Treasurer of the Council shall have custody of all funds and shall provide for strict accountability thereof in accordance with Government Code Section 6505.5 and other applicable laws of the State of California. He or she shall perform all of the duties required in Government Code Section 6505 [et. seq.](#) and ~~following,~~ such other duties as may be prescribed by the Executive Committee.

3.2. Expenditure of Funds.

The funds under this Agreement shall be expended only in furtherance of the purposes hereof and in accordance with the laws of the State of California and standard accounting practices shall be used to account for all funds received and disbursed.

3.3. Fiscal Year.

WRCOG shall be operated on a fiscal year basis, beginning on July 1 of each year and continuing until June 30 of the succeeding year. Prior to July 1 of each year, the General Assembly shall adopt a final budget for the expenditures of WRCOG during the following fiscal Year.

3.4. Contributions/Public Funds.

In preparing the budget, the General Assembly by majority vote of a quorum shall determine the amount of funds which will be required from its members for the purposes of this Agreement. The funds required from its members after approval of the final budget shall be raised by contributions 50% of which will be assessed on a per capita basis and 50% on an assessed valuation basis, each city paying on the basis of its population and assessed valuation and the County paying on the basis of the population and assessed valuation within the unincorporated area of Western Riverside County as defined in the by-laws. The parties, when informed of their respective contributions, shall pay the same before August 1st of the fiscal year for which they are assessed or within sixty days of being informed of the assessment, whichever occurs later. In addition to the contributions provided, advances of public funds from the parties may be made for the purposes of this Agreement. When such advances are made, they shall be repaid from the first available funds of WRCOG.

The General Assembly shall have the power to determine that personnel, equipment or property of one or more of the parties to the Agreement may be used in lieu of fund contributions or advances.

All contributions and funds shall be paid to WRCOG and shall be disbursed by a majority vote of a quorum of the Executive Committee, as authorized by the approved budget.

3.5 Contributions from Water Districts and the Morongo Band of Mission Indians.

The provision of section 3.4 above shall be inapplicable to the Western Municipal Water District, the Eastern Municipal Water District, and Morongo. The amount of

contributions from these water districts and Morongo shall be through the WRCOG budget process.

IV

BUDGETS AND DISBURSEMENTS

4.1 Annual Budget.

The Executive Committee may at any time amend the budget to incorporate additional income and disbursements that might become available to WRCOG for its purposes during a fiscal year.

4.2 Disbursements.

The Executive Director shall request warrants from the Auditor in accordance with budgets approved by the General Assembly or Executive Committee subject to quarterly review by the Executive Committee. The Treasurer shall pay such claims or disbursements and such requisitions for payment in accordance with rules, regulations, policies, procedures and bylaws adopted by the Executive Committee.

4.3 Accounts.

All funds will be placed in appropriate accounts and the receipt, transfer, or 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 Government Code Sections 6505 et seq. and any other applicable laws of the State of California. There shall be strict accountability of all funds. All revenues and expenditures shall be reported to the Executive Committee.

4.4 Expenditures Within Approved Annual Budget.

All expenditures shall be made within the approved annual budget. No expenditures in excess of those budgeted shall be made without the approval of a majority of a quorum of the Executive Committee.

4.5 Audit.

The ~~records and accounts of WRCOG shall be audited annually by~~ Auditor shall make or contract with an independent certified public accountant or public accountant to make an annual audit of WRCOG's accounts and records, and copies of such audit report shall be filed with the County Auditor, State Controller and each party to WRCOG no later than fifteen (15) days after receipt of said audit by the Executive Committee. The Auditor shall perform those functions required of him or her by Government Code Sections 6505, 6505.5 and 6505.6, and by all other applicable laws and regulations, including any subsequent amendments thereto.

4.6 Reimbursement of Funds.

Grant funds received by WRCOG from any federal, state, or local agency to pay for budgeted expenditures for which WRCOG has received all or a portion of said funds from the parties hereto shall be used as determined by WRCOG's Executive Committee.

V

LIABILITIES

5.1 Liabilities.

The debts, liabilities, and obligation of WRCOG shall be the debts, liabilities, or obligations of WRCOG alone and not of the parties to this Agreement.

5.2 Hold Harmless and Indemnity.

Each party hereto agrees to indemnify and hold the other parties harmless from all liability for damage, actual or alleged, to persons or property arising out of or resulting from negligent acts or omissions of the indemnifying party or its employees. Where the General Assembly or Executive Committee itself or its agents or employees are held liable for injuries to persons or property, each party's liability for contribution or indemnity for such injuries shall be based proportionately upon the contributions (less voluntary contributions) of each member. In the event of liability imposed upon any of the parties to this Agreement, or upon the General Assembly or Executive Committee created by this Agreement, for injury which is caused by the negligent or wrongful act or omission of any of the parties in the performance of this Agreement, the contribution of the party or parties not directly responsible for the negligent or wrongful act or omission shall be limited to One Hundred Dollars (\$100.00). The party or parties directly responsible for the negligent or wrongful acts or omissions shall indemnify, defend, and hold all other parties harmless from any liability for personal injury or property damage arising out of the performance of this Agreement. The voting for or against a matter being considered by the General Assembly or executive or other committee or WRCOG, or abstention from voting on such matter, shall not be construed to constitute a wrongful act or omission within the meaning of this Subsection.

VI

ADMISSION AND WITHDRAWAL OF PARTIES

6.1 Admission of New Parties.

It is recognized that additional cities other than the original parties, may wish to participate in WRCOG. Any Western Riverside County city may become a party

to WRCOG upon such terms and conditions as established by the General Assembly or Executive Committee. Any Western Riverside County city shall become a party to WRCOG by the adoption by the city council of this Agreement and the execution of a written addendum ~~thereto~~hereto agreeing to the terms of this Agreement and agreeing to any additional terms and conditions that may be established by the General Assembly or Executive Committee. Special districts which are significantly involved in regional problems and the boundaries of which include territory within the collective area of the membership shall be eligible for advisory membership in the Council by the execution of a separate MOU setting forth the terms of such participation. The representative of any such advisory member may participate in the work of committees of the Council.

6.2 Withdrawal from WRCOG.

It is fully anticipated that each party hereto shall participate in WRCOG until the purposes set forth in this Agreement are accomplished. The withdrawal of any party, either voluntary or involuntary, unless otherwise provided by the General Assembly or Executive Committee, shall be conditioned as follows:

a. In the case of a voluntary withdrawal following a properly noticed public hearing, written notice shall be given to WRCOG, six months prior to the effective date of withdrawal;

b. Withdrawal shall not relieve the party of its proportionate share of any debts or other liabilities incurred by WRCOG prior to the effective date of the ~~parties'~~party's notice of withdrawal;

c. Unless otherwise provided by a unanimous vote of the Executive Committee, withdrawal shall result in the forfeiture of that party's rights and claims relating to distribution of property and funds upon termination of WRCOG as set forth in Section VII below;

d. Withdrawal from any Implementation Agreement shall not be deemed withdrawal from membership in WRCOG.

VII

TERMINATION AND DISPOSITION OF ASSETS

7.1 Termination of this Agreement.

WRCOG shall continue to exercise the joint powers herein until the termination of this Agreement and any extension thereof or until the parties shall have mutually rescinded this Agreement; providing, however, that WRCOG and this Agreement shall continue to exist for the purposes of disposing of all claims, distribution of assets and all other functions necessary to conclude the affairs of WRCOG.

Termination shall be accomplished by written consent of all of the parties, or shall occur upon the withdrawal from WRCOG of a sufficient number of the agencies enumerated herein so as to leave less than five of the enumerated agencies remaining in WRCOG.

7.2 Distribution of Property and Funds.

In the event of the termination of this Agreement, any property interest remaining in WRCOG following the discharge of all obligations shall be disposed of as the Executive Committee shall determine with the objective of distributing to each

remaining party a proportionate return on the contributions made to such properties by such parties, less previous returns, if any.

VIII

PAGE IMPLEMENTATION AND PARTICIPATION AGREEMENTS;

ASSOCIATE MEMBERSHIP

8.1 Execution of Agreement.

When authorized by the Executive Committee, any affected member agency or agencies enumerated herein, may execute an Implementation Agreement for the purpose of authorizing WRCOG to implement, manage and administer area-wide and regional programs in the interest of the local public welfare. The costs incurred by WRCOG in implementing a program including indirect costs, shall be assessed only to those public agencies who are parties to that Implementation Agreement.

8.2 PACE Agreements; Associate Membership.

WRCOG shall be empowered to establish and operate one or more Property Assessed Clean Energy (“PACE”) programs pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code, and to enter into one or more agreements, including without limitation, participation agreements, implementation agreements and joint powers agreements and amendments thereto to fulfill such programs both within and outside the jurisdictional boundaries of WRCOG.

WRCOG, acting through its Executive Committee, shall be empowered to establish an “Associate Member” status that provides membership in WRCOG to local jurisdictions that are outside WRCOG’s jurisdictional boundaries but within whose

boundaries a PACE program will be established and implemented by WRCOG. Said local jurisdictions shall become Associate Members of WRCOG by adopting one or more agreements (the "PACE Agreement") on the terms and conditions established by the Executive Committee and consistent with the requirements of the Joint Exercise of Powers Act, being 5 of Division 7, Title 1 of the California Government Code (Sections 6500 et seq.). The rights of Associate Members shall be limited solely to those terms and conditions expressly set forth in the PACE Agreement for the purposes of implementing the PACE program within their jurisdictional boundaries. Except as expressly provided for by the PACE Agreement, Associate Members shall not have any rights otherwise granted to WRCOG's members by this Agreement, including but not limited to the right to vote, right to amend this Agreement, and right to sit on committees or boards established under this Agreement or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee.

IX

MISCELLANEOUS

9.1 Amendments.

This Agreement may be amended with the approval of not less than two-thirds (2/3) of all member agencies.

9.2 Notice.

Any notice or instrument required to be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to the addresses of the parties as shown on Exhibit "A", shall be deemed to have been received by the party to whom the same is addressed at the expiration of seventy-two (72) hours after deposit of the same in the United States Post Office for transmission by registered or certified mail as aforesaid.

9.3 Effective Date.

This Agreement shall be effective and WRCOG shall exist from and after such date as this Agreement has been executed by any seven or more of the public agencies, including the County of Riverside, as listed on page 1 hereof.

9.4 Arbitration.

Any controversy or claim between any two or more parties to this Agreement, or between any such party or parties and WRCOG, with respect to disputes, demands, differences, controversies, or misunderstandings arising in relation to interpretation of this Agreement, or any breach thereof, shall be submitted to and determined by arbitration. The party desiring to initiate arbitration shall give notice of its intention to arbitrate to every other party to this Agreement and to the Executive Director of the Council. Such notice shall designate as "respondents" such other parties as the initiating party intends to have bound by any award made therein. Any party not so designated but which desires to join in the arbitration may, within ten (10) days of service upon it of such notice, file with all other parties and with the Executive Director of the Council a response indicating its intention to join in and to be bound by the results of the arbitration, and further designating any other parties it wishes to name as a respondent. Within twenty (20) days of the service of the initial demand for arbitration, the initiating party and the respondent or respondents shall each designate a person to act as an arbitrator. The designated arbitrators shall mutually designate the minimal number of additional persons as arbitrators as may be necessary to create an odd total number of arbitrators but not less than three to serve as arbitrator(s).

The arbitrators shall proceed to arbitrate the matter in accordance with the provisions of Title 9 of Part 3 of the Code of Civil Procedure, Section 1280 et. seq. The parties to this Agreement agree that the decision of the arbitrators will be binding and will not be subject to judicial review except on the ground that the arbitrators have exceeded the scope of their authority.

9.5 Partial Invalidity.

If any one or more of the terms, provisions, sections, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, sections, promises, covenants and conditions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

9.6 Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto.

9.7 Assignment.

The parties hereto shall not assign any rights or obligations under this Agreement without written consent of all other parties.

9.8 Execution.

The Board of Supervisors of the County of Riverside and the city councils of the cities enumerated herein have each authorized execution of this Agreement as evidenced by the authorized signatures below, respectively.

EXHIBIT “A”

Original Members Agencies

1. City of Banning
2. City of Beaumont (rejoined June 22, 2017)
3. City of Calimesa
4. City of Canyon Lake
5. City of Corona
6. City of Hemet
7. City of Lake Elsinore
8. City of Moreno Valley
9. City of Murrieta
10. City of Norco
11. City of Perris
12. City of Riverside
13. City of San Jacinto
14. City of Temecula
15. County of Riverside

Additional City Members

1. City of Eastvale (added on 08/02/2010, Resolution 01-11)
2. City of Jurupa Valley (added on 07/29/2011, Resolution 02-12)
3. City of Menifee (added on 10/06/2008, Resolution 03-09)
4. City of Wildomar (added on 08/04/2008, Resolution 01-09)

Item 5.C

Update to WRCOG JPA and Bylaws

Attachment 2

Redlined Bylaws for the Western
Riverside Council of Governments

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Updated through XXXXXXXX, 2018

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**BY-LAWS
FOR THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS**

ARTICLE I

SECTION 1.

These By-Laws are provided for the organization and administration of the Western Riverside Council of Governments which has been established under a Joint Powers Agreement ("JPA"). These By-Laws supplement the Agreement. Capitalized terms shall have the same meaning as set forth in the JPA. In the event that the Bylaws conflict with the JPA, the JPA shall control.

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**ARTICLE II
GENERAL ASSEMBLY**

SECTION 1. MEETINGS

- A. Annual Meeting. The annual General Assembly shall meet in June. The locations and times of these meetings shall be determined by the Executive Committee.
- B. Special Meetings. Special meetings of the General Assembly may be called by the Chairperson, or in his or her absence by the Vice-Chairperson or in the absence of the Chairperson and the Vice-Chairperson by the Second Vice-Chairperson, or a majority of the member agencies.

Deleted: In addition, an annual local Government Conference may be held sometime during each fiscal year and a General Assembly social event may be held anytime as provided for in Article II, Section 1.B.

SECTION 2. OFFICERS

- A. Nomination and Election. The General Assembly shall elect, by a majority vote, the Chairperson, Vice-Chairperson and Second Vice-Chairperson from members of the Executive Committee, provided he or she is first nominated by either the General Assembly or Executive Committee. The election of the Chairperson, Vice-Chairperson and Second Vice-Chairperson shall be conducted once each year and no later than July.
- B. Prohibition. The General Assembly shall not elect the Chairperson, Vice-Chairperson and Second Vice-Chairperson from representatives of the same member agency.
- C. Term. The elected Chairperson, Vice-Chairperson and Second 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.

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- D. Vacancy. Notwithstanding Article II, Section 2.C., if the office of the Chairperson, Vice-Chairperson or Second Vice-Chairperson becomes vacant, the Executive Committee shall appoint, by a majority vote, one of its members to fill the unexpired term of the vacated office.
- E. Removal. Notwithstanding Article II, Section 2.D., the Executive Committee may remove the Chairperson, Vice-Chairperson or Second Vice-Chairperson by majority vote. The removal of either the Chairperson, Vice-Chairperson or Second Vice-Chairperson creates a vacancy which shall be filled in accordance with Article II, Section 2.D.
- F. Duties of the Chairperson, Vice-Chairperson and Second Vice-Chairperson. The Chairperson shall, if present, preside at all meetings of the General Assembly and Executive Committee and exercise such other powers and duties as may from time to time be assigned to the Chairperson, [including the creation and appointment of ad hoc committees](#). In the absence of the Chairperson, the Vice-Chairperson shall perform all the duties of the Chairperson. When so acting, the Vice-Chairperson shall have all the powers of, and be subject to all the restrictions upon, the Chairperson. In the absence of both the Chairperson and Vice-Chairperson, the Second Vice-Chairperson shall perform all the duties of the Chairperson. When so acting, Second Vice-Chairperson shall have all the powers of, and be subject to all the restrictions upon, the Chairperson. In the absence of the Chairperson, Vice-Chairperson, and Second Vice-Chairperson, the General Assembly Chairperson of the Previous Year (the "Past Chairperson") shall perform the duties of the Chairperson for that meeting only. When so acting, Past Chairperson shall have all the powers of, and be subject to all the restrictions upon, the Chairperson. In the absence of the Chairperson, Vice-Chairperson, Second Vice-Chairperson and the Past Chairperson, the General Assembly or Executive Committee shall choose one of its voting members to chair the meeting for that day only.

SECTION 3. VOTING

- A. In General. Each [voting representative of a General Assembly Member Agency](#) shall have one vote [as set forth in Section 2.4.1 of the Joint Powers Agreement](#).
- B. Eligibility. The Chairperson, Vice-Chairperson and Second Vice-Chairperson are eligible to vote.
- C. Quorum. The General Assembly shall act only upon a majority of a quorum. A quorum shall be the majority of the total authorized representatives of each [General Assembly Member Agency](#), provided that [a voting representative of a majority of the General Assembly Member Agencies](#) are present.

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ARTICLE III

EXECUTIVE COMMITTEE

SECTION 1. MEMBERSHIP

A. The Executive Committee will be composed of the Mayor from each of the member cities, four members of the Riverside County Board of Supervisors, the President of each water district, and the Tribal Chairman of the Morongo Band of Mission Indians. Any City Council, at its discretion, can appoint a Mayor Pro Tem or other city council member in place of the Mayor. Each water district board, at its discretion, can appoint another board member in place of the President. The Tribal Council of the Morongo Band of Mission Indians, at its discretion, can appoint another tribal council member in place of the Tribal Chairman.

B Each regular member on the Executive Committee shall also have an alternate, who must also be a current member of the legislative body of the party such alternate represents. For the Board of Supervisors, the Board of Supervisor's member not serving under section A, above, shall serve as an alternate to the members of the Board of Supervisors. The name of the alternate members shall be on file with the Executive Committee. In the absence of the regular member from an agency, the alternate member from such agency shall assume all rights and duties of the absent regular member.

SECTION 2. OFFICERS

- A. Officers and Duties. The officers of the Executive Committee shall be the Chairperson, Vice-Chairperson and Second Vice-Chairperson of the General Assembly. The Chairperson, Vice-Chairperson and Second Vice-Chairperson shall perform the same duties set forth in Article II.
- B. Absence. If a jurisdiction misses three consecutive meetings, said jurisdiction shall be notified of these occurrences.

SECTION 3. MEETINGS

The Executive Committee shall meet in accordance with the meeting schedule adopted by the Executive Committee, as may be revised from time to time.

SECTION 4. QUORUM

The Executive Committee shall act only upon a majority of a quorum. A quorum shall consist of a majority of the voting members of the Executive Committee.

SECTION 5. VOTING

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Each member city present shall have one vote in the Executive Committee, each County Supervisor present shall have one vote, each member water district present shall have one vote, and the representative of the Morongo Band of Mission Indians present shall have one vote. Only authorized members present, or designated alternates acting when the regular member is absent, may vote. As set forth in the JPA, the water districts and Morongo Band of Mission Indian members do not vote on TUMF matters.

SECTION 6. POWERS AND FUNCTIONS

- A. To prepare and recommend to the General Assembly a yearly budget for funds and distribution, and to determine the estimated share of contributions from each member agency.
- B. To administer, manage, contract for, and handle the financing of the studies, projects and programs.
- C. To exercise the powers of the Joint Powers Agreement between sessions of the General Assembly.
- D. To select and employ an Executive Director who shall be the Chief Administrative Officer of WRCOG and who shall have administrative supervision over all WRCOG employees. The Executive Committee shall establish personnel rules and regulations.
- E. To appoint regular and special committees within the Executive Committee.
- F. To establish and operate a permanent office for WRCOG.
- G. To appoint advisory committees on such projects as it determines advisable.
- H. To provide for additional ex-officio, non-voting members, as deemed appropriate for the effective conduct of the business of the organization.

SECTION 7. POLICY REGARDING CONFIDENTIAL INFORMATION DISCLOSED DURING CLOSED SESSIONS

The Executive Committee recognizes that, from time to time, it is vital that members of the Executive Committee divulge certain privileged information obtained in closed sessions at WRCOG to their own governing bodies meeting in closed sessions. Thus, WRCOG adopts the policy set forth in Government Code section 54956.96 which authorizes the disclosure of closed session information that has directed financial or liability.

- A. All information received by the legislative body of the member agency in a closed session related to the information presented to WRCOG in closed session shall be

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confidential. However, a member of the legislative body of a member agency, or his/her duly appointed alternate under the JPA, 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 legislative 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 legislative body.
- B. The legislative body of the local agency member, 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 WRCOG pursuant to this Policy.

ARTICLE IV

OTHER COMMITTEES

SECTION 1. TECHNICAL ADVISORY COMMITTEE

- A. Duties. The Technical Advisory Committee (TAC) shall interface with WRCOG staff, review staff reports, consider staff recommendations, provide recommendations to the Executive Committee and perform such other duties as may be delegated to it.
- B. Meetings. The TAC may meet once a month or as it is deemed necessary.
- C. Membership. The TAC is comprised of an executive from the County of Riverside, the City Manager from each of WRCOG's member cities, the General Manager from each of WRCOG's member water districts, the Chief Administrative Officer from the Morongo Band of Mission Indians, and the Executive Director from the March Joint Powers Authority. A City Manager, Water District General Manager, Chief Administrative Officer of the Morongo Band of Mission Indians, and Executive Director from the March JPA may appoint an alternate who is a department head of the agency.
- D. Quorum and Voting. The TAC shall act only upon a majority of a quorum. A quorum shall consist of a majority of the members of the TAC. Each representative shall have one vote, except that members of the water districts and Morongo Band of Mission Indians shall not vote on TUMF matters.

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SECTION 2. ADMINISTRATION & FINANCE COMMITTEE

- A. **Duties.** The Administration & Finance Committee shall provide budget and finance overview for WRCOG review staff recommendations on WRCOG programs prior to consideration by the Executive Committee, and provide advice on other matters to the Executive Committee as needed. The Administration & Finance Committee shall have the authority (i) to increase the WRCOG budget in any category up to fifteen percent (15%); and (ii) to authorize contracts up to \$100,000 when the contract requires execution prior to the next regularly scheduled Executive Committee meeting.
- B. **Meetings.** The Administration & Finance Committee may meet once a month or as it is deemed necessary.
- C. **Membership.** The Administration & Finance Committee shall be composed of the Executive Committee Chairperson; the Executive Committee Vice-Chairperson, the Executive Committee Second Vice-Chairperson, the Past Executive Committee Chairperson; and seven other members of the Executive Committee selected by the Executive Committee Chairperson. When selecting members of the Administration & Finance Committee, the Executive Committee Chairperson is encouraged to consider geographic balance. At least two members of the Board of Supervisors shall be members of the Committee. At least one member shall be a water district representative.
- D. **Quorum and Voting.** The Administration & Finance Committee shall act only upon a majority of a quorum. A quorum shall consist of a majority of the members of the committee. Each member present shall have one vote, except that members representing the water districts and Morongo Band of Mission Indians shall not vote on TUMF matters.
- E. **Term and Removal.** Appointments to the Administration & Finance Committee shall be for a one-year term ending on June 30 of the fiscal year (July to June) in which the appointments are made. The process set forth below applies should the Chair wish to remove a Board member appointed ("Appointee") during the one-year term of the appointment. The process does not apply to the Chair's decision not to reappoint an Appointee at the end of the Appointee's one-year term.
1. The Chair shall provide Appointee with written notice of the Chair's decision to remove the Appointee from the appointment.
 2. The notice shall be provided in writing to Appointee through WRCOG's Executive Director and shall include a brief statement of why removal is sought, which reason may include, without limitation, 3 or more consecutive absences of committee meetings. The notice shall be delivered to the email address, if any, provided by Appointee as well as by first class mail to the Clerk of the City/County appointing Appointee to the WRCOG Executive Committee and Appointee's mailing address.

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3. The removal shall be effective on the 15th day after WRCOG's Executive Director sends notice to Appointee unless Appointee provides notice to the WRCOG Executive Director, prior to the expiration of such 15 day period, of his or her desire to contest the removal.
4. In the event that the removal is contested, the removal shall be stayed and the Executive Director shall schedule an Administration & Finance Committee meeting at which both the Chair and Appointee may present their arguments for and against removal. Based thereon, the Administrative & Finance Committee shall either uphold or reject the removal. The decision of the Administration & Finance Committee shall be final.
5. If the removal is not contested or is approved by the Administration & Finance Committee, the Chair may appoint another WRCOG Executive Committee member to fill the remainder of the Appointee's term. The appointment of the new member shall comply with the membership requirements set forth in Section C, above. The term of the newly appointed member shall expire on June 30 of the fiscal year in which the appointment is made.

This section 2E shall only apply to appointments made by the Chair to the seven open seats on the Administration & Finance Committee and not to the four ex-officio members of the committee.

ARTICLE V

EXECUTIVE DIRECTOR

SECTION 1.

- A. Duties. In addition to those duties enumerated in the Joint Powers Agreement, the duties of the Executive Director are:
1. To administer all contracts.
 2. To have full charge of the administration of the business affairs of WRCOG.
 3. To exercise general supervision over all property belonging to WRCOG.
 4. To accept, on behalf of WRCOG, easements and other property rights and interests.
 5. To be responsible for the purchase of all supplies and equipment of WRCOG.
 6. [Accept grants on behalf of WRCOG.](#)

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- B. Contract. The Executive Director is authorized to contract and execute on behalf of WRCOG, contracts, including contracts for supplies, equipment and materials, and consultants, not to exceed \$50,000.00, provided the contract relates to purposes previously approved and budgeted by the General Assembly or Executive Committee. The Executive Director may execute contracts up to \$100,000, if approved by the Administration & Finance Committee.

ARTICLE VI

DEFINITION OF WESTERN RIVERSIDE AREA

The boundaries of WRCOG shall be defined according to the legal description attached hereto as Exhibit "A".

ARTICLE VII

AMENDMENTS

These By-Laws and any amendments thereto may be amended by the General Assembly, by majority vote. Proposed amendments shall be submitted, in writing, to members of the General Assembly along with the agenda for such meeting.

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EXHIBIT "A"

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
LEGAL DESCRIPTION**

1. BEGINNING at the Northeast corner of Section 1, Township 2 South, Range 2 East, San Bernardino Meridian;
2. Thence South along Range line to the Northeast corner of Section 36, T2S, R2E;
3. Thence West along the North line of said Section 36 to the North one-quarter corner thereof;
4. Thence South along the North-South center section line of said Section 36 to the Center section thereof;
5. Thence East along the West center section line of said Section 36 to the East one-quarter corner thereof;
6. Thence South along the East line of said Section 36 to the Northeast corner of Section 1, T3S, R2E;
7. Thence West along the North line of said Section 1 to the Northwest corner thereof;
8. Thence South along the West line of said Section 1 to the Northwest corner of Section 12, T3S, R2E;
9. Thence East along the North line of said Section 12 to the Northeast corner thereof;
10. Thence South along the East line of said Section 12 to the Southeast corner thereof;
11. Thence west along the South line of said Section 12 to the Northwest corner of Section 13, T3S, R2E;
12. Thence South along the West line of said Section 13 to the Southwest corner thereof;
13. Thence East along the South line of said Section 13 to the Southeast corner thereof;
14. Thence South along Range line to the Southwest corner of Section 18, T4S, R3E;
15. Thence East along Section lines to the Northeast corner of Section 20, T4S, R3E;
16. Thence South along the East line of said Section 20 to the Southeast corner thereof;
17. Thence West along the South line of said Section 20 to the Northwest corner of Section 29, T4S, R3E;
18. Thence South along the West line of said Section 29 to the Southwest corner thereof;
19. Thence East along the South line of said Section 29 to the Northeast corner of Section 32, T4S, R3E;
20. Thence South along the East line of said Section 32 to the Southeast corner thereof;
21. Thence West along the South line of said Section 32 to the Northeast corner of Section 5, T5S, R3E;
22. Thence South along Section lines to the Northwest corner of Section 16, T5S, R3E;
23. Thence East along the North line of said Section 16 to the Northeast corner thereof;
24. Thence South along the East line of said Section 16 to the Northwest corner of Section 22, T5S, R3E;
25. Thence East along the North line of said Section 22 to the Northeast corner thereof;
26. Thence South along the East line of said Section 22 to the Northwest corner of Section 26, T5S, R3E;
27. Thence East along the North line of said Section 26 to the Northeast corner thereof;
28. Thence South along Section lines to the Northwest corner of Section 1, T6S, R3E;
29. Thence East along the North line of said Section 1 to Northeast corner thereof;
30. Thence South along the East line of said Section 1 to the Northwest corner of Section 6, T6S, R4E;
31. Thence East along the North line of said Section 6 to the Northeast corner thereof;
32. Thence South along the East line of said Section 6 to the Northwest corner of Section 8, T6S, R4E;
33. Thence South along Section lines to the Southeast corner of Section 17, T6S, R4E;
34. Thence West along Section lines to the Northwest corner of Section 19, T6S, R4E;
35. Thence South along the West line of said Section 19 to the Southeast corner of Section 24, T6S, R3E;
36. Thence west along the South lines of said Section 24 and Section 23, T6S, R3E to a point of intersection with the centerline of State Highway 74;
37. Thence Southeasterly along said centerline of State Highway 74, through its various courses, to the intersection with State Highway 371;
38. Thence Southeasterly, Westerly, and Southerly along the centerline of said State Highway 371, through its various courses, to a point of intersection West line of Section 18, T7S, R4E;
39. Thence South along Section lines to the East one-quarter corner of Section 19, T7S, R4E;
40. Thence West along the East-West center section line of said Section 19 to the West line thereof;

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

LEGAL DESCRIPTION

(Continued)

41. Thence South along the West line of said Section 19 to the North line of Section 30, T7S, R4E;
42. Thence East along the North line of said Section 30 to the Northwest corner of Section 29, T7S, R4E;
43. Thence South along the West line of said Section 29 to the West one-quarter corner thereof;
44. Thence East along the East-West center section line of said Section 29 to the Northeast corner of the West one-half of the East one-half of the West one-half of the South one-half of said Section 29;
45. Thence South along the East line of said West one-half of the East one-half of the West one-half of the South one-half to a point of intersection with the South line of the North 400 acres of said Section 29;
46. Thence East along said South line of the North 400 acres of Section 29 to a point of intersection with the East line of said Section 29;
47. Thence South along the East line of said Section 29 and Section 32, T7S, R4E to the North line of Section 4, T8S, R4E;
48. Thence East along said North line of Section 4 to the Northeast corner thereof;
49. Thence South along the East line of said Section 4 to the Southeast corner thereof;
50. Thence West along the South line of said Section 4 to the Northeast corner of Section 8, T8S, R4E;
51. Thence South along the West line of said Section 8 to a point of intersection with the centerline of Coyote Canyon Road, as it currently exists;
52. Thence southeasterly and southerly along the centerline of said Coyote Canyon Road, through its various courses, to a point of intersection with the East line of Section 36, T8S, R4E;
53. Thence South along said East line of Section 36 to the Southeast corner thereof, said corner being on the South boundary of the County of Riverside;
54. Thence Westerly, Northerly and Easterly along the boundary of the County of Riverside to the Point of Beginning.

By: _____

Date: _____





Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: TUMF Zone Boundaries Update

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

Date: October 10, 2018

The purpose of this item is to provide an update regarding a request to update the TUMF Zone boundaries to correspond with County of Riverside Supervisor Districts.

Requested Action:

1. Recommend that the Executive Committee approve an update to the TUMF Zone boundaries to align with County of Riverside Supervisorial Districts.

WRCOG's Transportation Uniform Mitigation Fee (TUMF) Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in Western Riverside County. Each of WRCOG's member jurisdictions and the March JPA participates in the Program through an adopted ordinance, collects fees from new development, and remits the fees to WRCOG. WRCOG, as administrator of the TUMF Program, allocates TUMF to the Riverside County Transportation Commission (RCTC), groupings of jurisdictions – referred to as TUMF Zones – based on the amounts of fees collected in these groups, the Regional Conservation Authority (RCA) and the Riverside Transit Agency (RTA).

TUMF Zone Boundaries

There are five geographically based zones for administration of the TUMF Program, each of which is governed by a Zone Committee for the purpose of preparing a Zone Transportation Improvement Program (TIP). The TIP identifies priority projects for funding with the TUMF revenue that has been returned to the zone. All zones approve their respective TIP by consensus at meetings attended by one elected official from each member agency within each respective zone.

The zone boundaries currently do not take into account County Supervisorial District boundaries. Staff recommends revising the Zone boundaries to better align with the County Supervisorial Districts. A revised zone boundary map has been prepared showing the proposed boundary changes for the zones, which is included as Attachment 1. The proposed revision would not impact the zone designation of any member cities; rather, proposed changes would shift zone boundaries within unincorporated Riverside County land to better match existing County Supervisorial District boundaries.

Staff has received questions regarding the impact to TUMF collections in each of the areas that are being shifted to a different zone. Staff would note that TUMF collections to date in these areas would not shift between zones. Therefore, the impact would only occur if future development occurs in areas that are being shifted to a different zone. In this case, if future development does occur, the TUMF funding would be associated with the zone to which the fee is now being collected in. Below is a breakdown by zone of the potential impacts to each:

TUMF Zone	Impact to TIP Projects?	Absorbs Land in Boundary Revisions	Loses Land in Boundary Revisions
Central	Yes	Yes	Yes
Hemet/San Jacinto	No	Yes	Yes
Northwest	No	Yes	No
Pass	No	No	Yes
Southwest	No	Yes	No

The Cajalco Road (between I-215 and Alexander Street) is the only project with TUMF funding currently allocated that would be impacted. Under the proposed boundary revision, a portion of this project would shift to the Northwest Zone. The Central Zone TIP has allocated approximately \$2 million for planning and engineering costs related to the project. The funding currently allocated to this project will remain on the Central Zone TIP; however, any future funding requests for this project will be made at the discretion of the Northwest Zone once the boundaries have been adjusted.

Staff is conducting additional analysis regarding the overall impact to TUMF collections in zones that are both absorbing and losing land to other zones in the subregion. The results of the analysis will be presented to the Committee for review. The initial analysis of staff is as follows:

- There is a nominal change in overall revenues between the various zones. In all instances, the areas being moved are under the jurisdiction of the County. No adjustments are being made to City boundaries.
- Agencies provide approximately 80% of the funding for the overall Program. The County currently contributes less than 20% of TUMF funds, which are distributed among all of the zones.
- In many instances, the areas being relocated are either built out or not likely to develop. For example, several of the largest areas being relocated are dedicated conservation lands. There are also existing homes in the vicinity of Cajalco Road.
- None of the existing funds collected by any of the zones will be moved or adjusted. The funds which were previously collected will remain in the zones in which they were collected.

Prior Action:

September 13, 2018: The Public Works Committee approved an update to the TUMF Zone Boundaries to align with County of Riverside Supervisorial Districts.

Fiscal Impact:

Transportation Department activities are included in the Agency's adopted Fiscal Year 2018/2019 Budget under the Transportation Department.

Attachment:

1. Draft TUMF Zone Boundary Update.

Item 5.D

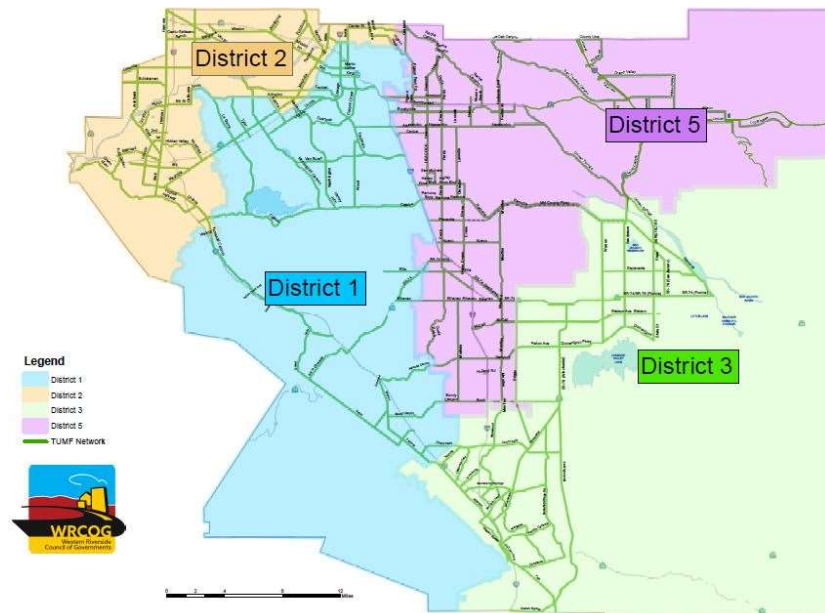
TUMF Zone Boundaries Update

Attachment 1

Draft TUMF Zone Boundary Update

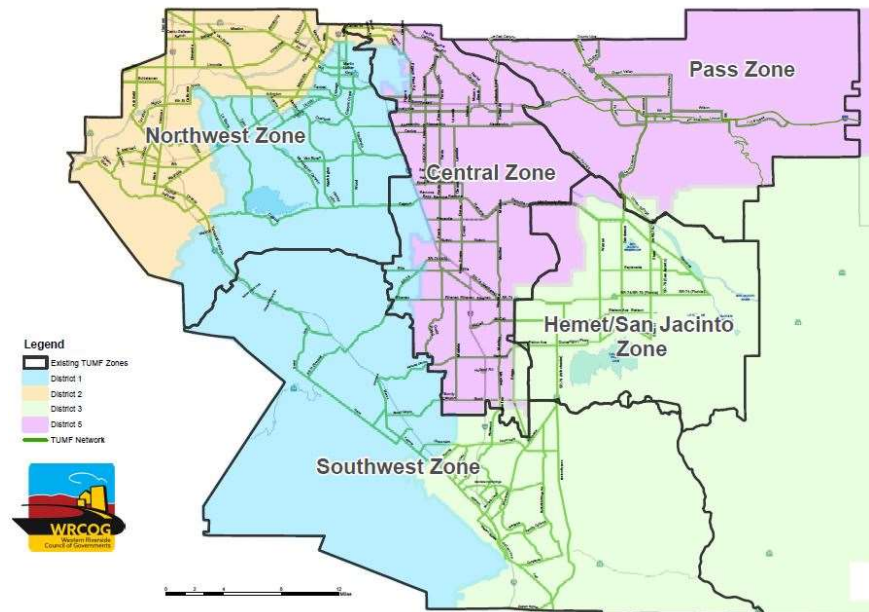
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Supervisor Districts



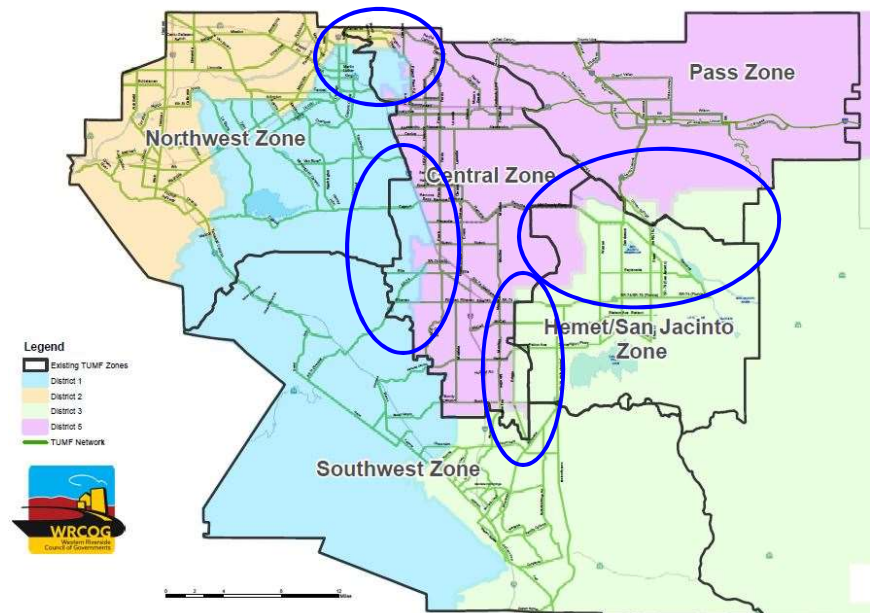
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Supervisor Districts, with Existing Zone Boundaries



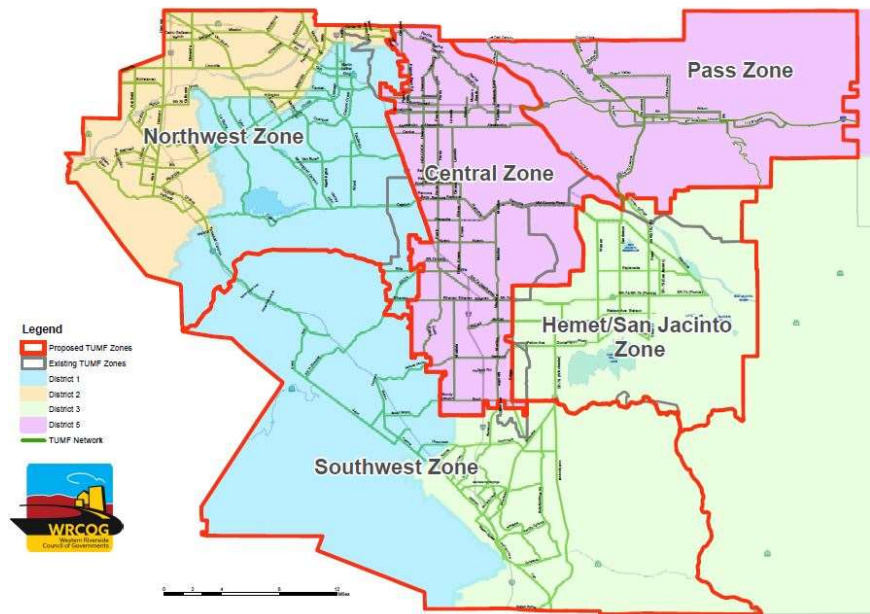
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Supervisor Districts, with Existing Zone Boundaries



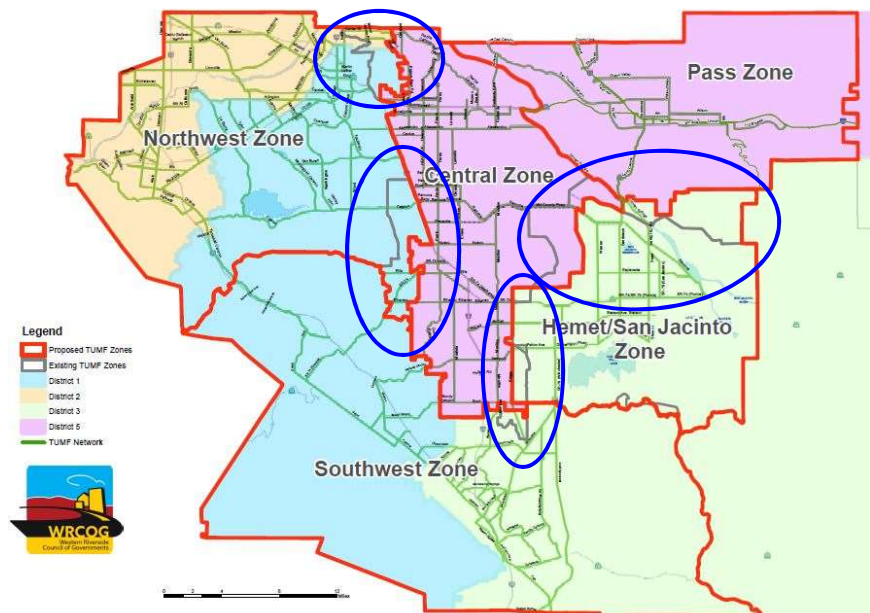
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Supervisor Districts, with Proposed & Existing Zone Boundaries



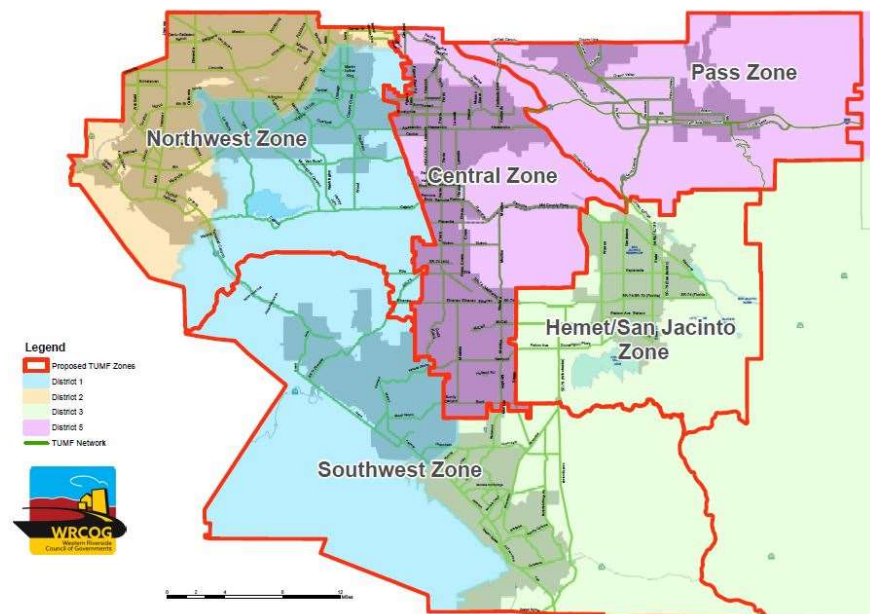
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Supervisor Districts, with Proposed & Existing Zone Boundaries



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Proposed Zone Boundaries, with Cities



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