



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

**Wednesday, October 11, 2017
12:00 p.m.**

**County of Riverside
Administrative Center
4080 Lemon Street
5th Floor, Conference Room C
Riverside, CA 92501**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Administration & Finance Committee meeting, please contact WRCOG at (951) 955-8308. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 4080 Lemon Street, 3rd Floor, Riverside, CA, 92501.

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

1. CALL TO ORDER (Debbie Franklin, Chair)

2. PUBLIC COMMENTS

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

3. CONSENT CALENDAR

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

- A. **Summary Minutes from the September 13, 2017, Administration & Finance Committee Meeting are Available for Consideration.** **P. 1**
- Requested Action:** 1. *Approve the Summary Minutes from the September 13, 2017, Administration & Finance Committee meeting.*
- B. **Finance Department Activities Update Including Agency Audit and Upcoming Annual TUMF Compliance Review by Agencies** **P. 5**
- Requested Action:** 1. *Receive and file.*
- C. **Single Signature Authority Report** **P. 11**
- Requested Action:** 1. *Receive and file.*
- D. **Cost Sharing Agreements for Legal Services Related to California Public Utilities Commission Proceedings R17-06-026 for Power Cost Indifference Adjustment (PCIA)** **P. 19**
- Requested Actions:** 1. *Authorize the Executive Director to enter into cost sharing agreements (not to exceed \$60,000) with Desert Community Energy and Los Angeles Community Choice Energy for legal services related to the California Public Utilities Commission Proceeding 17-06-026 Review of the Power Cost Indifference Adjustment.*
2. *Authorize the use of 2015/2016 HERO carryover funds to initiate a budget amendment to increase legal services for the Community Choice Aggregation (CCA) Program by \$60,000, recognizing WRCOG's portion of the costs will be \$20,000 and will be reimbursed, once the CCA is operational.*

4. **REPORTS / DISCUSSION**

- A. **PACE Program Activities Update** **P. 33**
- Requested Actions:** 1. *Recommend the Executive Committee direct WRCOG to defer the judicial foreclosure proceeding and to assign WRCOG's collection rights to a third party for 263 delinquent parcels totaling \$738,004.43.*
2. *Recommend the Executive Committee either (a) advance funds from WRCOG to allow for the deferral of judicial foreclosure proceedings on a delinquent commercial property, or (b) adopt WRCOG Resolution Number 44-17; 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.*

B. Public Service Fellowship Activities Update **P. 51**

- Requested Actions:**
1. *Recommend that the Executive Committee allocate \$300,000 from Agency carryover funds for the remainder of the Public Service Fellowship, Round II.*
 2. *Recommend that the Executive Committee allocate \$400,000 from Agency carryover funds for the continuation of the Public Service Fellowship, with Round III commencing in January 2018.*

C. 1st Quarter Draft Budget Amendment for Fiscal Year 2017/2018 **P. 59**

- Requested Action:**
1. *Recommend that the Executive Committee approve the 1st Quarter Draft Budget Amendment for Fiscal Year 2017/2018.*

D. Total Compensation Study Proposal **P. 69**

- Requested Action:**
1. *Direct the Executive Director to enter into a contract in an amount not to exceed \$20,000 with Koff & Associates to complete a Total Compensation Study for WRCOG.*

E. Visioning Session Scheduled for October 12, 2017 **P. 97**

- Requested Action:**
1. *Receive and file.*

5. ITEMS FOR FUTURE AGENDAS **Members**

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

6. GENERAL ANNOUNCEMENTS **Members**

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

7. CLOSED SESSION

Conference with Legal Counsel – Existing Litigation

- **Case No. RIC 1707201**

Conference with Legal Counsel – Anticipated Litigation

- **Initiation of litigation pursuant to Section 54956.9(d)(4): 1 potential Case**

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

9. ADJOURNMENT

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1. CALL TO ORDER

The meeting of the Administration & Finance Committee (Committee) was called to order at 12:02 p.m. by Chairwoman Debbie Franklin, at the County of Riverside Administrative Center, 5th Floor, Conference Room C.

Members present:

Debbie Franklin, City of Banning
Eugene Montanez, City of Corona
Laura Roughton, City of Jurupa Valley
Brian Tisdale, City of Lake Elsinore (12:20 p.m. arrival)
Ben Benoit, City of Wildomar
Mike Naggar, City of Temecula
Chuck Washington, County of Riverside District 3
Marion Ashley, County of Riverside District 5

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, Executive Director
Ernie Reyna, Chief Financial Officer
Barbara Spoonhour, Director of Energy and Environmental Programs
Jennifer Ward, Director of Government Relations
Chris Gray, Director of Transportation
Tyler Masters, Program Manager
Chris Tzeng, Program Manager
Andrea Howard, Senior Analyst
Cherish Latchman, Staff Analyst
Janis Leonard, Administrative Services Manager
Suzy Nelson, Administrative Assistant

Guests present:

Warren Diven, Best Best & Krieger
Mike Lemyre, YgreneWorks
Mark Rodgers, YgreneWorks
Arnold San Miguel, Southern California Association of Governments
Genevieve Sherman, Greenworks Lending

2. PUBLIC COMMENTS

There were no public comments.

Chairwoman Franklin congratulated Rick on his 17th year as WRCOG's Executive Director.

3. CONSENT CALENDAR – *(Benoit / Roughton) 7 yes; 0 no; 0 abstention. Items 3.A through 3.C were approved by a unanimous vote of those members present. Item Numbers 3.D was pulled for discussion. The Cities of Hemet, Lake Elsinore, and Murrieta, and the Western Municipal Water District were not present.*

A. Summary Minutes from the July 12, 2017, Administration & Finance Committee Meeting are available for Consideration.

Action: 1. *Approved the Summary Minutes from the July 12, 2017, Administration & Finance Committee meeting.*

B. Finance Department Activities Update Including Agency Audit and Upcoming Annual TUMF Compliance Review by Agencies

Action: 1. *Received report.*

C. Financial Report Summary Through July 2017

Action: 1. *Received report.*

D. Administration of Additional Property Assessed Clean Energy Programs in the WRCOG Subregion

Casey Dailey reported that Greenworks Lending and Ygrene recently met with the PACE Ad Hoc Committee. Both companies are committed to the HERO Program Consumer Protections.

Greenworks has been operational since 2015 and were instrumental in creating the Connecticut Green Bank C-PACE Program. Greenworks has operated in every state in which PACE Programs are allowed.

Ygrene operates an SB 555 Program and would like to operate an AB 811 Program within this subregion.

Actions:

1. *Recommended that the Executive Committee to adopt WRCOG Resolution Number 41-17; A Resolution of the Executive Committee of the Western Riverside Council of Governments rescinding Resolution Number 14-16 authorizing Renovate America, Inc., to administer and finance eligible improvements to be installed on commercial property and rescinding all approvals and other authorizations granted under such resolution.*
2. *Supported the PACE Ad Hoc Committee's recommendation to request that the Executive Committee direct and authorize the Executive Director to enter into contract negotiations and execution of any necessary documents to include Greenworks under WRCOG's PACE umbrella.*
3. *Supported the PACE Ad Hoc Committee's recommendation to request that the Executive Committee direct and authorize the Executive Director to enter into contract negotiations and execution of any necessary documents to include Ygrene under WRCOG's PACE umbrella.*

(Benoit / Ashley) 7 yes; 0 no; 0 abstention. Item 3.D was approved by a unanimous vote of those members present. The Cities of Hemet, Lake Elsinore, and Murrieta, and the Western Municipal Water District were not present.

4. REPORTS / DISCUSSION

A. Request to Allocate Funding to Conduct a Commuting Study Proposal of Riverside County Residents to Focus on Work Trips Outside of the County

Christopher Gray reported that in 2016, carryover funds were set aside for general regional economic development. The Technical Advisory Committee recommended a commuting study to determine where people are travelling to for work and to what types of industries. Staff anticipates the study to cost approximately \$250,000. Data to be collected includes locations travelled based upon cell phone origin and destination; a survey of commuters; review of data from existing sources; and interviews with major employers outside of this subregion.

The Committee expressed interest in expanding the survey to include tourism.

- Actions:**
1. *Directed Staff to develop more detailed options regarding this study which could include a review of regional commuting patterns, surveys of residents, interviews with business who have relocated to Western Riverside County, interviews with businesses who are located outside of Riverside County, and tourism travel patterns.*
 2. *Directed Staff to coordinate this effort with partner agencies such as RTA, RCTC, and EDA and to return with the various options above for future discussion.*

(Benoit / Roughton) 8 yes; 0 no; 0 abstention. Item 4.A was approved by a unanimous vote of those members present. The Cities of Hemet and Murrieta, and the Western Municipal Water District were not present.

B. Allocation of Funding for Regional Sustainability Demonstration Center Feasibility Study

Jennifer Ward reported that the concept of EXPERIENCE encompasses sustainable transportation, health, environmental recycling, and education, to name a few. This regional facility would provide, for example, demonstrations of sustainability and solar projects. The facility could also provide space for conference rooms or a community garden, and other community beneficial assets.

WRCOG released a Request for Interest for support of the concept, but also potential financial contributions / partnerships. Staff is recommending PlaceWorks as the consultant to conduct a feasibility study of this concept.

Tasks would include research and development of relevant models; meetings; analyzing options; assessing; assess existing demands; conceptual site planning; and feasibility.

Funding would come from Agency budget carryover funds that were previously discussed for this specific purpose.

- Action:**
1. *Recommended that the Executive Committee authorize and direct the Executive Director to enter into a contract agreement with PlaceWorks to perform the EXPERIENCE Feasibility Study in an amount not to exceed \$249,823.*

(Nagger / Washington) 8 yes; 0 no; 0 abstention. Item 4.B was approved by a unanimous vote of those members present. The Cities of Hemet and Murrieta, and the Western Municipal Water District were not present.

C. Agency Visioning Session

The upcoming visioning session, scheduled for October 12, 2017, will focus on an update of programs WRCOG is currently involved in, and engage Committee members in whether or not WRCOG is on track, and discuss any potential ideas for new goals or projects.

Bill Higgins, Executive Director of the California Association of Councils of Government, will serve as the facilitator.

Committee member Eugene Montanez requested examples of best practices of COG activities prior to the event.

- Action:**
1. *Received report.*

5. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

6. GENERAL ANNOUNCEMENTS

Rick Bishop announced that next month staff will bring forward a scope of work for an Agency salary survey. Additionally, Mr. Bishop released the new name and logo for Western Community Energy.

Arnold San Miguel announced that the Southern California Association of Governments is holding a Housing Summit on November 9, 2017.

7. NEXT MEETING: **The next Administration & Finance Committee meeting is scheduled for Wednesday, October 11, 2017, at 12:00 p.m., in the Riverside County Administrative Center, 5th Floor, Conference Room C.**

8. ADJOURNMENT: **The meeting of the Administration & Finance Committee adjourned at 1:17 p.m.**



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Finance Department Activities Update Including Agency Audit and Upcoming Annual TUMF Compliance Review by Agencies

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

Date: October 11, 2017

The purpose of this item is to provide an update on the financial audit of Fiscal Year (FY) 2016/2017, 1st Quarter Budget Amendments for FY 2017/2018, and the annual TUMF compliance review for FY 2016/2017.

Requested Action:

1. Receive and file.

FY 2016/2017 Financial Audit

Auditors from Rogers, Anderson, Malody, & Scott (RAMS) concluded the interim and final fieldwork portion of the financial audit for the Agency. RAMS reviewed payroll, accounts payable, and all other areas of WRCOG's accounting system. The final Comprehensive Annual Financial Report (CAFR) is expected to be issued no later than November 15, 2017, and will be reviewed by the Finance Directors' Committee at its quarterly meeting on October 26, 2017. Staff will present the CAFR at the November 8, 2017, Administration & Finance Committee meeting, and to the Executive Committee on December 4, 2017.

1st Quarter Budget Amendment

The 1st Quarter of FY 2017/2018 concluded on September 30, 2017, and the Administration & Finance Committee will be receiving the amendment report at its October 11, 2017, meeting which is provided as Item 4.C on the agenda. The Technical Advisory Committee will receive the report on October 19, 2017, and it is expected the Executive Committee will receive the report on November 6, 2017.

Annual TUMF Review of Participating Agencies

WRCOG is conducting reviews of TUMF collections by participating agencies for FY 2016/2017. The reviews provide WRCOG an opportunity to meet with staff that are assigned to TUMF, including planning, public works, and finance staff. During the review, WRCOG will randomly select remittance reports to review and verify that the correct land use type has been used and that fees have been calculated properly. The reviews are expected to conclude by December 2017, with reports being issued to City Managers / Agency Heads in January 2018.

Financial Report Summary through August 2017

The Agency Financial Report summary, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, through August 2017 is provided as Attachment 1.

Prior Action:

October 2, 2017: The Executive Committee received report.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – August 2017.

Item 3.B

Finance Department Activities
Update Including Agency Audit and
Upcoming Annual TUMF Compliance
Review by Agencies

Attachment 1

Financial Report summary
– August 2017

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

	Approved 6/30/2018 Budget	Thru 7/31/2017 Actual	Remaining 6/30/2018 Budget
Revenues			
General Assembly	300,000	18,800	281,200
WRCOG HERO Residential Revenue	816,771	263,508	553,263
CA HERO Residential Revenue	7,639,575	843,111	6,796,464
SCE WREP Revenue	75,000	14,438	60,562
WRCOG HERO Residential Recording Revenue	182,775	53,790	128,985
CA HERO Residential Recording Revenue	1,508,036	146,685	1,361,351
CA First Residential Revenue	167,000	8,426	158,574
CA First Residential Recording Revenue	86,000	3,159	82,841
Other Misc Revenue	-	5,921	(5,921)
RIVTAM Revenue	-	25,000	(25,000)
Commercial/Service - Admin Portion	101,097	7,991	93,106
Retail - Admin Portion	118,867	25,795	93,072
Industrial - Admin Portion	249,133	100,914	148,219
Residential/Multi/Single - Admin Portion	1,045,779	240,332	805,447
Multi-Family - Admin Portion	129,787	10,717	119,070
Commercial/Service - Non-Admin Portion	2,426,945	191,788	2,235,157
Retail - Non-Admin Portion	2,852,820	619,080	2,233,740
Industrial - Non-Admin Portion	5,979,195	2,421,937	3,557,258
Residential/Multi/Single - Non-Admin Portion	25,098,070	5,767,963	19,330,107
Multi-Family - Non-Admin Portion	3,114,890	257,216	2,857,674
Fund Balance/Carryover	6,299,409		6,299,409
Total Revenues	62,996,435	11,026,571	51,969,864
Expenditures			
Wages & Salaries	2,584,095	263,546	2,320,549
Fringe Benefits	739,956	113,504	626,452
Total Wages and Benefits	3,384,051	377,050	3,007,001
Overhead Allocation	2,219,371	362,416	1,856,955
Audit Fees	27,500	2,267	25,233
Bank Fees	29,000	3,360	25,640
Commissioners Per Diem	62,500	4,950	57,550
Office Lease	427,060	11,437	415,623
Parking Validations	4,775	365	4,410
Event Support	112,600	6,885	105,715
General Supplies	66,536	243	66,293
Computer Supplies	12,500	788	11,712
Computer Software	18,000	7,284	10,716
Rent/Lease Equipment	35,000	1,064	33,936
Membership Dues	31,950	6,546	25,404
Subscriptions/Publications	6,500	27	6,473
Meeting Support/Services	12,100	462	11,638
Postage	8,155	1,055	7,100
Other Household Expenditures	4,880	424	4,456
Storage	1,000	3,502	(2,502)
Computer Hardware	1,000	1,643	(643)

Misc. Office Equipment	-	688	(688)
Communications-Regular	1,000	844	156
Communications-Long Distance	500	38	462
Communications-Cellular	12,677	686	11,991
Communications-Web Site	5,600	36	5,564
Equipment Maintenance - General	11,000	3,116	7,884
Equipment Maintenance - Computers	25,000	600	24,400
Insurance - General/Business Liason	72,950	24,795	48,155
PACE Recording Fees	1,862,811	138,555	1,724,256
Seminars/Conferences	24,550	125	24,425
General Assembly Expenditures	304,200	8,311	295,889
Travel - Mileage Reimbursement	15,700	1,843	13,857
Travel - Ground Transportation	13,100	88	13,012
Travel - Airfare	28,704	882	27,822
Meals	10,419	289	10,130
Other Incidentals	13,358	2,270	11,088
Training	14,321	128	14,193
Consulting Labor	3,659,928	82,505	3,577,423
Consulting Expenses	72,865	33,966	38,899
TUMF Project Reimbursement	39,000,000	1,103,079	37,896,921
BEYOND Expenditures	2,052,917	12,069	2,040,848
Total General Operations	61,181,206	1,829,631	59,351,575
Total Expenditures	64,565,257	2,206,681	62,358,576



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Single Signature Authority Report

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

Date: October 11, 2017

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

Requested Action:

1. Receive and file.
-

The Executive Director has single signature authority for contracts up to \$50,000. For the period of July 1, 2017, through September 30, 2017, 12 contracts were signed by the Executive Director. It should be noted that 11 of the contracts are strictly to establish the consultant on WRCOG's On-Call Planning Services bench.

1. On July 31, 2017, a contract in the amount of \$15,370 was signed into agreement with the American Bicycling Education Association (ABEA). This Agreement replaces the Agreement with Riverside Community College District as that Agreement had to be canceled due to restructuring of the District's departments. The funds utilized for ABEA's activities are covered by WRCOG's Caltrans Active Transportation Program grant. This pilot project includes training programs to educate residents of the WRCOG subregion on the bicycle, maintenance, essential tools and safety equipment of the bicycle, safe techniques, rules of the road, vehicle code for riding safely, and general bike handling techniques.
2. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with AECOM Technical Services, Inc. (AECOM). This Agreement solely establishes AECOM on the consultant bench for On-Call Planning Services for assistance related to General Plan / Sustainability Support and Climate Change Planning. Actual services from AECOM will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
3. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with Alta Planning + Design (Alta). This Agreement solely establishes Alta on the consultant bench for On-Call Planning Services for assistance related to Grant Writing Assistance and Transportation Planning. Actual services from Alta will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
4. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with Blais & Associates (Blais). This Agreement solely establishes Blais on the consultant bench for On-Call Planning Services for assistance related to Grant Writing Assistance. Actual services from Blais will be based on need and will be more particularly described in the individual Task Order issued

by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.

5. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with Fehr & Peers. This Agreement solely establishes Fehr & Peers on the consultant bench for On-Call Planning Services for assistance related to Transportation Planning. Actual services from Fehr & Peers will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
6. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with KOA Corporation (KOA). This Agreement solely establishes KOA on the consultant bench for On-Call Planning Services for assistance related to Transportation Planning. Actual services from KOA will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
7. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with KTUA (KTUA). This Agreement solely establishes KTUA on the consultant bench for On-Call Planning Services for assistance related to Grant Writing Assistance. Actual services from KTUA will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
8. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with Michael Baker International, Inc. (MBI). This Agreement solely establishes MBI on the consultant bench for On-Call Planning Services for assistance related to General Plan / Sustainability Support, Healthy Communities Planning, and Climate Change Planning. Actual services from MBI will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
9. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with National Community Renaissance of California (National CORE). This Agreement solely establishes National CORE on the consultant bench for On-Call Planning Services for assistance related to Grant Writing Assistance and General staff support. Actual services from National CORE will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
10. On August 21, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with PlaceWorks, Inc. (PlaceWorks). This Agreement solely establishes PlaceWorks on the consultant bench for On-Call Planning Services for assistance related to General Plan / Sustainability Support, Healthy Communities Planning, Climate Change Planning, Economic and Demographic Forecasting, and General staff support. Actual services from PlaceWorks will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.
11. On September 12, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with Raimi and Associates (Raimi). This Agreement solely establishes Raimi on the consultant bench for On-Call Planning Services for assistance related to Healthy Communities Planning. Actual services from Raimi will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.

12. On September 12, 2017, a Professional Services Agreement in the amount of \$50,000 was signed into agreement with WSP. This Agreement solely establishes WSP on the consultant bench for On-Call Planning Services for assistance related to Grant Writing Assistance, Transportation Planning, Economic and Demographic Forecasting, and General staff support. Actual services from WSP will be based on need and will be more particularly described in the individual Task Order issued by WRCOG at the appropriate time. No services shall be performed unless authorized by a fully executed Task Order when Tasks are finalized.

Prior Action:

August 7, 2017: The Executive Committee received report for the period of April 1, 2017, through June 30, 2017.

Fiscal Impact:

The item for this quarter is informational only; therefore, there is no fiscal impact.

Attachment

1. WRCOG Contracts Activity report.

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Item 3.C

Single Signature Authority Report

Attachment 1

WRCOG Contracts Activity report

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

Level Of Authority	Date	Consultant	Description of Services	Amount
Executive Director				
	7/31/2017	American Bicycle Education Alliance, Inc.	Provide bicycle/pedestrian education training as part of pilot program - part of Western Riverside County Active Transportation Plan, funded by Caltrans.	\$15,370
	8/21/2017	AECOM Technical Services, Inc.	Establish consultant on the On-Call Planning Services consultant bench to provide services related to General Plan/Sustainability Support and Climate Change Planning.	\$50,000
	8/21/2017	Alta Planning + Design	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Grant Writing Assistance and Transportation Planning.	\$50,000
	8/21/2017	Blais & Associates	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Grant Writing Assistance.	\$50,000
	8/21/2017	Fehr & Peers	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Transportation Planning.	\$50,000
	8/21/2017	KOA Corporation	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Transportation Planning.	\$50,000
	8/21/2017	KTU&A	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Grant Writing Assistance.	\$50,000
	8/21/2017	Michael Baker International, Inc.	Establish consultant on the On-Call Planning Services consultant bench to provide services related to General Plan/Sustainability Support, Healthy Communities Planning, and Climate Change Planning.	\$50,000
	8/21/2017	National Community Renaissance of California	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Grant Writing Assistance and General Staff Support.	\$50,000

Level Of Authority	Date	Consultant	Description of Services	Amount
	8/21/2017	PlaceWorks, Inc.	Establish consultant on the On-Call Planning Services consultant bench to provide services related to General Plan/Sustainability Support, Healthy Communities Planning, Climate Change Planning, Economic and Demographic Forecasting, and General Staff Support.	\$50,000
	9/12/2017	Raimi and Associates	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Healthy Communities Planning.	\$50,000
	9/12/2017	WSP	Establish consultant on the On-Call Planning Services consultant bench to provide services related to Grant Writing Assistance, Transportation Planning, Economic and Demographic Forecasting, and General Staff Support.	\$50,000
Administration & Finance				
None				
Other				
None				
Total Amount for Single Signature				\$ 565,370



Prepared and Approved by



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Cost Sharing Agreements for Legal Services Related to California Public Utilities Commission Proceedings R17-06-026 for Power Cost Indifference Adjustment (PCIA)

Contact: Barbara Spoonhour, Director of CCA Development, bspoonhour@wrcoq.us, (951) 955-8313

Date: October 11, 2017

The purpose of this item is to request the Committee's authorization to enter into an agreement for cost sharing of legal services for the California Public Utilities Commission (CPUC) Proceeding R17-06-026.

Requested Actions:

1. Authorize the Executive Director to enter into cost sharing agreements (not to exceed \$60,000) with Desert Community Energy and Los Angeles Community Choice Energy for legal services related to the California Public Utilities Commission Proceeding 17-06-026 Review of the Power Cost Indifference Adjustment.
2. Authorize the use of 2015/2016 HERO carryover funds to initiate a budget amendment to increase legal services for the Community Choice Aggregation (CCA) Program by \$60,000, recognizing WRCOG's portion of the costs will be \$20,000 and will be reimbursed, once the CCA is operational.

On June 29, 2017, the CPUC opened a proceeding to consider alternatives to the amount that Community Choice Aggregation and Direct Access customers pay in order to keep remaining Investor Owned Utility customers financially unaffected by their departure, which is required by legislation. Legislation also requires that departing customers do not experience cost increases as a result of an allocation of costs that were not incurred on behalf of the departing load.

The Power Charge Indifference Adjustment (PCIA) is the mechanism to ensure that customers who remain with the utility do not end up taking on the long-term financial obligations the utility incurred on behalf of now-departed customers. Examples of such financial obligations include utility expenditures to build power plants and, more commonly, long-term power purchase contracts with independent power producers.

This proceeding will consider whether the PCIA can be reformed or whether alternative mechanisms would better meet the statutory goals for cost allocation.

As part of staff's work in developing a CCA Program – branded Western Community Energy – WRCOG, along with Coachella Valley Association of Governments (CVAG) has become party to the CPUC Proceeding R17-06-026, to ensure our interests are represented.

In order to provide cost efficiencies for legal services, staff has been working with CVAG staff, which will operate Desert Community Energy, and Los Angeles Community Choice Energy to develop agreements to cost share legal services for the proceeding. WRCOG would serve as the lead in the agreements, utilizing Best, Best & Krieger. Attached are draft agreements for the Committee's review and comment.

Staff is also requesting to utilize Fiscal Year 2015/2016 carryover revenues to increase the CCA budget by \$60,000 to cover these costs, recognizing WRCOG's portion would be \$20,000 and that the costs incurred will be reimbursed once the CCA is operational.

Prior Action:

None.

Fiscal Impact:

Staff will include the increase of legal services in the amount of \$60,000 in the 1st Quarter budget amendment of FY 2017/2018; however, the costs will be split proportionally between WRCOG, Desert Community Energy, and Los Angeles Community Choice Energy with each entity's share being \$20,000.

Attachments:

1. Draft Cost Sharing Agreement between WRCOG and CVAG.
2. Draft Cost Sharing Agreement between WRCOG and Los Angeles Community Choice Energy.

Item 3.D

Cost Sharing Agreements for Legal
Services Related to California Public
Utilities Commission Proceedings
R17-06-026 for Power Cost
Indifference Adjustment

Attachment 1

Draft Cost Sharing Agreement
between WRCOG and CVAG

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**COST SHARING AGREEMENT BETWEEN THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AND
THE COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS**

THIS COST-SHARING AGREEMENT (“**Agreement**”) is made as of _____, 2017 (“**Effective Date**”), by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“**WRCOG**”), a California joint powers authority, and the COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS (“**CVAG**”), a California joint powers authority. WRCOG and CVAG may individually be referred to as a “**Party**” or collectively as the “**Parties**.”

RECITALS

- A. The Parties desire to reduce consultant costs of supporting its officers and employees with respect to regulatory issues associated with their respective development and implementation of community choice aggregation programs (“**Program**”).
- B. The Parties desire to provide for a cost sharing arrangement relating to each Party’s use of certain technical and legal consultants for the Program.

AGREEMENT

NOW, THEREFORE, the Parties hereby agree as follows:

1. Shared Costs. The Parties shall furnish through third party consultants engaged by WRCOG, CVAG or both, all or part of the following services to be utilized by the Parties for the Program:
 - 1.1. advisory services and legal counsel regarding California Public Utilities Commission proceedings and regulatory requirements;
 - 1.2. advisory services and legal counsel regarding community choice aggregation issues as agreed to in writing between the Parties; and
 - 1.3. other third party consultant services as agreed to in writing by the Parties.
2. Reimbursement of Shared Costs. Should the Parties agree to share the use of third party consultants, each Party agrees to reimburse the other on a monthly basis in arrears for the costs of the services provided hereunder based on the actual cost attributable to each as rendered or on an equal basis, as agreed to in writing by the Parties. The Parties agree that all charges to each Party for services provided under this Agreement shall be based on the actual costs without any allowance or margin for profit to the other Party.
3. Common Interest: To further their common interests in the Program, the Parties and their respective counsel have shared, and desire to continue to share, orally, in writing, and by other means, information concerning the Program and other material that is subject to the

attorney-client privilege, the attorney work product doctrine, and other related or applicable privileges and protections (collectively, “**Common Interest Materials**”) without in any way waiving any applicable privilege, protection, or immunity, or diminishing the confidentiality of the Common Interest Materials. With these goals in mind, the Parties agree as follows:

3.1 Exchange of Information. In consideration of their common interests, the Parties agree that any exchanges among the Parties, their counsel, consultants and/or experts acting on their behalf (collectively, “**Party Affiliates**”) of Common Interest Materials does not waive any privilege, protection, or confidentiality applicable to such materials. The Parties intend that all privileges, protections, and confidentiality applicable to Common Interest Materials shared amongst the Parties and/or Party Affiliates under this Agreement will apply to the same extent as if the Common Interest Materials had not been shared. Without limiting the foregoing, this Agreement and any drafts thereof are Common Interest Materials.

3.2 Confidentiality. Each Party will keep all Common Interest Materials in strict confidence, and will use such materials only as permitted under this Agreement, as otherwise permitted by the disclosing Party, or as may be required by law. No Party may disclose Common Interest Materials to any third party for any purpose, except as otherwise permitted by the disclosing Party. For the avoidance of doubt, this Agreement does not restrict a Party from disclosing Common Interest Materials to its own counsel. Nothing in this Agreement obligates any Party to disclose to another Party any privileged or confidential information.

3.3 Injunctive Relief. The Parties agree that the disclosure of any Common Interest Materials in violation of this Agreement may cause irreparable harm for which there is no adequate remedy at law. Each Party agrees that immediate injunctive relief is an appropriate and necessary remedy for violation of this Agreement.

3.4 Relationship. Nothing in this Agreement creates either: (a) a fiduciary duty among the Parties or with any third party or (b) an attorney-client relationship between any attorney and any Party that is not represented by that attorney as its counsel.

4. Books and Records. Each Party shall maintain appropriate and accurate books of account and records relating to the services utilized by the Parties under this Agreement, and such books of account and records shall be accessible for inspection by representatives (including the auditors) of the other Party at any time during normal business hours. Except in the ordinary course of business of each Party, the other shall, and shall use commercially reasonable efforts to cause each of its employees, contractors, agents, officers and directors to, keep confidential any and all information he or she may obtain from time to time in connection with the services he or she renders under this Agreement.

5. Term. This Agreement shall commence on the Effective Date and shall continue in full force and effect until terminated by either Party upon thirty (30) days written notice.

6. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, personal representatives, successors and assigns as provided in this Agreement.

7. Entire Agreement. This Agreement contains the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing.

8. Alternative Dispute Resolution. The Parties shall make reasonable efforts to informally settle all disputes arising out of or in connection with this Agreement. If a dispute is unable to be informally resolved or settled by the Parties, then thirty (30) days prior to filing any legal action, other than a legal action for temporary injunctive relief as contemplated herein, the executive officers of each Party shall meet together in person in good faith to endeavor to reach a mutually beneficial resolution and settlement of such dispute.

9. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS**

Approved By:

Rick Bishop, Executive Director

Date

Approved As To Form:

General Counsel

**COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS**

Approved By:

Tom Kirk, Executive Director

Date

Approved As To Form:

General Counsel

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Item 3.D

Cost Sharing Agreements for Legal
Services Related to California Public
Utilities Commission Proceedings
R17-06-026 for Power Cost
Indifference Adjustment

Attachment 2

Draft Cost Sharing Agreement
between WRCOG and Los Angeles
Community Choice Energy

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**COST SHARING AGREEMENT BETWEEN THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AND
THE LOS ANGELES COMMUNITY CHOICE ENERGY (LACCE)**

THIS COST-SHARING AGREEMENT (“**Agreement**”) is made as of _____, 2017 (“**Effective Date**”), by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“**WRCOG**”), a California joint powers authority, and the LOS ANGELES COMMUNITY CHOICE ENERGY (“**LACCE**”), a California joint powers authority. WRCOG and LACCE may individually be referred to as a “**Party**” or collectively as the “**Parties.**”

RECITALS

- A. The Parties desire to reduce consultant costs of supporting its officers and employees with respect to regulatory issues associated with their respective development and implementation of community choice aggregation programs (“**Program**”).
- B. The Parties desire to provide for a cost sharing arrangement relating to each Party’s use of certain technical and legal consultants for the Program.

AGREEMENT

NOW, THEREFORE, the Parties hereby agree as follows:

1. Shared Costs. The Parties shall furnish through third party consultants engaged by WRCOG, LACCE or both, all or part of the following services to be utilized by the Parties for the Program:
 - 1.1. advisory services and legal counsel regarding California Public Utilities Commission proceedings and regulatory requirements;
 - 1.2. advisory services and legal counsel regarding community choice aggregation issues as agreed to in writing between the Parties; and
 - 1.3. other third party consultant services as agreed to in writing by the Parties.
2. Reimbursement of Shared Costs. Should the Parties agree to share the use of third party consultants, each Party agrees to reimburse the other on a monthly basis in arrears for the costs of the services provided hereunder based on the actual cost attributable to each as rendered or on an equal basis, as agreed to in writing by the Parties. The Parties agree that all charges to each Party for services provided under this Agreement shall be based on the actual costs without any allowance or margin for profit to the other Party.
3. Common Interest: To further their common interests in the Program, the Parties and their respective counsel have shared, and desire to continue to share, orally, in writing, and by other means, information concerning the Program and other material that is subject to the

attorney-client privilege, the attorney work product doctrine, and other related or applicable privileges and protections (collectively, “**Common Interest Materials**”) without in any way waiving any applicable privilege, protection, or immunity, or diminishing the confidentiality of the Common Interest Materials. With these goals in mind, the Parties agree as follows:

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5. Term. This Agreement shall commence on the Effective Date and shall continue in full force and effect until terminated by either Party upon thirty (30) days written notice.

6. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, personal representatives, successors and assigns as provided in this Agreement.

7. Entire Agreement. This Agreement contains the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing.

8. Alternative Dispute Resolution. The Parties shall make reasonable efforts to informally settle all disputes arising out of or in connection with this Agreement. If a dispute is unable to be informally resolved or settled by the Parties, then thirty (30) days prior to filing any legal action, other than a legal action for temporary injunctive relief as contemplated herein, the executive officers of each Party shall meet together in person in good faith to endeavor to reach a mutually beneficial resolution and settlement of such dispute.

9. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS**

Approved By:

Rick Bishop, Executive Director

Date

Approved As To Form:

General Counsel

**LOS ANGELES COMMUNITY CHOICE
ENERGY**

Approved By:

Bill Carnahan, Interim Executive Director

Date

Approved As To Form:

General Counsel

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: PACE Program Activities Update

Contact: Casey Dailey, Director of Energy and Environmental Programs, cdailey@wrcog.us, (951) 955-7282

Date: October 11, 2017

The purpose of this item is to provide an update and seek direction on options for judicial foreclosure proceedings for properties using PACE financing.

Requested Actions:

1. Recommend the Executive Committee direct WRCOG to defer the judicial foreclosure proceeding and to assign WRCOG's collection rights to a third party for 263 delinquent parcels totaling \$738,004.43.
2. Recommend the Executive Committee either (a) advance funds from WRCOG to allow for the deferral of judicial foreclosure proceedings on a delinquent commercial property, or (b) adopt WRCOG Resolution Number 44-17; 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 a range of energy saving, renewable energy, and water conserving improvements to their homes and businesses. Improvements must be permanently fixed to the property and must meet certain criteria to be eligible for financing. Financing is paid back through a voluntary lien placed on the property tax bill.

Overall HERO Program Activities Update

WRCOG subregion: Over 24,000 projects, totaling over \$487 million, have been completed.

Statewide Program: As of this writing, 371 jurisdictions have adopted Resolutions of Participation for the California HERO Program. Nearly 78,000 projects have been completed, totaling nearly \$1.6 billion.

HERO Assessment 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 advanced 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 Delinquencies: David Taussig & Associates (DTA), the HERO Program Assessment Administrator, issues a preliminary report that details the delinquencies for the tax year. For the 2016/2017 Tax Year, WRCOG enrolled HERO assessments on 38,367 parcels totaling \$120,536,571.96. As of September 26, 2017, the total delinquency rate is 0.61% or \$738,004.43. A breakdown by county is provided in Attachment 1. A delinquency simply means that the property owner(s) did not make timely payment of his and/or her property taxes (including the HERO Assessment payment) for the past tax year. In order to provide some context, the County of Riverside delinquency rate for 2016/2017 Tax Year is 1.349%.

In previous years, Renovate America purchased the collection rights to the delinquent properties; however, Renovate America notified WRCOG staff that it does not intend to purchase the collection rights for the 2016/2017 delinquencies. Staff is exploring other third party entities who could purchase the collection rights. Once a third party is identified and agrees to purchase the collection rights, a purchase and sales agreement will be brought forward for consideration by the Executive Committee.

Initiation of Judicial Foreclosure Proceedings

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.

In both the commercial and residential Master Indentures, WRCOG may elect to defer initiation of such judicial foreclosure proceedings if WRCOG has received from any source funds that are sufficient to pay all principal and interest on any bond secured by a delinquent assessment. On September 14, 2015, the Executive Committee adopted a policy to review, on an annual basis, the number and amount of delinquencies, and to determine whether a third party or WRCOG would be willing to advance the funds necessary to allow for deferral, or to begin the judicial foreclosure process. Due to prior delinquent payments on residential assessment installments, the Executive Committee adopted a policy to annually review the number and amount of delinquencies and determine either if WRCOG or a third party would advance the funds necessary to allow deferral, or begin the judicial foreclosure process. For the residential delinquencies over the past three years that would otherwise have triggered the foreclosure requirement, Renovate America entered into agreements with WRCOG in which Renovate America advanced the funds necessary to enable WRCOG to defer initiation of judicial foreclosure proceedings. Until now there have been no delinquencies on commercial properties that would have triggered the foreclosure requirement.

This year there is one commercial property located in the City of Pomona participating in the SAMAS Commercial Program for which the assessment is delinquent in its payment of the second assessment installment, thus triggering the foreclosure requirement. The amount of this delinquency is \$7,548.20.

As of this date, SAMAS Capital, Inc., the administrator and funding partner for the SAMAS Commercial Program, has not expressed a willingness to advance the funds necessary to allow for the deferral of foreclosure proceedings on this delinquent property. Consequently, the Executive Committee will have two options to consider at its November 6, 2017, meeting: (a) authorize WRCOG to advance the funds necessary to allow WRCOG to defer judicial foreclosure proceedings or (b) adopt the attached Resolution 44-17 ordering the initiation of judicial foreclosure proceedings. The adoption of the attached resolution is a prerequisite for WRCOG to be able to initiate such judicial foreclosure proceedings.

It is possible that the owner will elect to bring the assessment current, or a lender on the property may elect to do so. However, in order to allow for sufficient time to initiate judicial foreclosure proceedings by November 30th, it is essential that the Executive Committee select its option at the November Executive Committee meeting.

Prior Action:

October 2, 2017:

The Executive Committee 1) received WRCOG PACE Summary; 2) conducted a Public Hearing regarding the inclusion of the County of Tulare unincorporated areas; 3) adopted WRCOG Resolution Number 41-17; A Resolution of the Executive Committee of the Western Riverside Council of Governments Rescinding Resolution No. 14-16 Authorizing Renovate America, Inc. to Administer and Finance Eligible Improvements to be Installed on Commercial Property and Rescinding All Approvals and Other Authorizations Granted Under Such Resolution; 4) adopted WRCOG Resolution Number 42-17; A Resolution of the Executive Committee of the Western Riverside Council of Governments confirming modification of the California HERO Program Report so as to expand the Program area within which contractual assessments may be offered; 5) adopted WRCOG Resolution Number 43-17; A Resolution of the Executive Committee of the Western Riverside Council of Governments Authorizing the Issuance of PACE Funding bonds, amending the Program Report and Approving the Form of a Professional Administration Agreement with PACE Funding Group, LLC, Indenture of Trust, Bond Purchase Agreement, Depository and Account Control Agreement, Professional Services Agreement for Assessment Administration for the Issuance of Bonds for the WRCOG PACE Funding Program and Appointing a Trustee; 6) supported the Administration & Finance Committee's recommendation to direct and authorize the Executive Director to enter into contract negotiations and execute any necessary documents to include Greenworks under WRCOG's PACE umbrella; 7) supported the Administration & Finance Committee's recommendation to direct and authorize the Executive Director to enter into contract negotiations and execute any necessary documents to include Ygrene under WRCOG's PACE umbrella.

Attachments:

1. 2016/2017 Delinquency Summary.
2. WRCOG Resolution Number 44-17; 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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Item 4.A

PACE Program Activities Update

Attachment 1

2016/2017 Delinquency Summary

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Western Riverside Council of Governments
Residential Delinquency Summary Report (Both Installments) [1]
Fiscal Year 2016-2017
Alameda County
Fund #518

Total Levy For FY 2016-2017: \$383,280.64 Number of Parcels Subject to Levy: 118 Number of Parcels Delinquent: 1	Total Amount Collected: \$378,828.10 Delinquent Amount: \$4,452.54 Delinquency Rate: 1.16%
Contra Costa County Fund #T444499970	
Total Levy For FY 2016-2017: \$17,217.68 Number of Parcels Subject to Levy: 5 Number of Parcels Delinquent: 0	Total Amount Collected: \$17,217.68 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Fund #TE43949970	
Total Levy For FY 2016-2017: \$2,041,487.30 Number of Parcels Subject to Levy: 640 Number of Parcels Delinquent: 5	Total Amount Collected: \$2,024,911.64 Delinquent Amount: \$16,575.66 Delinquency Rate: 0.81%
Contra Costa County - All Funds	
Total Levy For FY 2016-2017: \$2,058,704.98 Number of Parcels Subject to Levy: 645 Number of Parcels Delinquent: 5	Total Amount Collected: \$2,042,129.32 Delinquent Amount: \$16,575.66 Delinquency Rate: 0.81%
El Dorado County Fund #20852	
Total Levy For FY 2016-2017: \$86,184.80 Number of Parcels Subject to Levy: 23 Number of Parcels Delinquent: 1	Total Amount Collected: \$80,666.40 Delinquent Amount: \$5,518.40 Delinquency Rate: 6.40%
Fresno County [2] Fund #6056	
Total Levy For FY 2016-2017: \$5,154,709.76 Number of Parcels Subject to Levy: 1,851 Number of Parcels Delinquent: 13	Total Amount Collected: \$5,134,167.43 Delinquent Amount: \$20,542.33 Delinquency Rate: 0.40%
Fund #6060	
Total Levy For FY 2016-2017: \$47,990.32 Number of Parcels Subject to Levy: 16 Number of Parcels Delinquent: 0	Total Amount Collected: \$47,990.32 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Fresno County - All Funds	
Total Levy For FY 2016-2017: \$5,202,700.08 Number of Parcels Subject to Levy: 1,867 Number of Parcels Delinquent: 13	Total Amount Collected: \$5,182,157.75 Delinquent Amount: \$20,542.33 Delinquency Rate: 0.39%
Humboldt County Fund #50100	
Total Levy For FY 2016-2017: \$2,285.40 Number of Parcels Subject to Levy: 1 Number of Parcels Delinquent: 0	Total Amount Collected: \$2,285.40 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Imperial County Fund #96200	
Total Levy For FY 2016-2017: \$496,822.18 Number of Parcels Subject to Levy: 252 Number of Parcels Delinquent: 0	Total Amount Collected: \$496,822.18 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Kern County [3] Fund #42912	
Total Levy For FY 2016-2017: \$5,548,691.52 Number of Parcels Subject to Levy: 2,002 Number of Parcels Delinquent: 19	Total Amount Collected: \$5,500,846.64 Delinquent Amount: \$47,844.88 Delinquency Rate: 0.86%
Fund #42926	
Total Levy For FY 2016-2017: \$31,987.22 Number of Parcels Subject to Levy: 12 Number of Parcels Delinquent: 0	Total Amount Collected: \$31,987.22 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Kern County - All Funds	
Total Levy For FY 2016-2017: \$5,580,678.74 Number of Parcels Subject to Levy: 2,014 Number of Parcels Delinquent: 19	Total Amount Collected: \$5,532,833.86 Delinquent Amount: \$47,844.88 Delinquency Rate: 0.86%
Kings County Fund #5011	
Total Levy For FY 2016-2017: \$327,760.92 Number of Parcels Subject to Levy: 143 Number of Parcels Delinquent: 0	Total Amount Collected: \$327,760.92 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Los Angeles County Fund #96.21	
Total Levy For FY 2016-2017: \$6,858,687.12 Number of Parcels Subject to Levy: 1,988 Number of Parcels Delinquent: 11	Total Amount Collected: \$6,824,481.73 Delinquent Amount: \$34,205.39 Delinquency Rate: 0.50%
Madera County Fund #83000	

Total Levy For FY 2016-2017: \$513,308.88 Number of Parcels Subject to Levy: 175 Number of Parcels Delinquent: 0	Marin County Fund #109286	Total Amount Collected: \$513,308.88 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Total Levy For FY 2016-2017: \$55,601.50 Number of Parcels Subject to Levy: 18 Number of Parcels Delinquent: 0	Merced County Fund #86510	Total Amount Collected: \$55,601.50 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Total Levy For FY 2016-2017: \$940,855.74 Number of Parcels Subject to Levy: 345 Number of Parcels Delinquent: 6	Mono County Fund #66100	Total Amount Collected: \$926,250.91 Delinquent Amount: \$14,604.83 Delinquency Rate: 1.55%
Total Levy For FY 2016-2017: \$33,923.85 Number of Parcels Subject to Levy: 8 Number of Parcels Delinquent: 0	Monterey County Fund #99600	Total Amount Collected: \$33,923.85 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Total Levy For FY 2016-2017: \$189,002.50 Number of Parcels Subject to Levy: 40 Number of Parcels Delinquent: 0	Napa County Fund #52160	Total Amount Collected: \$189,002.50 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Total Levy For FY 2016-2017: \$490,389.20 Number of Parcels Subject to Levy: 121 Number of Parcels Delinquent: 0	Orange County Fund #749CE	Total Amount Collected: \$490,389.20 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Total Levy For FY 2016-2017: \$12,835,230.51 Number of Parcels Subject to Levy: 3,483 Number of Parcels Delinquent: 22	Eastern Riverside Fund #68-9002	Total Amount Collected: \$12,747,061.32 Delinquent Amount: \$88,169.19 Delinquency Rate: 0.69%
Total Levy For FY 2016-2017: \$25,045.88 Number of Parcels Subject to Levy: 8 Number of Parcels Delinquent: 0	Fund #68-9010	Total Amount Collected: \$25,045.88 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Total Levy For FY 2016-2017: \$2,324,363.74 Number of Parcels Subject to Levy: 778 Number of Parcels Delinquent: 14	Eastern Riverside - All Funds	Total Amount Collected: \$2,284,181.05 Delinquent Amount: \$40,182.69 Delinquency Rate: 1.73%
Total Levy For FY 2016-2017: \$2,349,409.62 Number of Parcels Subject to Levy: 786 Number of Parcels Delinquent: 14	Riverside County Fund #68-6547	Total Amount Collected: \$2,309,226.93 Delinquent Amount: \$40,182.69 Delinquency Rate: 1.71%
Total Levy For FY 2016-2017: \$203,105.36 Number of Parcels Subject to Levy: 88 Number of Parcels Delinquent: 0	Fund #68-9004 [4]	Total Amount Collected: \$203,105.36 Delinquent Amount: \$0.00 Delinquency Rate: 0.00%
Total Levy For FY 2016-2017: \$5,259,340.87 Number of Parcels Subject to Levy: 2,440 Number of Parcels Delinquent: 18	Fund #68-9008 [5]	Total Amount Collected: \$5,230,918.61 Delinquent Amount: \$28,422.26 Delinquency Rate: 0.54%
Total Levy For FY 2016-2017: \$34,177,693.90 Number of Parcels Subject to Levy: 11,744 Number of Parcels Delinquent: 90	Fund #68-9009	Total Amount Collected: \$33,928,269.76 Delinquent Amount: \$249,424.14 Delinquency Rate: 0.73%
Total Levy For FY 2016-2017: \$377,417.19 Number of Parcels Subject to Levy: 130 Number of Parcels Delinquent: 1	Riverside County - All Funds	Total Amount Collected: \$375,592.52 Delinquent Amount: \$1,824.67 Delinquency Rate: 0.48%
Total Levy For FY 2016-2017: \$40,017,557.32 Number of Parcels Subject to Levy: 14,402 Number of Parcels Delinquent: 109	Sacramento County Fund #1030	Total Amount Collected: \$39,737,886.25 Delinquent Amount: \$279,671.07 Delinquency Rate: 0.70%
Total Levy For FY 2016-2017: \$1,108,919.86 Number of Parcels Subject to Levy: 409 Number of Parcels Delinquent: 1	Fund #1031	Total Amount Collected: \$1,106,922.38 Delinquent Amount: \$1,997.48 Delinquency Rate: 0.18%
Total Levy For FY 2016-2017: \$1,515.70		Total Amount Collected: \$1,515.70

Number of Parcels Subject to Levy: 1	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Sacramento County - All Funds	
Total Levy For FY 2016-2017: \$1,110,435.56	Total Amount Collected: \$1,108,438.08
Number of Parcels Subject to Levy: 410	Delinquent Amount: \$1,997.48
Number of Parcels Delinquent: 1	Delinquency Rate: 0.18%
San Diego County	
Fund #6265-01	
Total Levy For FY 2016-2017: \$28,066,901.89	Total Amount Collected: \$27,942,265.91
Number of Parcels Subject to Levy: 7,303	Delinquent Amount: \$124,635.98
Number of Parcels Delinquent: 33	Delinquency Rate: 0.44%
Fund #6265-03	
Total Levy For FY 2016-2017: \$401,274.85	Total Amount Collected: \$401,274.85
Number of Parcels Subject to Levy: 110	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
San Diego County - All Funds	
Total Levy For FY 2016-2017: \$28,468,176.74	Total Amount Collected: \$28,343,540.76
Number of Parcels Subject to Levy: 7,413	Delinquent Amount: \$124,635.98
Number of Parcels Delinquent: 33	Delinquency Rate: 0.44%
San Francisco County	
Fund #84	
Total Levy For FY 2016-2017: \$68,881.88	Total Amount Collected: \$68,881.88
Number of Parcels Subject to Levy: 16	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
San Joaquin County	
Fund #72900	
Total Levy For FY 2016-2017: \$2,909,915.90	Total Amount Collected: \$2,904,219.00
Number of Parcels Subject to Levy: 1,024	Delinquent Amount: \$5,696.90
Number of Parcels Delinquent: 4	Delinquency Rate: 0.20%
Fund #72910	
Total Levy For FY 2016-2017: \$14,949.76	Total Amount Collected: \$14,949.76
Number of Parcels Subject to Levy: 6	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
San Joaquin County - All Funds	
Total Levy For FY 2016-2017: \$2,924,865.66	Total Amount Collected: \$2,919,168.76
Number of Parcels Subject to Levy: 1,030	Delinquent Amount: \$5,696.90
Number of Parcels Delinquent: 4	Delinquency Rate: 0.19%
San Mateo County	
Fund #C06 F12	
Total Levy For FY 2016-2017: \$338,291.06	Total Amount Collected: \$338,291.06
Number of Parcels Subject to Levy: 71	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Santa Clara County	
Fund #994	
Total Levy For FY 2016-2017: \$13,037.78	Total Amount Collected: \$13,037.78
Number of Parcels Subject to Levy: 3	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Fund #995	
Total Levy For FY 2016-2017: \$1,663,650.56	Total Amount Collected: \$1,660,288.96
Number of Parcels Subject to Levy: 420	Delinquent Amount: \$3,361.60
Number of Parcels Delinquent: 1	Delinquency Rate: 0.20%
Santa Clara County - All Funds	
Total Levy For FY 2016-2017: \$1,676,688.34	Total Amount Collected: \$1,673,326.74
Number of Parcels Subject to Levy: 423	Delinquent Amount: \$3,361.60
Number of Parcels Delinquent: 1	Delinquency Rate: 0.20%
Santa Cruz County	
Fund #405000	
Total Levy For FY 2016-2017: \$137,262.96	Total Amount Collected: \$137,262.96
Number of Parcels Subject to Levy: 33	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Solano County	
Fund #8995	
Total Levy For FY 2016-2017: \$13,654.54	Total Amount Collected: \$13,654.54
Number of Parcels Subject to Levy: 4	Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0	Delinquency Rate: 0.00%
Fund #8998	
Total Levy For FY 2016-2017: \$1,701,755.36	Total Amount Collected: \$1,690,696.73
Number of Parcels Subject to Levy: 542	Delinquent Amount: \$11,058.63
Number of Parcels Delinquent: 3	Delinquency Rate: 0.65%
Solano County - All Funds	
Total Levy For FY 2016-2017: \$1,715,409.90	Total Amount Collected: \$1,704,351.27
Number of Parcels Subject to Levy: 546	Delinquent Amount: \$11,058.63
Number of Parcels Delinquent: 3	Delinquency Rate: 0.64%
Sonoma County	

Fund #94000		
Total Levy For FY 2016-2017: \$255,091.98		Total Amount Collected: \$251,104.00
Number of Parcels Subject to Levy: 60		Delinquent Amount: \$3,987.98
Number of Parcels Delinquent: 1		Delinquency Rate: 1.56%
Stanislaus County [6]		
Fund #64075		
Total Levy For FY 2016-2017: \$2,573,091.79		Total Amount Collected: \$2,563,076.64
Number of Parcels Subject to Levy: 1,015		Delinquent Amount: \$10,015.15
Number of Parcels Delinquent: 7		Delinquency Rate: 0.39%
Fund #64076		
Total Levy For FY 2016-2017: \$7,003.80		Total Amount Collected: \$7,003.80
Number of Parcels Subject to Levy: 4		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
Stanislaus County - All Funds		
Total Levy For FY 2016-2017: \$2,580,095.59		Total Amount Collected: \$2,570,080.44
Number of Parcels Subject to Levy: 1,019		Delinquent Amount: \$10,015.15
Number of Parcels Delinquent: 7		Delinquency Rate: 0.39%
Tehama County		
Fund #50050		
Total Levy For FY 2016-2017: \$4,374.07		Total Amount Collected: \$4,374.07
Number of Parcels Subject to Levy: 2		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
Tulare County		
Fund #690		
Total Levy For FY 2016-2017: \$640,352.60		Total Amount Collected: \$635,258.37
Number of Parcels Subject to Levy: 272		Delinquent Amount: \$5,094.23
Number of Parcels Delinquent: 3		Delinquency Rate: 0.80%
Ventura County		
Fund #1077		
Total Levy For FY 2016-2017: \$124,647.14		Total Amount Collected: \$124,647.14
Number of Parcels Subject to Levy: 36		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
Fund #1070		
Total Levy For FY 2016-2017: \$62,669.34		Total Amount Collected: \$59,234.99
Number of Parcels Subject to Levy: 21		Delinquent Amount: \$3,434.35
Number of Parcels Delinquent: 1		Delinquency Rate: 5.48%
Fund #1076		
Total Levy For FY 2016-2017: \$25,170.28		Total Amount Collected: \$25,170.28
Number of Parcels Subject to Levy: 8		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
Fund #1071		
Total Levy For FY 2016-2017: \$503,092.30		Total Amount Collected: \$496,454.59
Number of Parcels Subject to Levy: 152		Delinquent Amount: \$6,637.71
Number of Parcels Delinquent: 2		Delinquency Rate: 1.32%
Fund #1075		
Total Levy For FY 2016-2017: \$34,145.82		Total Amount Collected: \$32,335.28
Number of Parcels Subject to Levy: 11		Delinquent Amount: \$1,810.54
Number of Parcels Delinquent: 1		Delinquency Rate: 5.30%
Fund #1072		
Total Levy For FY 2016-2017: \$77,034.74		Total Amount Collected: \$73,781.48
Number of Parcels Subject to Levy: 28		Delinquent Amount: \$3,253.26
Number of Parcels Delinquent: 2		Delinquency Rate: 4.22%
Fund #1073		
Total Levy For FY 2016-2017: \$936,224.90		Total Amount Collected: \$933,796.58
Number of Parcels Subject to Levy: 247		Delinquent Amount: \$2,428.32
Number of Parcels Delinquent: 2		Delinquency Rate: 0.26%
Fund #1078		
Total Levy For FY 2016-2017: \$45,990.74		Total Amount Collected: \$45,990.74
Number of Parcels Subject to Levy: 15		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
Fund #1074		
Total Levy For FY 2016-2017: \$284,495.62		Total Amount Collected: \$281,670.30
Number of Parcels Subject to Levy: 93		Delinquent Amount: \$2,825.32
Number of Parcels Delinquent: 1		Delinquency Rate: 0.99%
Ventura County - All Funds		
Total Levy For FY 2016-2017: \$2,093,470.88		Total Amount Collected: \$2,073,081.38
Number of Parcels Subject to Levy: 611		Delinquent Amount: \$20,389.50
Number of Parcels Delinquent: 9		Delinquency Rate: 0.97%
Yolo County		
Fund #80101		
Total Levy For FY 2016-2017: \$100,790.76		Total Amount Collected: \$100,790.76
Number of Parcels Subject to Levy: 32		Delinquent Amount: \$0.00
Number of Parcels Delinquent: 0		Delinquency Rate: 0.00%
All Counties		

Total Levy For FY 2016-2017: \$120,536,571.96
Number of Parcels Subject to Levy: 38,367
Number of Parcels Delinquent: 263

Total Amount Collected: \$119,798,567.53
Delinquent Amount: \$738,004.43
Delinquency Rate: 0.61%

Created on: Sept 28, 2017

Original Purchases by Renovate America: \$373,931.93	Total Number of Parcels Purchased: 130
Current Amount of Delinquencies Purchased by Renovate America: \$327,171.56	Current Number of Delinquent Parcels Purchased by Renovate America: 113

- [1] Delinquency data as of 9/26/2017.
- [2] 1 of the 13 delinquent parcels is currently on a payment plan.
- [3] 2 of the 19 delinquent parcels are currently on a payment plan.
- [4] 2 of the 18 delinquent parcels are currently on a payment plan.
- [5] 8 of the 90 delinquent parcels are currently on a payment plan.
- [6] 1 of the 7 delinquent parcels is currently on a payment plan.

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Item 4.A

PACE Program Activities Update

Attachment 2

WRCOG Resolution Number 44-17;
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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Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Calimesa • City of Canyon Lake • City of Corona • City of Eastvale • City of Hemet
City of Jurupa Valley • City of Lake Elsinore • City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside
City of San Jacinto • City of Temecula • City of Wildomar • Eastern Municipal Water District • Western Municipal Water District • Morongo Band of Mission
Indians • Riverside County Superintendent of Schools

RESOLUTION NUMBER 44-17

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 Pomona ("Pomona") 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 Pomona 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 1410 North Garvey Avenue, Pomona, California (the "Subject Property") entered into two Assessment Contracts with WRCOG to finance the installation of Authorized Improvements on the Subject Property; and

WHEREAS, pursuant to the Assessment Contracts, Assessments were levied against the Subject Property to provide for the repayment of the financing provided by WRCOG and the repayment of the Assessments 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 Property 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 Contracts, WRCOG has placed annual assessment installments of the Assessments 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 not later than November 30, 2017 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: 1) to record notices of intent to remove the delinquent assessment from the tax rolls, and 2) to

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 at a Meeting of the Executive Committee of the Western Riverside Council of Governments held this 6th day of November, 2017.

Deborah Franklin, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

APPROVED AS TO FORM:

Best Best & Krieger, LLP
Bond Counsel

AYES: _____

NAYS: _____

ABSENT: _____

ABSTAIN: _____

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Public Service Fellowship Activities Update

Contact: Cynthia Mejia, Staff Analyst, cmejia@wrcog.us, (951) 955-8311

Date: October 11, 2017

The purpose of this item is to provide an update on the second round of Public Service Fellows currently working in WRCOG member agencies and to request funding for continuation of the Fellowship Program.

Requested Actions:

1. Recommend that the Executive Committee allocate \$300,000 from Agency carryover funds for the remainder of the Public Service Fellowship, Round II.
2. Recommend that the Executive Committee allocate \$400,000 from Agency carryover funds for the continuation of the Public Service Fellowship, with Round III commencing in January 2018.

In partnership with higher education institutions, WRCOG developed and launched a Public Service Fellowship Program that provides local university graduates with career opportunities within local governments and agencies in a way that is mutually beneficial to both the Fellow and the Agency.

Background

In February 2016, the Executive Committee approved the creation of a one-year pilot Public Service Fellowship Program, to be administered by WRCOG in Western Riverside County, in partnership with the University of California, Riverside (UCR), and California Baptist University (CBU). The goal of this Program is to retain local students to fulfill the subregion's needs for a robust public sector workforce and to combat the often-mentioned "brain drain" that Riverside County experiences when local students graduate but then leave the region to seek full-time employment elsewhere. The Fellowship Program is geared towards students graduating from UCR and CBU to engage them in career opportunities with local governments and agencies in a way that is mutually beneficial to both the Fellows and the agency.

WRCOG is responsible for general Program administration and oversight, maintaining employment of the Fellows, soliciting interest from local government agencies, serving as the liaison between member agencies and the universities, providing Program funding, and coordinating payment of Fellowship stipends. UCR and CBU are responsible for soliciting interest from students, reviewing applications and conducting interviews, recommending local government agency placements, and communicating regularly with Fellows. WRCOG, UCR, and CBU also provide ongoing training to Fellows on career readiness and other theoretical topics during regular Networking Sessions to support their hands-on work experience. A representative from each University serves as an "advisor" to answer questions from the Fellows or host agencies, monitor the Fellows' performance, handle HR-related issues or complaints in collaboration with WRCOG, and provide needed support to ensure that the Fellowship placement is successful.

Program Update

Round I of the Fellowship placed 17 Fellows in member agencies, and to staff's knowledge to date, nearly all are gainfully employed with at least eight working for public agencies in Riverside County. Based on widespread success of Round I and remaining funding, WRCOG launched a second round of the Fellowship Program, with 19 Fellows (eleven from UCR and eight from CBU) placed in WRCOG member jurisdictions. Round II Fellows are currently in the fifth month of their Program. WRCOG held three Networking Sessions for the Fellows, which help to supplement the work they are doing at their host agencies. The June 2017 session featured presentations on the role of City Managers and possible routes to city management from Eastvale City Manager Michelle Nissen, and Corona City Manager Darrell Talbert. In July 2017, the Fellows underwent a rigorous "legislative 101" crash-course from the League of California Cities Regional Public Affairs Manager Erin Sasse. In August 2017, City of Riverside Police Chief Sergio Diaz and Fire Chief Michael Moore presented on the role of municipal public safety departments and the programs they administer other than emergency response.

The next Networking Session is scheduled for Thursday, October 26, 2017, and will be a bus tour of the subregion. Throughout the bus tour, Fellows will visit several member jurisdictions and hear from subject-matter experts on economic development, transportation, infrastructure, air quality, planning, and others.

Effort to Expand to Cal State San Bernardino: Staff is in the process of building a relationship with California State University, San Bernardino (CSUSB) in an effort to diversify the institutions contributing to the Program. Staff acknowledges the great benefit that CSUSB provides to subregion and intends to create a pathway for CSUSB graduates to participate in the Fellowship Program.

Fellow Activity: Fellows have been working on a wide range of projects including event coordination, policy analysis and legislative tracking. A few specific tasks include general plan updates, communications and social media content management, grant writing, ordinance development, and budget research. Jurupa Valley's Fellow, Michelle Holguin, was recently featured in WRCOG's September 2017 eCommunicator (Attachment 1) for her participation at Riverside's Homelessness Faith Summit. At the summit, Ms. Holguin provided a presentation to over 200 community leaders on what Jurupa Valley is doing to tackle the challenges relating to homelessness.

One-on-One Meetings: Throughout the month of September, staff met individually with each Fellow to check-in on their Fellowship experiences to-date. Staff will soon begin to meet with host agency supervisors over the next few months to obtain further feedback on the Program.

Continuation of Funding for Fellowship

At the launch of the Fellowship Program in February 2016, staff was directed by the Executive Committee to allocate \$400,000 from Agency carryover funds, which would cover the first round of the Program and partially cover the second round. Staff was directed to return to the Executive Committee as these funds were exhausted, to request a continuation of funds for the second round and subsequent rounds of the Fellowship Program, which is the purpose of this item.

Based on the overwhelming success of the Fellowship Program thus far, staff is seeking approval for the allocation of an additional \$300,000 from Agency carryover funds to fully fund the remaining portion of the second round. Staff is also seeking approval for the allocation of an additional \$400,000 which would completely fund a third round of the Fellowship. If approved, Round III of the Fellowship would commence in January 2018 with up to 25 Fellows starting work in their host agencies in July 2018. This request for funding includes a 10% portion of the budget dedicated for expenses associated with administering and operating the Program.

Prior Action:

September 11, 2017: The Executive Committee received report.

Fiscal Impact:

Activities for the Fellowship Program are included in the Agency's adopted FY 2017/2018 Budget under the Government Relations Department.

Fiscal Impact:

A total of \$400,000 in FY 2015/2016 Agency carryover funds have been allocated to the creation of the Fellowship Program. \$700,000 is available for allocation from the FY 2016/2017 Agency carryover funds.

Attachment:

1. Fellow Feature in September 2017 eCommunicator.

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Item 4.B

WRCOG Public Service Fellowship
Activities Update

Attachment 1

Fellow Feature in September 2017
eCommunicator

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Fellow Feature: Spotlight on Jurupa Valley

The WRCOG Public Service Fellowship is pleased to feature Michelle Holguin, Fellow for the City of Jurupa Valley, for her outstanding presentation at the City of Riverside's Faith Summit earlier this month. The Faith Summit was a tri-city collaboration between Riverside, Corona, and Jurupa Valley as they attempt to address growing concerns with homelessness. Northwest Riverside County jurisdictions were recently awarded a BEYOND grant to help fund efforts aimed at addressing homelessness in their jurisdictions. At the event, Michelle provided an update to more than 200 non-profit, elected official, and faith-based leaders on how Jurupa Valley is working to combat this challenge.



Michelle is a Master's of Public Health candidate at California Baptist University and hopes to use her experience as a Fellow to further public health administration and policy in Riverside County after her Fellowship concludes in March 2018.

[Learn More](#)

How Technology is Helping Bring the Cost of Land Conservation Down



RCHCA and other conservation land managers continually work to control non-native weeds from displacing native Californian wildflowers and animals that depend on them for food, including the Stephen's kangaroo rat (SKR). Currently, land managers depend on labor intensive walking surveys to identify new growth of weeds, which results in the weeds being well established and difficult to eradicate by the time they are detected.

Searching for a faster and less expensive method, RCHCA researched advances in

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Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: 1st Quarter Draft Budget Amendment for Fiscal Year 2017/2018

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

Date: October 11, 2017

The purpose of this item is to request approval of WRCOG's 1st Quarter Draft Budget Amendments for Fiscal Year (FY) 2017/2018, as identified in the attachment to this staff report. The summary will include increases and/or decreases to both revenues and expenditures, by department.

Requested Action:

1. Recommend that the Executive Committee approve the 1st Quarter Draft Budget Amendment for Fiscal Year 2017/2018.

General Fund

For the 1st Quarter of FY 2017/2018, there will be no adjustments made to the General Fund budget.

Revenue increase to the General Fund: \$0

Expenditure increase to the General Fund: \$0

Transportation Department

The TUMF Program will be decreasing the Local Transportation Fund (LTF) revenue. When the budget was created, the projection was that the LTF funds, allocated to WRCOG by the Riverside County Transportation Commission (RCTC), were estimated to be \$825,000 based on previous year receipts. LTF Funding varies depending on revenue received by RCTC, which is then distributed to WRCOG and the Coachella Valley Association of Governments (CVAG). The actual amount of the allocation is determined via a formula and therefore can vary on a yearly basis. The FY 2017/2018 allocation from RCTC was determined to be \$726,000. Based on this revised allocation, there will be a reduction of \$99,000 in revenue. This reduction in revenue will be partially offset through the receipt of \$25,000 from the County of Riverside, which is an initial payment for an update of the Riverside County Traffic Analysis Model (RIVTAM), which will be jointly funded through efforts between WRCOG, RCTC, Riverside County, and CVAG. The net loss in revenue of \$74,000 will be offset through corresponding reductions in expenditures, particularly for consultant expenses. The Transportation Department will still maintain a balanced budget as the TUMF revenue projections will remain the same and will cover all anticipated expenditures.

WRCOG has received the first payment from the City of Beaumont related to the settlement between WRCOG and the City. This initial payment is in the amount of \$4.1 million, which is shown as increased revenue for the Transportation Department under the TUMF Program. WRCOG will be allocating these funds to projects in the City of Banning (Highland Springs Avenue interchange) and the City of Calimesa (Cherry Valley Boulevard) so there will be a corresponding increase in TUMF expenditures. WRCOG will be providing these funds to these

Cities on a reimbursement basis. Additional funds received by WRCOG related to the settlement will be reflected in a similar fashion with an increase in revenue and a corresponding increase in expenditures.

<i>Revenue increase to Transportation Department:</i>	<i>\$4,026,000</i>
<i>Expenditure increase to Transportation Department:</i>	<i>\$4,100,000</i>

Energy Department

As discussed at the July 2017 Administration & Finance Committee meeting, staff is bringing forward the 1st Quarter Budget adjustment to decrease the California HERO Program projected revenues by \$1.8 million. When the FY 2017/2018 Budget was drafted in February 2017, the anticipated revenues were based on actuals and trends from the launch of the Program to date. The original Budget projected \$7.6 million in revenues, but that is now being revised down to \$5.8 million for this fiscal year. Staff believes this reduction is more indicative of how the rest of the fiscal year will finish due to market competition from other PACE Program providers operating in California.

In addition, the recording revenue in the California HERO Program will decrease by \$500,000 to match the projected revenue reductions. This will be offset by a \$500,000 reduction in recording expenditures.

Finally, it was anticipated that the residential provider, Spruce Finance, would be operational under the WRCOG PACE umbrella at the beginning of FY 2017/2018, so revenues were budgeted at \$253,000 between recording and residential revenues. It is now expected that Spruce will not be up and running until later in the fiscal year, so staff is reducing revenue (residential plus recording) down to \$50,000 in total, or a reduction of \$203,000.

<i>Revenue decrease to Energy Department:</i>	<i>\$2,511,036</i>
<i>Expenditure decrease to Energy Department:</i>	<i>\$508,036</i>

Environment Department

For the 1st Quarter of FY 2017/2018, there will be no adjustments made to the Environment budget.

<i>Revenue decrease to the Environment Department:</i>	<i>\$0</i>
<i>Expenditure increase to the Environment Department:</i>	<i>\$0</i>

Prior Action:

None.

Fiscal Impact:

General Fund: No adjustments made to revenue or expenditures for the 1st Quarter of FY 2017/2018.

Transportation: Revenues for LTF will be reduced by \$99,000, and there will also be a \$25,000 increase for RIVTAM revenue.

Energy: Revenues for the PACE Programs will be reduced by \$2M and expenditures by \$508k for the 1st Quarter. With the reductions in revenue within the Energy Program, the Budget remains balanced and the anticipated carryover projection will be \$3M for the Fiscal Year.

Environment: No adjustments made to revenue or expenditures for the 1st Quarter of FY 2017/2018.

Attachment:

1. Annual Budget for the year ending June 30, 2018, with 1st Quarter amendments.

Item 4.C

1st Quarter Draft Budget Amendment
for Fiscal Year 2017/2018

Attachment 1

Annual Budget for the year ending
June 30, 2018, with 1st Quarter
amendments

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Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2018

Department: Transportation (Summary)			
	Approved 6/30/2018 Budget	Thru 9/30/2017 Actual	Amendment Needed 9/30/2017
Revenues			
40001 Beaumont Settlement Revenue	-	4,100,000	4,100,000
41000 LTF Revenue	825,000	726,000	(99,000)
42001 RIVTAM Revenue	-	25,000	25,000
Total Revenues	-	-	4,026,000
Expenditures			
85160 TUMF Project Reimbursement	-	-	4,100,000
Total General Operations	-	-	4,100,000
Total Net Revenue Increase/(Decrease)			\$ (74,000)

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2018**

Department: Transportation (TUMF - 1148)			
	Approved 6/30/2018 Budget	Thru 9/30/2017 Actual	Amendment Needed 9/30/2017
Revenues			
40001 Beaumont Settlement Revenue	-	4,100,000	4,100,000
Expenditures			
85160 TUMF Project Reimbursement			4,100,000
Total General Operations	-	-	4,100,000
Total Net Revenue Increase/(Decrease)			\$ -

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2018

Department: Transportation (RIVTAM - 2039)			
	Approved 6/30/2018 Budget	Thru 9/30/2017 Actual	Amendment Needed 9/30/2017
Revenues			
42001 RIVTAM	-	25,000	25,000
Total Revenues	-	-	25,000
Total Net Revenue Increase/(Decrease)			\$ 25,000

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2018

Department: Energy (Summary)			
	Approved 6/30/2018 Budget	Thru 9/30/2017 Actual	Amendment Needed 9/30/2017
Revenues			
40603 CA HERO Revenue	7,639,575	1,439,259	(1,800,000)
40611 CA HERO Recording	1,508,036	245,520	(508,036)
40620 Spruce Residential Revenue	167,000	-	(132,000)
40623 Spruce Residential Recording Revenue	86,000	-	(71,000)
Total Revenues	9,400,611	1,684,779	(2,511,036)
Expenditures			
General Operations			
73506 WRCOG/CA HERO - Recording Fee	1,508,036	146,685	(508,036)
Total General Operations	1,508,036	146,685	(508,036)
Total Net Revenue Increase/(Decrease)			(2,511,036)
Total Net Expenditure Increase/(Decrease)			(508,036)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2018

Department: Spruce (2102)			
	Approved 6/30/2018 Budget	Thru 9/30/2017 Actual	Amendment Needed 9/30/2017
Revenues			
40620 Spruce Residential Revenue	167,000	-	(132,000)
40623 Spruce Residential Recording Revenue	86,000	-	(71,000)
Total Revenues	253,000	-	(203,000)
Total Net Revenue Increase/(Decrease)			\$ (203,000)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2018

Department: Energy (California HERO - 5000)				
		Approved 6/30/2018 Budget	Thru 9/30/2017 Actual	Amendment Needed 9/30/2017
Revenues				
40603	CA HERO Revenue	7,639,575	1,439,259	(1,800,000)
40611	Recording Fee Revenue	1,508,036	245,520	(508,036)
	Total Revenues	9,147,611	1,684,779	(2,308,036)
Expenditures				
General Operations				
73506	Recording Fee	1,508,036	146,685	(508,036)
	Total General Operations	1,508,536	152,407	(508,036)
Total Net Revenue Increase/(Decrease)				(2,308,036)
Total Net Expenditure Increase/(Decrease)				(508,036)



Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Total Compensation Study Proposal

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

Date: October 11, 2017

The purpose of this item is to provide the Committee with information regarding WRCOG's desire to conduct an analysis of its compensation practices compared to other entities.

Requested Action:

1. Direct the Executive Director to enter into a contract in an amount not to exceed \$20,000 with Koff & Associates to complete a Total Compensation Study for WRCOG.

In the past, staff has conducted informal salary and benefit surveys of other public entities for comparison purposes to examine whether Agency salary and benefits are in-line with what is being offered by other governmental agencies, including position titles, starting and ending pay, as well as the various levels of benefits to enable the Agency to attract a quality workforce.

Staff has been in contact with the human resources consulting firm Koff & Associates to discuss the potential of conducting a more formalized Total Compensation Study, for the purpose of examining WRCOG's salaries and benefits to other entities. Koff & Associates has over 33 years of experiencing in working with cities, counties, and special districts, including some in the WRCOG subregion. Among the agencies that have utilized the services of Koff & Associates include Riverside County Transportation Commission, the San Bernardino Council of Governments, and the Cities of Jurupa Valley, Menifee, and Perris.

The proposed Study will examine if each of WRCOG's seven position titles are properly classified. Those seven titles include Executive Director, Deputy Executive Director, Director, Program Manager, Senior Analyst, Staff Analyst, and Technician. Koff & Associates will survey ten to twelve similar agencies and will determine if the starting and ending point of the salary range for each WRCOG position are appropriate. In addition, the study will examine if WRCOG is utilizing the correct number of steps in each pay grade. Currently, WRCOG has 14 steps and each step represents a 5% increase.

Once the Study is concluded, Koff & Associates will bring their results back to the Administration & Finance Committee for a full discussion on WRCOG's salaries and benefits, and make recommendations regarding any potential adjustments.

Prior Action:

None.

Fiscal Impact:

Funding for the contract of Koff & Associates is included in the Fiscal Year 2017/2018 Budget under the consulting line item in the Administration Program, and will not to exceed \$20,000.

Attachment:

1. Total Compensation Study Proposal – Koff & Associates.

Item 4.D

Total Compensation Study Proposal

Attachment 1

Total Compensation Study
Proposal – Koff & Associates

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July 20, 2017

Total Compensation Study Proposal

Western Riverside Council of Governments

Submitted by:

Koff & Associates

GEORG S. KRAMMER

Chief Executive Officer

2835 Seventh Street

Berkeley, CA 94710

www.KoffAssociates.com

gkrammer@koffassociates.com

Tel: 510.658.5633

Fax: 510.652.5633

July 20, 2017

Mr. Ernie Reyna, CFO
Western Riverside Council of Governments
4080 Lemon Street, 3rd Fl., MS 1032
Riverside, CA 92501-3609

Dear Mr. Reyna:

Thank you for the opportunity to respond to your Request for Proposal for a **Total Compensation Study**, which includes position review for seven (7) job categories, as well as evaluation and review of the salary ranges and benefits for those same categories, for the **Western Riverside Council of Governments** ("WRCOG"), to be completed by December 31, 2017. We are most interested in assisting WRCOG with this important study and feel that we are uniquely qualified to provide value to your organization based on our experience working with other cities, counties, JPAs, and non-profit agencies throughout California.

Koff & Associates is an experienced Human Resources consulting firm that has been providing human resources consulting services to cities, counties, special districts, courts, educational institutions, and other public agencies for over thirty-three (33) years. The firm has achieved a reputation for working success-fully with management, employees, and governing bodies. We believe in a high level of dialogue and input from study stakeholders and our proposal speaks to that level of effort. That extra effort has resulted in close to *100% implementation* of all of our classification and compensation studies.

Koff & Associates ensures that each of our projects is given the appropriate resources and attention, resulting in a high level of quality control, excellent communication between clients and our office, commitment to meeting timelines and budgets, and a consistently high-caliber work product.

As Chief Executive Officer of the firm, I would assume the role of Project Director and be responsible for the successful completion of the project. I can be reached at our Berkeley address and the phone number listed on the cover page. My email is gkrammer@koffassociates.com.

This proposal will remain valid for at least ninety (90) days from the date of submittal. Please call if you have any questions or wish additional information. We look forward to the opportunity to provide professional services to the Western Riverside Council of Governments.

Sincerely,



Georg S. Krammer
Chief Executive Officer

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PROPOSER QUALIFICATIONS

Koff & Associates (“K&A”) is a public sector human resources consulting firm that was founded in 1984 by Gail Koff; K&A has been assisting cities, counties, special districts, other public agencies, and non-profit organizations with their classification and compensation needs for over thirty-three (33) years.

We are a private corporation and our legal name is Kaneko & Krammer Corp. dba Koff & Associates. Our headquarters are located in Berkeley, CA, and we have satellite offices in Southern California, the Central Valley, and the Sacramento Region. We are a California State-certified Small Business Enterprise and a locally certified Very Small Local Business Enterprise (through County of Alameda). We are also a certified Small Local Business (SLB) through the County of Alameda, and a DBE (Disadvantaged Business Enterprise).

We are familiar with the various public sector organizational structures, agency missions, operational and budgetary requirements, and staffing expectations. We have extensive experience working in both union and non-union environments (including service as the management representative in meet & confer and negotiation meetings), working with Joint Power Authorities, City Councils, County Commissions, Boards of Directors, Boards of Supervisors, Boards of Trustees, and Merit Boards.

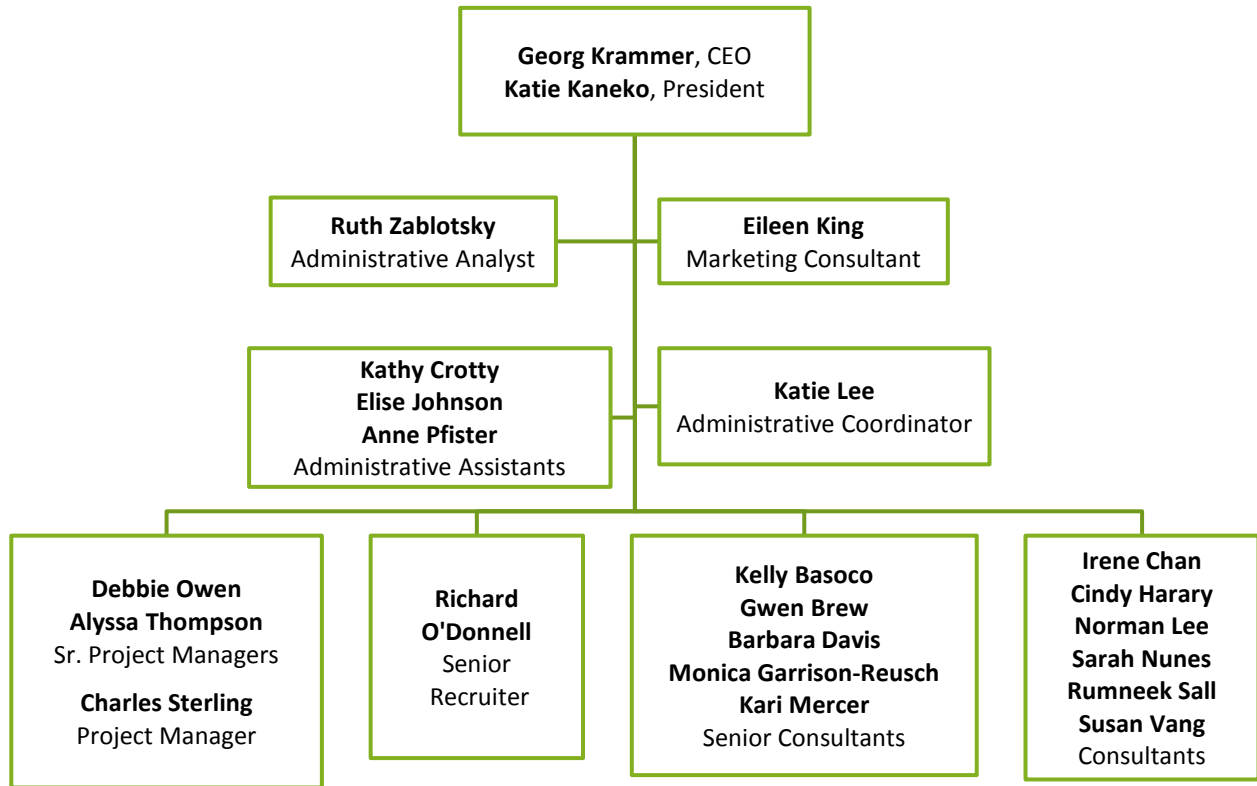
The firm’s areas of focus are classification and compensation studies (approximately 70% of our workload); organizational development/assessment studies; performance management and incentive compensation programs; development of strategic management tools; policy/procedure development and employee handbooks; training and development; executive search and staff recruitments; public agency consolidations and separations; Human Resources audits; and serving as off-site Human Resources Director for smaller public agencies that need the expertise of a Human Resources Director but do not need a full-time, on-site professional.

Without exception, all of our studies have successfully met all of our intended commitments; communications were successful with employees, supervisors, management, and union representatives; and we were able to assist each agency in successfully implementing our recommendations. All studies were brought to completion within stipulated time limits and proposed budgets.

Our long list of clients is indicative of our firm’s reputation as being a quality organization that can be relied on for producing comprehensive, sound, and cost-effective recommendations and solutions. K&A has a reputation for being “hands on” with the ability and expertise to implement its ideas and recommendations through completion in both union and non-union environments.

K&A relies on our stellar reputation and the recommendations and referrals of past clients to attract new clients. Our work speaks for itself and our primary goal is to provide professional and technical consulting assistance with integrity, honesty and a commitment to excellence. We are very proud of the fact that we have not had any formal appeals in 33 years, working with hundreds of public agency clients and completing hundreds of classification, compensation, organizational and other kinds of studies.

Our entire team consists of twenty-three (23) employees as shown below in our organizational chart.



No subcontractors will be assigned to this study.

TEAM MEMBER QUALIFICATIONS

All members of our team have worked on multiple total compensation studies and are well acquainted with the wide array of public sector organizational structures, compensation structures, classification plans, as well as the challenges and issues that arise when conducting studies such as this one for WRCOG.

Following are short biographies of the specific staff who will be assigned to this study:

Georg Krammer, M.B.A., S.P.H.R.

Chief Executive Officer

Georg brings close to twenty (20) years of management-level human resources experience to Koff & Associates with an emphasis in organizational development; classification and compensation design; market salary studies; executive and staff recruitment; performance management; and employee relations, in the public sector, large corporations and small, minority-owned businesses. He had five (5) years in the private sector where he served as an HR Manager, and Administrative Officer, and then HR Director.

After obtaining a Master of Arts in English and Russian and teaching credentials at the University of Vienna, Austria, Georg came to the United States to further his education and experience and attained his Master of Business Administration from the University of San Francisco. After starting his HR career in Wells Fargo's college recruiting department, he moved on to HR management positions in the banking and high-tech consulting industries. With his wide-ranging and deep experience as a well-rounded senior HR generalist, his education in business and teaching, his depth and breadth of experience with public sector HR needs, programs, and functions, Georg's contribution to K&A's variety of projects greatly complements the Koff & Associates consulting team. He has spearheaded several hundred classification, compensation, organizational, strategic planning, etc., studies for hundreds of cities, towns, counties, and special districts throughout the State of California and has contributed to more than quadrupling the size of Koff & Associates as a result of the success of his projects and the subsequent expansion of the business through referrals from satisfied clients. Georg joined K&A in 2003 and has been the firm's Chief Executive Officer since 2005.

Georg will be key personnel and serve as the Co-Project Director for this project; he will coordinate all of K&A's efforts, will attend all meetings with WRCOG, and will be responsible for all work products and deliverables.

Debbie Owen, CCP
Senior Project Manager

Debbie has over twenty (20) years of experience providing classification and compensation consulting services to public sector agencies; she has worked with clients across local government including cities, counties, special districts, and transit agencies. Her project roles include serving in the capacity of either project team member or project manager. Prior to beginning her public sector consulting career, Debbie worked as a Compensation and Benefits Specialist in the private sector for five (5) years.

In 1992, Debbie obtained her certification as a Certified Compensation Professional (CCP) from the American Compensation Association (now *WorldatWork*); to ensure current knowledge of compensation and benefits program trends and best practices, she maintains active membership in the *WorldatWork* organization.

Her specialized, diverse experience includes serving as a project team member on classification projects by facilitating employee orientation sessions, conducting employee job evaluation meetings, researching/evaluating classification concepts, analyzing data for employee allocations, developing/revising classification specifications and preparing classification reports. Her compensation experience includes base salary or total compensation survey development, labor market agency research and recommendations, comparable agency job matching, compensation data analysis, salary recommendations and preparing compensation reports. In addition to serving as a team member, Debbie has often served as a project manager, working with clients to evaluate their classification and

compensation needs, directing the work of teams to provide high quality deliverables consistent with best practices, presenting study findings to client stakeholders, and addressing feedback from the client.

Since joining K&A, Debbie has worked on the following projects, either as Co-Project Director or as Sr. Project Manager:

- County of El Dorado (class);
- County of Trinity (class and comp);
- County of Bernalillo, New Mexico (class);
- City of Campbell (small class studies and FLSA analysis);
- City of Redwood City (small class studies);
- City of National City (comp);
- Contra Costa County Employee Retirement System (CCCERA) (class and comp);
- El Dorado Hills Community Services District (class and comp);
- Sweetwater Authority (comp);
- Livermore Area Recreation and Parks District (class);
- Alameda-Contra Costa Transit (class and comp);
- Truckee Sanitary District (class and comp);
- Trabuco Canyon Water District (FLSA analysis and comp); and
- Western Municipal Water District (retirement system practices survey).

Debbie will serve as the Co-Project Director for this study; together with Georg, she will coordinate all of K&A's efforts, will attend all meetings with WRCOG, and will be responsible for all work products and deliverables. She will provide consultant support for this project, including compensation analysis, internal job analysis, development of recommendations, and implementation strategies.

Cindy Harary, B.A.
Consultant

Cindy's professional qualifications include over twenty-seven (27) years of experience in the Human Resources field, primarily in classification and compensation. She spent the first eleven (11) years in the public sector working for the City of Whittier, California, where she started out in their Public Works department before moving to the Human Resources Department. She gained experience in classification and compensation, recruitment and selection, employee training and development, labor relations, and general human resources administration.

For the next sixteen (16) years, Cindy worked as a Human Resources Consultant for another private human resources consulting firm where she specialized in conducting classification and compensation studies for multiple public sector agencies including cities, counties, and special districts as well as several private sector clients. While there, some of the Orange County cities she worked on in partnership with other consultants at that firm were: Cities of Brea, Laguna Beach, Lake Forest, La Palma, Los Alamitos, Placentia, San Clemente, Stanton, and Tustin. For cities in Los Angeles County, her Classification and Compensation

work includes: Cities of Corona, Downey, El Monte, Manhattan Beach, and Upland. Finally, in San Bernardino County she has done Classification and Compensation work for the City of Rancho Cucamonga.

Since joining K&A, Cindy has conducted Classification and/or Compensation work for Vallecitos Water District, in San Marcos; the Cities of National City; Anaheim; Santa Ana; Seal Beach; and Menifee; Sweetwater Authority, in Chula Vista; County of Orange-Public Works Study; Housing Authority of Alameda; Oro Loma Sanitary District; and South Coast Air Quality Management District, in Diamond Bar. She has worked on these studies in conjunction with Georg Krammer, CEO, and Project Director for each study.

Cindy earned her B.A. degree in Broadcast Journalism at California State University, Long Beach.

Cindy will provide consultant support throughout this effort for WRCOG, including compensation analysis, internal job analysis, development of recommendations, and implementation strategies.

REFERENCES

NOTE: We are currently conducting similar studies for the City of Murrieta, and the Eastern Municipal Water District.

Agency & Project	Contact
Calaveras Council of Governments Classification and Total Compensation Study, completed 2013.	Ms. Melissa Raggio Administrative Services Officer (209) 754-2094, Ext. 105 444 E. Saint Charles Street, Suite A San Andreas, CA 95249 mraggio@calacog.org
Humboldt County Association of Governments (HCAOG) Agency-wide Classification and Total Compensation Study, 2011.	Ms. Marcella Clem Executive Director (707) 444-8208 427 F Street, Suite 220 Eureka, CA 95501 Marcella.clem@hcaog.net <i>Note: our HCAG contact at the time of the study was Ms. Debbie Egger: Debbie.egger@hcaog.net</i>
Riverside County Transportation Commission Classification and Total Compensation Studies, completed in April 2013 and another in 2015.	Ms. Beth Gutierrez Human Resources Manager (951) 787-7941 4080 Lemon St., 3rd Floor Riverside, CA 92502 bgutierrez@rctc.org
SACOG (Sacramento Area Council of Governments) Classification and Compensation Study, 2016. Human Resources Services since 2014.	Mr. Erik Johnson Manager of Policy & Administration (916) 340-6247 1415 L Street, Suite 300 Sacramento, CA 95814 ejohnson@sacog.org
SANBAG (San Bernardino Associated Governments) Classification and Total Compensation Study, 2014.	Ms. Colleen Franco HR/Information Services Administrator (909) 884-8276 1170 W. 3rd St., 2nd Fl. San Bernardino, CA 91410-1715 cfranco@sanbag.ca.gov
San Bernardino International Airport / Inland Valley Development Agency (IVDA/SBIAA) Classification and Compensation Study, 2015.	Ms. Catherine Pritchett Sr. Asst. to the Executive Director Administrative Services (909) 382-4100, Ext. 134

Organizational Study, 2016.	1601 E. Third St. San Bernardino, CA 92408 cpritchett@sbdairport.com
Northern California Power Agency (NCPA) Compensation Study, 2016.	Ms. Vicki Cichocki Manager Human Resources (916) 781-4209 651 Commerce Drive Roseville, CA 95678 Vicki.Cichocki@ncpa.com
Santa Barbara County Association of Governments (SBCAG) Classification and Compensation Study, 2015. Executive Director position benchmarked and surveyed.	Ms. Bobbi Didier Director of Administrative Services (805) 961-8903 260 N. San Antonio Rd., Suite B Santa Barbara, CA 93110 bdidier@sbcag.org
San Francisco County Transportation Authority In 2010 K&A performed a Total Compensation Study and developed a Performance Management System; we also conducted Total Compensation Study updates in 2011, 2013 and 2015. The last Compensation Study included the Executive Director as a benchmarked, surveyed position.	Ms. Cynthia Fong Deputy Director for Finance & Administration (415) 522-4828 100 Van Ness Ave., 26th Floor San Francisco, CA 94102 Cynthia.fong@sfcta.org
Transportation Corridor Agencies Compensation Study, 2016.	Ms. Amy Potter Chief Financial Officer (949) 754-3498 125 Pacifica, Suite 100 Irvine, CA 92618-3304 apotter@thetollroads.com
City of Jurupa Valley Citywide Classification and Total Compensation Study, 2015.	Mr. Alan Kreimeier Director of Administrative Services (951) 332-6464 8930 Limonite Avenue Jurupa Valley, CA 92509 akreimeier@jurupavalley.org
City of Menifee Compensation Study, 2017. Citywide Classification and Total Compensation Study, 2011.	Mr. Bruce Foltz Finance Director (951) 723-3703 29714 Haun Road Menifee, CA 92586 bfoltz@cityofmenifee.us

City of Perris Classification and Total Compensation Study, 2007; Organizational Assessment Study, 2009; Classification and Total Compensation work, 2011; Classification Study, 2013.	Ms. Isabel Carlos Administrative Services Manager (951) 943-6100 101 N. D Street Perris, CA 92570 icarlos@cityofperris.org
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EXECUTIVE SUMMARY, APPROACH, METHODOLOGY

The Western Riverside Council of Governments (“WRCOG”) desires human resources consulting assistance to conduct an objective analysis of its compensation practices; recommend changes that result in equitable, competitive and legally defensible classification and pay practices that will both attract and retain qualified individuals as well as enhance opportunities for growth and professional development; evaluate the current employee benefit and compensation plan against comparable markets and comparable employers; provide recommendations for adjustments.

❖ WRCOG currently wishes to ensure the following positions and titles are classified properly:

1. Executive Director
2. Deputy Executive Director
3. Directors (3)
4. Program Managers (6)
5. Senior Analysts (4)
6. Staff Analysts (7)
7. Technicians (7)

❖ Based on the titles just provided, WRCOG wishes to determine whether the salary ranges are within averages of similar agencies:

1. Each position has 14 steps, 5% from step-to-step
2. Does position start too low?
3. Does position end too low?

❖ Finally, WRCOG wishes to review benefits, as compared to a comparable group of agencies.

The purpose of the study is to review WRCOG’s compensation structure for the studied positions, and conduct a total compensation market survey (salaries plus benefits) using a set of appropriate comparator agencies. The identification of comparator agencies, confirmation of benchmark classifications, and benefits to be collected is an iterative process that includes all stakeholders. We have found this open discussion philosophy to be critical to our success for organizational buy-in. Once the external data development is completed, we will make specific recommendations for internal equity for non-benchmarked classifications and classifications without a large enough market sampling.

The Total Compensation Study will contain specific recommendations regarding the integration of all study classifications into WRCOG’s compensation structure, with the goal of developing a clearly designed, internally equitable format that is flexible for career opportunity and future growth. Our study will make recommendations regarding a salary structure that takes WRCOG’s compensation preferences into consideration as well as the appropriate placement of each classification on WRCOG’s salary schedule.

The study includes a significant number of meetings with the Study Project Team, Human Resources, employees, and the Board of Directors, as desired. We have expertise in labor/management relations and understand the importance of active participation by all stakeholders to ensure a successful outcome.

The meetings and “stakeholder touch-points” that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and create a collaborative and interactive approach that will result in greater buy-in for study recommendations. This interactive approach, although time-consuming, has resulted in almost 100% implementation success of K&A’s studies.

Total Compensation Study Objectives:

- To review and understand all current documentation, rules, regulations, policies, procedures, budgets, class descriptions, organizational charts, memoranda of understanding (“MOU”), personnel policies, wage and salary schedules, and related information so that our recommendations can be operationally incorporated with a minimum of disruption;
- To conduct start-up Study Project Team meetings with management, study project staff, and other stakeholders to discuss any specific concerns with respect to the development of compensation recommendations; finalize study plans and timetables; conduct employee orientation sessions with management and staff in order to educate and explain the scope of the study and describe what are and are not reasonable study expectations and goals;
- To make recommendations regarding a list of appropriate comparator agencies, benchmark classifications, and benefits to be collected prior to beginning the compensation study;
- To collect accurate salary and benefit data from the approved group of comparator agencies and to ensure that the information is analyzed in a manner that is clear and comprehensible to the Study Project Team, Human Resources, management, the Board of Directors, and employees;
- To carefully analyze the scope and level of duties and responsibilities, requirements for successful work performance, and other factors for survey classes according to generally accepted compensation practices;
- To review WRCOG’s compensation structure and practices and develop compensation recommendations that will assist WRCOG in recruiting, motivating, and retaining competent staff;
- To develop a compensation structure that meets all legal requirements, is totally non-discriminatory, and easily accommodates organizational change, growth, and operational needs;
- To develop solutions that address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting WRCOG’s goals, objectives, and budget considerations;
- To evaluate benefit offerings in the labor market and make recommendations for better alignment and/or different benefit offerings as indicated by the analysis and best practices;
- To create a comprehensive final report summarizing the compensation study approach and methodology, analytical tools, findings, and recommended compensation structure;
- To recommend appropriate internal salary relationships and allocate classes to salary ranges in a comprehensive salary range plan;
- To work collaboratively and effectively with WRCOG and its stakeholders while at the same time maintaining control and objectivity in the conduct of the study;
- To document all steps in the process and provide documentation and training for Human Resources and other staff, as appropriate, in compensation analysis methodologies so that WRCOG can integrate, maintain, administer, and defend any recommended changes after the initial implementation; and

- To provide effective ongoing communications throughout the duration of the project and continued support after implementation.

Methodology / Work Plan / Deliverables:

Deliverable A: Meetings with the Study Project Team and Management Staff for Review of Process, Products and Documents Required

During the initial meeting with the Study Project Team, we will discuss the compensation study factors that need to be agreed upon. This deliverable includes identifying WRCOG's Study Project Team (Human Resources, etc.), contract administrator, and reporting relationships. Our team will conduct an orientation and briefing session with the Study Project Team to explain process and methodology; create the specific work plan and work schedule; identify subsequent tasks to be accomplished; reaffirm the primary objectives and specific end products; determine deadline dates for satisfactory completion of the overall assignment; determine who will be responsible for coordinating/scheduling communications with employees, managers, and stakeholders; and develop a timetable for conducting the same.

We are open to facilitating a meeting with the Board of Directors to ensure that we set appropriate expectations of this project, receive any direction, and provide any educational information, as appropriate.

Included in this task will be the gathering of written documentation, identifying current incumbents, and assembling current class descriptions, organizational charts, salary schedules, budgets, employment contracts, personnel policies, previous classification studies, and any other relevant documentation to gain a general understanding of WRCOG operations.

WRCOG terminology and methods of current compensation procedures will be reviewed and agreed to. We will discuss methodology, agree to formats for compensation results, identify appropriate comparator agencies, benchmark classifications, and benefits to be surveyed for compensation survey purposes. We will respond to any questions that may arise from the various stakeholders.

Deliverable B. List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected

During the initial meeting with the Study Project Team, we will discuss and agree to the compensation study factors. We will identify appropriate comparator agencies that will be included in the external market survey, which will be the foundation of ensuring that the agencies' salaries for the studied classifications are competitively aligned with the external labor market. We will also confirm those classifications that will be surveyed in the market (i.e., benchmark classifications), with the intention of internally aligning the remaining classifications with those that were surveyed. Finally, we will determine the list of benefits that WRCOG wants to include in the total compensation data gathering process.

1. Determination of Comparator Agencies

The selection of comparator agencies is considered a critical step in the study process. We typically use the following factors to identify appropriate comparators and will receive approval before proceeding with the total compensation survey.

Our recommended methodology is that we involve the Board of Directors, management, Human Resources, and employee representation in the decision-making process of selecting which comparable agencies are included, **PRIOR** to beginning the study. Our experience has shown that this is the most successful approach. The factors that we typically review when selecting and recommending appropriate comparator agencies include:

- **Organizational type and structure** – While various organizations may provide overlapping services and employ some staff having similar duties and responsibilities, the role of each organization is somewhat unique, particularly in regard to its relationship to the citizens it serves and level of service expectation. During this iterative process, WRCOG’s current/previous list of comparators and the advantages/disadvantages of including them or others will be discussed.
- **Similarity of population served, WRCOG demographics, WRCOG staff, and operational budgets** – These elements provide guidelines in relation to resources required (staff and funding) and available for the provision of services.
- **Scope of services provided** – While having an organization that provides all of the services at the same level of citizen expectation is ideal for comparators, as long as the *majority* of services are provided in a similar manner, sufficient data should be available for analysis.
- **Labor market** – The reality of today’s labor market is that many agencies are in competition for the same pool of qualified employees. Individuals often do not live in the community they serve. Therefore, the geographic labor market area (where WRCOG may be recruiting from or losing employees to) will be taken into consideration when selecting potential comparator organizations.
- **Cost-of-living** – The price of housing and other cost-of-living related issues are some of the biggest factors in determining labor markets. We will review overall cost-of-living of various geographic areas, median house prices, and median household incomes to determine the appropriateness of various potential comparator agencies.

We typically recommend using ten to twelve (10-12) comparator agencies but are flexible and can easily use a different approach based on WRCOG preferences.

2. Determination of Benchmark Classifications

In the same collaborative manner as described in Step 1 above, we will work with WRCOG stakeholders to select those classifications that will be surveyed.

“Benchmark classes” are ordinarily chosen to reflect a broad spectrum of class levels. In addition, those that are selected normally include classes that are most likely to be found in other similar agencies, and therefore provide a sufficient valid data sample for analysis. Internal relationships will be determined between the benchmarked and non-benchmarked classifications and internal equity alignments will be made for salary recommendation purposes. Due to the fact that the labor market typically yields reliable data, we recommend using approximately 60-65% of all classifications as benchmarks but we are happy to use a different model.

Due to the small number of classifications in this study (7), we will most likely survey the majority of them. The exception may be those classification series that have more than one level for which

we would typically only survey the journey-level and internally align the other levels of the class series. We are happy to discuss our methodology with WRCOG if we are selected to perform this project. It looks like the organization uses broad classifications and we may want to survey separate functions within each classification. Again, the final decision will be made in collaboration with the agency.

3. Determination of Salary and Benefits Data to Be Collected

In addition to base salaries, benefit data elements for a Total Compensation Study normally include at least the following (which are generally available to all staff in a specific job classification):

- **Monthly Salary** – The top of the normal, published salary range. All figures are presented on a monthly or annual basis. We normalize the salary data to reflect number of hours in the work week and/or roll-up of retirement or other benefits in base salaries.
- **Employee Retirement** – This includes two figures: the amount of the employee’s State or other public or private retirement contribution that is contributed by the agency and the amount of the agency’s Social Security contribution.
- **Retiree Healthcare** – With healthcare costs rising and retiree healthcare and liabilities increasing for many public agencies, we also collect this information.
- **Insurance** – This typically includes Health, Dental, Vision, Life, Long-Term Disability, Short-Term Disability, and other insurance coverage.
- **Leave** – Other than sick leave, which is usage-based, leave is the amount of days off for which the organization is obligated. All days will be translated into direct salary costs.
 - ❖ **Vacation:** The number of vacation days available to all employees after five (5) years of employment.
 - ❖ **Holidays:** The number of holidays (including floating) available to the employee on an annual basis.
 - ❖ **Administrative/Personal Leave:** Administrative leave is normally the number of days available to management staff to compensate for the lack of payment for overtime. Personal leave may be available to other groups of employees to augment vacation or other time off.
- **Deferred Compensation** – We report any employer contribution made on the employee’s behalf, whether dollar amount or percentage of salary, that does not require an employee-matching contribution. We can also report employer contributions that do require an employee match and would do so as a separate report.
- **Other** – This category includes any other benefits that are available to all employees within a classification and not already specifically detailed.

Deliverable C. Data from Comparators

K&A does not collect market compensation data by merely sending out a written questionnaire. We find that such questionnaires are often delegated to the individual in the department with the least experience in the organization and given a low priority. Our experienced compensation analysts conduct all of the data collection and analysis to ensure validity of the data and quality control. This approach also ensures that we compare job description to job description and not just job titles, therefore ensuring true

“matches” of at least 70%, which is the percentage we use to determine whether to include a comparator classification or not. Our job analysis method is the whole position analysis approach. Objective factors in the whole position classification methodology include:

1. Education, Training, and Certifications/Licenses
2. Required Experience
3. Problem Solving/Ingenuity
4. Attention/Stress (Concentration/Time Pressure & Interruptions)
5. Independence of Action/Responsibility
6. Contacts with Others/Internal/External
7. Supervision Received and/or Given to Others
8. Consequences of Action/Decisions Made on the Job
9. Equipment Used
10. Working Conditions
11. Physical/Mental Demands

Our analysis will include written documentation of our assessment methodology and assessment for each position surveyed.

We typically collect classification descriptions, organization charts, salary schedules, personnel policies, MOUs, and other information via website, by telephone, or by an onsite interview. With the prior knowledge from the data gathered directly from each comparator agency and our experience in the public sector human resources field, our professional staff makes preliminary “matches” and then schedules appointments by telephone, or sometimes in person, with knowledgeable individuals to answer specific questions. We find that the information collected using these methods has a very high validity rate and allows us to substantiate the data for employees, management, and governing bodies.

Deliverable D. Analysis and Preliminary Review of Data

Data will be entered into spreadsheet format designed for ease of interpretation and use. The information will be presented in a format that will identify the comparator positions used for each classification comparison. Information will be calculated based upon both average and median figures allowing WRCOG to make informed compensation decisions.

Other elements of the compensation survey report are agencies surveyed; comparable class titles; salary range maximum/control point; number of observations; and percent of WRCOG’s salary range is above/below the market values. In addition, we will include any type of statistical representation and analysis that WRCOG desires such as 60th, 70th, or any other percentiles.

Benefits data will be displayed in an easy-to-read format. You will receive three sets of spreadsheets per classification, one with base pay, one with the benefits detail, and one with total compensation statistical data. In addition, we are often asked to collect “other” benefits (as listed in the benefits section above), which we typically report on a separate spreadsheet.

Deliverable E. Draft Compensation Findings/Additional Analysis/Study Project Team Meetings

We distribute our draft findings to the Study Project Team. After their preliminary review, K&A will meet with the Study Project Team and other stakeholders (including management, employees, and Human Resources) to clarify data, to receive requests for reanalysis of certain comparators, and to answer questions and address concerns. This provides an opportunity for the Study Project Team and other stakeholders to review and question any of our recommended benchmark comparator matches. If questions arise, we conduct follow-up analysis to reconfirm our original analysis and/or make corrections as appropriate.

Deliverable F. Analysis of Internal Relationships and Alignment

To determine internal equity for all studied positions, considerable attention will be given to this phase of the project. It is necessary to develop an internal position hierarchy based on the organizational value of each classification. Again, we utilize the whole position analysis methodology as described earlier, in Deliverable C.

By reviewing those factors, we will make recommendations regarding vertical salary differentials between classes in a class series (if recommended), as well as across departments. This analysis will be integrated with the results of the compensation survey and WRCOG's existing compensation plan.

The ultimate goal of this critical step in the process is to address any potential internal equity issues and concerns with the current compensation system, including compaction issues between certain classifications. We will create a sound and logical compensation structure for the various levels within each class series, so that career ladders are not only reflected in the classification system but also in the compensation system, with pay differentials between levels that allow employees to progress on a clear path of career growth and development. Career ladders will be looked at vertically, as well as horizontally, to reflect WRCOG's classification structure.

Deliverable G. Compensation Structure and Implementation Plan

Depending on data developed as a result of the internal analysis, we will review and make recommendations regarding internal alignment and the salary structure (set of salary ranges, salary differentials, steps within ranges, the number of steps and how to place the lowest and highest steps, and/or alternative compensation plans) within which the classes are allocated, based upon WRCOG's preferred compensation model. In addition, we will develop externally competitive benefit comparisons for all classifications. Finally, we will develop a proposed implementation plan based on the study results and recommendations.

We will conduct a competitive pay analysis using the market data gathered to assist in the determination of external pay equity and the recommendation of a new base compensation structure. We will conduct a comparative analysis to illustrate the relationships between current pay practices and the newly determined market conditions and develop solutions to address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting WRCOG goals, objectives, and budget considerations. We will develop recommendations

covering special compensation issues such as salaries above the maximum; seniority; promotions; maintenance of the salary schedules; etc.

Draft recommendations will be discussed with the Study Project Team and management for discussions and decisions on overall pay philosophy and the practicality of acceptance and prior to developing an Interim Report.

Deliverable H. Final Report and Guidelines for Implementation

The Draft Interim Report of the Total Compensation Study will be completed and submitted to the Study Project Team for review and comment. The report will provide detailed compensation findings, documentation, and recommendations. It will include:

- A set of all market data spreadsheets;
- A proposed Salary Range document;
- A procedure to address employees whose base pay exceeds the maximum of their newly assigned pay range;
- Implementation issues and cost projections surrounding our recommendations; and
- A guide for rules, policies and procedures for WRCOG in implementing, managing and maintaining the compensation system.

Once all of WRCOG's questions/concerns are addressed and discussed, a Final Compensation Report will be created and submitted in bound format. The Final Report will incorporate any appropriate revisions identified and submitted during the review of the draft report.

Deliverable I. Formal Appeals Support

Should WRCOG have a formal appeal process regarding the allocation of positions to classifications and of classifications to salary ranges, this proposal does not cover time regarding a formal appeal process. If our on-site participation is desired, our stated composite hourly rate will be honored. As mentioned above, however, our internal process usually addresses any appeal issues.

Deliverable J. Final Presentation

Our proposal includes multiple meetings and weekly oral and written status/progress updates to the Study Project Team. Regarding the involvement of the Board of Directors, we recommend at least one initial meeting to confirm the comparator agencies to be included in the study, one interim study session (to discuss the initial findings of the compensation study), and one final presentation of our Final Report. Of course, we are flexible regarding having more or less interaction with the Board, based on WRCOG's preferences.

❖ Post-Implementation Consultation and Support

We are committed to providing WRCOG with the highest-quality product and service. Providing ongoing consultation and support after study implementation is a service that is included in our professional fees and a continued relationship-building aspect of our client relationship that we highly value.

We often find that clients will call or email with follow-up questions and to discuss certain aspects of the study, ask why decisions and recommendations were made, and other important components of the study. We consider post-implementation support as part of our customer service.

Should WRCOG request any additional onsite meetings and/or training after implementation of the study and/or other specific, identifiable work efforts, such as position reclassification studies, creating new class descriptions, or conducting annual surveys, we would honor our composite hourly rate for actual hours spent at WRCOG. However, from experience, we expect that most follow-up support will be conducted via telephone and email and this is absolutely included in our “Not To Exceed Fee” for this project.

❖ Stakeholder Engagement

The meetings and communications with stakeholders that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and encourage a collaborative and interactive approach that will result in greater buy-in for study recommendations. This interactive approach, although time-consuming, has resulted in almost 100% implementation success of K&A's studies.

We believe in an interactive and collaborative process with the whole organization and in a high level of stakeholder contact and interaction to ensure organizational buy-in of the study throughout the entire process. Following are the major milestones at which we touch base with Human Resources, employees, managers, and other stakeholders, as appropriate:

- Initial study kick-off and employee/management orientation meetings;
- Stakeholder input regarding a list of appropriate comparator agencies;
- WRCOG stakeholder review of compensation study data and contact with them to address any challenges to the market comparables we identified for each classification;
- Stakeholder input on internal salary relationship analysis and recommendations; and
- Stakeholder input regarding final compensation plans and structure recommendations.

These steps will ensure that the study results in a product that is accepted and trusted by all levels within the organization. Beyond sound mechanics, our approach includes sufficient communication steps to ensure that the study methodology is understood and the results are regarded as expert, impartial, and fair.

TIME REQUIREMENTS

Our professional experience is that compensation studies of this scope and for this size organization take approximately three to four (3-4) months to complete, allowing for adequate compensation data collection and analysis, review steps by WRCOG, the development of final reports, any appeals, and presentations.

Therefore, completion of the study by year-end, in time for the January 2017 time frame you referenced, is reasonable and achievable. Please note, however, we would be able to start the project in September. The following is a suggested timeline (which can be modified based on WRCOG's needs):

Deliverable	Total Compensation Study	Week #
A.	Meetings with Study Project Team and Management Staff for Initial Documentation Review	Week 1
B.	List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected	Week 2
C.	Data from Comparators	Week 8
D.	Analysis and Preliminary Review of Data	Week 9
E.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	Week 12
F.	Analysis of Internal Relationships and Alignment	Week 13
G.	Compensation Structure and Implementation Plan	Week 14
H.	Final Report and Guidelines for Implementation	Week 15
I.	Formal Appeals Support *	As Needed
J.	Final Presentation	As Scheduled

COST PROPOSAL

We have often found our process requires a very high level of time commitment, which sometimes results in a higher proposal cost. We believe that our methodology and implementation success rate is attributable to the significantly greater level of contact we have with management, governing body, and staff. The time we commit to working with the employees (orientations and briefings, meetings with employees via personal interviews, informal appeal process, etc.) results in significantly greater buy-in throughout the process and no formal appeals at the end of the study.

In fact, our firm has never had a formal appeal to any of our studies in our 33 years in business. It has been our experience that the money and time invested in stakeholder communication throughout the study are money and time saved during implementation. Numerous times our firm has been hired after an agency has gone through an unsuccessful study whose results were rejected or appealed and whose implementation was very controversial. The result was a divided organization with hostility and animosity between employees/employee representation and management. Whenever our firm was hired after such an unfortunate experience, study stakeholders were amazed at our open and all-inclusive process, our efforts to elicit equal stakeholder input, and our development of recommendations that were

accepted as fair and reasonable and understood by management, employees, and the governing body. Our success rate is also attributable to the fact that we have over 33 years of experience working with employees of all types of backgrounds, educational levels, and work experiences, and we are accustomed to successfully communicating with and educating them throughout the process. It is imperative that all employees eventually buy into the study results and recommendations, whether they have been through a process like this before or whether this is the first time for them.

Our clients always provide feedback that our process was professional, comprehensive, understandable, timely, and inclusive. Employees, although not necessarily always happy with our recommendations, have always indicated that we listened to their issues and concerns and were available for discussion, as required. Although time consuming, we also drive the process to ensure that timelines are met and schedules are maintained.

Deliverables	Total Compensation Study	Hours
A.	Meetings with Study Project Team and Management Staff for Initial Documentation Review	12
B.	List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected	12
C.	Data from Comparators ❖ up to 12 benchmarks, up to 12 comparators	40
D.	Analysis and Preliminary Review of Data ❖ up to 12 benchmarks, up to 12 comparators	20
E.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	12
F.	Analysis of Internal Relationships and Alignment	4
G.	Compensation Structure and Implementation Plan	12
H.	Final Report and Guidelines for Implementation	16
I.	Formal Appeals Support *	0
J.	Final Presentation	10
	Anticipated hours for additional unscheduled meetings and phone calls	8
	Total Professional Hours	146
	Combined professional and clerical composite rate: \$135/Hour	\$19,710
	Expenses are included in our combined composite rate:	N/A
	<i>Expenses include but are not limited to duplicating documents, binding reports, phone, fax, supplies, postage, travel expenses, per diem, etc.</i>	
	TOTAL NOT-TO-EXCEED COST FOR PROJECT:	\$19,710
	*Additional consulting will be honored at composite rate (\$135/Hour)	

INSURANCE ACKNOWLEDGEMENT

We will submit and support the levels of coverage and endorse WRCOG with our General Liability coverage upon award of a contract for the project.

Workers' Compensation:	Statutory Limits
Commercial General Liability:	\$2,000,000 per occurrence
Professional Liability (Errors & Omissions):	\$1,000,000 per occurrence
Automobile Insurance:	\$1,000,000 per occurrence

Our insurance broker is Ms. Eileen Hollander, Sr. Account Manager/Commercial Lines, Integro Insurance Brokers, 2300 Contra Costa Blvd., Suite 375, Pleasant Hill, CA 94523.

Signature Page

Koff & Associates intends to adhere to all of the provisions described above.

This proposal is valid for ninety (90) days.

Respectfully submitted,

By: KOFF & ASSOCIATES
State of California



Georg S. Krammer
Chief Executive Officer

July 20, 2017





Western Riverside Council of Governments

Administration & Finance Committee

Staff Report

Subject: Visioning Session Scheduled for October 12, 2017

Contact: Jennifer Ward, Director of Government Relations, jward@wrcog.us, (951) 955-0186

Date: October 11, 2017

The purpose of this item is to remind the Administration & Finance Committee of the upcoming Agency Visioning Session.

Requested Action:

1. Receive and file.

Staff will provide a verbal update on the planning and preparations for the Agency's upcoming visioning session, to be held on Thursday, October 12, 2017, from 8:30 a.m. to 12:30 p.m. at the Western Municipal Water District offices in Riverside. Executive Committee and Technical Advisory Committee members are encouraged to participate in this session, and all WRCOG Committee members are welcome to attend.

Prior Action:

September 13, 2017: The Administration & Finance Committee received report.

Fiscal Impact:

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

Attachment:

None.