



Western Riverside Council of Governments Executive Committee

AGENDA

**Monday, February 3, 2020
2:00 p.m.**

**County of Riverside
Administrative Center
4080 Lemon Street
1st Floor, Board Chambers
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 Executive Committee meeting, please contact WRCOG at (951) 405-6703. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 3390 University Avenue, Suite 200, Riverside, CA, 92501.

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

- 1. CALL TO ORDER / ROLL CALL (Bonnie Wright, Chair)**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PUBLIC COMMENTS**

At this time members of the public can address the Executive Committee regarding any items within the subject matter jurisdiction of the Executive Committee that are not separately 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 Executive Committee in writing and only pertinent points presented orally.

4. MINUTES

- A. Summary Minutes from the December 2, 2019, Executive Committee Meeting are Available for Consideration.**

P. 1

Requested Action: 1. *Approve the Summary Minutes from the December 2, 2019, Executive Committee meeting.*

5. 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 Executive Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Executive Committee request specific items be removed from the Consent Calendar.

Action items:

- | | | | |
|----|---|----------------------------|--------------|
| A. | Appointment of a WRCOG Representative to a SCAG Policy Committee | Rick Bishop | P. 9 |
| | <p><u>Requested Action:</u> 1. <i>Support the Administration & Finance Committee's recommendation to appoint Micheal Goodland to SCAG's Community, Economic, and Human Development Policy Committee for a term commencing February 3, 2020, ending December 31, 2020.</i></p> | | |
| B. | Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year | Rick Bishop | P. 11 |
| | <p><u>Requested Action:</u> 1. <i>Approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.</i></p> | | |
| C. | PARS Trust / CalPERS Unfunded Accrued Liability Update | Andrew Ruiz | P. 17 |
| | <p><u>Requested Action:</u> 1. <i>Adopt Resolution Number 03-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving the adoption of the Public Agencies Post-Employment Benefits Trust administered by Public Agency Retirement Services.</i></p> | | |
| D. | California Resilience Challenge 2020 Grant | Casey Dailey, WRCOG | P. 23 |
| | <p><u>Requested Action:</u> 1. <i>Adopt Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.</i></p> | | |

Information items:

- | | | | |
|----|---|---------------------------|--------------|
| E. | Finance Department Activities Update | <i>Andrew Ruiz</i> | P. 45 |
| | <u>Requested Action:</u> 1. <i>Receive and file.</i> | | |
| | | | |
| F. | WRCOG Committees and Agency Activities Update | <i>Chris Gray</i> | P. 51 |
| | <u>Requested Action:</u> 1. <i>Receive and file.</i> | | |

G. Regional Streetlight Program Activities Update Daniel Soltero P. 59

Requested Action: 1. Receive and file.

H. Western Riverside Energy Partnership Program Activities Update Anthony Segura P. 61

Requested Action: 1. Receive and file.

I. Report out of WRCOG Representatives on Various Committees Rick Bishop P. 63

Requested Action: 1. Receive and file.

J. Budget Update – A Look Forward for 2020 Andrew Ruiz P. 75

Requested Action: 1. Receive and file.

6. REPORTS / DISCUSSION

A. Report from the League of California Cities Erin Sasse, League of California Cities P. 79

Requested Action: 1. Receive and file.

B. Public Service Fellowship Activities Update Rachel Singer, WRCOG P. 81

Requested Actions:

1. Require agencies applying for a WRCOG Fellow to contribute 50% towards the cost of that Fellow.
2. Require agencies applying for a WRCOG Fellow to provide a specific description of the tasks the Fellow is expected to work when applying for that Fellow.
3. Limit future Fellows to working no more than 30 hours per week.
4. Maintain WRCOG's policy of alternating Fellow placement to give priority to ensure that each agency can receive a Fellow in alternating years.
5. Direct staff to reach out to UCR, CBU, and Cal State San Bernardino to further inquire if financial contribution is feasible.
6. Implement an Exit Interview for Fellows and host agency supervisors.

C. PACE Programs Activities Update: Refunding of WRCOG-Issued Commercial Bonds Casey Dailey, WRCOG P. 99

Requested Actions:

1. Adopt Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of certain Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds (WRCOG Program and California Program) for the purpose of defeasing and refunding certain outstanding commercial bonds,

appointing a Trustee and certain other professionals, approving agreements to be executed in connection with the issuance of the Refunding Bonds and certain other actions.

2. *Approve the Letter of Terms and Conditions; Indenture of Trust between the City and The Bank of New York Mellon Trust Company, N.A.; Irrevocable Refunding Instructions to the Trustee; and Placement Agent Agreement between WRCOG and Piper Sandler Companies.*
3. *Ratify Exhibit A: Good Faith Estimate from Resolution 32-19, approved on December 2, 2019.*

D. Western Community Energy Activities Update **Barbara Spoonhour, WRCOG** **P. 209**

Requested Action: 1. *Receive and file.*

E. TUMF Program 2018/2019 Year in Review **Chris Gray, WRCOG** **P. 211**

Requested Action: 1. *Receive and file.*

F. California's New Water Efficiency Laws: Water Targets for Agencies, not Individuals **Craig Miller, WMWD** **P. 215**

Requested Action: 1. *Receive and file.*

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR **Chris Lopez**

8. REPORT FROM COMMITTEE REPRESENTATIVES

SCAG Regional Council and Policy Committee Representatives
SCAQMD, Ben Benoit
CALCOG, Brian Tisdale
SAWPA OWOW Committee, Rusty Bailey
SANDAG Borders Committee, Crystal Ruiz

9. REPORT FROM THE EXECUTIVE DIRECTOR **Rick Bishop**

10. ITEMS FOR FUTURE AGENDAS **Members**

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

11. GENERAL ANNOUNCEMENTS **Members**

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

12. NEXT MEETING: **The next Executive Committee meeting is scheduled for Monday, March 2, 2020, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor, Board Chambers.**

13. ADJOURNMENT

Western Riverside Council of Governments

4.A

Regular Meeting

~ Minutes ~

Monday, December 2, 2019

2:00 PM

County Administrative Center

1. CALL TO ORDER

The meeting was called to order by Chair Bonnie Wright at 2:02 p.m. on December 2, 2019, at the Riverside County Administrative Center, 4080 Lemon Street, Riverside.

Jurisdiction	Attendee Name	Status	Arrived / Departed
City of Banning	Daniela Andrade	Present	1:55 PM
City of Beaumont	Mike Lara	Present	1:55 PM
City of Calimesa	Larry Smith	Present	1:55 PM
City of Canyon Lake	Jordan Ehrenkranz	Present	1:55 PM
City of Corona	Jason Scott	Present	1:55 PM
City of Eastvale	Joseph Tessari	Present	1:55 PM
City of Hemet	Bonnie Wright	Present	1:55 PM
City of Jurupa Valley	Micheal Goodland	Present	1:55 PM
City of Lake Elsinore	Brian Tisdale	Present	1:55 PM
City of Menifee	Lesa Sobek	Present	1:55 PM
City of Moreno Valley		Absent	
City of Murrieta	Kelly Seyarto	Present	1:55 PM
City of Norco	Kevin Bash	Present	1:55 PM
City of Perris	Rita Rogers	Present	2:08 PM
City of Riverside	Rusty Bailey	Present	1:55 PM
City of San Jacinto	Crystal Ruiz	Present	1:55 PM
City of Temecula	James Stewart	Present	1:55 PM
City of Wildomar	Ben Benoit	Present	1:55 PM
District 1		Absent	
District 2	Karen Spiegel	Present	1:55 PM
District 3		Absent	
District 5		Absent	
EMWD		Absent	
WMWD	Brenda Dennstedt	Present	1:55 PM
Morongo Band of Mission Indians		Absent	
Office of Education (ex-officio)	Dr. Judy White	Present	1:55 PM
TAC Chair		Absent	
Executive Director	Rick Bishop	Present	1:55 PM

Note: Times above reflect when the member logged in; they may have arrived at the meeting earlier.

2. PLEDGE OF ALLEGIANCE

Committee member Brian Tisdale led members and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

There were no public comments.

4. MINUTES

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Calimesa
SECONDER:	WMWD
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Riverside, San Jacinto, Temecula, Wildomar, District 2, WMWD
ABSENT:	Moreno Valley, Perris, District 1, District 3, District 5, EMWD, Morongo Band of Mission Indians

A. Summary Minutes from the November 4, 2019, Executive Committee Meeting are Available for Consideration

Action: 1. *Approved the Summary Minutes from the November 4, 2019, Executive Committee meeting.*

5. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Murrieta
SECONDER:	Banning
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Riverside, San Jacinto, Temecula, Wildomar, District 2, WMWD
ABSENT:	Moreno Valley, Perris, District 1, District 3, District 5, EMWD, Morongo Band of Mission Indians

A. TUMF Program Activities Update: TUMF Reimbursement Agreement Amendment

Action: 1. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment Number 6 with the City of Moreno Valley for the Moreno Beach Drive / SR-60 Interchange reallocation of funding the amount of \$400,000.00 from the Engineering Phases to the design phase.*

B. Approval of General Assembly and Executive Committee 2020 Meeting Schedule

Action: 1. *Approved the Schedule of General Assembly and Executive Committee meetings for 2020.*

C. Resolution to Submit Grant Application for the Water Sustain and Manage America's Resources for Tomorrow (SMART) Cooperative Watershed Management Program Phase I Grants

Action: 1. *Adopted Resolution Number 33-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of an application for the WaterSMART Cooperative Watershed Management Program Phase I Grants from the Department of the Interior Bureau of Reclamation.*

D. Western Riverside Energy Partnership Program Activities Update

Action: 1. *Directed the Executive Director to execute the Partnership contract with Southern California Gas Company to jointly deliver the 2020 Energy Partnership Program, including the continuation of the Western Riverside Energy Partnership, substantially as to form.*

E. Finance Department Activities Update

Action: 1. *Received and filed.*

F. WRCOG Committees and Agency Activities Update

Action: 1. *Received and filed.*

G. Report out of WRCOG Representatives on Various Committees

Action: 1. *Received and filed.*

H. Regional Housing Needs Assessment Methodology Activities Update

Action: 1. *Received and filed.*

I. SoCal AltCar Conference, Expo, and Ride & Drive Recap

Action: 1. *Received and filed.*

J. California Clean Air Day Activities Update

Action: 1. *Received and filed.*

K. Regional Energy Network Development Activities Update

Action: 1. *Received and filed.*

L. Grant Writing Assistance Program Activities Update

Action: 1. *Received and filed.*

M. Western Community Energy Activities Update

Action: 1. *Received and filed.*

N. TUMF Nexus Study Principles and Goals

Action: 1. *Received and filed.*

6. REPORTS / DISCUSSION**A. Report from the League of California Cities**

Erin Sasse, League of California Cities Regional Public Affairs Manager, reported that if a city has not applied for any SB 2 funding grants, it has until December 20, 2020. The League's legislative report is now available on the League's website. If any jurisdiction experienced any issues with the power shutoffs last week, the California Public Utilities Commission is seeking comments. The National League of Cities recently held its annual conference; Los Angeles City Council member Joe Buscaino was elected as the Chair.

Action: 1. *Received and filed.*

B. Connect SoCal Development Presentation

Philip Law, Transit / Rail Manager of the Southern California Association of Governments (SCAG), reported that the Connect SoCal is SCAG's Regional Transportation Plan / Sustainable Communities Strategy (RTP/SCS) and is currently out for public comment; the RTP/SCS is updated every four years. Some of the goals of the RTP/SCS include improving air quality, maximizing mobility and infrastructure, and contributing to a robust economy and regional resilience.

The Connect SoCal plan is based upon a robust public and stakeholder engagement process. A number of workshops were held in Western Riverside County earlier this year. The draft Connect SoCal is anticipated to be approved in April 2020.

Southern California is a housing-poor region; 57% of renters spend more than 30% of their salaries on rent. Between the years of 2008 and 2016 the region grew by approximately 200k households and added nearly 1 million new residents. Growth in multi-family housing outpaced single-family homes.

Over 71 million trips were made in a typical weekday in 2016; a majority of these trips were made in single occupancy vehicles. Some challenges to this region include traffic congestion, a deteriorating transportation system, and disproportionate impacts on disadvantaged populations.

For the 2045 planned horizon year, this region is anticipated to grow by an additional 3.5M people, 1.5M households, and 1.5M jobs. By the year 2045, one in five people will be aged 55 or over. Specific to Riverside County in terms of population, it will increase by an additional 888k people.

Connect SoCal's core vision include strategies such as complete streets, sustainable development, demand and system management, transit backbone, system preservation and resilience, and goods movement.

Key connections of Connect SoCal include smart cities and job centers, housing supportive infrastructure, go zones, shared mobility and mobility as a service, and accelerated electrification.

The anticipated cost of Connect SoCal through the year 2045 is \$639B. Projected available

funding is approximately \$500B. New funding sources have been identified to address the shortfall. Connect SoCal is anticipated to decrease vehicle miles traveled (VMT) by 4%. Connect SoCal plans to add 157,100 jobs per year to the region over the life of the plan. Specific to Riverside County, VMT is expected to reduce by 4%.

Committee member Crystal Ruiz indicated that the Inland Empire will be hit hardest by the VMT tax. We need jobs in local communities so residents do not have to commute.

Action: 1. Received and filed.

C. 1st Quarter Draft Budget Amendment for Fiscal Year 2019/2020

Andrew Ruiz, WRCOG Chief Financial Officer, reported that the Transportation & Planning, Energy, and Environmental Departments had an increase in expenditures; overall the Agency budget still remains balanced. WRCOG will transfer funds to Western Community Energy (WCE) to offset necessary staffing positions in the coming months. WCE will purchase energy to be delivered through Southern California Edison's transmission lines.

Action: 1. Approved the 1st Quarter Draft Agency Budget Amendment for Fiscal Year 2019/2020.

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Wildomar
SECONDER:	Riverside
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, District 2, WMWD
ABSENT:	Moreno Valley, District 1, District 3, District 5, EMWD, Morongo Band of Mission Indians

D. Regional Streetlight Program Activities Update

Daniel Soltero, WRCOG Staff Analyst, reported that as of November 2019, over 28,000 of 55,000 streetlights have been retrofit to LED fixtures. Of the 11 participating jurisdictions, 10 are utilizing the Streetlight Program for streetlight retrofit and Operations and Maintenance (O&M). Once all streetlights are retrofit, staff anticipates a significant decrease in work orders.

The Program provides for 24/7 telephone and web-based reporting, as well as routine O&M services.

Action: 1. Received and filed.

E. PACE Program Activities Update

Casey Dailey, WRCOG Director of Energy & Environmental Programs, reported that since 2017, WRCOG has added three new Commercial PACE (C-PACE) providers to its Program, and has more providers pending. Due to pre-existing contractual relationships with other bond issuers in California, not all providers have access within WRCOG's statewide Program. A resolution is being presented today and, if approved, will provide Renovate America to operate within the statewide Program, which will allow Renovate America to originate C-PACE projects, and allow for other C-PACE providers to work with Renovate.

- Actions:**
1. *Approved and authorized the Executive Director to execute a HERO Commercial Programs Administration Agreement, as to form.*
 2. *Adopted Resolution Number 32-19; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing Renovate America to administer and finance eligible improvement to be installed on commercial properties and in connection with such authorization, approving amendments to the Program Report for the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the form of a commercial handbook, agreement to pay assessment and finance improvements, indenture authorizing the issuance of bonds pursuant to such indenture and subsequent indentures in similar form secured by assessments levied on commercial properties to finance the installation of authorized improvements on such commercial properties and approving other action in connection thereto.*

RESULT: APPROVED AS RECOMMENDED**MOVER:** Wildomar**SECONDER:** Murrieta**AYES:** Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, District 2, WMWD**ABSENT:** Moreno Valley, District 1, District 3, District 5, EMWD, Morongo Band of Mission Indians**7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR**

The Technical Advisory Committee Chair was not present.

8. REPORT FROM COMMITTEE REPRESENTATIVES

Micheal Goodland, California Association of Councils of Government (CALCOG) representative, reported that CALCOG recently had its most successful year in the time of its existence. The Safe Affordable Fuel-Efficient (SAFE) Vehicles rule will negatively affect local jurisdictions; CALCOG has detailed information on the SAFE rule on its website of www.calcoq.org. CALOG's California Academy held its first graduation with a class of 23 people. CALCOG's website has been updated. CALCOG had developed an icon for its website regarding the Regions Rise Together initiative – the Governor's developing framework for economic development. The Governor's office is now using CALCOG's icon for its initiative. Committee member Goodland shared a number of other topics of discussion at that meeting.

Rusty Bailey, Santa Ana Water Project Authority One Water One Watershed representative, reported that there is funding through Proposition 1 for technical assistance in disadvantaged communities, and five projects received funding through the Proposition 1 Round 1 Integrated Regional Water Management Project grant.

9. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that CALCOG will be holding its 2020 Annual Conference in Riverside. Mr. Bishop introduced WRCOG Program Manager, Cameron Brown, who was hired in the Transportation Department. WRCOG is hosting its 5th Annual Holiday LED Light Exchange & Energy Efficiency Kit Give-Away events in various jurisdictions throughout the subregion. A video highlighting the recent SoCal Alt Car Expo, Conference, and Ride & Drive was shared.

10. ITEMS FOR FUTURE AGENDAS

There were no items requested for future agendas.

11. GENERAL ANNOUNCEMENTS

Chair Bonnie Wright announced that the City of Hemet is holding its annual Christmas Parade on Saturday, December 7, 2019.

12. CLOSED SESSION

The Executive Committee authorized the initiation of litigation.

RESULT: APPROVED AS RECOMMENDED**MOVER:** Wildomar**SECONDER:** Murrieta**AYES:** Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, District 2, WMWD**ABSENT:** Moreno Valley, District 1, District 3, District 5, EMWD, Morongo Band of Mission Indians**13. NEXT MEETING**

The next Executive Committee meeting is scheduled for Monday, January 6, 2020, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor Board Chambers, Riverside.

14. ADJOURNMENT

The meeting was adjourned at 3:20 p.m.

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Appointment of a WRCOG Representative to a SCAG Policy Committee

Contact: Rick Bishop, Executive Director, rbishop@wrcog.us, (951) 405-6701

Date: February 3, 2020

The purpose of this item is to present a list of candidates interested in serving as a WRCOG appointee on one of the Southern California Association of Governments' (SCAG) Policy Committees and to request that this Committee forward a recommended candidate to the Executive Committee for consideration.

Requested Action:

1. Support the Administration & Finance Committee's recommendation to appoint Micheal Goodland to SCAG's Community, Economic, and Human Development Policy Committee for a term commencing February 3, 2020, ending December 31, 2020.

WRCOG is responsible for appointing six elected officials to any of SCAG's Policy Committees. One position is currently available due to the retirement of Riverside Council member Mike Gardner. This appointment (to be made by the Executive Committee) will run through December 31, 2020.

Current WRCOG appointees are as follows:

<u>Name</u>	<u>SCAG Policy Committee</u>
Joseph Tessari (Eastvale)	Community, Economic and Human Development Committee
Jordan Ehrenkranz (Canyon Lake)	Energy and Environment Committee
Bonnie Wright (Hemet)	Energy and Environment Committee
Linda Krupa (Hemet)	Transportation Committee
Crystal Ruiz (San Jacinto)	Transportation Committee
VACANT	

The table below provides a listing of individuals who expressed interest in the SCAG Policy Committee position. Per Policy, Executive Committee members are to be given preference when appointments are made. Executive Committee members who have expressed interest in the position are listed in green below (Goodland and Liesemeyer).

SCAG Policy Committee Interest				
Interested Member	Member Jurisdiction	CEHD	Energy and Environment	Transportation
Colleen Wallace	Banning	1	-	-
Russ Brown	Hemet	-	-	1
Micheal Goodland	Jurupa Valley	1	-	2
Matt Liesemeyer	Menifee	2	3	1
Christi White	Murrieta	Any	Any	Any
Gaby Plascencia	Riverside	Any	Any	Any
Joe Morabito	Wildomar	1	2	-

On January 8, 2020, the Administration & Finance Committee recommended that Micheal Goodland be appointed to the SCAG Community, Economic and Human Development Policy Committee.

Prior Actions:

- January 8, 2020: The Administration & Finance Committee recommended that Micheal Goodland be appointed to the SCAG Community, Economic and Human Development Policy Committee.
- March 4, 2019: The Executive Committee made its last appointment of Joseph Tessari, City of Eastvale, to the SCAG Community, Economic & Human Development Policy Committee for a term commencing March 1, 2019, ending December 31, 2020.
- December 3, 2018: The Executive Committee made the following SCAG Policy Committee appointments (five appointments – one vacancy to be appointed in January 2019):
- Jordan Ehrenkranz (Canyon Lake): Energy and Environment
 - Bonnie Wright (Hemet): Energy and Environment
 - Mike Gardner (Riverside): Energy and Environment
 - Linda Krupa (Hemet): Transportation
 - Crystal Ruiz (San Jacinto): Transportation

Fiscal Impact:

None; SCAG provides a stipend of \$120 per meeting for its Policy Committee representatives.

Attachment:

None.



Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year

Contact: Rick Bishop, Executive Director, rbishop@wrcog.us, (951) 405-6701

Date: February 3, 2020

The purpose of this item is to recommend an extension of the MOU between WRCOG and the Riverside County Superintendent of Schools providing for the Superintendent to continue serving as an ex-officio representative to the Executive Committee for a term of one year.

Requested Action:

1. Approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

WRCOG has a Memorandum of Understanding (MOU) with the Riverside County Superintendent of Schools for an advisory, ex-officio membership on the Executive Committee. Ex-officio membership continues on an annual basis as authorized by a letter extending the MOU by written agreement, to be executed by both parties. The Executive Director is authorized to execute said letter.

The Executive Director and the Riverside County Superintendent of Schools have discussed the ex-officio arrangement and are proposing to the Executive Committee that the current arrangement as articulated in the MOU be extended for one year. Attached is an MOU extension letter executed by both parties.

Prior Actions:

January 16, 2020: The Technical Advisory Committee recommended that the Executive Committee approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

December 3, 2018: The Executive Committee approved a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

Fiscal Impact:

The Riverside County Superintendent of Schools pays annual dues to WRCOG in the amount of \$17,000, which is budgeted in the General Fund and recorded as revenue.

Attachment:

1. Letter of Fifth Extension of MOU by Written Agreement.

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Item 5.B

Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year

Attachment 1

Letter of Fifth Extension of MOU by Written Agreement

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Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Colimeso • 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

December 3, 2019

Dr. Judy D. White
Riverside County Superintendent of Schools
3939 Thirteenth Street
PO Box 868
Riverside, CA 92502

Subject: Letter of Fifth Extension of MOU by Written Agreement

Dear Superintendent White:

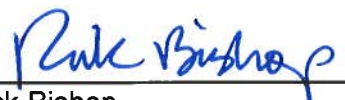
On November 7, 2011, the Riverside County Superintendent of Schools (Superintendent) and the Western Riverside Council of Governments (WRCOG) entered into a Memorandum of Understanding (MOU), which set forth the understanding of the parties regarding the Superintendent's position as an ex-officio, advisory member of WRCOG in order to help address the educational challenges of the region.

Pursuant to Section 3 of the MOU, the Superintendent and WRCOG may extend the ex-officio arrangement by written agreement. On June 11, 2014, a 1st letter of extension was executed. On December 5, 2016, a 2nd letter of extension was executed. On April 2, 2018, a 3rd letter of extension was executed. On December 3, 2018, a 4th letter of extension was executed.

This 5th letter of extension constitutes the Superintendent and WRCOG's mutual written agreement to extend the ex-officio arrangement through December 31, 2020, unless earlier terminated as provided in the MOU.

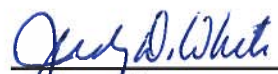
To affirm and agree to the extension of the Superintendent's position as an ex-officio, advisory member of WRCOG's Executive Committee, as set forth in this letter, please sign both letters; keep one for your files and return the other to WRCOG.

Sincerely,

By: 
Rick Bishop
Executive Director

Affirmed and Agreed:

RIVERSIDE COUNTY SUPERINTENDENT OF SCHOOLS

By: 
Judy D. White, Ed.D.
Riverside County Superintendent of Schools

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Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: PARS Trust / CalPERS Unfunded Accrued Liability Update

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

Date: February 3, 2020

The purpose of this item is to provide an update on WRCOG's Unfunded Accrued Liability and options to increase plan funding.

Requested Action:

1. Adopt Resolution Number 03-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving the adoption of the Public Agencies Post-Employment Benefits Trust administered by Public Agency Retirement Services.

Background

At the June 21, 2019, Executive Committee meeting, Committee member Jeff Hewitt requested information regarding where WRCOG stands with its Unfunded Accrued Liability (UAL) and how much of WRCOG's pension is currently covered.

Per the most recent actuarial valuation, WRCOG's pension plan is approximately 76% funded. The estimated present value of the unfunded liability is approximately \$3.4 million. The valuation at the time assumes a 30-year payback period and if it were to be paid out over 30 years, WRCOG would pay close to \$6.8 million in total payments.

On July 10, 2019, the Administration & Finance Committee received a presentation and requested that the Finance Directors Committee provide its input and that staff return to the Administration & Finance Committee in September with an update. Staff presented various options to the Finance Directors Committee and also polled the Finance Directors to see what the jurisdictions are currently doing to reduce its UAL. Most jurisdictions are unable to make additional principal payments to PERS but are making annual lump-sum payments rather than monthly payments, which saves the jurisdictions money. Jurisdictions that do have funds available are opening a Section 115 Trust.

On September 11, 2019, the Administration & Finance Committee received an updated presentation on the feedback provided by the Finance Directors Committee and directed staff to pursue a 15-year term refinancing, pay \$1M to PARS to establish a Section 115 Trust, and draw down on the Trust on an annual basis to pay PERS.

On October 7, 2019, staff presented to the Executive Committee a recap of the action taken at the Administration & Finance Committee and the estimated savings WRCOG would realize.

Establishing Section 115 Trust

Staff is now working with Public Agency Retirement Services (PARS) to establish its Section 115 Trust for its CalPERS Unfunded Accrued Liability (UAL) and PARS is requiring that a resolution be adopted to establish the Section 115 Trust.

Prior Actions:

October 7, 2019: The Executive Committee received and filed.

September 11, 2019: The Administration & Finance Committee directed staff to establish a Section 115 Trust with PARS for WRCOG's Unfunded Accrued Liability.

July 25, 2019: The Finance Directors Committee received and filed.

July 10, 2019: The Administration & Finance Committee requested that the Finance Directors Committee provide a recommendation and directed staff to return with an analysis on what each scenario could potentially save compared to maintaining the current approach.

Fiscal Impact:

Opening up a Section 115 Trust and making additional contributions along with reducing the term of the UAL to 15 years should save the agency over \$1M compared to paying out the UAL over the standard term and not making additional contributions.

Attachment:

1. Resolution Number 03-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving the adoption of the Public Agencies Post-Employment Benefits Trust administered by Public Agency Retirement Services.

Item 5.C

PARS Trust / CalPERS Unfunded
Accrued Liability Update

Attachment 1

Resolution Number 03-20; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments approving
the adoption of the Public Agencies
Post-Employment Benefits Trust
administered by Public Agency
Retirement Services

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RESOLUTION NUMBER 03-20

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING THE ADOPTION OF THE PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST ADMINISTERED BY PUBLIC AGENCY RETIREMENT SERVICES

WHEREAS, the Western Riverside Council of Governments (the “WRCOG”) is currently participating in the Public Agencies Post-Retirement Health Care Plan Trust (PARS) for the pre-funding of its retiree health benefits and other post-employment benefits other than pension benefits (“OPEB”); and

WHEREAS, WRCOG desires to set aside funds for the purpose of pre-funding its CalPERS pension obligation that will be held in trust for the exclusive purpose of making future contributions of WRCOG’s required pension contributions and any employer contributions in excess of such required contributions at the discretion of WRCOG; and

WHEREAS, PARS has made available the Public Agencies Post-Employment Benefits Trust (the “Program”) for the purpose of pre-funding both pension obligations and/or OPEB obligations as specified in WRCOG’s plans, policies, manuals and/or applicable agreements; and

WHEREAS, WRCOG is eligible to participate in the Program, a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued there under, and which is a tax-exempt trust under the relevant statutory provisions of the State of California; and

WHEREAS, WRCOG can manage the pre-funding of its pension and OPEB obligations in a single trust under this Program, thereby gaining administrative and cost efficiencies; and

WHEREAS, WRCOG’s adoption and operation of the Program has no effect on any current or former employee’s entitlement to post-employment benefits; and

WHEREAS, the terms and conditions of post-employment benefit entitlement, if any, are governed by contracts separate from and independent of the Program; and

WHEREAS, WRCOG’s funding of the Program does not, and is not intended to, create any new vested right to any benefit nor strengthen any existing vested right; and

WHEREAS, WRCOG reserves the right to make contributions, if any, to the Program.

NOW THEREFORE, BE IT RESOLVED THAT:

1. WRCOG hereby adopts the Public Agencies Post-Employment Benefits Trust, effective February 3, 2020; and
2. The Executive Committee of WRCOG hereby appoints the Executive Director or his / her successor or his / her designee as WRCOG’s Plan Administrator for the Program; and

3. WRCOG's Plan Administrator is hereby authorized to execute the PARS legal and administrative documents on behalf of WRCOG and to take whatever additional actions are necessary to maintain WRCOG's participation in the Program and to maintain compliance of any relevant regulation issued or as may be issued; therefore, authorizing him/her to take whatever additional actions are required to administer the Program; and
4. The Executive Committee of WRCOG, in accordance with Section 3.3 of the Public Agencies Post-Retirement Health Care Plan Trust adopted effective April 2, 2012, hereby authorizes the withdrawal from said trust and directs the transfer of assets held in said trust to the OPEB Account established in the name of WRCOG under the Public Agencies Post-Employment Benefits Trust, adopted herewith.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on February 3, 2020.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Steve DeBaun
WRCOG Legal Counsel

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



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: California Resilience Challenge 2020 Grant

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

Date: February 3, 2020

The purpose of this item is to provide an update on the funding availability from the California Resilience Challenge that provides local government agencies the ability to fund local and regional climate initiatives and to request support for WRCOG to submit a grant application.

Requested Action:

1. Adopt Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.

Background

The California Resilience Challenge (CRC) is a statewide effort with the goal to build local and regional climate resiliency efforts that can address increasing climate threats in California such as wildfire, drought, flood, and extreme heat events. The CRC is led by the Bay Area Council Foundation which is a business-sponsored public policy advocacy organization for the nine-county Bay Area that was founded in 1945. As part of this grant process, the CRC has a grant fund in excess of \$2 million. The source of this funding includes donations from businesses, utilities, nongovernmental organizations, and foundations. Donors of the grant fund can be identified at www.ResilientCal.org/leadership.

The CRC welcomes local California public entities to apply and respond to the Request for Proposals (RFP) (Attachment 1) for the support of climate resilience planning projects that will lead to the implementation of resiliency infrastructure. The expectation of this RFP grant process is that the CRC will award individual grants between \$100,000 and \$200,000 to qualified applicants.

Eligibility for the Grant: Proposers eligible for this grant include the following local California public entities:

- California incorporated cities
- California counties
- Local agencies and districts at the county level
- Joint Powers Authorities
- Special Districts such as, but not limited to, Geologic Hazard and Abatement Districts, Community Facilities Districts, Utility Districts, and others
- California Native American Tribes
- Metropolitan Planning Organizations (MPOs)
- Councils of Governments (COGs)

As for eligible projects, the RFP for the CRC grant is looking for planning projects that are targeted at improving local or regional resilience to one or more of the following four climate challenges:

1. Drought
2. Flooding, including from sea level rise
3. Extreme heat
4. Wildfire

Additional funding support: The goal of WRCOG applying for the CRC grant would be to develop a regional energy resiliency plan and/or component that can also be included in WRCOG's existing efforts to develop a Regional Climate Adaption and/or Resiliency Template General Plan Element that will incorporate adaptation and resiliency strategies for battling the climate challenges, as discussed below.

The CRC funding opportunity will support and expand upon existing Resiliency efforts currently under way by WRCOG. In 2018, WRCOG was awarded \$683,431 by Caltrans through an Adaptation Planning Grant through Senate Bill 1 (the Road Repair and Accountability Act) to develop a toolkit to support regional efforts preparing for and mitigating risks associated with climate adaptation and transportation infrastructure. The toolkit includes:

1. Establishment of a regional climate collaborative
2. A revision to WRCOG's community vulnerability assessment (VA) and a new VA for SBCTA
3. City-level, climate-related transportation hazards and evacuation maps
4. A climate resilient transportation infrastructure guidebook
5. A regional climate adaptation and resiliency template general plan element

Next steps: CRC proposals are due February 7, 2020. In January 2020, WRCOG, with support from its grant-writing consultants, will develop and finalize a scope of work. To support this grant proposal, staff seeks support from the Executive Committee and the Western Community Energy Board of Directors to pass a resolution (Attachment 2) stating support by each for staff to pursue the funding available from the Bay Area Council Foundation to use for the funding of development of a regional energy resiliency plan.

Prior Action:

January 8, 2020: The Administration & Finance Committee recommended that the Executive Committee adopt Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.

Fiscal Impact:

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

Attachments:

1. California Resilience Challenge RFP.
2. Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.

Item 5.D

California Resilience Challenge 2020
Grant

Attachment 1

California Resilience Challenge RFP

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California Resilience Challenge

Request for Proposals, 2020 Grant Program

December 2, 2019 - Application Deadline 5pm, February 7, 2020



**CALIFORNIA
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1. Background

Climate change is forcing communities across California to become more resilient to drought, flood, wildfire, extreme heat, and rising seas. Climate resilience aims to anticipate and prepare for impacts to reduce the damage from extreme weather events, as well as chronic, long-term shifts, including those resulting from or aggravated by climate change. Taking steps today to adapt to climate change will yield significant future benefits for public health, safety, infrastructure, the economy, and the environment. However, California lacks dedicated funding for comprehensive, statewide climate adaptation planning. California's extraordinary geographic, economic, environmental and cultural diversity calls for an equally diverse array of climate adaptation projects that can serve as a model for countries around the world.

Senate Bill (SB) 379, enacted in 2015, requires cities and counties to incorporate climate adaptation and resiliency strategies into their general plans. Specifically, SB 379 requires general plans to include the following features:

- A vulnerability assessment identifying risks climate change poses to the local government and the geographic areas at risk from climate change impacts.
- A set of adaptation and resilience goals, policies and objectives.
- A set of feasible implementation measures designed to carry out the goals, policies and objectives, including feasible methods to avoid or minimize climate change impacts associated with new land uses and the location of new essential public facilities outside of at-risk areas.

SB 246 (2015, Wieckowski) directs the Governor's Office of Planning and Research (OPR) to establish an Integrated Climate Adaptation and Resiliency Program to coordinate regional and local adaptation efforts with state climate adaptation strategies. SB 1000 (2016, Leyva) further tasks municipalities, when updating their general plans, to include an environmental justice element identifying objectives and policies to reduce the unique health risks in disadvantaged communities, including pollution reduction, air quality improvement, and the promotion of public facilities. The Governor's Office of Emergency Services (CalOES) may offer financial resources to prevent or lessen impacts from climate change.

To complement these and other climate change resilience planning efforts, the California Resilience Challenge is providing funding by means of its 2020 Grant Program for eligible resiliency planning projects aimed at improving local resilience to climate impacts, including drought, flooding (including sea level rise), extreme heat, and wildfire. Selected plans will be innovative and replicable for other locations, will help protect critical infrastructure and vulnerable communities, and will enjoy broad community support. A key goal of the California Resilience Challenge is to support a diversity of projects in terms of scale, type, and readiness with a focus on supporting planning projects that could fast track implementation.

2. About the California Resilience Challenge

The California Resilience Challenge is a statewide effort, led by businesses, utilities, and a diverse range of partners, to build local and regional climate resilience and to support a shared vision for a resilient California in the face of increasing climate threats. The Challenge is providing grants for diverse, replicable and innovative climate change adaptation planning projects across California. These projects will reflect California's diverse geography and showcase leadership in climate change adaptation.

The California Resilience Challenge is an initiative of the Bay Area Council Foundation, a nonprofit corporation, qualified as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code. The Challenge is administered by the Bay Area Council, a business-sponsored public policy advocacy organization for the nine-county Bay Area that was founded in 1945. Learn more at bayareacouncil.org.

The California Resilience Challenge has a Grant Fund in excess of \$2 million. The sources of the Grant Fund include businesses, utilities, nongovernmental organizations, and foundations. Donors to the Grant Fund are identified at ResilientCal.org/leadership.

3. Request for Proposals

California Resilience Challenge (CRC) is pleased to invite eligible local California public entities to respond to this Request for Proposals (RFP) for grants in support of climate resilience planning projects, with a preference for projects that will lead to implementation of resiliency infrastructure. (See definitions in Section 6.) Selected proposals will be for specific planning projects that will commence on or before December 31, 2020 and are to be completed by December 31, 2022. It is CRC's expectation that individual grants will be awarded for between \$100,000 and \$200,000, but CRC reserves the right to make smaller or larger grants, and the right to award less than the maximum amount of its Grant Fund.

4. Eligibility

Local California public entities are eligible to apply for a CRC grant. Eligible entities consist of the following:

- California incorporated cities, whether or not charter cities
- California counties
- Local agencies and districts at the county level
- Joint Powers Authorities
- Special Districts such as, but not limited to, Geologic Hazard and Abatement Districts, Community Facilities Districts, Utility Districts and others

- California Native American Tribes¹
- Metropolitan Planning Organizations (MPOs)
- Councils of Governments (COGs)

Collaborations between public entities and non-profits are welcomed, but a lead agency should be clearly identified.

State-level entities, including the State of California and its departments, commissions and agencies, interstate compact entities, are not eligible for this program focused on local efforts.

5. Support and Other Funding

CRC may make grants that would provide the required match funding to release other funding or grant opportunities. CRC wishes to fund viable projects. If additional funding is needed in addition to the CRC funding for the project to be executed, details must be provided including the likely timescale for securing the additional funding. Proposals should include letters of support from the applicant's lead (and supporting) department(s), and from project partners and local community organizations.

6. Evaluation Criteria

Eligible Projects

Eligible projects will consist of planning projects that are targeted at improving local or regional resilience to one or more of the following four climate challenges:

- Drought
- Flooding, including from sea level rise
- Extreme heat
- Wildfire

Project Evaluation Criteria

Competitive grants will address as many of the following criteria as possible, although it is understood that it is unlikely that a project would be able to address all:

- Is the resilience planning effort integrated with or can fast track project implementation/delivery?
- Does the project enjoy community support from elected officials, neighborhood associations, business and civil leadership organizations, environmental advocacy and environmental justice groups, etc.?

¹ "California Native American tribe" means a Native American tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004.

- Will the project help protect critical infrastructure?
- Will the project benefit disadvantaged or vulnerable communities, and will it help build or support leadership in those communities?
- Does the project achieve multiple benefits across sectors (e.g., public health and safety is enhanced while also improving environmental conditions)?
- Can the project leverage other sources of private, local, state or federal funding?
- Can the project be scaled to provide increased resilience in the future?
- Can the project can be replicated in other geographies?
- Does the project involve collaboration with neighboring jurisdictions?
- Does the project involve collaboration with the private sector?
- Does the project incorporate greenhouse gas emission reduction measures?

CRC encourages those public entities that have not yet progressed resilience planning in their jurisdiction to apply, as well as those who are further ahead.

Eligible Project Examples

The examples below are provided to illustrate the range of projects eligible for funding. They are not meant to be exhaustive and are listed in no particular order. Note that while there is a preference for CRC to fund planning projects designed for implementation of resilience infrastructure, the CRC is looking to fund a range of project types which may be earlier in the adaptation planning cycle.

- Infrastructure adaptation and resilience plans, including “green” or nature-based infrastructure planning.
- Additional modeling or feasibility studies to help fill knowledge gaps about vulnerabilities and/or costs and benefits; for example, a study to understand the impact of sea level rise on rising groundwater, or the combined impact of increased precipitation and sea level rise.
- Hazard mitigation plan updates coupled with deeper planning around some specific adaptation solutions.
- Climate vulnerability assessments.
- Integration of climate resilience planning considerations and strategies into existing plans, such as Local Coastal Programs and General Plans, including efforts to meet requirements of SB 379.
- Projects that enable, deepen or extend inclusive and equitable community participation in existing or new projects.

Eligible Activities and Expenses

Activities eligible for funding are those related to climate resilience planning. The focus of CRC is on use of its grants to leverage planning efforts across the state.

Examples of eligible activities include:

- Feasibility studies
- Public consultation, planning, and economic analysis
- Funding/financing analysis
- Conceptual drawings and design
- Data and geospatial analysis

Examples of eligible expenses include:

- Staff time
- Consultant time
- Community/stakeholder meetings and advisory groups (e.g. stipends, catering)
- Project-specific staffing
- Travel costs

Ineligible Activities

- The following activities are **not** eligible for CRC grants:
 - Projects not related to climate resilience planning.
 - Projects that do not improve local resilience against at least one of the four climate challenges: drought, flooding (including sea level rise), extreme heat and wildfire.
 - Projects that may inadvertently cause maladaptation or increase GHG emissions.
 - Engineering plans and design specification work.
 - Construction projects or capital costs, such as the building of a facility.

7. Grant Process

The following is an overview of the grant proposal evaluation process, including financial, contracting, subcontracting and legal requirements pertaining to the CRC 2020 Grant Program. Applicants are encouraged to review the contents of this section when developing their proposals.

Upon award of grant funds, grantees will receive more specific guidance, and will acknowledge and agree to comply with the terms of this RFP.

Application Review Process

All proposals submitted for the CRC 2020 Grant Program will be reviewed by the CRC Advisory Committee and administrative staff, who will review applications for eligibility, content, submission of proper documentation, meeting technical requirements, overall relationship to statewide planning efforts, and compliance with state planning requirements. Applications will be evaluated based on how well they describe the project, justify the need for the project and for the CRC funding, reflect the program evaluation criteria, and articulate a concrete scope of work and project timeline. Advisory Committee recommendations will be presented to the CRC Board for their consideration. The CRC Board will make a final determination on all grants in the Spring of 2020.

RFP Timeline:

- **December 2, 2019:** RFP opens
- **February 7, 2020:** RFP closes
- **February and March 2020:** Proposals reviewed and evaluated
- **April 2020:** Grant awards announced

8. Grant Terms

Project Start Date

The project must commence on or before December 31, 2020.

Project Timeline

Applicants must provide a timeline that outlines key tasks by month at a minimum (see Proposal Submittal Section).

Completion Date

All grant funds from CRC must be used to pay or defray project expenditures on or before December 31, 2022, and the project must be planned to be complete on or before December 31, 2022.

Case Study

CRC is looking to identify and share the lessons learned from this grant opportunity to inform other existing or new state grant programs. To this end, all grant recipients will prepare a short case study describing the project process, and completed project outcomes including maps, photos, drawings, etc. (as appropriate for the project type). A template will be provided (Word and PowerPoint).

Case studies should emphasize processes, or results that can be adapted or replicated for use in various parts of the state, as well as documentation of the involvement of disadvantaged

communities throughout the entire planning process, and any other lessons learned. These studies will be used to develop guidance for future resiliency and adaptation projects in the state.

Case study reports and presentation materials must be completed and delivered no later than three months after the completion of expenditure of CRC funds. Final case studies will be submitted to the Governor's Office of Planning and Research for possible inclusion in the Adaptation Clearinghouse.

Work Product

All reports funded through the CRC Grant Program shall credit CRC financial participation on the cover or title page. An electronic copy of all final reports shall be forwarded to CRC.

Any reports or presentation materials funded through the CRC Grant Program are in the public domain and may not be copyrighted, sold, or used exclusively by any business, organization, or agency. Applicants must not transmit any material to CRC that the applicant considers to be confidential or proprietary. Any material the applicant transmits to CRC will be considered non-confidential and non-proprietary. This policy serves to avoid potential misunderstandings or disputes regarding ownership of ideas. To the extent that the applicant owns or controls any patent rights, copyright rights, trade secret rights, or any other intellectual property or proprietary rights that may be required for access to work product submitted under the CRC Grant Program, the applicant grants a license to such rights to any person accessing and using such work product. CRC reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use the reports for public purposes.

Third-Party Contracts

The agreements between a grantee and a sub-recipient, consultant, or sub-consultant are referred to as "third-party contracts." Grantees will be expected to use and comply with their individual procurement procedures in awarding third-party contracts. Work for which a CRC grant is provided can only be contracted if it has been stated in the applicant's Scope of Work and Project Timeline.

Grantees are fully responsible for all work performed by their sub-recipients, consultants or sub-consultants, and CRC shall not be liable to any of such entities for the performance by grantees. Grantees are responsible to ensure that all third-party contractors adhere to the provisions of this RFP.

Grant Disbursement and Accounting

CRC intends to disburse funds from a grant under the 2020 Grant Program in installments. The amount and timing of each installment, and the process for invoicing and disbursement, shall be determined by CRC in its sole discretion. The final disbursement shall be conditioned on a certificate by an authorized representative of the grantee certifying compliance with the terms of this RFP and verifying that the CRC funds have been or will be used for project expenditures reasonably incurred and required for project purposes. Each grantee shall also make financial reports, within 90 days after the end of each of its fiscal years, during the progress of the project and upon project completion, and provide reasonable evidence of project progress and project sources and uses of funds.

Each grantee shall maintain true and complete records of performance of work on the project and of the sources and uses of funds for such project, and shall maintain such records for a period of not less than 3 years after the later of completion of the project or the last disbursement by CRC.

CRC and its representatives may access such records on reasonable notice and during regular business hours for the purpose of confirming the grantee's compliance with the terms of this RFP.

9. Grant Disbursement and Accounting

CRC intends to disburse funds from a grant under the 2020 Grant Program in installments. The amount and timing of each installment, and the process for invoicing and disbursement, shall be determined by CRC in its sole discretion. The final disbursement shall be conditioned on a certificate by an authorized representative of the grantee certifying compliance with the terms of this RFP and verifying that the CRC funds have been or will be used for project expenditures reasonably incurred and required for project purposes. Each grantee shall also make financial reports, within 90 days after the end of each of its fiscal years, during the progress of the project and upon project completion, and provide reasonable evidence of project progress and project sources and uses of funds.

Each grantee shall maintain true and complete records of performance of work on the project and of the sources and uses of funds for such project, and shall maintain such records for a period of not less than 3 years after the later of completion of the project or the last disbursement by CRC. CRC and its representatives may access such records on reasonable notice and during regular business hours for the purpose of confirming the grantee's compliance with the terms of this RFP.

10. Proposal Contents

This section provides applicants with information regarding submittal of proposals for grants of funds from the CRC 2020 Grant Program.

Application Information

Applicants should present their proposal in Microsoft Word format using 12-point Times New Roman font or Microsoft Excel format. Proposals should include the following information:

Project Summary Description	Provide a brief (approximately 500-word) summary description of the project, the agencies involved, the project start/end dates, the general project planning area, and why the project is necessary. The proposal should identify a lead agency with primary responsibility for the project. If the project is part of a larger effort, please describe how the CRC-funded project would fit in, and provide the total budget of the overall project.
Grant Amount Requested	State maximum amount of grant that the applicant is seeking. CRC expects grants to be issued in quantities between \$100,000 and \$200,000 , but reserves the right to make smaller or greater grants.

Description of Resilience Challenges Project Addresses	Demonstrate that the planning efforts for which funding is sought are targeted at improving local or regional resilience to one or more of the following four climate challenges: •Drought •Flooding, including from sea level rise •Extreme heat •Wildfire If known, please describe the projected impacts by timeframe proposed for the project (e.g. increase in extreme heat days expected by 2050)
Other Project Eligibility Criteria	Applicants should also describe how the project responds to the criteria listed in section 6.
State Law Requirements	Is the proposed project mandated by state law? If so, explain how grant funds will extend or improve outcomes.
Scope of Work	Provide a detailed Scope of Work by task. This preferably should be detailed enough that it can be used to hire an external consultant or guide internal staff without further reworking (for the sake of efficiency).
Project Timeline	Provide a detailed proposed project timeline (preferably by month). Identify anticipated start and end dates, planning milestones, and dates when released funds would be required.
Local Support and Approvals	List entity departments and partners that support the project (and attach copies of available letters of support). Identify Planning Commission, City Council, Board of Supervisors, or other responsible body support that will be needed to proceed with projects that may be developed through the grant (letters of support not required).
Other Sources of Funds	Provide details if a potential CRC grant would provide the required match funding to release other funding or grant opportunities. Provide details of any additional funding that must be secured (in addition to the CRC funding) for the project to be executed. Describe project activities that will be funded in whole or in part by other funding sources. If there are in-kind contributions, state the basis for valuing such contributions.
Uses of Funds	Provide a budget summary, including the following major line items: Staff hours (salaries and benefits); professional service firms (lump sum per task); travel; and other costs. Distinguish between direct and overhead costs.
Deliverables	Describe the final products that will be produced at the successful completion of the project. A financing plan for a resiliency infrastructure project (such as government incentives, developer financing, third-party financing, public support, bond proceeds, issuance of new bonds) is a desired deliverable for infrastructure-focused planning projects (including those that are nature-based).
Access to Site	If access to private property is necessary for project planning efforts, describe plan for permission to conduct planning activities.

11. Submittal Instructions

All grant proposals are required to be submitted via e-mail. An applicant may only submit one application package per e-mail. The required information outlined above must be attached to the e-mail, in Word or Excel documents.

Please submit your application package to resilience@bayareacouncil.org with “Resilience Proposal” in the subject line. Applications must be submitted via e-mail no later than February 7, 2020 by 5:00 pm. Hard copies will not be accepted, and late applications will not be reviewed.

12. Contacts and Additional Information

General Questions:

Adrian Covert, Vice President of Public Policy, Bay Area Council: resilience@bayareacouncil.org

Technical questions on project-specific aspects, from applicants that have limited experience in resilience project planning, may be directed by Adrian Covert for responses by representatives of AECOM.

Conference Call:

A call to discuss expectations for RFP and Q&A will be held on Friday, December 13 at 10am. Details and RSVP at <https://www.eventbrite.com/e/california-resilience-challenge-rfp-walk-through-tickets-84058558411>

13. Tools and Resources

The following climate adaptation tools and resources are intended to provide applicants with additional information that CRC considers relevant to resilience planning and its grant program. While the below resources are recommended, applicants are not required to consult or follow these tools and resources in developing their proposals.

CalAdapt

<http://cal-adapt.org/>

Cal-Adapt provides a view of how climate change might affect California. Find tools, data, and resources to conduct research, develop adaptation plans and build applications.

California General Plan Guidelines

http://opr.ca.gov/docs/OPR_COMPLETE_7.31.17.pdf

The Governor’s Office of Planning and Research (OPR) 2017 General Plan Guidelines provide guidance to help local governments incorporate climate resiliency goals and strategies into their general plans pursuant to SB 379.

California Adaptation Planning Guide

<http://resources.ca.gov/climate/safeguarding/local-action/>

The Adaptation Planning Guide provides guidance to support regional and local communities in proactively addressing the unavoidable consequences of climate change. It provides a step-by-step process for local and regional climate vulnerability assessment and adaptation strategy development.

Safeguarding California – California’s Climate Adaptation Strategy

<http://resources.ca.gov/climate/safeguarding/>

Safeguarding California is the strategy that organizes state government climate change adaptation activities, across a variety of state agencies. The Safeguarding California Plan was last updated in 2018.

ICARP Adaptation Clearinghouse

<http://opr.ca.gov/planning/icarp/>

The Adaptation Clearinghouse serves as a centralized source of information that provides the resources necessary to guide decision makers at the state, regional, and local levels when planning for and implementing climate adaptation projects to promote resiliency to climate change in California.

California’s Fourth Climate Assessment

<http://www.climateassessment.ca.gov/>

California’s Climate Change Assessments contribute to the scientific foundation for understanding climate-related vulnerability at the local scale and informing resilience actions, while also directly informing State policies, plans, programs, and guidance, to promote effective and integrated action to safeguard California from climate change.

Ocean Protection Council Sea-Level Rise Guidance

http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20180314/Item3_Exhibit-A OPC SLR Guidance-rd3.pdf

The State of California Sea-Level Rise Guidance reflects advances in sea-level rise science and addresses the needs of state agencies and local governments as they incorporate sea-level rise into their planning, permitting, and investment decisions.

California Coastal Commission Sea Level Rise Policy Guidance

<https://www.coastal.ca.gov/climate/slrguidance.html>

The California Coastal Commission’s Sea Level Rise Guidance provides recommendations for how to plan for and address sea level rise impacts, including a set of projections recommended for use in planning, permitting, investment, and other decisions.

Item 5.D

California Resilience Challenge 2020
Grant

Attachment 2

Resolution Number 01-20; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments authorizing
submittal of a proposal to the
California Resilience Challenge 2020
Grant Program

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RESOLUTION NUMBER 01-20

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AUTHORIZING SUBMITTAL OF A PROPOSAL TO THE CALIFORNIA RESILIENCE CHALLENGE 2020 GRANT PROGRAM

WHEREAS, the Western Riverside Council of Governments (WRCOG) is a joint powers authority consisting of the County of Riverside and 18 cities, the Eastern Municipal Water District, the Western Municipal Water District, the Morongo Band of Mission Indians, and the Riverside County Superintendent of Schools, situated in Western Riverside County; and

WHEREAS, Senate Bill 246 (2015, Wieckowski) tasks the Governor's Office of Planning and Research (OPR) to establish an Integrated Climate Adaptation and Resiliency Program, and SB 1000 (2016, Leyva) further tasks municipalities, when updating their general plans, to include an environmental justice element identifying objectives and policies to reduce the unique health risks in disadvantaged communities, including pollution reduction, air quality improvement, and the promotion of public facilities; and

WHEREAS, the California Resilience Challenge supports the goals of SB 246 and SB 1000 by providing funding for Climate Resiliency planning projects statewide through a currently open 2020 Grant Program; and

WHEREAS, a successful proposal by WRCOG for the 2020 Grant Program will provide a funding opportunity to plan and further implement scalable climate resiliency projects within Western Riverside County focusing on addressing increasing threats from drought, rising water levels, extreme heat, and wildfire; and

WHEREAS, WRCOG has received support and approval from its member jurisdictions in the pursuit of submission of a proposal on behalf of said member cities, agencies and jurisdictions; and

WHEREAS, WRCOG staff, with approval and support of the Executive Committee, will commence assembly of a proposal application to submit to the California Resilience Challenge Climate Resiliency 2020 Grant Program to secure funding to explore Climate Resiliency Solutions within Western Riverside County.

NOW THEREFORE, BE IT RESOLVED by the Executive Committee of the Western Riverside Council of Governments that WRCOG authorizes the submission of a proposal on behalf of its member agencies to the California Resilience Challenge 2020 Grant Program in pursuit of mitigating increasing threats from Climate Change to Western Riverside County and California as a whole.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on February 3, 2020.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Steven DeBaun
WRCOG Legal Counsel

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



Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Finance Department Activities Update

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

Date: February 3, 2020

The purpose of this item is to provide an update on the Fiscal Year (FY) 2018/2019 Agency Audit and the Agency Financial Report summary through November 2019.

Requested Action:

1. Receive and file.

FY 2018/2019 Agency Audit

WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott, LLP (RAMS) to conduct its financial audit. The final Comprehensive Annual Financial Report (CAFR) is expected to be issued by the end of January 2020. The draft CAFR will be provided to the Finance Directors Committee in early February so that the Committee members can review and provide comments. Once comments from the Finance Directors Committee are received, staff will present the CAFR to the Administration & Finance Committee in February 2020, with the Executive Committee scheduled to receive the report at its March 2020 meeting.

Financial Report Summary Through November 2019

The Agency Financial Report summary through November 2019, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Prior Action:

January 16, 2020: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – November 2019.

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Item 5.E

Finance Department Activities
Update

Attachment 1

Financial Report summary –
November 2019

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

Total Agency			
Revenues	Approved Budget 6/30/2020	Thru Actual 11/30/2019	Remaining Budget 6/30/2020
Member Dues	\$ 311,410	311,410	-
Interest Revenue - Other	25,000	45,597	(20,597)
PACE Residential Revenue	212,500	72,285	140,215
Other HERO Revenue	680,000	210,750	469,250
Statewide HERO Revenue	570,000	285,696	284,304
PACE Commercial Revenue	165,000	100,000	65,000
PACE Residential Recording Rev	111,800	56,564	55,236
Statewide HERO Recording fee Rev	441,200	143,296	297,904
Regional Streetlights Revenue	187,511	446,155	(258,644)
NW Clean Cities - Member Dues	128,000	158,160	(30,160)
Solid Waste	107,313	112,970	(5,657)
Statewide Used Oil Grant Revenue	377,654	377,654	-
CAP Grant Revenue	125,000	106,100	18,900
Adaptation Grant Revenue	125,000	39,122	85,878
LTF Revenue	775,000	800,250	(25,250)
TUMF Admin Commerical	47,284	32,628	14,656
TUMF Admin Retail	109,687	40,670	69,017
TUMF Admin Industrial	502,285	125,980	376,305
TUMF Admin Single Family	1,121,669	305,972	815,697
TUMF Admin Multi-Family	199,074	152,445	46,629
Commerical/Service	1,134,806	783,072	351,734
Retail	2,632,497	976,080	1,656,417
Industrial	12,054,852	3,023,520	9,031,332
Single Family	26,920,065	7,343,328	19,576,737
Multi-Family	4,777,779	3,658,680	1,119,099
Total Revenues & Carryover	55,365,007	19,708,384	35,656,623
Overhead Transfer In	1,996,602	788,883	1,207,719
Total Revenues & Overhead	57,361,609	20,497,267	36,864,342
Expenses	Approved Budget 6/30/2020	Thru Actual 11/30/2019	Remaining Budget 6/30/2020
Salaries & Wages - Fulltime	\$ 1,955,970	868,758	1,087,212
Fringe Benefits	628,266	261,778	366,488
CalPERS OPEB Paydown	200,000	184,103	15,897
Overhead Allocation	1,893,320	788,883	1,104,437
General Legal Services	396,706	107,502	289,204
Audit Svcs - Professional Fees	30,500	16,700	13,800
Bank Fees	40,150	8,730	31,420
Commissioners Per Diem	62,500	14,300	48,200
Office Lease	465,000	135,986	329,014
WRCOG Auto Fuels Expenses	1,500	502	998
Parking Validations	10,000	5,993	4,007
Coffee and Supplies	2,500	1,200	1,300
Event Support	181,591	82,094	99,497
Program/Office Supplies	22,263	8,135	14,128

Computer Equipment/Supplies	4,500	2,046	2,454
Computer Software	86,500	57,092	29,408
Rent/Lease Equipment	30,000	6,248	23,752
Membership Dues	32,615	1,420	31,195
Subscription/Publications	2,135	1,604	531
Meeting Support Services	10,698	185	10,513
Postage	5,600	2,052	3,548
Other Expenses	1,250	419	831
Storage	10,000	3,752	6,248
COG HERO Share Expenses	10,000	1,238	8,762
Printing Services	7,500	567	6,933
Communications - Regular Phone	16,000	8,946	7,054
Communications - Cellular Phones	17,500	3,667	13,833
Communications - Computer Services	57,500	17,538	39,962
Communications - Web Site	8,000	5,650	2,350
Equipment Maintenance - General	10,000	3,348	6,652
Insurance - Gen/Busi Liab/Auto	92,500	86,320	6,180
Recording Fee	254,339	71,867	182,472
Seminars/Conferences	11,825	1,063	10,762
General Assembly Expenses	300,000	22,247	277,753
Travel - Mileage Reimbursement	19,500	4,179	15,321
Travel - Ground Transportation	5,160	311	4,849
Travel - Airfare	12,250	794	11,456
Lodging	7,630	1,765	5,865
Meals	8,250	3,111	5,139
Other Incidentals	6,600	632	5,968
Training	9,250	4,317	4,933
Supplies/Materials	21,850	4,245	17,605
Advertising Media - Newspaper Ad	10,000	1,020	8,980
Advertisement Radio & TV Ads	72,000	13,420	58,580
Consulting Labor	2,291,999	740,830	1,551,169
TUMF Project Reimbursement	45,000,000	14,971,237	30,028,763
Total Expenses	\$ 54,955,554	18,527,793	36,498,223



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: WRCOG Committees and Agency Activities Update

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

Date: February 3, 2020

The purpose of this item is to provide updates on noteworthy actions and discussions held in recent standing Committee meetings, and to provide general project updates.

Requested Action:

1. Receive and file.
-

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of January.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. Summary recaps from January Committee meetings.

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Item 5.F

WRCOG Committees and Agency
Activities Update

Attachment 1

Summary recaps from January
Committee meetings

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**Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
January 8, 2020**

Following is a summary of key items discussed at the last Administration & Finance Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint presentation, please click [here](#).

PACE Programs Update

- The Administration & Finance Committee recommended that the Executive Committee adopt a resolution authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.
- Should the bond resolution be approved by the Executive Committee, the bond sale will occur on or about February 6, 2020; these actions will reduce administrative and trustee costs, as well as provide savings over an 18-year period.

California Resilience Challenge 2020 Grant

- The Administration & Finance Committee recommended that the Executive Committee adopt a resolution authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant.
- The California Resilience Challenge has up to \$ 2 million in funding allocated for local government agencies to incorporate energy infrastructure projects to help mitigate the following climate challenges: wildfires, drought, extreme heat, and flooding.
- WRCOG's role for this grant, if received, will be to develop a regional energy resiliency plan to help plan future energy infrastructure projects to assist local government, residential, and community facilities in the event of any power shutoffs or natural disaster.

Public Service Fellowship Update

- Staff presented an update on the Public Service Fellowship Program and future funding options given limited funding available for the program.
- After convening the Fellowship Ad Hoc, four prospective funding options were presented; pay as able, grant funding, three-way split, and a 50/50 split.
- To extend remaining program funds, the Fellowship Ad Hoc and staff recommend a 50/50 split where the cost of a Fellow is split between a host agency and WRCOG beginning in Round 5 of the Program (FY 20/21).
- The Committee provided feedback on the recommended funding strategy and tasked staff to further engage university partners in the discussions and implement a more robust exit interview process for host agencies and Fellows.
- The Committee recommended that the Executive Committee enact a variety of Program updates including: maintaining alternate placements for the Fellow placement, enacting a 30-hour a week maximum for Fellows, requiring agencies applying for a WRCOG Fellow to contribute 50% towards the cost of the Fellow, and requiring agencies to provide specific project descriptions as a part of the host agency application.

A Look Forward for 2020 – Budget Update

- Staff presented a pre-budget overview of WRCOG's programs, noteworthy accomplishments and general anticipated cost savings and reimbursements that could occur during the next fiscal year.

Next Meeting

The next Administration & Finance Committee meeting is scheduled for Wednesday, February 12, 2020, at 12:00 p.m. in WRCOG's NEW office, located at 3390 University Avenue, **Suite 200**, Riverside.



**Western Riverside Council of Governments
Technical Advisory Committee
Meeting Recap
January 16, 2020**

Following is a summary of key items discussed at the last Technical Advisory Committee meeting. To review the full agenda and staff reports, please click [here](#). To review the meeting PowerPoint presentation, please click [here](#).

PACE Programs Update: Bond Refinancing

- The Technical Advisory Committee recommended that the Executive Committee adopt a resolution authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.
- Should the bond resolution be approved by the Executive Committee, the bond sale will occur on or about February 6, 2020; these actions will reduce administrative and trustee costs, as well as provide savings over an 18-year period.

Public Service Fellowship Update

- Staff presented an update on the Public Service Fellowship Program and future funding options given limited funding available for the program.
- After convening the Fellowship Ad Hoc, four prospective funding options were presented; pay as able, grant funding, three-way split, and a 50/50 split.
- To extend remaining program funds and preserve the integrity of the Program, the Fellowship Ad Hoc and staff recommend a 50/50 split where the cost of a Fellow is split between a host agency and WRCOG beginning in Round 5 of the Program (FY 20/21).
- The Committee recommended that the Executive Committee enact a variety of Program updates including: maintaining alternate placements for the Fellow placement, enacting a 30-hour a week maximum for Fellows, implementing an exit interview for Fellows and host agencies, requiring agencies applying for a WRCOG Fellow to contribute 50% towards the cost of the Fellow, and requiring agencies to provide specific project descriptions as a part of the host agency application.

Western Community Energy Update

- Western Community Energy set to launch in April / May 2020.
- WCE Board adopted rates for customers on January 8, 2020.
 - 2% below SCE's total utility bill
 - Will save WCE customers \$6m annually
- Cities / Counties that want to join for a 2022 launch must join by December 31, 2020.

Regional Energy Network Development (REN) Update

- CPUC has approved the formation of new RENs.
- CVAG, SBCOG, and WRCOG working together to implement the Inland Regional Energy Network (I-REN) to support its member jurisdictions with continued energy efficiency efforts. It is anticipated that a REN will access considerably more funding than has previously been available through the Western Riverside Energy Partnership.

Next Meeting

The next Technical Advisory Committee meeting is scheduled for Thursday, February 20, 2020, at 9:30 a.m., at WRCOG's **NEW** office located at 3390 University Avenue, **Suite 200**, Riverside.

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Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Regional Streetlight Program Activities Update

Contact: Daniel Soltero, Staff Analyst, dsoltero@wrcoq.us, (951) 405-6738

Date: February 3, 2020

The purpose of this item is to provide an update on the Streetlight retrofits.

Requested Action:

1. Receive and file.

Background

At the direction of the Executive Committee, WRCOG developed a Regional Streetlight Program allowing jurisdictions (and Community Service Districts) to purchase streetlights within their boundaries that are currently owned and operated by Southern California Edison (SCE). Once the streetlights are owned by the member jurisdiction, the lamps will be retrofitted to Light Emitting Diode (LED) technology to provide more economical operations (i.e., lower maintenance costs and reduced energy use).

Regional Streetlight Retrofit Update

The below table reflects the streetlight retrofit progress or anticipated retrofit start of each jurisdiction in the Program. The City of Moreno Valley completed its retrofit of 11,254 streetlights to energy-efficient LED fixtures on December 6, 2019. Additionally, the Cities of Eastvale, Lake Elsinore, Murrieta, and Wildomar, as well as the Jurupa Community Services District, have substantially completed the major portion of their streetlight retrofit. The jurisdictions highlighted in light green in the table below are currently working with SCE to review any poles missed during the initial SCE true-up and/or sale, as well as identifying any remaining poles for conversion. Finally, the Cities of Hemet, San Jacinto, and Temecula, highlighted in yellow, are still undergoing the streetlight retrofit and/or installing pole tags. Once these jurisdictions complete the major portion of streetlight retrofit, they will have substantially completed the retrofit and enter a project closeout phase which includes working with SCE to discuss remaining streetlights for acquisition, as well as identifying any remaining streetlights for retrofit. The remaining two jurisdictions without highlighting, the Cities of Menifee and Perris, are anticipated to start retrofitting streetlights during the first quarter of 2020.

Jurisdiction	Streetlight Count	Progress	Retrofit Start
Moreno Valley	11,254	Complete	12/18/2018
Eastvale	4,107	99%	6/4/2019
Murrieta	6,436	99%	2/11/2019
Wildomar	1,405	99%	7/19/2019

JCSD	1,905	99%	9/30/2019
Lake Elsinore	3,739	98%	10/7/2019
Hemet	3,993	90%	8/15/2019
San Jacinto	1,945	95%	9/19/2019
Temecula	7,279	45%	11/25/2019
Menifee	Est. 6,780		Q1 2020
Perris	4,581		Q1 2020

Prior Action:

January 16, 2020: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Western Riverside Energy Partnership Program Activities Update

Contact: Anthony Segura, Senior Analyst, asegura@wrcog.us, (951) 405-6733

Date: February 3, 2020

The purpose of this item is to provide a report out on the LED Holiday Light Exchanges & Energy Efficiency Kit Giveaway.

Requested Action:

1. Receive and file.

The Western Riverside Energy Partnership (WREP) responds to Executive Committee direction for WRCOG, Southern California Edison (SCE), and Southern California Gas Company (SoCal Gas) to seek ways to improve marketing and outreach to the WRCOG subregion regarding energy efficiency. WREP is designed to help local governments set an example for their communities to increase energy efficiency, reduce greenhouse gas emissions, increase renewable energy usage, and improve air quality.

2019 LED Holiday Light Exchange and Energy Efficiency Kit Giveaway

WRCOG hosted its 6th Annual LED Holiday Light Exchange and Energy Efficiency Starter Kit Giveaway at four holiday themed events throughout Western Riverside County. This Program's activities are in coordination with WRCOG's WREP partners, SCE, and SoCal Gas. For the 2019 Program year, the Partnership team attended events within the Cities of Calimesa, Eastvale, Murrieta, and Wildomar. An event scheduled within the City of Hemet was canceled due to inclement weather. As an alternative solution for the canceled event, WRCOG coordinated with the City of Hemet to provide LED Holiday lights at its Public Works yard.

The Program, originated in 2014, allows residents within SCE territory to exchange their old, incandescent holiday lights for new, energy efficient LED lights. SoCal Gas joined the Program in 2016 to promote its energy efficiency kits to customers. In 2019, staff attended over 25 holiday community events, exchanged over 2,300 strings of holiday lights, and provided over 150 energy efficiency starter kits. This equates to benefits provided to over 1,100 households within Western Riverside County.

The 2019 list of holiday events that WREP attended for this years' light exchange & energy kit giveaway is as follows:

2019 WREP Holiday Events			
Date	Event	Location	Time
Monday, November 18	Christmas Tree Lighting Ceremony	City of Calimesa City Hall, 908 Park Ave., Calimesa	5:00 p.m. - 6:30 p.m.
Saturday, December 7	Festival of Trees	City of Murrieta Town Square Park, Murrieta	5:00 p.m. - 7:00 p.m.

2019 WREP Holiday Events (continued)			
Saturday, December 7	Christmas in the Park	City of Hemet Gibbel Park, 2500 W Florida Ave., Hemet	8:00 a.m. - 12:00 p.m.
Saturday, December 7	Winter Wonderland	City of Eastvale Eastvale Community Center 13820 Schleisman Rd., Eastvale	3:00 p.m. - 9:00 p.m.
Saturday, December 14	Breakfast with Santa	City of Wildomar Fire Station 61 32627 Gruwell Street, Wildomar	8:00 a.m. - 11:00 a.m.



WRCOG staff helping Calimesa residents at
a Christmas Tree Lighting Ceremony



City of Murrieta Festival of Trees event

Prior Action:

January 16, 2020: The Technical Advisory Committee received and filed.

Fiscal Impact:

Activities for the WREP Partnership are included in the Agency's adopted Fiscal Year 2019/2020 Budget in the Energy Department.

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Report out of WRCOG Representatives on Various Committees

Contact: Rick Bishop, Executive Director, rbishop@wrcog.us, (951) 405-6701

Date: February 3, 2020

The purpose of this item is to inform the Executive Committee of activities occurring on the various Committees in which WRCOG has an appointed representative.

Requested Action:

1. Receive and file.

This item serves as a placeholder for WRCOG representatives' use in providing materials or making comments pertaining to meetings of the Committee they have been appointed to.

SANDAG Borders Committee (Crystal Ruiz)

The SANDAG Borders Committee meeting met on Friday, January 24, 2020; the meeting agenda is attached. An update was presented on the environmental impact of debris that is crossing the border, a report from the Consul General of Mexico, who was requesting help with expediting daily border crossings, as well as presentations on other issues that are affecting Mexico. Committee member Ruiz will provide a verbal report at the meeting.

CALCOG Board of Directors (Brian Tisdale)

The next meeting of the CALCOG Board of Directors is scheduled for Tuesday, April 7, 2020.

SAWPA OWOW Steering Committee (Rusty Bailey)

The SAWPA OWOW Committee met on Thursday, January 23, 2020; the meeting agenda is attached. Committee member Bailey will provide a verbal report at the meeting.

Prior Action:

December 2, 2019: The Executive Committee received and filed.

Fiscal Impact:

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

Attachments:

1. SANDAG Borders Committee meeting agenda of January 24, 2020.
2. SAWPA OWOW Committee meeting agenda of January 23, 2020.

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Item 5.I

Report out of WRCOG
Representatives on Various
Committees

Attachment 1

SANDAG Borders Committee
meeting agenda of January 24, 2020

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Members

Serge Dedina, Chair
Mayor, City of Imperial Beach
(Representing **South County**)

Ronn Hall, Vice Chair
Councilmember, City of Santee
(Representing **East County**)

Vivian Moreno
Councilmember, **City of San Diego**

Greg Cox
Vice Chair, **County of San Diego**

Ellie Haviland
Deputy Mayor, City of Del Mar
(Representing **North County Coastal**)

Paul McNamara
Mayor, City of Escondido
(Representing **North County Inland**)

Jesus Eduardo Escobar
Supervisor
(Representing **Imperial County**)

Alternates

Bill Sandke
Councilmember, City of Coronado
(Representing **South County**)

Jerry Jones
Councilmember, City of Lemon Grove
(Representing **East County**)

Mark Kersey
Councilmember, **City of San Diego**

Dianne Jacob
Chair, **County of San Diego**

Christopher Rodriguez
Councilmember, City of Oceanside
(Representing **North County Coastal**)

Olga Diaz
Councilmember, City of Escondido
(Representing **North County Inland**)

Luis Plancarte
Supervisor
(Representing **Imperial County**)

Advisory Members

Gustavo Dallarda / Ann Fox
Caltrans District 11

Carlos González Gutiérrez / Mario Figueroa /
Natalia Figueroa
Mexico

Jim Ferryman / Jim Dahl
(Representing **Orange County**)

Crystal Ruiz / Yxstian Gutiérrez
(Representing **Riverside County COGs**)

Elsa Saxod / Gary Croucher
San Diego County Water Authority

Edwin "Thorpe" Romero / Cody Martinez
**Southern California Tribal
Chairmen's Association**

Naresh Amatya / David C. Salgado
**Southern California Association
of Governments**

Hasan Ikhrata
Executive Director, **SANDAG**



Borders Committee Agenda

Friday, January 24, 2020

12:30 to 2:30 p.m.

SANDAG Board Room

**401 B Street, 7th Floor
San Diego**

Agenda Highlights

- **Report from the Consul General of Mexico**
- **San Diego Forward: The 2021 Regional Plan:
Tribal and Border Workshops for the 5 Big Moves**
- **San Diego-Tijuana Smart Border Coalition**
- **The Border Impact Bond**

Please silence all electronic devices during the meeting

**You can listen to the Borders Committee
meeting by visiting our website at sandag.org**

Mission Statement

The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus; makes strategic plans; obtains and allocates resources; plans, engineers, and builds public transit; and provides information on a broad range of topics pertinent to the region's quality of life.

San Diego Association of Governments · 401 B Street, Suite 800, San Diego, CA 92101-4231
(619) 699-1900 · Fax (619) 699-1905 · sandag.org



Welcome to SANDAG. Members of the public may speak to the Borders Committee (Committee) on any item at the time the Committee is considering the item. Please complete a Request to Comment form located in the lobby. Members of the public may address the Committee on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Public speakers are limited to three minutes or less per person. The Committee may take action on any item appearing on the agenda.

Both agenda and non-agenda comments should be sent to the Clerk of the Committee via clerk@sandag.org. Please include the meeting date, agenda item, your name, and your organization. Any comments, handouts, presentations, or other materials from the public intended for distribution at the meeting should be received by the Clerk no later than 5 p.m. two working days prior to the meeting. All public comments and materials received by the deadline become part of the official public record and will be provided to the members for their review at the meeting.

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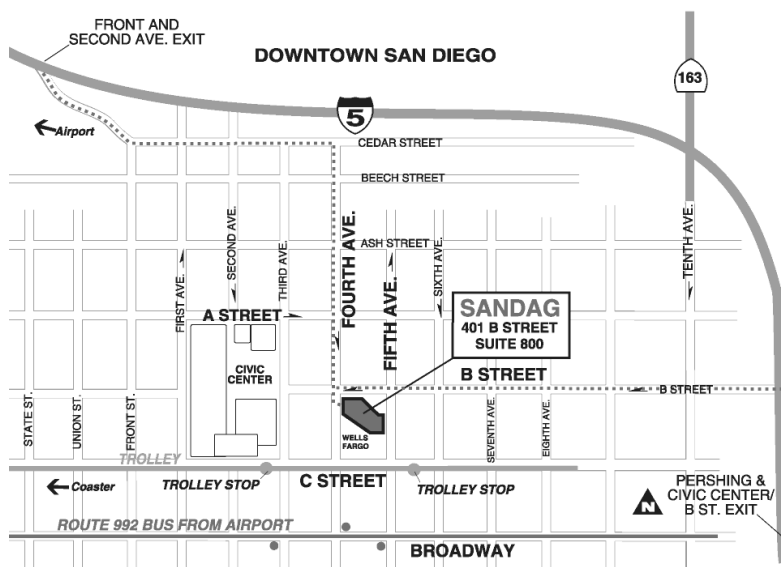
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Borders Committee

Friday, January 24, 2020

Item No.		Action
+1.	Approval of Meeting Minutes The Borders Committee is asked to review and approve the minutes from its Friday, October 25, 2019, meeting.	Approve
2.	Public Comments/Communications/Member Comments Members of the public shall have the opportunity to address the Borders Committee on any issue within the jurisdiction of SANDAG that is not on this agenda. Anyone desiring to speak shall reserve time by completing a Request to Comment form and giving it to the Clerk prior to speaking. Public speakers should notify the Clerk if they have a handout for distribution to Borders Committee members. Public speakers are limited to three minutes or less per person. Borders Committee members also may provide information and announcements under this agenda item.	
3.	Executive Director's Report <i>Hasan Ikhata, SANDAG</i> An update on key programs, projects, and agency initiatives, including San Diego Forward: The 2021 Regional Plan, will be presented.	Discussion
Reports		
4.	Report from the Consul General of Mexico <i>Hon. Carlos González Gutiérrez, Consul General of Mexico</i> An overview of binational activities within the purview of the Borders Committee will be presented. This report will focus on Consul General's program for 2020 and outcomes from Mexico's Annual Meeting of Ambassadors and Consul Generals.	Information
5.	2020 Census Complete Count <i>Darlanne Hctor Mulmat, SANDAG</i> As the Regional Census Data Center, SANDAG is coordinating outreach for the 2020 Census. An overview of Census 2020 and local efforts to ensure that every person is counted once, only once, and in the right place will be presented. Members will have an opportunity to share outreach activities occurring in their communities.	Discussion
+6.	San Diego Forward: The 2021 Regional Plan: Tribal and Border Workshops for the 5 Big Moves <i>Antoinette Meier and Elisa Arias, SANDAG</i> As part of the process to develop San Diego Forward: The 2021 Regional Plan through the 5 Big Moves, staff held two workshops to identify transportation issues and unique solutions from a borders-focused perspective. A summary of the tribal and border workshops held in October and December 2019 will be presented.	Information

- | | | |
|-----|---|-------------|
| 7. | San Diego–Tijuana Smart Border Coalition
<i>Gustavo de la Fuente, San Diego–Tijuana Smart Border Coalition</i>
With membership from both sides of the border, the San Diego–Tijuana Smart Border Coalition seeks creative and practical solutions to improve travel through the ports of entry in the San Diego–Tijuana binational region. A highlight of 2020 activities, initiatives, and opportunities will be presented. | Information |
| +8. | The Border Impact Bond
<i>Steven Wright, 4Walls International</i>
4Walls International leverages the potential in private and public collaboration to create real-world solutions in and around coastal watersheds under the guidance of impacted communities. An overview of their Border Impact Bond initiative that addresses solid waste threatening the Tijuana River Estuary will be presented. | Information |
| 9. | Continued Public Comments
If the five-speaker limit for public comments was exceeded at the beginning of this agenda, other public comments will be taken at this time. Subjects of previous agenda items may not again be addressed under public comment. | |
| 10. | Upcoming Meetings
The next Borders Committee meeting is scheduled for Friday, February 28, 2020, at 12:30 p.m. | Information |
| 11. | Adjournment | |

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Item 5.1

Report out of WRCOG
Representatives on Various
Committees

Attachment 2

SAWPA OWOW Committee meeting
agenda of January 23, 2020

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...A United Voice for the Santa Ana River Watershed

OWOW Steering Committee Members

Kati Parker, Convener | SAWPA Commissioner
Denis A. Bilodeau, SAWPA Commissioner
Doug Chaffee, Orange County Supervisor
Karen Spiegel, Riverside County Supervisor
Curt Hagman, San Bernardino County Supervisor
Rusty Bailey, Mayor, City of Riverside

Jose Solorio, Councilmember, City of Santa Ana
James Hessler, Altman Plants
Garry W. Brown, Orange County Coastkeeper
Linda Ackerman, Regional Water Quality Control Board
Deborah Robertson, Mayor, City of Rialto

REGULAR MEETING OF THE OWOW STEERING COMMITTEE

Thursday, January 23, 2020 – 11:00 a.m.

at SAWPA, 11615 Sterling Avenue, Riverside, CA 92503

and via telephone conference at

**601 N. Ross Street, Room 327
Santa Ana, CA 92701**

AGENDA

1. CALL TO ORDER | PLEDGE OF ALLEGIANCE (Kati Parker, Convener)

2. PUBLIC COMMENTS

Members of the public may address the Committee on items within the jurisdiction of the Committee; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

3. APPROVAL OF MEETING MINUTES: November 21, 2019

4. BUSINESS ITEMS

A. Integrated Regional Water Management (IRWM) Support in Future 2020 Resource Bonds (SC#2020.4)

Presenter: Mark Norton

Recommendation: Authorize staff to send the Integrated Regional Water Management (IRWM) 2020 Resources Bond Support Letter to pertinent legislators to indicate funding support for IRWM and other water needs in all future 2020 resources bonds.



...A United Voice for the Santa Ana River Watershed

B. Disadvantaged Communities Involvement (DCI) Program Status (SC#2020.1)

Presenter: Rick Whetsel

Recommendation: Receive and file.

C. Watershed Signage Update | Bri Communications (SC#2020.2)

Presenter: Ian Achimore

Recommendation: Receive and file.

D. OWOW Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Update (SC#2020.3)

Presenter: Ian Achimore

Recommendation: Receive and file.

5. COMMITTEE MEMBERS' COMMENTS

6. REQUEST FOR FUTURE AGENDA ITEMS

7. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or kberry@sawpa.org. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Thursday, January 16, 2020, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at: (1) the SAWPA office, 11615 Sterling Avenue, Riverside, California, and (2) 601 N. Ross Street, Santa Ana, California.

/s/

Kelly Berry, CMC

<u>2020 – OWOW Steering Committee Meetings</u>	
Fourth Thursday of Every Other Month (January, March, May, July, September, November) (NOTE: All meetings begin at 11:00 a.m. , unless otherwise noted, and are held at SAWPA.)	
January 23, 2020	March 26, 2020
May 28, 2020	July 23, 2020
September 24, 2020	November 19, 2020*
* Meeting date adjusted due to conflicting holiday.	



Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Budget Update – A Look Forward for 2020

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

Date: February 3, 2020

The purpose of this item is to provide an update of WRCOG's financial performance through the first half of the fiscal year (FY) and a look into the FY 2020/2021 budget.

Requested Action:

1. Receive and file.

Overview of WRCOG's Programs

WRCOG has three main departments: Transportation & Planning, Energy, and Environment.

The Transportation and Planning Department manages the TUMF Program, the Local Transportation Fund (LTF) Program, two CalTrans grants (Climate Adaptation and Resilient IE), and the regionally supported Public Service Fellowship, Grant Writing, and Experience (Innovation 2030) Programs.

The Energy Department manages the PACE Residential Program, PACE Commercial Program, Western Riverside Energy Partnership (WREP) with SoCal Gas (as of January 1, 2020, SoCal Edison is no longer a partner), and the Streetlight Program.

The Environment Department manages the Clean Cities, Solid Waste, and Used Oil Programs.

Noteworthy Program Matters

PACE Residential – The PACE residential Programs have seen a significant decline over the past several years. The decline in PACE volumes and revenues has started to level off, but it is still anticipated that PACE residential revenues will come in about 10% under budget in 2019/2020.

PACE Commercial – As the PACE residential Programs declined, staff believes that CPACE might experience expanded activity this year as new CPACE providers have been. In FY 2019/2020, approximately \$200K was budgeted for PACE commercial revenues and staff anticipates exceeding its budgeted amount.

Recovery of Streetlight Costs – When WRCOG began working on the Streetlight Program, staff worked in anticipated Program development costs in the cost of issuance, so when each city closed its financing, WRCOG would get back some of its Program development costs. Upon Program completion, however, total costs exceeded this amount by approximately \$800K. Fortunately, during the streetlight acquisition process, WRCOG worked with SCE, through the WREP partnership, to get cities rebates for performing LED retrofits on its streetlights. It was originally noted that the amount would be approximately \$3.6M, but through WREP, WRCOG was able to enhance the rebate, which resulted in an additional \$2M for a total rebate to the subregion of \$5.6M. Through this additional rebate, WRCOG is recovering the additional monies not recovered through the cost of issuance.

Office Relocation – The PACE Programs, one of WRCOG's largest funding sources, was seeing significant growth, which also required additional staff. Because of this, WRCOG decided to move its offices from the County Administration Center to Citrus Towers in December 2017. WRCOG went from approximately 5,700 square feet, to approximately 12,700 square feet. Almost soon after, PACE began to experience a significant decline in volumes. To address this, staffing adjustments were made to the Program and WRCOG found itself with more space than needed.

As staffing reductions were made, WRCOG began exploring the idea of subleasing space, and was able to successfully sublease approximately 2,000 square feet; however, even with the additional space subleased, the Agency still found itself with more space than it needed. As this information was communicated to WRCOG's landlord, they proposed a solution that would relocate WRCOG to the 2nd floor, where there was 4,000 square feet less than what WRCOG was currently occupying. Relocating to the 2nd floor allowed staff to work with the architect on a more compact office layout yet maintaining its conference rooms at their current size. All in all, the savings will yield WRCOG over \$1M over the life of the lease.

Unfunded Liability Contribution – During FY 2019/2020, WRCOG began exploring the idea of reducing its CalPERS Unfunded Accrued Liability (UAL) through either making an additional contribution, reducing its term (originally 30 year), or a combination of both. Action was taken to reduce WRCOG's UAL term to a 15-year term and to also contribute \$1M to establish a 115 Trust to make additional payments on an annual basis. This will save WRCOG over \$1.3M.

On the Horizon

PACE Commercial – Staff will continue to work on expanding efforts to grow the PACE Commercial Program. Staff have been meeting with city staff, developers, and potential new providers to grow the Program and there appears to be much interest in the idea of PACE Commercial, and as noted above, volume has increased and there are more projects in the pipeline.

WREP Evolution – WREP was originally a partnership between SoCal Edison and SoCal gas to support projects to achieve energy savings and reduce utility bills. As of January 1, 2020, SoCal Edison is no longer a partner in this Program, but over the past year, staff have been working with SBCOG and CVAG on the idea of a Regional Energy Network (REN). A REN would be a scaled-up version of WREP, which means it will be able to offer energy efficiency programs, such as energy upgrades towards local government buildings, financing mechanisms for energy upgrades, and workforce development programs. Staff will continue to work with its partners on submitting a business plan to the California Public Utilities Commission (CPUC), which has recently voted in favor of forming new RENs, so the idea of a REN seems very likely.

Western Community Energy (WCE) – WCE will be launching in April / May 2020, is expected to be self-sustaining by the end of the fiscal year and will also help support some of WRCOG's expenses through its management services agreement. Additionally, WRCOG expects to receive back the nearly \$2M spent on WCE. While WCE will be launching this year, due to some of the covenants in the loan financing, WRCOG will not be able to be paid back until FY 2021/2022.

New Grant Opportunities – Staff continues to work on seeking new grant opportunities and recently secured an additional CalTrans grant along with a Household Hazardous Waste (HHW) grant, which will be used to help support WRCOG's member agencies.

Prior Action:

January 8, 2020: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Report from the League of California Cities

Contact: Erin Sasse, Regional Public Affairs Manager, League of California Cities,
esasse@cacities.org, (951) 321-0771

Date: February 3, 2020

The purpose of this item is to provide an update of activities undertaken by the League of California Cities.

Requested Action:

1. Receive and file.

This item is reserved for a presentation from the League of California Cities Regional Public Affairs Manager for Riverside County.

Prior Action:

January 16, 2020: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Public Service Fellowship Activities Update

Contact: Rachel Singer, Staff Analyst, rsinger@wrcog.us, (951) 405-6754

Date: February 3, 2020

The purpose of this item is to provide an update on the fourth cohort of the WRCOG Public Service Fellowship Program and initiate discussions regarding logistics for the fifth round of the Program.

Requested Actions:

1. Require agencies applying for a WRCOG Fellow to contribute 50% towards the cost of that Fellow.
2. Require agencies applying for a WRCOG Fellow to provide a specific description of the tasks the Fellow is expected to work when applying for that Fellow.
3. Limit future Fellows to working no more than 30 hours per week.
4. Maintain WRCOG's policy of alternating Fellow placement to give priority to ensure that each agency can receive a Fellow in alternating years.
5. Direct staff to reach out to UCR, CBU, and Cal State San Bernardino to further inquire if financial contribution is feasible.
6. Implement an Exit Interview for Fellows and host agency supervisors.

In partnership with higher education institutions and member agencies, WRCOG developed and launched a Public Service Fellowship Program in 2016. The Program provides current college students and recent graduates with career opportunities in local governments in a way that is mutually beneficial to both the Fellow and the host agency.

Background

WRCOG's Public Service Fellowship Program was established in 2016 and is now in its fourth round. The goal of the Fellowship Program is to retain local students to fulfill the subregion's needs for a robust public-sector workforce and to combat the problem of "brain drain," which occurs when local students graduate and then leave the region to seek full-time employment outside of the region. The Fellowship Program aims to engage local students and alumni in career opportunities with local governments and agencies in a way that is mutually beneficial to both the Fellows and the host agency.

In terms of logistics, WRCOG is responsible for general Program administration and oversight including maintaining employment of the Fellows, soliciting interest from local government agencies, serving as the liaison between member agencies and the universities, providing Program funding, reviewing applications, conducting interviews, recommending Fellow placements, and coordinating payment of Fellowship stipends. In addition, WRCOG provides ongoing training to Fellows on career readiness and relevant topics during monthly program workshops to support their hands-on work experience.

Since inception, 54 Fellows have been placed in member agencies over four rounds of the Program contributing 51,840 hours of service to member agencies. Attachment 1 provides insight to the roles and responsibilities of past Fellows, as well as an update on where the featured alumni are now employed.

Round IV Update

Thirteen Fellows were selected to participate in the Fellowship Program and were placed throughout WRCOG member agencies for the 2019/2020 Fiscal Year. The agencies that received a Fellow this round include the Cities of Banning, Calimesa, Canyon Lake, Jurupa Valley, Lake Elsinore, Norco, Riverside, and Wildomar, Western Municipal Water District, the County of Riverside Districts 2 and 5, and WRCOG; an additional Fellow was placed in the Riverside County Executive Office to specifically assist efforts addressing homelessness in Western Riverside County.

Round IV Fellows will be presenting a project they are working on in their host agency to one of WRCOG's Committees. Presentations are scheduled to take place in early 2020. Following the completion of the current round, WRCOG will host a completion celebration for Fellows in April 2020.

Fellowship Ad Hoc Committee

To discuss the future of the Program, the Fellowship Ad Hoc Committee convened two times to review staff recommended programmatic adjustments and funding options for the future of the Program.

Programmatic Adjustments: Regarding programmatic adjustments, the Fellowship Ad Hoc Committee supported staff's recommendation to institute a more robust host agency onboarding process to include detailed information on specific projects and programs assigned to a prospective Fellow, as well as a host agency orientation to review best practices and administrative responsibilities of the Fellow supervisor. Additionally, the Ad Hoc Committee supported a maximum of 30-hour work weeks for Fellows.

Funding Options: Regarding funding options for the future of the Program, staff noted the finite resources available for the continuation of the Fellowship Program. The Fellowship Program was originally funded through \$1.1 million in excess PACE revenues in 2016; these resources have funded four rounds of the Program (Fiscal Year 2016/2017 through Fiscal Year 2019/2020). An additional \$250,000 was allocated to the Program in 2019 through WRCOG's BEYOND Program carryover monies.

At the conclusion of the fourth round of the Fellowship Program, projected to be March 2020, there will be approximately \$300,000 remaining in the Fellowship Program. Assuming one Fellow costs approximately \$20,000 and, if there are 10 to 15 Fellows per cohort, each round of the Program costs approximately \$250,000. Therefore, if all stays equal and the Fellowship Program operates per status quo, the fifth round of the Fellowship Program (Fiscal Year 2020/2021) will be the last year of the Program.

In response to this, the Ad Hoc Committee provided four potential options to extend the longevity of the Program. The four options, as well as the pros and cons of each funding option, are outlined below:

Funding	Description	Pros	Cons
Pay as able	Host agencies would "pay as able," meaning some Fellows would be paid and others would not be based on agency's resources	Flexibility to host agency	Difficult to attract high quality candidates without compensation
Grant funding	WRCOG utilizes its Grant Writing Program to identify potential funding opportunities	No Funding out of pocket for WRCOG or member agencies	Grants could limit parameters of the work assigned and number of Fellows
Three-way split	Funding is split between WRCOG, host agency, and university partners	Each organization pays less out of pocket	University partners are not willing to provide the necessary level of financial support
Two-way split	Funding is split between WRCOG and host agency	Most likely option that preserves integrity of the Program	Some member agencies may not be able to participate due to budget constraints

Upon discussion, the Ad Hoc Committee endorsed the two-way funding split between WRCOG and a host agency. The two-way split would extend the remaining \$300,000 Program funds for an additional two rounds.

Enacting a two-way funding split would create the following timeline:

3-Year Projection			
	<i>Round 5</i>	<i>Round 6</i>	<i>Round 7</i>
	<i>FY 20/21</i>	<i>FY 21/22</i>	<i>FY 22/23</i>
WRCOG Pays 100%	Yes	No	No
Two-Way Split	Yes	Yes	Maybe

Implementation optics of the two-way split were also discussed and can be referenced in Attachment 2, the Fellowship Ad Hoc FAQ. Most notably, under the two-way split, member agencies would opt into the Program and, in doing so, would agree to contribute 50% of the cost of the Fellow. All other programmatic elements of the Fellowship will remain constant; WRCOG will administer the Program and host monthly Professional Development Sessions, while host agencies provide mentorship and day-to-day supervision.

While the two-way split does preserve the short-term longevity of the Program, it is not a long-term solution. The Ad Hoc Committee suggested that in moving forward, alternative funding sources be researched and discussed.

Since this item was discussed with the Ad Hoc Committee, there have been further discussions with the Administration & Finance Committee and the Technical Advisory Committee. Several members of the Administration & Finance Committee expressed concerns regarding whether member agencies would be able to provide the funding match for a Fellow. When this issue was discussed at the Technical Advisory Committee, none of the members present expressed concerns over a match requirement.

Prior Actions:

January 16, 2020:

The Technical Advisory Committee 1) recommended that the Executive Committee require agencies applying for a WRCOG Fellow to contribute 50% towards the cost of that Fellow; 2) recommended that the Executive Committee require agencies applying for a WRCOG Fellow to provide a specific description of the tasks the Fellow is expected to work when applying for that Fellow; 3) recommended that the Executive Committee limit future Fellows to working no more than 30 hours per week; 4) recommended that the Executive Committee maintain WRCOG's policy of alternating Fellow placement to give priority to ensure that each agency can receive a Fellow in alternating years; 5) directed staff to reach out to UCR, CBU, and Cal State San Bernardino to further inquire if financial contribution is feasible; and 6) directed staff to implement an Exit Interview for Fellows and host agency supervisors.

January 8, 2020:

The Administration & Finance Committee 1) recommended that the Executive Committee require agencies applying for a WRCOG Fellow to contribute 50% towards the cost of that Fellow; 2) recommended that the Executive Committee require agencies applying for a WRCOG Fellow to provide a specific description of the tasks the Fellow is expected to work when applying for that Fellow; 3) recommended that the Executive Committee limit future Fellows to working no more than 30 hours per week; 4) recommended that the Executive Committee maintain WRCOG's policy of alternating Fellow placement to give priority to ensure that each agency can receive a Fellow in alternating years; 5) directed staff to reach out to UCR, CBU, and Cal State San Bernardino to further inquire if financial contribution is feasible; and 6) directed staff to implement an Exit Interview for Fellows and host agency supervisors.

September 19, 2019:

The Technical Advisory Committee designated five-member agency representatives to sit on the Fellowship Ad Hoc Committee for the fifth round of the Program. Representatives are from the Cities of Banning, Canyon Lake, Lake Elsinore, and San Jacinto, as well as Eastern Municipal Water District.

Fiscal Impact:

Activities for the Fellowship Program are included in the Agency's adopted Fiscal Year 2018/2019 Budget.

Attachments:

1. Featured Fellows Booklet.
2. Fellowship Ad Hoc FAQ.

Item 6.B

Public Service Fellowship Activities
Update

Attachment 1

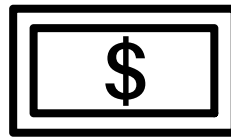
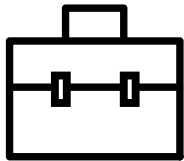
Featured Fellows Booklet

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WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

THE FELLOWSHIP EXPERIENCE

PUBLIC SERVICE FELLOWSHIP PROGRAM



WRCOG Public Service Fellowship

In 2016 the Western Riverside Council of Governments (WRCOG) in partnership with its 23 member agencies, launched the Public Service Fellowship Program as a means to invest in young professionals interested in a public sector career. Since inception, the Program has trained over 65 Fellows contributing 62,400 hours of service to member agencies on a variety of projects. Graduates of the Program are equipped to launch their career and 64% of alumni are now working throughout Western Riverside County.

Check out the following featured Fellows to learn about what they did in the Fellowship Program and how their work catalyzed their career moving forward.

ALUMNI SPOTLIGHT

- 01** Alma Ramirez, EMWD
- 02** Ani Dhruva, City of Lake Elsinore
- 03** Chika Ojukwu, County of Riverside
- 04** Edgar Castelan, City of Banning
- 05** Eduardo Sida, City of Perris



01 Alma Ramirez

Alma Ramirez served at Eastern Municipal Water District (EMWD) during the third round of the Fellowship Program. As a part of her Fellow duties, she had the opportunity to take part in the State Water Project Tour hosted by Metropolitan Water District of Southern California.

During the tour, Alma experienced firsthand the history behind the State Water Project by visiting the Oroville Dam, which provides drinking and irrigation water to central and southern California; and the Banks Pumping Plant, which is the starting point for the California Aqueduct.

Alma now serves as a Management Analyst at the City of Lake Elsinore.



“The Fellowship Program has paved the way for my career in public service. I have gotten the chance to grow my network and learn about water policy on a broader spectrum through opportunities that do not come across very often.”

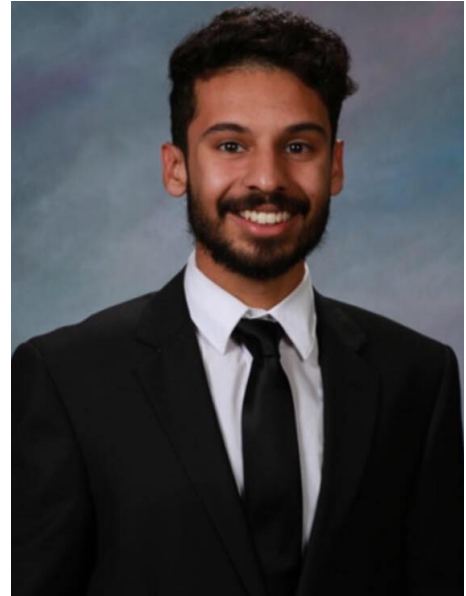


Alma at the State Water Project Tour

02 Ani Dhruva

Ani Dhruva, a round three Fellow, completed his Fellowship at the City of Lake Elsinore. He is a graduate from the University of California Riverside (UCR) with a bachelor's degree in Public Policy and a Master of Public Policy.

During his time at the City, Ani helped develop a regional funding proposal and updated the City's Municipal codes, applying knowledge learned in the classroom to his Fellow duties. Altogether, the Program prepared Ani for a future career in public service by providing unique and meaningful experiences, while learning how municipalities operate and make decisions.



Q & A with Ani

1. What has the Fellowship Program meant for you?

For me, the WRCOG Fellowship meant a stable employment opportunity in a relevant field of interest. The WRCOG Fellowship was vital in my exploration of the field of Public Service in an exciting, rewarding manner. As a Fellow, I was able to apply my skills and knowledge in a lasting, impactful manner.

2. Has it changed or encouraged your career path or job considerations?

The WRCOG Fellowship really opened my eyes to the possibility of working at the municipal or local government level. WRCOG definitely encouraged me to stay and work in local government and exposed me to key policymakers in the region, affording me as a student a day-to-day glimpse of what public service is all about.

3. How has the Program impacted your networking circles and abilities?

The program allowed me to greatly improve my professional and networking abilities. I was regularly able to interact, network and work with key city staff on timely, relevant issues. My networking circles grew significantly due to the opportunities afforded by the WRCOG Fellowship and this was a large factor for my satisfaction with the program.

03 Chika Ojukwu

Chika Ojukwu served as a Fellow in the second round of the Program and was placed at the County Board of Supervisors' First District office. She focused on legislative matters and homelessness. Chika also engaged local businesses through grand openings and public outreach events on behalf of Supervisor Kevin Jeffries.

"My Fellowship has really provided an upfront and hands-on experience to look into how things are achieved within local government. I am thankful for the opportunity to see how public policy affects the lives of the community."

From the Supervisor's Perspective

"Chika has been a very valuable addition to our office. We have treated her as a full-time staff member, assigning her policy research, and attending a variety of meetings on the Supervisor's behalf, working as part of the team on a number of special events. I think she would agree that this has been far beyond the stereotypical filing, copying, and letter opening experience so many interns and fellows encounter in other programs."



Chika with the County of Riverside District 1 Staff

04 Edgar Castelan

As a Fellow for the City of Banning during the second round of the Program, Edgar worked in the Planning Department supporting the first phase of Downtown Revitalization efforts.

As part of the Program, Edgar primarily conducted business and resident outreach. For example, Edgar devised a survey and conducted a workshop to develop the vision and mission of the project. His research on municipal codes also gave him a deeper understanding of the inner mechanisms that make a city function. Edgar's experience through the Fellowship exposed him to an administrative setting that allowed him to develop transferable skills while strengthening interpersonal abilities.



Following the completion of the WRCOG Fellowship Program in 2018, Edgar completed his Master's in Public Policy at University California Riverside and joined the office of State Senator Connie M. Leyva shortly after as a district representative. Senator Leyva represents the 20th Senate District and Edgar covers the cities of Colton and Grand Terrace, as well as the unincorporated areas of Bloomington and Muscoy, attending to legislative and state issues on the Senator's behalf.

Edgar Castelan with Senator Leyva's staff

05 Eduardo Sida

Eduardo Sida was part of the inaugural Fellowship Cohort and served at the City of Perris in the Administrative Services Department working on public health initiatives under the Live Well Perris Campaign. During his tenure at the City of Perris, Eduardo was completing his Master's degree in public health from California Baptist University. The Fellowship Program provided a hands on opportunity to practice what he was learning in his graduate program.

Serving at a local government, he was able to intersect public health goals with the core services that the City of Perris provided for its residents. During the program, Eduardo worked on the Grow Perris initiative, which has received local, regional, and national attention and recognition. Following the Fellowship Program, Eduardo was hired by the City and currently serves as a Management Analyst. Eduardo continues to work as a public servant and hopes to grow as a leader in the realm of the public sector.



Eduardo at the opening of one of 16 gardens under the Grow Perris initiative.

From the Supervisor's Perspective

"Eduardo came to the City of Perris as a Fellow under the WRCOG Fellowship Program. Immediately, he showed leadership potential, passion and commitment to every project he was assigned. Years later, he continues to serve the City of Perris, now as a full-time employee, facilitating health policy, advocacy, education and interventions to making our City a healthy thriving community."

Additional information on the Fellowship Program can be found at www.wrcog.us/169/Fellowship.

Questions can be directed to Rachel Singer at rsinger@wrcog.us or at (951) 405-6754.



Item 6.B

Public Service Fellowship Activities Update

Attachment 2

Fellowship Ad Hoc FAQ

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Fellowship Ad Hoc FAQ

1. What is the maximum number of hours that a Fellow can complete in the Program?

Under the parameters of CalPERS, Fellows are able to work up to 1,000 hours, however to create a margin of protection for both WRCOG and the host agency, WRCOG has established the maximum number of Fellow hours to 960.

2. What happens if a Fellow exceeds 1,000 hours?

If a Fellow exceeds 1,000 hours, this would trigger full-time employment classification under CalPERS, meaning WRCOG and the host agency would be responsible for providing full-time benefits, including but not limited to, retirement and healthcare benefits.

3. How can CivicSpark Fellows exceed 1,000 hours?

Based on our research, the CivicSpark Fellows can exceed 1,000 hours as they are organized through Local Government Commission, which is a nonprofit organization and therefore does not need to hold the same parameters as public entities under CalPERS.

4. Will the Program continue the every-other year placement in host agencies?

WRCOG's preference for the program would be to offer alternating placement whereby an agency would receive a Fellow in one year and not receive a Fellow in the subsequent year. We believe that this approach is the most fair and equitable way to ensure that all of our member agencies have access to the Fellowship Program.

5. Can a host agency apply for more than one Fellow in one round if they're willing to pay?

No, each jurisdiction may only apply for one Fellow in a year that they are eligible.

6. What will the process be for a host agency to pay for their Fellow?

The total cost of a Fellow is about \$20,000. With the 50/50 split funding method between WRCOG and member agencies, the member agency is responsible for \$10,000. This will be paid on the front end once a Fellow and host agency confirms the Fellow placement.

7. What happens if a Fellow drops out or leaves before the end of the Program?

The Fellowship Program is a nine-month commitment and begins July 1st and ends March 31st of the following year. If a Fellow drops out of the Program before the March 31st end date, WRCOG will calculate the prorated amounts and reimburse the host agency the remaining hours the Fellow did not complete.

8. Does about AB 5 impact the Fellowship Program? What about other legislation?

Assembly Bill (AB) 5 seeks to make the distinction between employees and independent contractors. To provide clarification, WRCOG Fellows are employees of the agency and are not classified as independent contractors, therefore the parameters of AB 5 do not apply to WRCOG. WRCOG and staff will continue to monitor legislation in the pipeline as it relates to the Fellowship Program.

9. Is the 50/50 funding split the long-term solution?

The 50/50 split is a short-term solution to provide funding for the Fellowship Program. Under the 50/50 funding split, WRCOG and member agencies can sponsor up to three rounds of the Program, Round 5 through Round 7. It is advised that the Fellowship Ad Hoc Committee continues to discuss future funding options for Fellowship cohorts beyond Round 7.

10. What member agencies are slotted for priority in Round 5 (FY 20/21) if they choose to opt into the 50/50 funding split?

The following member agencies are slotted for priority Fellow placement if they opt into the 50/50 split and complete the host agency application by the deadline: The Cities of Beaumont, Corona, Eastvale, Hemet, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, and Temecula. Riverside County Districts 1, 2, and 3 are also slotted for priority placement. Additionally, Eastern Municipal Water District, March JPA, Morongo Band of Mission Indians, Superintendent of Schools have priority.

11. Does the new funding strategy change the format of the Program for Fellows or host agencies?

No. Rather, in updating the funding strategy to be a 50/50 split between WRCOG and member agencies, it preserves the integrity of the Program as it can operate as it had been in the previous four rounds. WRCOG staff will continue to recruit and coordinate the Program, providing monthly Professional Development Sessions and the host agency will provide mentorship, projects, and day-to-day management of the assigned Fellow.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: PACE Programs Activities Update: Refunding of WRCOG-Issued Commercial Bonds

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

Date: February 3, 2020

The purpose of this item is to seek approval from the Executive Committee of a resolution and supporting attachments to authorize the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds, as well as ratify Exhibit A: Good Faith Estimate from Resolution Number 32-19.

Requested Actions:

1. Adopt Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of certain Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds (WRCOG Program and California Program) for the purpose of defeasing and refunding certain outstanding commercial bonds, appointing a Trustee and certain other professionals, approving agreements to be executed in connection with the issuance of the Refunding Bonds and certain other actions.
2. Approve the Letter of Terms and Conditions; Indenture of Trust between the City and The Bank of New York Mellon Trust Company, N.A.; Irrevocable Refunding Instructions to the Trustee; and Placement Agent Agreement between WRCOG and Piper Sandler Companies.
3. Ratify Exhibit A: Good Faith Estimate from Resolution 32-19, approved on December 2, 2019.

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

WRCOG Bond Refunding

On October 9, 2019, the Administration & Finance Committee received a presentation regarding refunding of existing PACE bonds. Since launching the WRCOG PACE Programs, WRCOG has issued approximately 1,300 PACE assessment-secured bonds with a current estimated value in excess of \$1.03 billion. Many of these bonds were issued when interest rates were higher in the bond market. Since then, interest rates have decreased, creating an opportunity to refund outstanding bonds at lower interest rates. On the advice of WRCOG's PACE team partners, (PFM – Financial Advisor, BB&K – Bond Counsel, and DTA – Assessment Administrator, Piper Sandler Companies – Bond Underwriter), WRCOG began researching the possibility of refunding eligible WRCOG bonds in order to realize savings to WRCOG and minimize administrative costs.

As part of this process, WRCOG staff and PACE team partners analyzed which bonds to consider for refunding first; the commercial bonds are the best candidates to refund at this time. There are approximately \$8.3 million

in bonds from WRCOG's Commercial PACE Program that have been selected for refunding (the "Prior Commercial Bonds"). The proposed refunding will result in reduced administrative costs and trustee expenses. The term of Refunding Bonds is anticipated to be 18 years.

WRCOG received three bids from two banks, BBVA and First Foundation Bank. Multiple criteria were considered, including the following:

- 1) Interest rate
- 2) First Year Savings Extraction Date
- 3) Total Aggregate Savings
- 4) Total Debt Service Required

While both banks had competitive offers, staff recommends accepting the offer from First Foundation Bank. First Foundation Bank's terms offered a 3.45% interest rate, a first-year savings extraction date of 2024, total aggregate savings estimated at over \$700,000, and a debt service reserve fund of 20% of maximum annual debt service. The interest rate being competitive and locked in for 60 days, lower debt service reserve requirements, and an earlier savings extraction date would allow WRCOG to realize the maximum amount of savings at an earlier date than the other bids. There are 37 commercial PACE bonds being recommended for refunding. Those bonds' interest rates range from 5.75% - 7.50%. If approved, WRCOG will issue one bond with an interest rate of 3.45%. This reduced interest rate will achieve approximately \$538,100 in savings over the 18-year life of the bond.

Staff is recommending adoption of Resolution Number 02-20, authorizing the issuance and sale of limited obligation Refunding Bonds secured by certain commercial assessments, along with the following documents:

- Letter of Terms and Conditions for the direct purchase of the refunding bonds from First Foundation Bank (the "Purchaser") to WRCOG dated December 12, 2019 (the "Term Sheet");
- Indenture of Trust between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee");
- Irrevocable Refunding Instructions to the Trustee; and
- Placement Agent Agreement between WRCOG and Piper Sandler Companies, as placement agent (the "Placement Agent").

The bond resolution also authorizes and approves the following to provide professional services: (1) The Bank of New York Mellon, N.A., as trustee; (2) PFM Financial Advisors, LLC, as municipal advisor; (3) Best Best & Krieger, LLP, as bond counsel; (4) DTA as assessment administrator, and (5) Piper Jaffray & Co. as Placement Agent. Should the bond resolution be approved, the bond sale will occur on or about February 6, 2020.

On January 8, 2020, the Administration & Finance Committee recommended that the Executive Committee approve Resolution Number 02-20.

HERO Commercial

On December 2, 2019, the Executive Committee approved Resolution Number 32-19, authorizing Renovate America to operate a commercial PACE Program. Included as Exhibit A to Resolution Number 32-19 was a good faith estimate regarding certain estimates regarding the principal amount of the bonds, costs of issuing the bonds, and total debt service amount. The estimated numbers for the Good Faith Estimate were inadvertently left out during the approval. Such good faith estimate has now been provided to the Executive Committee. No bonds have been issued pursuant to the authorization set forth in Resolution Number 32-19 and staff request the Executive Committee to make a motion to ratify the approval of Resolution Number 32-19 now that the good faith estimate has been provided.

Prior Actions:

- January 8, 2020: The Administration & Finance Committee recommended that the Executive Committee approve Resolution Number 02-20.
- January 16, 2020: The Technical Advisory Committee recommended that the Executive Committee approve Resolution Number 02-20.

Fiscal Impact:

Upon issuance of the refunding bonds, WRCOG will receive \$75,000 from the cost of issuance.

Attachments:

1. Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of certain Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds (WRCOG Program and California Program) for the purpose of defeasing and refunding certain outstanding commercial bonds, appointing a Trustee and certain other professionals, approving agreements to be executed in connection with the issuance of the Refunding Bonds and certain other actions.
2. Letter of Terms and Conditions for the direct purchase of the refunding bonds from First Foundation Bank (the "Purchaser") to WRCOG dated December 12, 2019 (the "Term Sheet").
3. Indenture of Trust between WRCOG and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").
4. Irrevocable Refunding Instructions to the Trustee.
5. Placement Agent Agreement between WRCOG and Piper Sandler Companies, as placement agent (the "Placement Agent").
6. Exhibit A of Resolution 32-19, Good Faith Estimate.

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Item 6.C

PACE Programs Activities Update: Refunding of WRCOG-Issued Commercial Bonds

Attachment 1

Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of certain Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds (WRCOG Program and California Program) for the purpose of defeasing and refunding certain outstanding commercial bonds, appointing a Trustee and certain other professionals, approving agreements to be executed in connection with the issuance of the Refunding Bonds and certain other actions

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RESOLUTION NUMBER 02-20

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AUTHORIZING THE ISSUANCE OF CERTAIN WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS LIMITED OBLIGATION IMPROVEMENT REFUNDING BONDS (WRCOG PROGRAM AND CALIFORNIA PROGRAM) FOR THE PURPOSE OF DEFEASING AND REFUNDING CERTAIN OUTSTANDING COMMERCIAL BONDS, APPOINTING A TRUSTEE AND CERTAIN OTHER PROFESSIONALS, APPROVING AGREEMENTS TO BE EXECUTED IN CONNECTION WITH THE ISSUANCE OF THE REFUNDING BONDS AND CERTAIN OTHER ACTIONS

WHEREAS, acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29"), WRCOG established the Energy Efficiency and Water Conservation Program for Western Riverside County (the "WRCOG Program") pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside (the "WRCOG Program Area") that have elected to participate in the WRCOG Program to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Authorized Improvements"); and

WHEREAS, acting under Chapter 29, WRCOG also established the California Program (the "California Program" and, together with the WRCOG Program, the "Programs") pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of real property located within cities and counties located outside of the western portion of the County of Riverside that have elected to become Associate Members of WRCOG and to participate in the California Program (the "California Program Area," collectively with the WRCOG Program Area, the "Program Areas") to finance the installation of Authorized Improvements; and

WHEREAS, WRCOG is authorized to issue limited obligation improvement refunding bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the "Bond Act"), to finance the installation of Authorized Improvements that are permanently fixed to real property located within cities or counties participating in either of the Programs; and

WHEREAS, on December 2, 2013, the Executive Committee adopted Resolution Number 24-13 authorizing the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Bonds (WRCOG Program and California Program) (First Commercial Property Tranche) in one or more series pursuant to Chapter 29 and the Bond Act, secured by voluntary contractual assessments levied on Commercial (as defined in Section 1.2) parcels located in either of the Program Areas (as defined in Section 1.2); and

WHEREAS, Resolution Numbers 04-11 and 08-11 approved the form of a Master Indenture dated September 1, 2013 (the "2013 Indenture"), by and between WRCOG and Deutsche Bank National Trust Company, as trustee (the "Prior Trustee"), and the form of a supplemental indenture pursuant to which one or more series of bonds may be issued; and

WHEREAS, subsequently the Executive Committee adopted Resolution Number 24-13, approving the form of a Master Indenture dated January 1, 2013 (the “2013 Master Indenture”) by and between WRCOG and the Prior Trustee and the form of a supplemental indenture pursuant to which one or more series of bonds may be issued; and

WHEREAS, WRCOG and the Prior Trustee entered into that certain Master Indenture dated as of January 1, 2015 (the “2015 Master Indenture,” collectively with the 2013 Master Indenture, the “Prior Indentures”), pursuant to which WRCOG is authorized to issue one or more series of Bonds; and

WHEREAS, WRCOG issued several series of bonds under the Prior Indentures as identified in Exhibit A hereto (the “Prior Bonds”) and supplemental indentures thereto which are also identified in Exhibit A; and

WHEREAS, as a result of favorable conditions in the municipal bond market, the Executive Committee desires to authorize the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) (the “Refunding Bonds”) for the purpose of defeasing and refunding the Prior Bonds in order to reduce the borrowing costs on such indebtedness; and

WHEREAS, the defeasance and refunding of the Prior Bonds will provide savings for WRCOG; and

WHEREAS, payment of the principal of and interest on the Prior Bonds are secured by assessments that are levied upon certain parcels of commercial property within the Program Areas (the “Assessments”); and

WHEREAS, payment of the principal of and interest on the Refunding Bonds will be secured by such Assessments; and

WHEREAS, upon the issuance of the Refunding Bonds and the deposit of the applicable portion of the proceeds of the sale of such Refunding Bonds in the redemption funds established under the Prior Indentures to accomplish the defeasance and refunding of the Prior Bonds, such Prior Bonds will be defeased and the property in the Program Areas will no longer be subject to the levy of the Assessments to pay debt service on such Prior Bonds; and

WHEREAS, there has been presented to the Executive Committee an offer for the direct purchase of the Refunding Bonds from First Foundation Bank (the “Purchaser”), as set forth in the letter from the Purchaser to WRCOG dated January 22, 2020 (the “Term Sheet”); and

WHEREAS, there has also been presented to the Executive Committee a separate form of an Indenture of Trust for the Refunding Bonds to be executed and delivered by WRCOG and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), setting forth the terms and conditions relating to the issuance, sale, delivery and administration of Refunding Bonds (the “Indenture”); and

WHEREAS, there has also been presented to the Executive Committee a form of Irrevocable Refunding Instructions to be executed and delivered by WRCOG to the Prior Trustee, with respect to the defeasance and redemption of the Prior Bonds, whereby the Prior Trustee will receive a portion of the proceeds of the sale of the Refunding Bonds and certain funds related to the Prior Bonds that will be deposited in the Redemption Fund established under the Prior Indentures to provide for the defeasance and redemption of the Prior Bonds and will perform certain other duties (the “Refunding Instructions”); and

WHEREAS, there has also been presented to the Executive Committee a form of Placement Agent Agreement (the “Placement Agent Agreement”) whereby Piper Sandler & Co. (the “Placement Agent”) will assist WRCOG in placing the Refunding Bonds; and

WHEREAS, the Executive Committee has considered the Term Sheet, the form of the Indenture of Trust, the Refunding Instructions and the Placement Agent Agreement and has determined that it is in the best interest of WRCOG, that the Executive Committee authorize the issuance and sale of the Refunding Bonds; and

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

WHEREAS, in accordance with Section 5852.1, the Executive Committee has obtained such good faith estimates from PFM Financial Advisors, LLC, WRCOG's municipal advisor (the "Municipal Advisor"), and such estimates are disclosed in Exhibit B attached hereto; and

WHEREAS, the Executive Committee wishes at this time to authorize all proceedings relating to the issuance and sale of the Refunding Bonds and all other agreements and documents relating thereto.

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

Section 1. Findings. The Executive Committee finds (a) that the preceding recitals are true and correct and (b) that the sale of the Refunding Bonds at private sale, without advertising for bids, will result in a lower overall cost to WRCOG.

Section 2. Authorization of the Issuance of the Refunding Bonds. The Executive Committee authorizes the issuance and sale of the Refunding Bonds in the not to exceed aggregate principal amounts listed in Section 3. The Executive Director, Director of Energy & Environmental Programs or their designee (each an "Authorized Representative") are authorized and directed to take all steps and actions which are necessary to accomplish the issuance, sale and delivery of the Refunding Bonds pursuant to the authorization given by and the conditions specified in this Resolution. The Chair, the Executive Director and the Secretary of the Executive Committee, or their designees, are authorized to execute the Refunding Bonds for and on behalf of WRCOG by their manual or facsimile signatures.

The Executive Committee determines that the designated costs of issuing the Refunding Bonds (the "Designated Costs of Issuance") shall include (i) all expenses incident to the calling, retiring, or paying of the Prior Bonds, and incident to the issuance of the Refunding Bonds, including the charges of any agent in connection with the issuance of the Refunding Bonds or in connection with the redemption or retirement of the Bonds, (ii) the interest on the Prior Bonds to the date upon which each of Prior Bonds will be paid pursuant to the Prior Indentures, and (iii) any premium necessary in calling or retiring any of the Prior Bonds.

Section 3. Refunding Bonds Authorized. Pursuant to Article 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law"), this Resolution, and the Indenture, the Refunding Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed \$8,000,000.00.

The date, manner of payment, interest rate or rates, interest payment dates, maturity date or dates, denomination, form of bond, registration privileges, manner of execution, place of payment, terms of redemption, and other terms, covenants, and conditions of the Refunding Bonds shall be as provided in the Indenture as finally executed.

Section 4. Approval of the Indenture. The form of the Indenture which provide generally for (i) the authentication and delivery by the Trustee of the Refunding Bonds, (ii) the establishment and administration by the Trustee of certain funds and accounts for the benefit of WRCOG and the owners of the Refunding Bonds, (iii) the payment by the Trustee of the principal of and interest on the Refunding Bonds from the Assessment and Collateral (as defined therein), and (iv) the performance of other duties by the Trustee, is approved in the form provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, such Indenture with respect to the Refunding Bonds.

Section 5. Approval of Refunding Instructions. The form of the Refunding Instructions which provide for (i) the defeasance and redemption of the Prior Bonds, and (ii) the performance of other duties by the Prior Trustee, are approved in the forms provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, such Refunding Instructions with respect to the Prior Bonds.

Section 6. Approval of Term Sheet. The Term Sheet is approved in substantially the form provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, such Term Sheet.

Section 7. Approval of Placement Agent Agreement. The Placement Agent Agreement is approved in the form provided to the Executive Committee at the meeting at which this Resolution is adopted, and the Authorized Representatives are each individually authorized to execute and deliver, on behalf of WRCOG, the Placement Agent Agreement.

Section 8. Appointment of Professionals. The Executive Committee hereby authorizes and approves the following professionals to provide services in connection with the issuance of the Refunding Bonds:

(a) Trustee. The Bank of New York Mellon Trust Company, N.A. is appointed as Trustee pursuant to Indenture and is authorized to take any and all action provided therein to be taken by the Trustee;

(b) Municipal Advisor. PFM Financial Advisors LLC is hereby appointed as Municipal Advisor;

(c) Bond Counsel. Best Best & Krieger LLP is hereby appointed as Bond Counsel in connection with the issuance of the Refunding Bonds;

(d) Assessment Administrator. David Taussig & Associates is hereby appointed as Assessment Administrator in connection with the issuance of the Refunding Bonds; and

(e) Placement Agent. Piper Sandler & Co. is hereby appointed to serve as Placement Agent in connection with the issuance of the Refunding Bonds.

Section 9. Issuance of the Refunding Bonds. The Executive Committee approves and authorizes the issuance and sale of the Refunding Bonds to the Purchaser pursuant to the Term Sheet presented by the Purchaser. The Authorized Representatives are each individually authorized and directed to execute and deliver the documents on behalf of WRCOG as set forth in the Term Sheet and any modifications to the Term Sheet that shall be negotiated and approved by the Authorized Representatives upon the submission of any such modifications by the Purchaser and shall be consistent with the requirements of this Resolution; provided that the true interest cost on the Refunding Bonds shall not exceed three percent and fifty basis points (3.50%).

Section 10. Notice of Redemption. The Authorized Representatives are each authorized and directed to provide for the mailing and publication, and the Prior Trustee, in its capacity as Prior Trustee for the Prior Bonds, is authorized to mail and publish, notice of the redemption of the Prior Bonds to the registered owners thereof as required by the Prior Indentures for the Prior Bonds.

Section 11. Modifications. The approval of the forms of Indenture, Refunding Instructions and Placement Agent Agreement given by this Resolution shall apply to any modification or amendment of any of said agreements which is agreed upon and approved by Bond Counsel, the Municipal Advisor and the Authorized Representatives as being necessary to carry out the provisions thereof and the authorization and direction provided in this Resolution.

Section 12. Further Action. The Authorized Representatives are authorized to take any and all action which is directed by Bond Counsel with respect to the execution and delivery of the Indenture, Refunding Instructions, Term Sheet and Placement Agent Agreement and the issuance, sale and delivery of the Refunding Bonds, which in the opinion of Bond Counsel is necessary in order for the authorization and direction provided in this Resolution to be carried out.

Section 13. Conditions of Approval. The approvals, authorization and direction given by this Resolution are conditioned upon the satisfaction of the requirements of Section 9 hereof with respect to the issuance and sale of the Refunding Bonds. The officers of WRCOG designated above shall not take any action with respect to the execution and delivery of Indenture, Refunding Instructions, Placement Agent Agreement or the issuance, sale and delivery of the Refunding Bonds unless and until such conditions are satisfied; provided, however, that upon satisfaction of such conditions, this Resolution shall be fully effective and shall be carried out by such officers without further approval or action of the Executive Committee.

Section 14. Effective Date. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on February 3, 2020.

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger
WRCOG Bond Counsel

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

EXHIBIT A

LIST OF ASSESSMENT CONTRACTS AND PRIOR BONDS

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>County</u>	<u>Assessor Parcel Number</u>	<u>Supplemental Indenture</u>	<u>Bond Series Number</u>
9/2/2029	\$ 35,545.84	Riverside	336-210-052-9	11/15/2013	131115-WR-C-JS-R-1
9/2/2034	77,542.08	Riverside	443-242-006-1 & 443-246-001-8	5/23/2014	140523-WR-C-SA-R-1
9/2/2034	257,209.05	Riverside	366-210-053 & 366-210-052	6/13/2014	140613-WR-C-SA-R-1
9/2/2025	43,858.99	Riverside	367-070-025	9/12/2014	140912-WR-C-SA-R-1
9/2/2035	98,165.76	Riverside	456-093-017	9/26/2014	140926-WR-C-SA-R-1
9/2/2025	223,968.62	Riverside	142-090-042-4	2/24/2015	150109-WR-C-SA-R-1
9/2/2035	18,849.54	San Diego	447-341-10-00	2/2/2015	150202-WR-C-SA-R-20
9/2/2025	55,065.33	Fresno	451-311-27	2/2/2015	150202-WR-C-SA-R-10
9/2/2020	111,132.26	Los Angeles	5373-026-009	2/27/2015	150227-WR-C-SA-R-05
9/2/2035	29,946.70	Fresno	452-321-11	2/27/2015	150227-WR-C-SA-R-20
9/2/2025	109,238.66	Orange	131-601-11	6/5/2015	150605-WR-C-SA-R-10
9/2/2035	362,871.70	San Diego	646-210-24-00	6/19/2015	150619-WR-C-SA-R-20
9/2/2021	160,742.83	Los Angeles	5372-003-030	7/31/2015	150731-WR-C-SA-R-05
9/2/2031	264,183.70	Contra Costa	126-422-005-2	8/21/2015	150821-WR-C-SA-R-15
9/2/2026	137,543.69	Riverside	444-310-035-4	9/4/2015	150904-WR-C-SA-R-10
9/2/2036	72,995.99	San Mateo	032-122-070	11/13/2015	151113-WR-C-SA-R-20B
9/2/2036	64,909.01	Riverside	443-181-034-8	11/13/2015	151113-WR-C-SA-R-20A
9/2/2021	113,883.57	Riverside	540-210-018	12/4/2015	151204-WR-C-SA-R-05
9/2/2036	215,456.41	Ventura	084-0-143-105	12/18/2015	151218-WR-C-PL-R-20
9/2/2026	96,303.84	Riverside	446-280-018-1	1/22/2016	160122-WR-C-PL-R-10
9/2/2026	492,052.77	Orange	072-072-04	2/19/2016	160219-WR-C-IG-R-10
9/2/2036	84,262.08	Riverside	117-111-003	4/8/2016	160408-WR-C-IN-R1-20
9/2/2036	91,843.28	Riverside	313-262-002	4/8/2016	160408-WR-C-IN-R2-20
9/2/2036	174,606.58	Los Angeles	8615-019-043	4/15/2016	160415-WR-C-IN-R-20
9/2/2036	277,075.05	Los Angeles	8285-029-001	5/6/2016	160506-WR-C-IN-R-20
9/2/2026	253,169.08	Riverside	297-040-004	6/10/2016	160610-WR-C-IN-R-10
9/2/2031	2,913,878.41	Riverside	910-420-030	6/30/2016	160630-WR-C-IN2-R-15
9/2/2036	114,580.34	Contra Costa	206-160-020-7	7/1/2016	160701-WR-C-IN-R-20
9/2/2021	65,774.10	San Diego	536-311-08-00	7/15/2016	160715-WR-C-PL-R-05
9/2/2037	30,452.82	Los Angeles	7208-027-003	9/9/2016	160909-WR-C-IN-R-20
9/2/2022	282,436.33	San Diego	162-503-26-00	10/14/2016	161014-WR-C-PL-R-05
9/2/2037	114,055.56	Riverside	182-032-003	11/4/2016	161104-WR-C-IC-R-20A
9/2/2037	341,561.91	Kern	415-090-15	11/4/2016	161104-WR-C-IC-R-20B
9/2/2037	186,123.07	Orange	740-113-13	11/14/2016	161114-WR-C-IC-R-20
9/2/2037	28,917.06	San Diego	537-190-24-00	1/13/2017	170113-WR-C-IC-R-20
9/2/2037	40,283.83	Solano	0030-340-010	6/16/2017	170616-WR-C-IC-R-20
9/2/2037	216,847.88	San Diego	622-111-05-11	6/30/2017	170630-WR-C-IC-R-20

EXHIBIT B

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Refunding Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to WRCOG by the Municipal Advisor, in consultation with the Placement Agent, and consistent with the terms of the Term Sheet.

Principal Amount. The Municipal Advisor has informed WRCOG that, based on the financing plan and current market conditions, its good faith estimate of the principal amount (the "Estimated Principal Amount"), of the Refunding Bond to be sold is \$8,000,000.00.

True Interest Cost of the Refunding Bond. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Refunding Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Refunding Bond (the "True Interest Cost"), which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.574438%.

Finance Charges of the Refunding Bond. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Refunding Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charges for the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bond), is \$323,500.00.

Amount of Proceeds to be Received. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Refunding Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received for the Refunding Bonds, less the finance charges, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of is \$7,489,756.51.

Total Payment Amount. The Municipal Advisor has informed WRCOG that, assuming that the Estimated Principal Amount of the Refunding Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments WRCOG will make to pay debt service on the Refunding Bonds, calculated to the final maturity of the Bonds, which excludes any reserves is \$9,949,816.53.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing and information available at the time of preparation of such estimates. The actual principal amount of the Refunding Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Refunding Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of the Refunding Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Refunding Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Refunding Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the financing plan, or a combination of such factors. Market interest rates are affected by economic and other factors beyond the control of WRCOG.

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Item 6.C

PACE Programs Activities Update: Refunding of WRCOG-Issued Commercial Bonds

Attachment 2

Letter of Terms and Conditions for the direct purchase of the refunding bonds from First Foundation Bank (the “Purchaser”) to WRCOG dated December 12, 2019 (the “Term Sheet”)

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January 22, 2020

RE: **Western Riverside Council of Governments
2020 Commercial PACE Refunding Bonds**

Based upon your request and review of the information provided to-date, First Foundation Bank (“FFB”) has received final credit approval to finance the following Credit Facility for the Western Riverside Council of Governments (“Borrower”) based on the terms outlined below. This Letter is provided by First Foundation Bank for discussion purposes only. *No obligation whatsoever on the part of First Foundation Bank shall arise until execution and delivery of a formal commitment or loan documentation by a duly authorized officer of First Foundation Bank, which obligation shall be subject to all of the conditions contained therein.*

The proposed loan conditions are:

BORROWER: Western Riverside Council of Governments

PURPOSE: Refunding of existing Commercial PACE Bonds

APPROX. LOAN AMT: \$8,000,000

INTEREST RATE: Taxable: 3.45%

RATE LOCK: The Rate will be locked until February 25, 2020. If the Credit Facility fails to close within this period, FFB reserves the right to adjust the rate.

TERM: 18-years

REPAYMENT: Annual principal and interest payments

DSR FUND: 20% MADS (Estimated at approximately \$186,000)

AVERAGE LIFE: 7.18-years

PRE-PAYMENT: Redeemable in part on any payment date with no penalty. Repayable in full at 103% of par in years 1-3, decreasing to 102% in years 4-6, and 101% in years 7-9. Redeemable at par in full beginning in year 10 and thereafter.

COLLATERAL: Assessed PACE revenues levied with property taxes

ADDITIONAL TERMS: Documents to be prepared by the Borrower’s Bond Counsel for review by FFB’s counsel Nixon Peabody, LLP. Legal fees and expenses of Nixon Peabody, LLP are expected to be \$8,500. All other filing fees and related fees shall be paid by the City in connection with the issuance (including applicable CDIA fees).

Periodic financial and collateral reporting by the Borrower to include annual continuing disclosure for CPACE parcels, inclusive of ownership concentrations and updated delinquency information.

PDF’s of all executed and other documents listed on the Closing Index shall be provided to FFB no later than 24 hours before the time of the requested wire; provided, that if any documents can only be signed after receipt of the wire, those documents shall be provided immediately after receipt of the wire.

Notice: The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is the Federal Deposit Insurance Corporation, Consumer Response Center, 1100 Walnut Street, Box #11, Kansas City, MO 64106.

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Item 6.C

PACE Programs Activities Update:
Refunding of WRCOG-Issued
Commercial Bonds

Attachment 3

Indenture of Trust between WRCOG
and The Bank of New York Mellon
Trust Company, N.A., as trustee (the
“Trustee”)

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INDENTURE OF TRUST

by and between

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

Dated as of February 1, 2020

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT REFUNDING BONDS, SERIES 2020
(Commercial Program)**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “Indenture of Trust” or “Indenture”) is made and entered into and dated as of February 1, 2020, by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“WRCOG”), a joint exercise of powers authority duly organized and existing under the Joint Exercise of Powers Act (the “Act”) being Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (commencing with Section 6500) and a Joint Exercise of Powers Agreement originally made and entered into as of April 1, 1991, as further amended to date (the “Joint Exercise of Powers Agreement”), and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America, acting as trustee (the “Trustee”),

R E C I T A L S:

WHEREAS, acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”), WRCOG established the Energy Efficiency and Water Conservation Program for Western Riverside County (the “WRCOG Program”) pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside that have elected to participate in the WRCOG Program to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the “Authorized Improvements”); and

WHEREAS, acting under Chapter 29, WRCOG also established the California Program (the “California Program” and, together with the WRCOG Program, the “Programs”) pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of real property located within cities and counties located outside of the western portion of the County of Riverside that have elected to become Associate Members of WRCOG and to participate in the California Program to finance the installation of Authorized Improvements; and

WHEREAS, WRCOG is authorized to issue limited obligation improvement refunding bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the “Act”), to finance the installation of Authorized Improvements that are permanently fixed to real property located within cities or counties participating in either of the Programs; and

WHEREAS, on December 2, 2013, the Executive Committee adopted Resolution Number 24-13 authorizing the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Bonds (WRCOG Program and California Program) (First Commercial Property Tranche) in one or more series pursuant to Chapter 29 and the Act, secured by voluntary contractual assessments levied on Commercial (as defined in Section 1.2) parcels located in either of the Program Areas (as defined in Section 1.2); and

WHEREAS, Resolution Number 24-13 approved the form of a Master Indenture dated September 1, 2013 (the “2013 Indenture”) by and between WRCOG and Deutsche Bank National Trust Company, as trustee (the “Prior Trustee”) and the form of a supplemental indenture pursuant to which one or more series of bonds may be issued; and

WHEREAS, subsequently WRCOG and the Prior Trustee entered into that certain Master Indenture dated January 1, 2015 (the “2015 Indenture,” collectively with the 2013 Indenture, the “Prior Indentures”) pursuant to which WRCOG was authorized to issue one or more series of bonds; and

WHEREAS, WRCOG issued several series of bonds as identified in Exhibit A hereto (the “Prior Bonds”) pursuant to the Prior Indentures and supplemental indentures as identified in Exhibit A; and

WHEREAS, on [February 3], 2020, the Executive Committee adopted Resolution Number __ authorizing the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) (the “Bonds”) to refund and defease the Prior Bonds, approved the form of this Indenture of Trust to provide for the issuance of the Refunding Bonds pursuant to the provisions of Article 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Refunding Law”); and

WHEREAS, it is in the public interest and for the benefit of WRCOG to provide for the issuance of the Bonds to refinance and defease the Prior Bonds; and

WHEREAS, WRCOG has determined that all things necessary to cause the Bonds, when authenticated by the Trustee and issued as provided in the Refunding Law, the Resolutions of Issuance (defined in Section 1.2 below) and this Indenture of Trust, to be legal, valid and binding limited obligations in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Indenture of Trust and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE 1

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.1 Authority for this Indenture of Trust. This Indenture of Trust is entered into under Chapter 29, the Refunding Law and the Resolutions of Issuance (defined below).

Section 1.2 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.2 will, for all purposes of this Indenture of Trust and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“2013 Redemption Fund” means the fund by that name established pursuant to the 2013 Indenture.

“2015 Redemption Fund” means the fund by that name established pursuant to the 2015 Indenture.

“Act” means the Improvement Bond Act of 1915, as amended commencing with Division 10 of the California Streets and Highways Code.

“Administrative Expense Fund” means the fund designated as the “WRCOG Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) Administrative Expense Fund,” established and administered by the Trustee pursuant to Section 4.3 hereof.

“Administrative Expenses” means costs directly related to the administration of the Bonds and the Assessments, including (a) actual fees and costs (including indemnity) of the Trustee (including reasonable expenses of its legal counsel) in the discharge of its duties under the Indenture as evidenced by written documentation provided to WRCOG; and (b) all other costs as determined by WRCOG in its sole discretion, including, but not limited to: the actual costs of preparing the Assessment Installment collection schedules (whether by an employee of WRCOG or a consultant or both) and the actual costs of collecting the Assessment Installments (whether by WRCOG or otherwise); the actual costs of remitting the Assessment Installments to the Trustee; the actual costs of WRCOG or its designee of complying with the disclosure provisions of Chapter 29, the Refunding Law, federal securities laws, as applicable, and the Indenture, including those related to public inquiries regarding the Assessments and disclosures to Owners of the Bonds; the actual costs of WRCOG or its designee related to an appeal or challenge of the Assessment; an allocable share of the salaries of WRCOG staff directly related to the foregoing and a proportionate amount of WRCOG general administrative overhead related thereto. Administrative Expenses shall also include amounts advanced by WRCOG for any administrative purpose relating to the Bonds and the Assessments, including costs related to prepayments of Assessments and the costs of prosecuting foreclosure of delinquent Assessment Installments.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled and (ii) the principal amount of the Outstanding Bonds to be paid.

“Assessment” or **“Assessments”** means the unpaid contractual assessment(s) levied on the Participating Parcels as identified in Exhibit A attached hereto, but does not include either (i) penalties or (ii) interest on delinquent contractual assessments in excess of the interest rate of such Bonds.

“Assessment Administrative Fee” means, as to each Participating Parcel, the administrative fee due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

“Assessment Administrator” means David Taussig & Associates, and its successors, or any financial consultant or firm of such financial consultants judged by WRCOG

to have experience in the administration for and on behalf of public agencies of assessments similar to the Assessments levied by such public agencies in the State of California.

“Assessment Collection Account” means the account within the Redemption Fund designated as the “WRCOG Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) Assessment Collection Account,” established and administered by the Trustee pursuant to Section 4.1 hereof.

“Assessment Contract” means a contract between WRCOG and the owners of Participating Parcels pursuant to which such owners have agreed to pay the Assessments as identified in Exhibit A hereto.

“Assessment Installment” means, as to each Participating Parcel, the portion of the principal amount of the Assessment, together with the interest on the Assessment, due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

“Associate Member” means any Associate Member of WRCOG that is participating in the California Program.

“Auditor” means the auditor/controller or tax collector of each County, or such other official of such County who is responsible for preparing real property tax bills.

“Authorized Denominations” means (i) the denominations authorized pursuant to Section 2.2.1 hereof and (ii) in the event a Bond or a Series of Bonds are purchased by an accredited investor in reliance on the exemption set forth in Section (d)(1)(i) of Rule 15c2-12 under the Securities Exchange Act of 1934, the entire principal amount of such Bond or series of the Bonds.

“Authorized Representative” means the WRCOG Executive Director or such other representative of WRCOG authorized by an Authorized Representative in an Officer’s Certificate.

“Bond” or **“Bonds”** means the Western Riverside Council of Governments Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) authorized, executed and delivered pursuant to Chapter 29, the Refunding Law and this Indenture of Trust.

“Bond Counsel” means Best Best & Krieger LLP, and its successors, or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the issuance of bonds by states and their political subdivisions, duly admitted to the practice of law before the highest court of the State of California.

“Bond Payment Date” means, as to any Bond or Series of Bonds, March 2 and September 2 of each year (or, if such dates are not a Business Day the next succeeding Business Day), commencing on the September 2, 2020.

“Bond Register” means the books maintained by the Trustee pursuant to Section 2.3.11 for the registration and transfer of ownership of the Bonds.

“Bond Year” means the twelve-month period beginning on September 3 in each year and ending on September 2 in the following year except that the first Bond Year shall begin on the Closing Date.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in California or in the state in which the Trustee has its principal corporate trust office are authorized or obligated by law or executive order to be closed.

“California Program” means the California Program as established by California Program Resolution Confirming Program Report, as such program may be changed from time to time pursuant to Chapter 29, subject to the limitations set forth in the Indenture.

“California Program Area” means the area designated as part of the California Program, the boundaries of which are as shown in the California Program Report.

“California Program Report” means the California Program Report originally dated June 3, 2013, as approved pursuant to the California Program Resolution Confirming Program Report establishing the California Program, and as such California Program Report has been and may be changed from time to time pursuant to Chapter 29 and to the provisions of such California Program Report.

“California Program Resolution Confirming Program Report” means Resolution Number 10-13 adopted by the Executive Committee on June 3, 2013.

“California Program Resolution of Issuance” means Resolution Number 08-13 adopted by the Executive Committee on June 3, 2013.

“Chapter 9” means Chapter 9 of the Bankruptcy Code, being Title 11 of the United States Code.

“Chapter 29” means Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.12 et seq.).

“Closing Date” means February [25], 2020.

“Collateral” shall have the meaning given such term in Section 3.1 hereof.

“Commercial” means all non-residential properties and include, but are not limited to, apartment buildings with five units or more, industrial and agricultural properties.

“Commercial Parcel” shall mean any parcel of Commercial property.

“Corporate Trust Office” means the corporate trust office of the Trustee in Los Angeles, California, located at such address as will be specified in a written notice by the Trustee to WRCOG in conformity with Section 10.6 hereof or solely for purposes of the surrender or

presentation of Bonds designated for payment, transfer or exchange, the designated corporate trust operations or agency office of the Trustee.

“Cost of Issuance Fund” means the fund designated as the “WRCOG Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) Cost of Issuance Fund,” established and administered by the Trustee pursuant to Section 4.2 hereof and shall be funded from the proceeds of the Bonds.

“Costs of Issuance” shall mean all expenses directly or indirectly incurred by WRCOG relating to the authorization, issuance, sale and delivery of the Bonds, including, but not limited to: printing expenses; filing and recording fees; reasonable expenses and charges of the Trustee and its counsel, including the Trustee’s first annual administrative fee; reasonable fees, charges and disbursements of attorneys, financing advisors, accounting firms, consultants and other professionals; the costs of preparation, execution and safekeeping of the Bonds; and any cost, charge or fee in connection with the original issuance of the Bonds, including, but not limited to, fees of the California Debt Investment Advisory Commission.

“County” means the County of Riverside, California and each county in which Associate Members, which could include the unincorporated area of any county which is an Associate Member, are located.

“Debt Service” means the sum of (i) the interest payable on an Outstanding Bond in a Bond Year, assuming that such Bond is retired as scheduled, and (ii) the principal amount of such Bond payable in such Bond Year.

“Event of Default” means any of the events described in Section 9.1 hereof.

“Executive Committee” means the Executive Committee of WRCOG.

“Federal Securities” means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Trustee:

- (i) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the United States Department of the Treasury) and obligations, the timely payment of principal of and interest on which are, directly or indirectly, fully and unconditionally guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as stripped obligations and coupons; or

- (ii) any of the following obligations of the following agencies of the United States of America:

- (a) direct obligations of the Export-Import Bank;

- (b) certificates of beneficial ownership issued by the Farmers Home Administration;

(c) participation certificates issued by the General Services Administration;

(d) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association;

(e) project notes issued by the United States Department of Housing and Urban Development; and

(f) public housing notes and bonds guaranteed by the United States of America.

“Fiscal Year” means each year commencing July 1 and ending June 30.

“Funds” means the Redemption Fund, the Cost of Issuance Fund and the Administrative Expense Fund.

“Indenture of Trust” means this Indenture of Trust.

“Joint Exercise of Powers Agreement” means the Joint Powers Agreement of the Western Riverside Council of Governments dated April 1, 1991, as amended.

“Original Purchaser” means First Foundation Bank and its successors and assigns.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Member” means each party to WRCOG, as determined pursuant to Section 2.1 of the Joint Exercise of Powers Agreement.

“Municipal Advisor” means PFM Financial Advisors, LLC, or its successor and assigns.

“Officer’s Certificate” or **“Certificate of WRCOG”** means a written certificate signed in the name of WRCOG signed by an Authorized Representative.

“Outstanding” when used as of any particular time with reference to Bonds, means, subject to the provisions of Section 8.3, all Bonds authorized, executed, issued and delivered by WRCOG under the Indenture except:

(i) Bonds cancelled by the Trustee or surrendered to the Trustee for cancellation;

(ii) Bonds paid or deemed to have been paid within the meaning of Article 10; and

(iii) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by WRCOG pursuant to the Indenture.

“Owner” or “Bond Owner” means the registered owner of any Outstanding Bond as shown on the Bond Register of the Trustee.

“Participating Parcel” means a Commercial Parcel identified in Exhibit A hereto that is subject to the lien of an Assessment pursuant to an Assessment Contract.

“Permitted Investments” means any of the investments listed in Exhibit D attached hereto and incorporated herein by this reference.

“Prepayment Account” means the account within the Redemption Fund and designated as the “WRCOG Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) Prepayment Account,” established and administered by the Trustee pursuant to Section 4.1 hereof.

“Prepayments” means prepayments of Assessments received by WRCOG, less any administrative fees or penalties collected as part of any such prepayment of Assessments.

“Prior Administrative Expense Funds” means collectively the Administrative Expense Fund established pursuant to the 2013 Indenture and the Administrative Expense Fund established pursuant to the 2015 Indenture.

“Prior Bonds” means those bonds identified in Exhibit A attached hereto.

“Prior Indentures” means, collectively, the 2013 Indenture and the 2015 Indenture each as supplemented by the Supplemental Indentures.

“Prior Redemption Funds” means collectively the Redemption Fund established pursuant to the 2013 Indenture and the Redemption Fund established pursuant to the 2015 Indenture.

“Prior Trustee” means Deutsche Bank National Trust Company.

“Program” means, individually, the California Program or the WRCOG Program.

“Programs” means, collectively, the California Program and the WRCOG Program.

“Program Area” means, individually, the California Program Area or the WRCOG Program Area.

“Program Areas” means, collectively, the California Program Area and the WRCOG Program Area.

“Program Report” means, individually, the California Program Report or the WRCOG Program Report.

“Program Reports” means, collectively, the California Program Report and the WRCOG Program Report.

“Programs Resolution of Issuance” means Resolution Number 24-13 adopted by the Executive Committee on December 2, 2013.

“Purchaser Letter” means a letter substantially in the form set forth in Exhibit C to this Indenture of Trust.

“Record Date” means the 15th day of the calendar month immediately preceding the Bond Payment Date.

“Redemption Fund” means the fund designated as the “WRCOG Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) Redemption Fund,” established and administered by the Trustee pursuant to Section 4.1 hereof.

“Reserve Fund” means the fund designated as the “WRCOG Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) Reserve Fund,” established and administered by the Trustee pursuant to Section 3.9 hereof.

“Reserve Requirement” means on date of any calculation, as determined by WRCOG and as provided in writing to the Trustee, twenty percent (20%) of the Maximum Annual Debt Service on the Bonds.

“Resolutions of Issuance” means Resolution No. _____ adopted by the Executive Committee of WRCOG on [February 3], 2020 authorizing the issuance of the Bonds.

“Supplemental Indentures” means those supplemental indentures issued pursuant to either the 2013 Indenture or 2015 Indenture, as identified in Exhibit A hereof.

“Teeter Plan” means the alternative procedure for the distribution of property taxes and assessments adopted by a County pursuant to Revenue and Taxation Code sections 4701 through 4717.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.1 hereof.

“WRCOG” means the Western Riverside Council of Governments, a joint exercise of powers authority organized and existing under the Joint Exercise of Power Act and the Joint Exercise of Powers Agreement, as amended.

“WRCOG Counsel” means the attorney or firm of attorneys serving as general counsel to WRCOG.

“WRCOG Program” means the Energy Efficiency and Water Conservation Program for Western Riverside County as established by the WRCOG Program Resolution Confirming Program Report, as such program may be changed from time to time in accordance with the provisions of Chapter 29, subject to the limitations set forth in the Indenture.

“WRCOG Program Area” means the area designated as part of the WRCOG Program, the boundaries of which are as shown in the WRCOG Program Report.

“WRCOG Program Report” means the Energy Efficiency and Water Conservation Program for Western Riverside County Program Report, dated June 7, 2010, as approved pursuant to the WRCOG Program Resolution Confirming Program Report establishing the WRCOG Program, and as such WRCOG Program Report has been amended and may be amended from time to time pursuant to Chapter 29 and to the provisions of such WRCOG Program Report and the limitations set forth in the Indenture of Trust.

“WRCOG Program Resolution Confirming Program Report” means Resolution Number 13-10 adopted by the Executive Committee on June 7, 2010.

“WRCOG Program Resolution of Intention” means Resolution Number 09-10 adopted by the Executive Committee on March 1, 2010.

“WRCOG Program Resolutions of Issuance” means, collectively, Resolution Number 08-11 adopted by the Executive Committee on January 12, 2011; Resolution Number 04-12 adopted by the Executive Committee on July 29, 2011; and Resolution Number 07-12 adopted by the Executive Committee on December 5, 2011.

“Written Request” means a written request signed in the name of WRCOG by an Authorized Representative.

Section 1.3 Interpretation.

1.3.1 Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

1.3.2 Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

1.3.3 All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Indenture; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to the Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.4 Indenture Constitutes Contract. The provisions, covenants and agreements herein set forth to be performed by or on behalf of WRCOG shall be for the equal benefit, protection, and security of the Owners from time to time. In consideration of the

acceptance of the Bonds by the Owners thereof, the Indenture shall be deemed to be and shall constitute a contract between WRCOG and the Owners; and the covenants and agreements herein set forth to be performed by WRCOG shall be for the equal and proportionate benefit, security, and protection of all Owners without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution, or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

ARTICLE 2

THE BONDS

Section 2.1 Principal Amounts; Designations. Bonds in the aggregate principal amount of _____ Dollars (\$_____) are hereby authorized to be issued by WRCOG under and subject to the terms of the Resolution of Issuance and this Agreement, Chapter 29, the Refunding Law, and other applicable laws of the State of California. The Bonds shall be designated “Western Riverside Council of Governments Limited Obligation Improvement Refunding Bond, Series 2020 (Commercial Program).”

Section 2.2 Terms of Bonds.

2.2.1 Form; Denominations. [The Bonds shall be issued as a single fully registered bonds without coupons in the denomination of \$[par amount]. Notwithstanding the foregoing, the Bonds may be redeemed in the principal amount of \$1,000 or any integral multiple thereof pursuant to Section 2.3.1 hereof provided that the Bonds that remain Outstanding after any such redemption shall be in authorized denominations of \$100,000 or any integral multiple of [\$5,000] in excess thereof. Bonds redeemed pursuant to Section 2.3.2 and 2.3.3 hereof shall be authorized in the denominations set forth in such sections. The Bonds shall be lettered and numbered in a customary manner.]

2.2.2 Date of the Bonds. The Bonds shall be dated the Closing Date.

2.2.3 Maturities, Interest Rates. The Bonds shall be issued as one term Bond in the aggregate principal amount of \$_____, which Bond shall mature and be payable on September 2, 2038 and shall bear interest at the rate of 3.45% per annum.

2.2.4 Interest. The Bonds shall bear interest at the rates set forth above payable on the Bond Payment Dates in each year. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Bond shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on a Bond Payment Date, in which event it shall bear interest from such date of authentication; or (ii) it is authenticated prior to a Bond Payment Date and after the close of business on the Record Date preceding such Bond Payment Date, in which event it shall bear interest from such Bond Payment Date; or (iii) it is authenticated prior to the Record Date preceding the first Bond Payment Date, in which event it shall bear interest from the Closing Date; provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear

interest from the Bond Payment Date to which interest has previously been paid or made available for payment thereon.

2.2.5 Method of Payment. Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable by wire payment of the Trustee transmitted on each Bond Payment Date to the registered Owner in accordance with the written wire instructions provided by such registered Owner maintained by the Trustee at the close of business on the Record Date preceding the Bond Payment Date, or by wire transfer made on such Bond Payment Date upon instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds or the Original Purchaser.

The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America upon surrender of the Bonds at the Principal Office of the Trustee; provided, however, the Bonds shall not be surrendered on the account of any Mandatory Sinking Fund redemption as provided in Section 2.3.3.

All Bonds paid by the Trustee pursuant to this Section shall be canceled by the Trustee. The Trustee shall destroy the canceled Bonds in accordance with its retention policy then in effect and, upon request, issue a certificate of destruction thereof to WRCOG.

Notwithstanding any other provision herein, the Bonds shall not be required to be presented or surrendered for payment except for at maturity or redemption in whole thereof and notice of redemption shall not be required for regularly scheduled sinking fund payments. Payments of the Bonds shall be made pursuant to wire instructions provided by the Original Purchaser to the Trustee.

Section 2.3 Redemption.

2.3.1 Optional Redemption. The Bonds or any portion of the principal thereof, in integral multiple of \$5,000, may be redeemed, at the option of WRCOG from any source of funds on any date by giving notice as provided in Section 2.3.4 hereof, causing the Trustee to give notice as provided by Section 2.3.5 hereof and by paying the redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), together with accrued interest to the date of redemption as follows:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Any date through March 2, 2024	103%
March 3, 2024 through March 2, 2027	102%
March 3, 2027 through March 2, 2030	101%
March 3, 2030 and any date thereafter	100%

2.3.2 Special Mandatory Redemption from the Prepayment of Assessments. The Bonds shall be subject to redemption on any Bond Payment Date, prior to maturity, as a whole or in part from such maturities, as are selected by WRCOG, from Prepayments of Assessments at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption.

2.3.3 Mandatory Sinking Fund Redemption. The Bond maturing on September 2, 2038, shall be called before maturity and redeemed, from the sinking fund payments that have been deposited into the Redemption Fund, on September 2, 2020, and on each September 2 thereafter prior to maturity, in accordance with the schedule of sinking fund payments set forth below. The Bond so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

BOND MATURING SEPTEMBER 2, 2038

Redemption Date (<u>September 2</u>)	Principal <u>Amount</u>
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	

In the event of a partial optional redemption or special mandatory redemption of any Bond, pursuant to Section 2.3.1 or 2.3.2 hereof, each of the remaining Sinking Fund Payments for such Bonds, as described above, will be reduced, as nearly as practicable, on a pro rata basis, provided that the reductions shall be made in multiples of not less than \$1,000.

2.3.4 Notice to Trustee and Others.

(a) The Authorized Representative shall notify the Trustee of the Bonds to be called for redemption upon Prepayment of Assessments in amounts sufficient therefor, or whenever sufficient surplus funds are available therefor in the Redemption Fund. The Trustee shall select Bonds for retirement in such a way that the ratio of Outstanding Bonds to issued Bonds shall be approximately the same in each annual series or maturity insofar as possible. Within each annual series or maturity, the Trustee shall select Bonds for retirement randomly by lot. The Authorized Representative shall give the Trustee written notice of the

aggregate amount of Bonds and maturities to be redeemed pursuant to Section 2.3.2 hereof not less than thirty (30) days prior to the applicable redemption date.

(b) The Authorized Representative shall give the Trustee and the or subsequent Owners written notice of the aggregate amount of Bonds and maturities that WRCOG has preliminarily determined to redeem pursuant to Section 2.3.1 and 2.3.2 hereof not less than forty (40) days prior to the applicable proposed redemption date.

2.3.5 Redemption Procedure by Trustee. For redemption occurring pursuant to Sections 2.3.1 and 2.3.2 hereof, the Trustee shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books in the Corporate Trust Office of the Trustee; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the Bond numbers of the Bonds to be redeemed by giving the individual Bond number of each Bond to be redeemed or shall state that all Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption, shall state as to any Bond called in part the principal amount thereof to be redeemed, and shall require that such Bonds be then surrendered at the Corporate Trust Office of the Trustee for redemption at the said redemption price, and shall state that further interest on such Bonds will not accrue from and after the redemption date. The cost of mailing any such redemption notice and any expenses incurred by the Trustee in connection therewith shall be paid by WRCOG.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the Bond number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Redemption Notices May be Conditional. WRCOG shall have the right to rescind any notice of redemption for any optional or mandatory redemption pursuant to Section 2.3.1 or Section 2.3.2 hereof, on or prior to the date fixed for redemption. Any notice of optional redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date so fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption.

Whenever provision is made in this Agreement for the redemption of less than all of the Bonds or any given portion thereof, the Trustee shall select the Bonds to be redeemed, from all Bonds or such given portion thereof not previously called for redemption, among maturities as specified by WRCOG in a written certificate delivered to the Trustee, and by lot

within a maturity in any manner which Trustee in its sole discretion shall deem appropriate and fair. In providing such certificate, WRCOG shall provide for the redemption of Bonds such that the remaining Debt Service payable on the Bonds shall remain as level as possible.

Payments of principal on any Bond redeemed in part shall be made without the requirement for presentation and surrender of such Bond to the Trustee by the Owner thereof, provided, however, that principal which is payable at maturity shall be made only upon presentation and surrender of such Bond at the Corporate Trust Office of the Trustee. Upon the request of the Owner of a Bond redeemed in part only and surrender of such Bond at the Corporate Trust Office of the Trustee, WRCOG will execute and the Trustee will authenticate and deliver to the registered Owner, at the expense of such Owner, a new Bond, of the same series and maturity, of Authorized Denominations in aggregate principal amount equal to the unredeemed portion of the Bond. Notwithstanding any other provision herein, the Bonds shall not be required to be presented or surrendered for payment except for at maturity or redemption in whole thereof and notice of redemption shall not be required for regularly scheduled sinking fund payments. Payments of the Bonds shall be made pursuant to wire instructions provided by the Original Purchaser to the Trustee.

2.3.6 Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds so called for redemption shall have been deposited in the Bond Fund, such Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

All Bonds redeemed and purchased by the Trustee pursuant to this Section shall be canceled by the Trustee. The Trustee shall destroy the canceled Bonds and, upon written request of WRCOG, issue a certificate of destruction thereof to WRCOG in accordance with its retention policy then in effect.

2.3.7 Form of Bonds. The Bonds, the form of Trustee's certificate of authentication and the form of assignment, to appear thereon, shall be substantially in the forms, respectively, set forth in Exhibit B attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, the Resolution, and Refunding Law; and provided further that WRCOG hereby acknowledges and agrees that the Bonds shall not be issued with a CUSIP number, such Bonds shall not be rated and such Bonds shall not be sold pursuant to an offering statement.

2.3.8 Execution of Bonds. The Bonds shall be executed on behalf of WRCOG by the manual or facsimile signatures of the Treasurer and Secretary of WRCOG's Executive Committee, who are in office on the date of adoption of this Agreement or at any time thereafter. The Bonds shall then be delivered to the Trustee for authentication. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of WRCOG by such persons as at the actual date of the execution of such Bond shall be the proper

officers of WRCOG although at the nominal date of such Bond any such person shall not have been such officer of WRCOG.

Only such Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Trustee shall be conclusive evidence that the Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Agreement.

2.3.9 Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, in whole or in part, upon the books required to be kept pursuant to the provisions of Section 2.3.11 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in substantially the form set forth in Exhibit C hereto. The cost for any services rendered or any expenses incurred by the Trustee in connection with any such transfer shall be paid by WRCOG. The Trustee shall collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, WRCOG shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount.

No transfers of Bonds shall be required to be made (i) fifteen (15) days prior to the date established by the Trustee for selection of Bonds for redemption; (ii) with respect to a Bond after such Bond has been selected for redemption; or (iii) between the 15th day of the month next preceding any Bond Payment Date and such Bond Payment Date.

Prior to any transfer of the Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

2.3.10 Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The cost for any services rendered or any expenses incurred by the Trustee in connection with any such exchange shall be paid by WRCOG. The Trustee shall collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (i) fifteen (15) days prior to the date established by the Trustee for selection of Bonds for redemption; (ii) with respect to a Bond after such Bond has been selected for redemption; or (iii) between the 15th day of the month next preceding any Bond Payment Date and such Bond Payment Date.

2.3.11 Bond Register. The Trustee will keep or cause to be kept, at its Corporate Trust Office sufficient books for the registration and transfer of the Bonds which books shall show the number, date, amount, rate of interest and last known Owner of each Bond and shall at all times be open to inspection by WRCOG during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

WRCOG and the Trustee will treat the Owner of any Bond whose name appears on the Bond register as the absolute Owner of such Bond for any and all purposes, and WRCOG and the Trustee shall not be affected by any notice to the contrary. WRCOG and the Trustee may rely on the address of the Bond Owner as it appears in the Bond register for any and all purposes.

2.3.12 Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such authorized denominations as may be determined by WRCOG, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by WRCOG upon the same conditions and in substantially the same manner as the definitive Bonds. If WRCOG issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the Corporate Trust Office of the Trustee or at such other location as the Trustee shall designate, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary bonds shall be entitled to the same benefits under this Agreement as definitive Bonds authenticated and delivered hereunder.

2.3.13 Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, WRCOG, at the expense of the Owner of said Bond, shall execute, and the Trustee shall authenticate and deliver, a new Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and destroyed by the Trustee in accordance with its retention policy then in effect, who, upon request, shall deliver a certificate of destruction thereof to WRCOG. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity for WRCOG and the Trustee satisfactory to the Trustee shall be given, WRCOG, at the expense of the Owner, shall execute, and the Trustee shall authenticate and deliver, a new Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. WRCOG may require payment of a sum not exceeding the actual cost of preparing each new Bond delivered under this Section and of the expenses which may be incurred by WRCOG and the Trustee for the preparation, execution, authentication and delivery. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of WRCOG whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and

proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

ARTICLE 3

SECURITY; ISSUANCE OF BONDS; RESERVE FUND

Section 3.1 Security for the Bonds; Pledge of Assessments and Funds. WRCOG hereby grants, assigns, conveys, pledges, charges and transfers to the Trustee, for the equal and ratable benefit of the Bond Owners, a first priority security interest (which security interest will be effected and perfected in the manner and to the extent herein provided) in and to (i) the Assessment or Assessments together with all revenues, moneys, accounts receivable, contractual rights to payment, recoveries and other rights to payment of whatever kind with respect to such Assessment or Assessments (except amounts required hereunder to be deposited into the Administrative Expense Fund) that are or may be owed to, or collected or received by, WRCOG or any other entity acting on WRCOG's behalf, including, without limitation, the Assessment Installments, Prepayments, the foreclosure on a Participating Parcel on which an Assessment has been levied, with the exception of amounts collected by WRCOG or any other person pursuant to Section 5.3.1 that are identified as representing attorney's fees and costs incurred by WRCOG or such other person, or payments pursuant to the Teeter Plan of the County in which such Participating Parcel is located (as more fully described in Section 5.3), if applicable, or any other payment or recovery with respect to an Assessment from any other source but excluding Assessment Administrative Fees, (ii) the Redemption Fund and all monies, securities or contractual or other rights to payment that are or may be owed or credited to, or deposited in, the Redemption Fund (including the Assessment Collection Account and the Prepayment Account therein), or owed to, or collected, recovered, received or held by, any other person that is required to credit to or deposit such monies or securities in the Redemption Fund by Chapter 29, the Refunding Law or the terms of this Indenture of Trust and (iii) all moneys on deposit in the Reserve Fund (the foregoing items in (i), (ii) and (iii) above collectively referred to as the "Collateral"). So long as any of the Bonds are Outstanding, the Collateral shall not be used for any other purpose except as provided in this Indenture of Trust.

The Assessments together with all monies collected or received by WRCOG or any other entity acting on WRCOG's behalf with respect to the Assessments (excluding the Assessment Administrative Fee) shall constitute a trust fund for the redemption and payment of the principal and premium (if any) of the Bonds and the interest thereon.

WRCOG hereby transfers in trust and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Assessments and all of the right, title and interest of WRCOG or any other person acting on behalf of WRCOG to the receipt of all monies owed to or collected or received by WRCOG or any other person acting on WRCOG's behalf with respect to the Assessments hereunder. The Trustee shall be entitled to and shall receive all of the Assessment Installments and any other amounts collected or received with respect to the Assessments (except the Assessment Administrative Fees and amounts collected by WRCOG or any other person pursuant to Section 5.3.1 that are identified as representing attorney's fees and costs incurred by WRCOG or such other person), and any Assessment Installments or other monies collected or received by WRCOG or any other person acting on WRCOG's behalf with

respect to the Assessments (except the Assessment Administrative Fees and amounts collected by WRCOG or any other person pursuant to Section 5.3.1 that are identified as representing attorney's fees and costs incurred by WRCOG or such other person) shall be deemed to be held, and to have been collected or received, by WRCOG or such other person as the agent of the Trustee and shall forthwith be paid by WRCOG or such other person to the Trustee.

Each Assessment and all moneys that have been or pursuant to the terms of the Indenture should have been deposited into the Redemption Fund derived from such Assessment (including, without limitation, the Assessment Installments, Prepayments, the foreclosure on a Participating Parcel on which such Assessment has been levied with the exception of amounts collected by WRCOG or any other person pursuant to Section 5.3.1 that are identified as representing attorney's fees and costs incurred by WRCOG or such other person, payments pursuant to the County's Teeter Plan (as more fully described in Section 5.3), if applicable, or any other payment with respect to an Assessment from any other source but excluding Assessment Administrative Fees) are hereby dedicated to the payment of the principal of, and interest and any premium on, the Bond secured by such Assessment as provided herein and in the Act and the Refunding Law until such Bond has been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose in accordance with Article 10 hereof.

Section 3.2 Limited Obligation. All obligations of WRCOG under the Indenture and each Bond for the payment of principal of or interest on the Bonds, or any premiums thereof, are not general obligations of WRCOG, but are limited obligations, payable solely from the Assessments and the Collateral purported to be pledged and assigned therefor hereunder. Neither the faith and credit of WRCOG, the Members, the Associate Members, the Counties nor of the State of California or any political subdivision thereof, is pledged for the payment of the Bonds.

Each Bond is a limited obligation improvement bond payable solely from and secured solely by the Assessments and the other Collateral purported to be pledged and assigned therefore hereunder. Notwithstanding any other provision of the Indenture, neither WRCOG nor any Member or any Associate Member is obligated to advance available surplus funds from the WRCOG treasury or the treasury of any Member or Associate Member to cure any deficiency in the Redemption Fund.

Section 3.3 Issuance and Delivery of the Bonds. At any time after the execution of this Agreement, WRCOG may issue the Bonds in the aggregate principal amount set forth in Section 2.1 and deliver the Bonds to the Original Purchaser. The Authorized Representative is hereby authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of the Bonds in accordance with the provisions of the Refunding Law, the Resolution of Issuance and this Agreement and to do and cause to be done any and all acts and things necessary or convenient for delivery of the Bonds to the Original Purchaser, upon payment of the purchase price for the Bonds.

Section 3.4 Application of Proceeds of Sale of the Bonds and Transfers from the Prior Bonds.

The proceeds of the purchase of the Bonds by the Original Purchaser being \$_____ shall be paid to the Trustee, who shall forthwith set aside, pay over and transfer such proceeds on the Closing Date as follows:

\$_____ shall be transferred to the Prior Trustee for deposit into the 2013 Redemption Fund held by the Prior Trustee under the 2013 Master Indenture;

\$_____ shall be transferred to the Prior Trustee for deposit into the 2015 Redemption Fund held by the Prior Trustee under the 2015 Master Indenture;

\$_____ shall be deposited in the Costs of Issuance Fund; and

\$_____ shall be deposited in the Reserve Fund.

On the Closing Date, the Prior Trustee shall transfer to the Trustee all moneys then on deposit in the Prior Administrative Expense Funds for deposit in the Administrative Expense Fund.

Section 3.5 [Additional Bonds. Other than for the purpose of refunding the Bonds in full, no additional Bonds entitled to a lien on the Assessments shall be issued hereunder.]

Section 3.6 No Acceleration. The principal of the Bonds will not be subject to acceleration hereunder. Nothing in this Section 3.6 will in any way prohibit the redemption of Bonds pursuant to Section 2.3 hereof, the refunding of Bonds pursuant to Section 3.7 hereof, or the defeasance of the Bonds and discharge of the Indenture pursuant to Article 10 hereof or affect in any way the powers or remedies conferred upon the Owners elsewhere in the Indenture or by Chapter 29 or the Refunding Law.

Section 3.7 Refunding of Bonds. Any Bond may be refunded by WRCOG pursuant to any applicable provision of the law upon the conditions as set forth in appropriate proceedings therefor. This Section will not apply to or in any manner limit advancement of the maturity of any Bond as provided in Parts 8, 9, 11, or 11.1 of the Act, nor will this Section apply to or in any manner limit the redemption and payment of any Bond pursuant to subsequent proceedings providing for the payment of amounts to eliminate previously imposed fixed lien assessments, including the Assessment or Assessments securing such Bond. In the event that any Bond is refunded by WRCOG pursuant to this Section 3.7 or for any other reason, nothing contained herein shall limit or eliminate the requirement that such Bond be repaid at par plus such prepayment redemption premium as may be set forth in Section 2.3 of this Indenture together with accrued interest to the redemption date of such Bond.

Section 3.8 Indenture for Benefit of Bond Owners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of WRCOG will be for the benefit, protection and security of the registered Owner of each Bond.

Section 3.9 Reserve Fund.

3.9.1 Establishment of Fund. The Reserve Fund is hereby established as a separate fund to be held in trust by the Trustee for the benefit of the Owners of the Bonds. The

Reserve Fund shall be kept separate and apart from all other funds, monies and accounts held by the Trustee. So long as any Bonds are Outstanding, neither WRCOG nor the Trustee shall have any beneficial right or interest in the Reserve Fund of the moneys and/or securities deposited therein, except only as provided in this Indenture of Trustee, and such moneys and/or securities shall be used and applied by the Trustee as provided in this Indenture.

3.9.2 Use of Fund. Except as otherwise provided in this Section, all amounts on deposit in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Redemption Fund in the event of any deficiency at any time in either of such accounts of the amount then required for payment of the principal of and interest and any premium on the Bonds or, in accordance with the provisions of Sections 3.9.5 and 3.9.6, for the purpose of redeeming Bonds.

3.9.3 Transfer Due to Deficiency in Interest and Principal Accounts. Whenever transfer is made from the Reserve Fund to the Redemption Fund due to a deficiency in either such account, the Trustee shall provide written notice thereof to WRCOG and the Original Purchaser.

3.9.4 Transfer of Excess of Reserve Requirement. Whenever, on any September 3, the total of the amount in the Reserve Fund is in excess of the Reserve Requirement, the Trustee shall provide written notice to WRCOG of the amount of the excess. In determination of the amount on deposit in the Reserve Fund at any time, the Trustee shall use market value. In determining market value of Permitted Investments, the Trustee may use and rely conclusively and without liability upon any generally recognized pricing information service (including brokers and dealers in securities) available to it. Upon receiving written direction from an Authorized Representative (upon which the Trustee may conclusively rely), the Trustee shall transfer an amount from the Reserve Fund which will reduce the amount on deposit therein to an amount equal to the Reserve Requirement to the Redemption Fund to be used for the payment of the interest on and principal of the Bonds on the next succeeding Bond Payment Date in accordance with Section 4.1.2 hereof.

3.9.5 Transfer When Balance Exceeds Outstanding Bonds. Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Trustee shall, upon receiving written direction from an Authorized Representative (upon which the Trustee may conclusively rely), transfer the amount in the Reserve Fund to the Interest Account and the Principal Account to be applied, on the next succeeding Bond Payment Date, to the payment and redemption, in accordance with Section 2.3 and Section 4.1.2 hereof, as applicable, of all of the Outstanding Bonds. In the event that the amount available to be so transferred from the Reserve Fund to Redemption Fund exceeds the amount required to pay and redeem the Outstanding Bonds, the excess shall be transferred to WRCOG to be used for any lawful purpose of WRCOG.

3.9.6 Transfers on Prepayment of Assessment. Whenever WRCOG receives a Prepayment, WRCOG shall by an Officer's Certificate notify the Trustee thereof and of the amount by which the Reserve Fund is to be reduced and which is transferable from the Reserve Fund to the Redemption Fund, which amount shall be specified in the Officer's Certificate. Each

such Written Request shall be accompanied by a report of the Assessment Administrator verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Principal Account (“Verification”). Upon receipt of each such Officer’s Certificate and Verification, upon which the Trustee may conclusively rely, the Trustee shall at such time as the amount of such Prepayment will be used to redeem Bonds, as provided in Section 4.1.1(b) hereof, transfer the amount specified in such Officer’s Certificate to the Redemption Fund and use such amount, together with the amount of such Prepayment, to redeem Bonds, as provided in Section 4.1.1(b) hereof. Notwithstanding the preceding provisions of this subsection, no amount shall be transferred from the Reserve Fund if the amount on deposit in the Reserve Fund is, or as a result of such transfer would be, less than the Reserve Requirement.

3.9.7 Investment. Moneys in the Reserve Fund shall be invested and deposited in accordance with Section 6.1 hereof. Investment earnings shall be retained in the Reserve Fund to be used for the purposes of such fund.

ARTICLE 4

FUNDS AND ACCOUNTS

Section 4.1 Redemption Fund.

4.1.1 Establishment of Redemption Fund. The Redemption Fund is hereby established as a separate fund to be held in trust by the Trustee for the benefit of the Owners of the Bonds, within which there shall be established (a) an Assessment Collection Account, and (b) a Prepayment Account. The Redemption Fund and the accounts established thereunder shall be kept separate and apart from all other funds, monies and accounts held by the Trustee. So long as any Bonds are Outstanding, neither WRCOG nor the Trustee shall have any beneficial right or interest in the Redemption Fund or the moneys and/or securities deposited therein, except only as provided in this Indenture of Trust, and such moneys and/or securities shall be used and applied by the Trustee as provided in this Indenture of Trust. Moneys held in the Redemption Fund representing (a) the Assessment Installments (except amounts hereunder required to be deposited into the Administrative Expense Fund) received by WRCOG for the Bonds, (b) any Prepayment of an Assessment securing a Bond and/or any prepayment premium on such Bond, (c) any proceeds from a foreclosure proceeding conducted pursuant to Section 5.3 against a Participating Parcel on which the applicable Assessment has been levied (excluding amounts identified as representing attorney’s fees and costs incurred by WRCOG or such other person in prosecuting such foreclosure proceeding initiated pursuant to Section 5.3), and (d) any amounts paid pursuant to the Teeter Plan of the County in which such Participating Parcel is located with respect to the Assessment or Assessments (except amounts hereunder required to be deposited into the Administrative Expense Fund) securing the Bonds, will be held by the Trustee for the benefit of the Owner or Owners of such Bond or Bonds, as applicable, and will be disbursed to the accounts established within the Redemption Fund for the payment of the principal of, and interest and any premium on, such Bond or Bonds as provided below.

(a) *Assessment Collection Account.* All proceeds and payments with respect to an Assessment that is not a Prepayment (except amounts hereunder required to be deposited into the Administrative Expense Fund), including, without limitation, Assessment

Installments (except amounts hereunder required to be deposited into the Administrative Expense Fund), any proceeds from a foreclosure proceeding conducted pursuant to Section 5.3 against a Participating Parcel upon which an Assessment securing a Bond has been levied and any amounts received pursuant to the Teeter Plan of the County in which such Participating Parcel is located with respect to the Assessments securing Bonds will be deposited by the Trustee into the Assessment Collection Account. All amounts in the Assessment Collection Account shall be used and withdrawn by the Trustee solely for the purpose of (A) paying the Debt Service on the Bonds on a Bond Payment Date, (B) the payment of remaining principal with respect to the Bonds on the respective maturity date thereof, or (C) the payment of the principal of and the accrued but unpaid interest and premium (if any) on any Bond upon the redemption thereof as provided herein (except for redemptions occurring as a result of a Prepayment, which are governed by Section 4.1.1(b) below). All amounts in the Assessment Collection Account, including any earnings on the amounts held in the Assessment Collection Account, shall be held in trust for the benefit of the Bond Owners.

(b) *Prepayment Account.* The Trustee shall deposit any Prepayment with respect to an Assessment in the Prepayment Account and shall credit such amount to the Bond secured by such Assessment. Such amounts on deposit in the Prepayment Account shall be used solely to redeem (in whole or in part) any Outstanding Bond secured by the Assessment that has been prepaid. In connection with any Prepayment, the Bond secured by the prepaid Assessment shall be redeemed from the amounts set forth in the Prepayment Account, and the procedure for redemption shall be as set forth in Section 2.3.2. All amounts in the Prepayment Account shall be used and withdrawn by the Trustee solely for the purpose of paying the redemption price set forth in Section 2.3.2 governing the Bond secured by the prepaid Assessment, which shall be the principal amount of such Bond subject to redemption, the applicable redemption premium and any accrued but unpaid interest on such Bond. All amounts in the Prepayment Account, including any earnings on the amounts held in the Prepayment Account, shall be held in trust for the benefit of the Bond Owners. If WRCOG shall notify the Trustee by an Officer's Certificate that all of the Assessments are paid in full, the Prepayment Account will be closed.

4.1.2 Disbursements. On the applicable Bond Payment Date, the Trustee will withdraw from the amounts contained in the applicable account within the Redemption Fund credited to each Bond and pay to the Owner of such Bond the principal of, and interest and any premium then due and payable on, such Bond.

If on September 3 immediately following the end of the Fiscal Year in which such Assessments were levied there are extra monies on deposit in the Assessment Collection Account and the amount on deposit in the Reserve Fund is not equal to the Reserve Requirement, the Fiscal Agent shall withdraw from the Assessment Collection Account and deposit to the Reserve Fund an amount which shall satisfy the Reserve Requirement.

On or before October 1 of each year, commencing on October 1, 2020, the Assessment Administrator shall determine whether, as of September 3 of such year, the amount on deposit in the Assessment Collection Account exceeds the greater of (i) one year's earnings on such amount, or (ii) one-twelfth (1/12th) of Annual Debt Service for the then current Bond

Year, or (iii) the Outstanding Bond principal less 1.05 time the Outstanding Assessment Amount (but never less than zero).

If on September 3 of any year the amounts on deposit in the Assessment Collection Account exceeds the maximum amount allowable pursuant to the preceding sentence and the Reserve Fund is at least equal to the Reserve Requirement, the excess, as determined by the Assessment Administrator, and confirmed by the Municipal Advisor, and communicated in an Officer's Certificate (upon which the Trustee may conclusively rely), shall be transferred from the Assessment Collection Account to WRCOG, in accordance with the written instructions set forth in the Officer's Certificate, to be used for any lawful purpose.

4.1.3 Investment. Moneys in the Redemption Fund (and the accounts therein) will be invested and deposited in accordance with Section 6.1. Interest earnings and profits resulting from such investment and deposit will be credited to and retained in the Redemption Fund and the accounts therein, as applicable.

Section 4.2 Cost of Issuance Fund.

4.2.1 Establishment of the Cost of Issuance Fund; Deposit. The Cost of Issuance Fund is hereby established as a separate fund to be held in trust by the Trustee to the credit of which a deposit shall be made as required by Section 3.4 hereof.

4.2.2 Disbursement. Amounts in the Cost of Issuance Fund will be disbursed from time to time to pay or reimburse Costs of Issuance incurred in the issuance of the Bonds. Upon receipt by the Trustee of an Officer's Certificate duly executed by an Authorized Representative in substantially the form attached hereto as Exhibit E, the Trustee shall pay or reimburse directly to the designated payees such Costs of Issuance from amounts in the Cost of Issuance Fund. Each such certificate will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts.

The Trustee will maintain funds on deposit in the Cost of Issuance Fund until all such funds are expended or until as directed in an Officer's Certificate directing the Trustee to close the Cost of Issuance Fund and to transfer any moneys remaining on deposit therein, including any investment earnings thereon, to the Assessment Collection Account of the Redemption Fund, and such amounts in the Assessment Collection Account shall, as shown in such Officer's Certificate.

4.2.3 Investment. Moneys in the Cost of Issuance Fund shall be invested in Permitted Investments as directed in accordance with Section 6.1, and earnings and profits resulting from such investment shall be credited to and retained by the Trustee in the Cost of Issuance Fund to be used for the purposes of such fund.

Section 4.3 Administrative Expense Fund.

4.3.1 Establishment of Administrative Expense Fund. The Administrative Expense Fund is hereby established as a separate fund to be held in trust by the Trustee to the credit of which a deposit shall be made as required by Section 3.4 hereof. Pursuant to Section 5.1.2, the Trustee shall also deposit into the Administrative Expense Fund the Assessment

Administrative Fee received by WRCOG with respect to each Participating Parcel. The Administrative Expense Fund shall be kept separate and apart from all other funds, monies and accounts held by the Trustee. Moneys in the Administrative Expense Fund shall be disbursed as provided in subsection 4.3.2 below. All monies on deposit in the Administrative Expense Fund shall be used for, and are pledged for, the payment or reimbursement of Administrative Expenses when due and payable.

4.3.2 Disbursement from the Administrative Expense Fund. Amounts in the Administrative Expense Fund will be disbursed from time to time to pay or reimburse Administrative Expenses. Upon receipt by the Trustee of an Officer's Certificate duly executed by an Authorized Representative in substantially the form attached hereto as Exhibit F, the Trustee shall pay or reimburse directly to the designated payee such Administrative Expenses from amounts in the Administrative Expense Fund. Each such certificate will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts. The Trustee will pay or reimburse all Administrative Expenses after receipt of an invoice from any such payee set forth in the Officer's Certificate which requests payment in an amount that is less than or equal to the amount set forth under such payee's name in the Officer's Certificate and all Administrative Expenses owed to the Trustee subject to Section 7.5.

4.3.3 Investment. Moneys in the Administrative Expense Fund shall be invested as directed in accordance with Section 6.1, and earnings and profits resulting from such investment shall be retained by the Trustee in the Administrative Expense Fund.

4.3.4 Disposition of Amounts Remaining on Deposit Upon Payment of All Bonds or Resignation or Removal of the Trustee. Upon the payment of all Bonds and surrender thereof to the Trustee for cancellation and payment of all outstanding Administrative Expenses due and payable hereunder, WRCOG shall deliver to the Trustee an Officer's Certificate declaring that (i) all obligations of WRCOG have been satisfied, (ii) WRCOG shall not issue any additional Bonds pursuant to this Indenture of Trust, and (iii) all conditions precedent to the satisfaction and discharge of this Indenture of Trust have been complied with. Upon receipt thereof, this Indenture of Trust shall be discharged and the Trustee shall deliver all amounts then remaining in the Administrative Expense Fund, if any, to WRCOG. Any other outstanding Administrative Expenses shall be payable solely by WRCOG. All such amounts delivered to WRCOG and not required to pay outstanding Administrative Expenses may be used for any lawful purpose of WRCOG.

Section 4.4 Funds and Accounts. The Trustee may establish one Redemption Fund, one Reserve Fund, one Cost of Issuance Fund and one Administrative Expense Fund, in each case and their related accounts as described in this Indenture of Trust, to be used for all Bonds issued pursuant to this Indenture of Trust. The Trustee shall be liable solely for its own negligence or willful misconduct as expressly set forth in Section 7.2.

Section 4.5 Information Provided to the Trustee Pursuant to Article 4. All information and written directions and all Officer's Certificates and Certificates of WRCOG provided to the Trustee pursuant to Article 4 shall be provided electronically (such format to be uploadable, unlocked and not corrupted) in a format reasonably acceptable to the Trustee.

ARTICLE 5

COVENANTS OF WRCOG

Section 5.1 Collection of Assessments and Assessment Administrative Fees.

5.1.1 Assessment Installments. WRCOG will comply with all requirements of Chapter 29, the Act and the Indenture to assure the timely collection of the Assessment Installments for each Assessment, including, without limitation, the enforcement of delinquent Assessment Installments. To that end, the following will apply:

(a) The Assessment levied upon each Participating Parcel, together with the interest thereon, will be payable in the Assessment Installments specified in the Assessment Contract applicable to such Participating Parcel. Each Assessment Installment will be payable pro rata with and in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and become delinquent at the same times and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property. WRCOG shall cause sums received by each County from the collection of the Assessment Installments and of the interest and penalties thereon to be transferred by such County directly to the Trustee for deposit in the Assessment Collection Account of the Redemption Fund.

(b) WRCOG will, before the final date on which the Auditor will accept the transmission of the Assessment Installments for the Participating Parcels for inclusion on the next tax roll, prepare or cause to be prepared, and will transmit to the Auditor, such data as the Auditor requires to include the Assessment Installments on the next secured tax roll. WRCOG is hereby authorized to employ consultants, including the Assessment Administrator, to assist in computing the Assessment Installments hereunder.

(c) In the event that a County files a petition under Chapter 9 or is otherwise unable or unwilling to include the Assessment Installments and the Assessment Administrative Fees on the tax roll and to collect such amounts on the property tax bill for any Fiscal Year, WRCOG covenants to:

(i) take such action as shall be necessary to enforce the statutory and contractual obligations of such County to include the Assessment Installments and the Assessment Administrative Fees on the tax roll each Fiscal Year and to collect such amounts on the property tax bills of the Participating Parcels for any Fiscal Year; and

(ii) exercise its best efforts to collect such Assessment Installments and Assessment Administrative Fees by directly billing the owners of the Participating Parcels for their respective Assessment Installments and Assessment Administrative Fees.

WRCOG makes no representation or warranty regarding its ability to collect such Assessment Installments and Assessment Administrative Fees by such direct billing pursuant to paragraph (c)(ii) above or its ability or legal authority to enforce the payment of Assessment Installments and Assessment Administrative Fees directly billed by WRCOG to the owners of

Participating Parcels through a judicial foreclosure action in the event of the delinquency in the payment of any such Assessment Installments and Assessment Administrative Fees.

If WRCOG is unable to enforce the statutory and contractual obligations of the County to include the Assessment Installments and the Assessment Administrative Fees on the tax roll each Fiscal Year or to collect, or cause any other person acting on its or the County's behalf to collect, the Assessment Installments, the Assessment Administrative Fees or any other amounts with respect to the Assessments, no action taken by WRCOG pursuant to this Section 5.1.1(c) shall relieve WRCOG from its obligation, which is absolute and unconditional, to pay the interest and redemption premium (if any) on and principal of the Bonds to the respective Owners of the Bonds when due and all Administrative Expenses (including indemnity), as herein provided, out of the Assessments pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and in this Indenture. Nothing in this Section 5.1.1(c) shall limit in any way the rights of the Owners to declare an Event of Default pursuant to Section 9.1 hereof or to pursue all rights and remedies available to such Owners under this Indenture and applicable law.

5.1.2 Assessment Administrative Fee. WRCOG will comply with all requirements of Chapter 29, the Refunding Law and this Indenture to assure the timely collection of the Assessment Administrative Fees pertaining to each Assessment Contract. WRCOG shall take such action as is necessary to assure that the Assessment Administrative Fees are sufficient to pay all Administrative Expenses as the same shall be due and payable. Moneys representing the Assessment Administrative Fees shall, immediately upon receipt thereof by WRCOG, be deposited in the Administrative Expense Fund as directed by the Assessment Administrator and shall be administered as provided for in Section 4.3.

Section 5.2 Retention of Assessment Administrator and Prepayments of Assessments.

So long as any Bonds remain Outstanding, WRCOG shall employ the services of an Assessment Administrator. Should WRCOG fail to employ the services of an Assessment Administrator during any period that any Bonds remain Outstanding, the Trustee shall employ, on behalf of WRCOG, at the written direction of the Owners of a majority in principal amount of the Outstanding Bonds, an Assessment Administrator identified by such Owners in their direction for the purpose of providing all services of such Assessment Administrator as specified herein. The costs and expenses incurred by the Trustee and WRCOG in employing such Assessment Administrator shall be deemed to be Administrative Expenses and shall be payable pursuant to Section 4.3 hereto; provided, however, if WRCOG does not provide payment of such costs and expenses in a timely manner, the Trustee shall be entitled to withdraw to the extent available amounts owed from the Administrative Expense Fund to pay the Assessment Administrator. It is understood that the Assessment Administrator is an agent of WRCOG and not the Trustee and the Trustee has no responsibility or liability for any amounts owed to the Assessment Administrator.

Section 5.3 Foreclosure.

5.3.1 Covenant to Commence Judicial Foreclosure Proceedings. WRCOG hereby covenants with and for the benefit of the Owners of the Bonds that it will order, and cause to be commenced, and thereafter diligently prosecute an action in the superior court to foreclose the lien of any Assessment or Assessment Installment thereof which has been billed, but has not been paid, pursuant to and as provided in sections 8830 and 8835, inclusive, of the Act and the conditions specified in this Section 5.3. The costs of the prosecution by WRCOG or on behalf of WRCOG shall be borne by WRCOG.

Not later than October 1st each year, WRCOG will determine whether any single Participating Parcel is delinquent in the payment of any Assessment Installment of the applicable Assessment, WRCOG will notify WRCOG Counsel of such delinquency and the identity of the Bond affected by such delinquency. WRCOG Counsel will commence, or cause to be commenced, foreclosure proceedings against the applicable Participating Parcel, including collection actions preparatory to the filing of any complaint, and will file the complaint within sixty (60) days from the date WRCOG receives the Delinquency Notification. Subject to further direction from the Executive Committee, WRCOG Counsel is authorized to employ counsel to conduct any such foreclosure proceedings.

However, notwithstanding the foregoing, WRCOG may elect, in its sole discretion, to defer foreclosure proceedings on any Participating Parcel if WRCOG has received from any other source, including, but not limited to, funds received pursuant to the Teeter Plan of the County in which such Participating Parcel is located, funds that are sufficient to pay all principal and interest on the applicable Bond that is due and payable, together with interest and penalties with respect to any delinquent Assessment Installments, and an excess that would be available to contribute toward the Debt Service due on the Bond on the next Bond Payment Date.

In the event that a foreclosure judgment is entered in favor of WRCOG in any foreclosure proceeding undertaken pursuant to this subsection 5.3.1 and the applicable Participating Parcel fails to sell for the minimum price required by Streets and Highways Code Section 8832, WRCOG shall not petition the court to modify the judgment and authorize such Participating Parcel to be sold at a lesser minimum price or without a minimum price without the prior written consent of the Owner of the Bond secured by the Assessment levied against such Participating Parcel.

Amounts collected by WRCOG or any other person pursuant to this Section 5.3.1 shall be held in trust by such person for the benefit of the Owner of the Bond secured by a delinquent Assessment Installment until all such amounts have been deposited into the Redemption Fund (excluding amounts identified as representing attorney's fees and costs incurred by WRCOG or such other person in prosecuting any action initiated pursuant to this Section 5.3.1).

Notwithstanding the foregoing, WRCOG shall assign the causes of action and the foreclosure proceedings to a trustee upon receipt of a written request for assignment from the Owner of any Bond secured by an Assessment for which the Assessment Installments are delinquent, identification of the trustee to which such assignment is to be made, the agreement

by such Owner to assume all costs and expenses of such foreclosure proceedings and the release of WRCOG of its obligations pursuant to this Section 5.3.1 to prosecute such foreclosure proceedings. In no event shall the Trustee be required to initiate or participate in foreclosure proceedings hereunder.

5.3.2 Disclosure Regarding Delinquencies and Foreclosure Proceedings.

WRCOG shall provide an electronic Officer's Certificate to the Trustee and the Original Purchaser no earlier than the first Business Day of the month preceding each Bond Payment Date and no later than the Record Date prior to such Bond Payment Date the following information with respect to any delinquent Assessment Installment or Assessment Installments:

- (a) the identity of the Participating Parcel for which each such Assessment Installment is delinquent;
- (b) the date upon which each such Assessment Installment became delinquent;
- (c) the amount of each such delinquent Assessment Installment;
- (d) the date upon which the complaint initiating judicial foreclosure proceedings against each such Participating Parcel was filed or if such complaint has not been filed, the date on which such complaint is required to be filed pursuant to subsection 5.3.1;
- (e) the date on which the delinquent Assessment Installment was redeemed;
- (f) the date that judgment in judicial foreclosure proceedings was entered against any such Participating Parcel and the party in whose favor such judgment was entered; and
- (g) the date that any such Participating Parcel was sold at a judicial foreclosure sale and the sale price for such Participating Parcel.

Section 5.4 Punctual Payment. WRCOG will punctually pay or cause to be paid the principal of, and interest and any premium on, the Bonds when and as due in strict conformity with the terms of the Indenture, and it will faithfully and timely observe and perform all of the conditions, covenants and requirements of the Indenture and of the Bonds.

Section 5.5 Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, WRCOG will not, directly or indirectly, extend or consent to the extension of the time for the payment of any interest on or principal of any of the Bonds and will not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding any claims for interest on or principal of any of the Bonds, or in any other manner.

Section 5.6 Against Encumbrance. WRCOG will not encumber, pledge or place any charge or lien upon any of the Assessments or other Collateral pledged to the Owners hereunder except for any such encumbrance, pledge or placement of a lien or charge approved in writing by the Owner of such Bond.

Section 5.7 Books and Accounts. WRCOG will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of WRCOG, in which complete and correct entries will be made of all transactions relating to the proceeds of the Bonds, the Assessments and the application of amounts disbursed from the funds and accounts established hereunder, which records will be subject to inspection by the Trustee and the Owners (who shall have no duty to so inspect) upon reasonable prior notice on any Business Day.

Section 5.8 Protection of Security and Rights of Owners. WRCOG will preserve and protect the first priority security interest in the Assessments and the rights of the Owners thereto, and will warrant and defend their rights to such security interest against all claims and demands of all persons. From and after the delivery of any of the Bonds by WRCOG, the Bonds will be incontestable by WRCOG. The cost of any such action shall be borne by WRCOG except for foreclosure proceedings undertaken by a trustee appointed by WRCOG at the request of the Owner of a Bond pursuant to Section 5.3.1.

In the event that a County files a petition pursuant to Chapter 9, WRCOG shall, in addition to the actions specified in Section 5.1.1(c) and as an integral and material part of its obligations under this covenant, seek such post-petition relief as shall be necessary to (a) obtain relief from the automatic stay as to all Assessment Installments received by the County prior to the filing of such petition and held by such County at the time of filing of such petition to enable such Assessment Installments to be paid to the Trustee and (b) ensure that all Assessment Installments received by such County post-petition are timely paid to the Trustee.

Section 5.9 Compliance with Law; Completion of Improvements. WRCOG will comply with all applicable provisions of Chapter 29 and the Refunding Law in providing financing for the Improvements, but WRCOG will have no obligation to advance any funds to complete the Improvements in excess of the proceeds of the Bonds available therefor.

Section 5.10 Modification of or Supplement to the Programs or the Program Reports. WRCOG shall not modify or supplement the Programs collectively or individually or the Program Reports collectively or individually so as to adversely affect any Outstanding Bond in any material respect without the written consent of the Owner of such Bond then Outstanding, exclusive of any Bond disqualified as provided in Section 8.3. The procedure set forth in Section 8.2 to obtain the written consent of the Owner to the amendment or modification of the Indenture shall apply to any procedure to obtain the written consent of the Owner to any modification of or supplement to the Programs collectively or individually or the Program Reports collectively or individually requiring such consent.

Section 5.11 Further Assurances. WRCOG will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Owners of the rights and benefits provided in the Indenture.

Section 5.12 Financial Information. Promptly after such information is available, but in any event not later than January 1st following the end of each fiscal year of WRCOG, WRCOG shall provide to each Owner in electronic format, or make available to the general public on WRCOG's website, WRCOG's comprehensive annual financial report (including the annual financial statements).

ARTICLE 6

INVESTMENTS; LIABILITY OF WRCOG AND ITS MEMBER AGENCIES; DEPOSIT AND INVESTMENT OF MONEYS IN FUNDS.

Section 6.1 Investment.

The following will apply to the investment of funds held by the Trustee:

Moneys in any fund or account created or established by the Indenture and held by the Trustee will be invested by the Trustee in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Trustee at least two Business Days in advance of the making of such investments. Notwithstanding the foregoing, moneys on deposit in the Redemption Fund shall be invested only in Federal Securities specified in clause (i) of the definition thereof or in Permitted Investments specified in clause (h) of the definition thereof, in each case as identified in the Officer's Certificate. In the absence of any such Officer's Certificate, the Trustee shall hold such moneys uninvested.

Obligations purchased as an investment of moneys in any fund will be deemed to be part of such fund or account, subject, however, to the requirements of the Indenture for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

The Trustee may act as principal or agent in the acquisition or disposition of any investment. The Trustee will incur no liability for losses arising from any investments made pursuant to this Section unless such losses arise as a result of the Trustee's failure to make investments as set forth in investment directions from WRCOG. The Trustee will be entitled to rely upon any investment directions from WRCOG as conclusive evidence that the investments described therein are so authorized under the laws of the State of California.

The Trustee will not invest any cash held by it hereunder in the absence of timely and specific written direction from WRCOG. In no event will the Trustee be responsible for the selection of investments.

Investments in any and all funds and accounts may at the discretion of the Trustee be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Trustee hereunder, provided that the Trustee will at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in the Indenture.

The Trustee will sell, or present for redemption, any investment security whenever it is necessary to provide moneys one Business Day prior to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited. The Trustee will not be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

WRCOG acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant WRCOG the right to receive brokerage confirmations of security transactions as they occur, at no additional cost, WRCOG specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish WRCOG periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder, and will furnish to any Bond Owner, upon such Bond Owner's written request, a cash transaction statement detailing investment transactions made by the Trustee hereunder with respect to the deposits in the Redemption Fund; provided that such Bond Owner also pays the cost of preparation of such statement.

Section 6.2 Employment of Agents by WRCOG. In order to perform its duties and obligations hereunder, WRCOG may employ such persons or entities as it deems necessary or advisable.

ARTICLE 7

THE TRUSTEE

Section 7.1 Appointment of Trustee. The Bank of New York Mellon Trust Company, N.A., at the Corporate Trust Office, is hereby appointed trustee (including registrar and transfer agent) and paying agent for the Bonds. The Trustee undertakes to perform such duties, and only such duties, as are specifically set forth in the Indenture, and no implied covenants or obligations will be read into the Indenture against the Trustee. With respect to the appointment of the Trustee, the following will apply:

(a) Any bank or company into which the Trustee may be merged or converted or with which it may be consolidated, or any bank or company resulting from any merger, conversion or consolidation to which it is a party, or any bank or company to which the Trustee may sell or transfer all or substantially all of its corporate trust business (if such bank or company is eligible under paragraph (b) of this Section 7.1) will be the successor to such Trustee provided that such bank or company expressly assumes in writing the duties of the Trustee under the Indenture without the execution or filing of any other paper or any further act, anything herein to the contrary notwithstanding. The Trustee will give WRCOG written notice of any such succession hereunder.

(b) Upon thirty (30) days' advance notice, WRCOG may remove the Trustee initially appointed and any successor thereto, and may appoint a successor thereto, but any successor Trustee will be a national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$75,000,000 and subject to supervision or examination by federal or state authority. If such national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the

requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.1, combined capital and surplus of such national banking association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(c) The Trustee may at any time resign by giving written notice to WRCOG and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, WRCOG will promptly appoint a successor Trustee, satisfying the requirements of Section 7.1(b) above, by an instrument in writing. Any resignation or removal of the Trustee will become effective upon acceptance of appointment by the successor Trustee.

(d) If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, WRCOG will promptly appoint a successor Trustee by an instrument in writing.

(e) If no appointment of a successor Trustee is made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee has given to WRCOG written notice or after a vacancy in the office of the Trustee has occurred by reason of its inability to act, the Trustee or any Bond Owner may apply to any court of competent jurisdiction to appoint a successor Trustee. That court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee that satisfies the requirements of paragraph (b) of this Section 7.1.

Section 7.2 Liability of Trustee. With respect to the liability of the Trustee, the following will apply:

(a) The recitals of facts, covenants and agreements herein and in the Bonds contained will be taken as statements, covenants and agreements of WRCOG, and the Trustee assumes no responsibility for the correctness of the same, makes no representations as to the validity or sufficiency of the Indenture or of the Bonds, or will incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Trustee will not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee assumes no responsibility or liability for any information, statement or recital in any official statement or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(b) The Trustee may request and conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Trustee, the Trustee will be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture on their face.

Except as provided above in the immediately preceding paragraph, the Trustee will be fully protected and will incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Indenture,

upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it in good faith reasonably believes to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of the Indenture, and the Trustee will not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

(c) The Trustee will not be liable for any error of judgment made in good faith by a responsible officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(d) No provision of the Indenture will require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers and none of the provisions contained in this Indenture of Trust shall in any event require the Trustee to perform, or be responsible for the manner of performance of, any of the obligations of any other party including, without limitation, any employee, staff member, consultant, or agent of WRCOG, under this Indenture of Trust.

(e) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by the Indenture, including at the request or direction of any of the Owners pursuant to the Indenture unless such Owners have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) The Trustee may become the owner of the Bonds with the same rights it would have if it were not the Trustee.

(g) The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event or occurrences beyond the control of the Trustee.

(h) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Indenture and delivered using Electronic Means (“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection

with its services hereunder); provided, however, that WRCOG shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by WRCOG, whenever a person is to be added or deleted from the listing. If WRCOG elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. WRCOG understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. WRCOG shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that WRCOG and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords, and/or authentication keys upon receipt by WRCOG. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. WRCOG agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by WRCOG; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(i) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, affiliates, or receivers, and will be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee will not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care.

(j) The obligations of the Trustee shall be determined solely by the express provisions of this Indenture of Trust and no implied covenants or obligations shall be read into this Indenture of Trust against the Trustee.

(k) For all purposes under this Indenture of Trust, the Trustee shall not be deemed to have notice or knowledge of any Event of Default described in clauses (c), (d) or (e) of Section 9.1 of this Indenture of Trust unless an officer assigned to and working in the Corporate Trust Office of the Trustee having responsibility for the administration of this Indenture of Trust has actual knowledge thereof or unless written notice of any event which is in fact such an Event of Default is received by the Trustee at the Corporate Trust Office and such notice references the Bonds generally or WRCOG.

(l) Whether or not therein expressly so provided, every provision of this Indenture of Trust relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of Section 7.1 and this Section 7.2.

(m) In no event shall the Trustee be liable for special, punitive, indirect or consequential loss or damage (including lost profits) even if the Trustee has been advised of the likelihood of such damages and regardless of the form of such action.

(n) The rights, protections, benefits, immunities and indemnities afforded to the Trustee pursuant to this Indenture of Trust shall be afforded to it acting in each of its capacities under this Indenture of Trust or other related document.

(o) In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA Patriot Act of the United States (“Applicable Law”), the Trustee is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee. Accordingly, each of the parties agrees to provide to the Trustee upon its request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee to comply with Applicable Law.

(p) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its gross negligence or willful misconduct. The Trustee shall not be accountable for the use or application by the Corporation of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture or for the use and application of money received by any paying agent.

Section 7.3 Information; Books and Accounts. The Trustee will provide to WRCOG, Program Administrator and Bond Owners the following reports:

(a) Upon the remittance by WRCOG to the Trustee of any amounts representing an Assessment installment (including delinquent installments) or Prepayment, the amount of such Assessment installment or Prepayment to be deposited to each fund and account established in the Indenture (each, an “Account”).

(b) Not later than five (5) Business Days after each Record Date: (a) the amounts to be credited to the payment of outstanding principal, interest and premium on the outstanding Bonds from each Account on the next succeeding Payment Date; and (b) the balances in each Account immediately prior to and after the distributions from each Account on the next succeeding Payment Date.

(c) Such other information relating to the Bonds and the funds and accounts maintained by the Trustee hereunder as WRCOG and Bond Owners may reasonably request.

The Trustee will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Trustee, in which complete and correct entries will be made of all transactions made by it relating to the expenditure of amounts disbursed from the Redemption Fund and the accounts therein, the Program Fund and the Reserve Fund. Such books of record and accounts, as well as electronic copies of executed Assessment Contracts, will, upon reasonable notice, at all times during business hours on any Business Day be subject to the inspection of WRCOG and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 7.4 Notice to Trustee. The Trustee may conclusively rely, without undertaking any investigation or inquiry, and will be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, warrant, Bond or other paper or document reasonably believed by it to be genuine and having been signed or presented by the proper party or proper parties.

The Trustee may consult with counsel, who may be Bond Counsel or other counsel to WRCOG, with regard to legal questions, and the advice or written opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Trustee will not be bound to recognize any person as the Owner of a Bond unless and until such person is the registered Owner of such Bond as reflected on the Bond Register and such Bond is submitted for inspection, if required, and such Owner's title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under the Indenture the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a certificate of an Authorized Representative of WRCOG, and such certificate will be full warrant to the Trustee for any action taken or suffered under the provisions of the Indenture upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable; provided that the Trustee shall be responsible for any such action taken or suffered in a manner constituting gross negligence or willful misconduct.

Section 7.5 Compensation; Indemnification. WRCOG will pay out of its funds, which shall include, but not be limited to, the proceeds of Assessment Administrative Fees deposited in the Administrative Expense Fund and the interest earnings on the investment of such proceeds, to the Trustee from time to time reasonable compensation for all services rendered as Trustee under the Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of the Trustee's in house or other attorneys and agents, incurred in and about the performance of their powers and duties under the Indenture. If WRCOG fails to pay amounts owed to the Trustee (whether fees, expenses or indemnities) in a timely manner, the Trustee shall be entitled to withdraw such amounts from the Administrative Expense Fund. Such compensation for services rendered by the Trustee and such expenses incurred by the Trustee shall conform to the Trustee's [INSERT SCHEDULE OF FEES TITLE

AND DATE HERE] (the “Trustee’s Fee Proposal”) as accepted by WRCOG as evidenced by the Notice of Acceptance executed by the _____ dated _____, 2020. Such Trustee’s Fee Proposal shall be subject to amendment from time to time by mutual agreement of the Trustee and WRCOG. As security for the performance of WRCOG under this Section 7.5, the Trustee has a first lien, prior to that of the holders of the Bonds, on the accounts held hereunder and the Collateral.

WRCOG further agrees, to the extent permitted by applicable law, to indemnify and save the Trustee and the Original Purchaser, its officers, employees, directors and agents harmless against any losses, expenses, costs, claims, judgments, damages, suits or liabilities which it may incur in the exercise and performance of its powers and duties hereunder (including, without limitation, legal fees and expenses) which are not due to its negligence or willful misconduct. All such amounts may be paid from the Administrative Expense Fund to the extent of funds available.

The obligation of WRCOG under this Section will survive resignation or removal of the Trustee under the Indenture and payment of the Bonds and discharge of the Indenture.

ARTICLE 8

AMENDMENT OR MODIFICATION OF THE INDENTURE

Section 8.1 Conditions for Amendment.

8.1.1 Amendment with Consent of Bond Owners. The Indenture and the rights and obligations of WRCOG and of the Owners of the Bonds may be amended or modified at any time with the written consent of the Owners of at least 50% in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.3.

No such amendment or modification may:

- (a) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter, reduce or impair the obligation of WRCOG to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or
- (b) permit the creation by WRCOG, the Trustee or any other person of any pledge or lien upon the Assessments or the other Collateral superior to or [on a parity] with the pledges and liens created for the benefit of the Bonds, or
- (c) reduce the percentage of Bonds required for the amendment of this Indenture of Trust or to take any action on behalf of all Bond Owners, or
- (d) amend this Section 8.1.

Any such amendment or modification may not modify any of the rights or obligations of the Trustee without its written consent.

8.1.2 Amendment without Consent of Bond Owners. The Indenture and the rights and obligations of WRCOG and of the Owners may also be amended or modified at any time, without the consent of any Owners, only to the extent permitted by law (as evidenced by an opinion of Bond Counsel delivered to the Trustee) and only for any one or more of the following purposes:

(a) Additions. To add to the covenants and agreements of WRCOG contained in the Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon WRCOG.

(b) Not Materially Adversely Affecting Bonds. To make modifications not adversely affecting any Outstanding Bonds in any material respect, as evidenced by an opinion of Bond Counsel delivered to the Trustee, unless the requirement for such opinion is waived by the Owners of the Bonds that would be affected by such modifications.

(c) Corrections. To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Indenture, or in regard to questions arising under the Indenture, as WRCOG may deem necessary or desirable and not inconsistent with the Indenture, and which will not materially adversely affect the rights of the Owners of the Bonds, as evidenced by an opinion of Bond Counsel delivered to the Trustee, unless the requirement for such opinion is waived by the Owners of the Bonds that would be affected by such modification; provided, however, so long as First Foundation Bank is the sole Owner of the Bonds, WRCOG shall obtain prior written consent of First Foundation Bank for any amendments listed in this Section 8.1.2.

The Trustee shall be entitled to receive, and be fully protected in relying upon, (i) an Officer's Certificate of WRCOG as to the determination of whether an Owner of a Bond would be affected by any proposed amendment or modification pursuant to clauses (b) or (c) above and any such determination shall be conclusive and binding upon all present and future Owners of the Bonds, and (ii) an opinion of Bond Counsel stating that the execution of such amendment or modification is authorized and permitted under the Indenture and all conditions precedent thereto have been satisfied. The Trustee shall not be liable for any such determination made in good faith and in reliance upon such Officer's Certificate and opinion of Bond Counsel delivered to the Trustee.

Section 8.2 Procedure for Amendment with Written Consent of Owners. WRCOG and the Trustee may at any time amend or modify the provisions of the Bonds or of the Indenture, to the extent that such amendment or modification is permitted by Section 8.1, to take effect when and as provided in this Section. With respect to such amendment or modification under this Section, the following will apply:

(a) A copy of such amendment or modification, together with a request to Owners for their consent thereto, will be mailed by first class mail, by the Trustee to each Owner of Bonds Outstanding, but failure to mail copies of such amendment or modification and request will not affect the validity of the amendment or modification when assented to as provided in this Section.

(b) Such amendment or modification will not become effective unless there has been filed with the Trustee the written consents of the Owners of at least 50% in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.3) and a notice has been mailed as described in paragraph (a) above. Each such consent will be effective only if accompanied by proof of ownership of the Bonds in satisfaction of Section 10.4 for which such consent is given.

Any such consent will be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice provided for in subsection (c) below has been mailed.

(c) After the Owners of the required percentage of Bonds have filed their consents to the amendment or modification, the Trustee will mail a notice to the Owners in the manner described in paragraph (a) above for the mailing of the amendment or modification, stating in substance that the amendment or modification has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section; provided, however, that failure to mail copies of this notice will not affect the validity of the amendment or modification or consents thereto.

Proof of the mailing of such notice will be filed with the Trustee. A record, consisting of the papers required by this Section 8.2 to be filed with the Trustee, will be proof of the matters therein stated until the contrary is proved.

The amendment or modification will become effective upon the filing with the Trustee of (i) the proof of the required notice, and (ii) an approving opinion of Bond Counsel to the effect that the amendment or modification complies with this Section 8.2. The amendment or modification will be deemed conclusively binding (except as otherwise specifically provided in this Article) upon WRCOG and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 8.3 Disqualified Bonds. Bonds owned or held for the account of WRCOG or by any person directly or indirectly controlled or controlled by, or under direct or indirect common control with, WRCOG (except any Bonds held in a pension or retirement fund) will not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in this Indenture of Trust, and will not be entitled to vote upon, consent to, or take any other action provided for in this Indenture of Trust; except that in determining whether the Trustee will be protected in relying upon any such approval or consent of an Owner, only Bonds which a responsible officer of the Trustee having direct responsibility for the administration of the Indenture actually knows to be owned by or held for the account of WRCOG or by any person directly or indirectly controlled or controlled by, or under direct or indirect common control with, WRCOG (except any Bonds held in a pension or retirement fund) will be disregarded unless all Bonds are so owned, in which case such Bonds will be considered Outstanding for the purpose of such determination.

Upon request of the Trustee, WRCOG will specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 8.4 Effect of Amendment or Modification. From and after the time any amendment or modification becomes effective pursuant to this Article 8, the Indenture will be deemed to be amended or modified in accordance therewith, the respective rights, duties and obligations under the Indenture of WRCOG, the Trustee and all Owners of Bonds Outstanding will thereafter be determined, exercised and enforced hereunder subject in all respects to such amendments and modifications, and all the terms and conditions of any such amendment or modification will be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

Section 8.5 Endorsement or Replacement of Bonds Issued After Amendment. WRCOG may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article 8 will bear a notation, by endorsement or otherwise, in form approved by WRCOG, as to such action. In that case, upon request of the Owner of any Bond Outstanding at such effective date and presentation of his or her Bond for that purpose at the Corporate Trust Office of the Trustee or at such other office as WRCOG may select and designate for that purpose, a suitable notation will be made on such Bond.

WRCOG may determine that new Bonds, so modified as in the reasonable opinion of WRCOG is necessary to conform to such Owners' action, will be prepared, executed and delivered. In that case, upon request of the Owner of any Bonds then Outstanding, such new Bonds will be exchanged at the Corporate Trust Office of the Trustee without cost to any Owner, for Bonds of the same character then Outstanding, upon surrender of such Bonds.

Section 8.6 Amendatory Endorsement of Bonds. The provisions of this Article 8 will not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

Section 8.7 Execution of Amendment or Modification. Prior to executing any amendment or modification hereunder, the Trustee shall receive an opinion of Bond Counsel stating that the execution of such amendment or modification is authorized and permitted by the Indenture and that all conditions precedent to the execution of such amendment or modification have been met.

ARTICLE 9

EVENTS OF DEFAULT; REMEDIES

Section 9.1 Events of Default. Any one or more of the following events will constitute an "Event of Default":

(a) Default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same will become due and payable, whether at maturity as therein expressed, from proceedings for redemption or otherwise;

(b) Default in the due and punctual payment of the interest on any Bond when and as the same will become due and payable;

(c) Failure of the Owners of the Bonds to have a perfected first priority security interest in the Assessments and the other Collateral;

(d) Default by WRCOG in the observance of any of the other agreements, conditions, representations, covenants or warranties on its part in the Indenture, any Officer's Certificate or in the Bonds contained; or

(e) The filing by WRCOG of a voluntary petition in bankruptcy, or failure by WRCOG promptly to lift any execution, garnishment or attachment, or adjudication of WRCOG as bankrupt, or assignment by WRCOG for the benefit of creditors, or the entry by WRCOG an agreement of composition with creditors, or the approval by a court of competent jurisdiction of petition applicable to WRCOG in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereinafter be amended.

If an Event of Default under clause (c) or (d) above occurs, the Trustee or an Owner or Owners shall give WRCOG notice of such Event of Default. If such Event of Default is reasonably capable of being cured within thirty (30) days from the date of such notice, WRCOG shall have such period to affect a cure prior to the exercise of remedies by the Trustee or the Owners hereunder. If the Event of Default is such that it is reasonably capable of being cured, but not within such thirty (30) day period and WRCOG (i) initiates corrective action within such thirty (30) day period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then WRCOG shall have such additional time as is reasonably necessary to cure the Event of Default prior to the exercise of any remedies by the Trustee or the Owners. However, in no event shall the Trustee or the Owners be precluded from exercising remedies if the security interest in the Collateral for the Bonds becomes or is about to become materially jeopardized by any failure to cure an Event of Default, or if the Event of Default is not cured within one hundred and twenty (120) days after the first notice of default is given.

Section 9.2 Remedies of Owners. Following the occurrence of an Event of Default, any Owner will have the right for the equal benefit and protection of all Owners similarly situated:

(a) By mandamus or other suit or proceeding at law or in equity to enforce his or her rights against WRCOG and any of the members, officers and employees of WRCOG, and to compel WRCOG or any such members, officers or employees to perform and carry out their duties under Chapter 29 or the Refunding Law and their agreements with the Owners as provided in the Indenture; or

(b) By suit in equity to enjoin any actions or things which are unlawful or violate the rights of the Owners.

Nothing in this article or in any other provisions of the Indenture or in the Bonds will affect or impair the obligation of WRCOG, which is absolute and unconditional, to pay the interest and redemption premium (if any) on and principal of the Bonds to the respective owners

of the Bonds when due, as herein provided, out of the Assessments pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and in the Indenture.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

A waiver by any Owner of any default or breach of duty or contract will not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission by any Owner to exercise any right or power accruing upon any default will impair any such right or power and it will not be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners by Chapter 29 or the Refunding Law or by this article may be enforced and exercised from time to time and as often as will be deemed expedient by the Owners.

If any suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Owners, WRCOG and the Owners will be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy will be cumulative and will be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by Chapter 29, the Refunding Law or any other law.

In no event will the Trustee have any responsibility to cure or cause WRCOG or any other person or entity to cure an Event of Default hereunder. In no event shall the Trustee be required to initiate or participate in any foreclosure proceedings hereunder.

ARTICLE 10

MISCELLANEOUS

Section 10.1 Discharge of Indenture. Subject to the provisions of Section 2.3 hereof regarding redemption, if WRCOG pays and discharges the entire indebtedness on all or a portion of any Bonds Outstanding in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest and any premium on, all Bonds Outstanding, as and when the same become due and payable;

(b) by irrevocably depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit in the funds and accounts provided for in Section 4.1, is fully sufficient to pay such Bonds Outstanding, including all principal, interest and any applicable premiums; or

(c) by irrevocably depositing with the Trustee, in trust, cash and Federal Securities in such amount as WRCOG may determine, as confirmed by an independent certified public accountant, will, together with the interest to accrue thereon and moneys then on deposit in the fund and accounts provided for in Section 4.1, be fully sufficient, without reinvestment, to pay and discharge the indebtedness on such Bonds, including all principal, interest and any applicable premiums, at or before their respective maturity dates;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption has been given as required by the Indenture (or provision satisfactory to the Trustee has been made for the giving of such notice), then, at the election of WRCOG, and notwithstanding that any Bonds have not been surrendered for payment, the pledge of the Assessments and other Collateral provided for in the Indenture and all other obligations of WRCOG under the Indenture with respect to all Bonds Outstanding will cease and terminate, except only: (i) the obligation of WRCOG to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon from amounts set aside for such purpose as set forth above; and (ii) the obligation of WRCOG to pay or cause to be paid all amounts owing to the Trustee pursuant to Section 7.5 hereof.

If all Bonds outstanding are discharged pursuant to this Section, thereafter Assessments will not be payable to the Trustee. Notice of election to discharge the Indenture will be filed with the Trustee.

Any funds thereafter held by the Trustee upon payment of all fees and expenses of the Trustee, which are not required for said purpose, will be paid over to WRCOG to be used by WRCOG as provided in Chapter 29.

Section 10.2 Benefits of Indenture Limited to Parties. Nothing in the Indenture, expressed or implied, is intended to give to any person other than WRCOG, the Trustee and the Owners, any right, remedy or claim under or by reason of the Indenture. Any covenants, stipulations, promises or agreements in the Indenture contained by and on behalf of WRCOG will be for the sole and exclusive benefit of the Owners and the Trustee.

Section 10.3 Successor is Deemed Included in All Reference to Predecessor. Whenever in this Indenture of Trust either WRCOG or the Trustee is named or referred to, such reference will be deemed to include the successors or assigns thereof, and all the covenants and agreements in the Indenture contained by or on behalf of WRCOG or the Trustee will bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.4 Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which the Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and will be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to

act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of registered Bonds and the amount, maturity, number and date of holding the same will be proved by the Bond Register.

Any consent, request, declaration or other instrument or writing of the then registered Owner of any Bond will bind all future Owners of such Bond in respect of anything done or suffered to be done by WRCOG or the Trustee in good faith and in accordance therewith.

Section 10.5 Waiver of Personal Liability. No officer, agent or employee of WRCOG or officer, agent or employee of any Member or Associate Member will be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained will relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 10.6 Notices to and Demand on WRCOG and Trustee. All notices or communications herein required or permitted to be given to WRCOG or the Trustee shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopy or upon actual receipt by being deposited, postage prepaid, in a post office letter box, addressed as follows:

If to WRCOG:	Western Riverside Council of Governments 3390 University Avenue, Suite 450 Riverside, California 92501 Attention: Executive Director
If to the Trustee for purposes of transfer, exchange or surrender:	The Bank of New York Mellon Trust Company, N.A. P.O. Box 396 (<i>First Class/Registered/Certified</i>) 111 Sanders Creek Parkway (<i>Express delivery only</i>) East Syracuse, New York 13057 Attention: Global Corporate Trust
If to the Trustee:	The Bank of New York Mellon Trust Company, N.A. 400 South Hope Street, Suite 500 Los Angeles, CA 90071 Attention: Corporate Trust
If to the Original Purchaser:	First Foundation Bank 2233 Douglas Boulevard, Suite 300 Roseville, CA 95661 Attention: _____

Section 10.7 Partial Invalidity. If any one or more of the provisions contained in the Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in the Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of the Indenture, and the Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. WRCOG hereby declares that it would have entered into the Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of the Indenture may be held illegal, invalid or unenforceable.

Section 10.8 Unclaimed Moneys. Notwithstanding any provisions of the Indenture, any moneys held by the Trustee in trust for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for two (2) years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in the Indenture), if such moneys were so held at such date, or two (2) years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to WRCOG (without liability for interest) free from the trusts created by the Indenture upon receipt of an indemnification agreement acceptable to WRCOG and the Trustee indemnifying the Trustee with respect to claims of Owners of Bonds which have not yet been paid, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to WRCOG as aforesaid, the Trustee shall (at the cost of WRCOG) first mail, by first class mail postage prepaid, to the Owners of Bonds which have not yet been paid, at the respective addresses shown on the Bond

Register, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to WRCOG of the moneys held for the payment thereof.

Section 10.9 Applicable Law. The Indenture will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 10.10 Content of Certificates. Every certificate with respect to compliance with a condition or covenant provided for in this Indenture of Trust shall include: (a) a statement that the person or persons making or giving such certificate have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of WRCOG may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of WRCOG, or upon the certificate or opinion of or representations by an officer or officers of WRCOG, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

Section 10.11 Conclusive Evidence of Regularity. The issuance of Bonds pursuant to the Indenture will constitute conclusive evidence of the regularity of all proceedings under Chapter 29 relative to their issuance and the levy of the Assessments.

Section 10.12 Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to the Indenture is other than a Business Day, the payment of interest or principal, (and any redemption premium) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no additional interest will accrue from such Bond Payment Date until such Business Day.

Section 10.13 Counterparts. This Indenture of Trust may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and

all such counterparts, or as many of them as WRCOG and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

(Signature page follows)

IN WITNESS WHEREOF, WRCOG and the Trustee have caused this Indenture of Trust to be executed, all as of the date first written above.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By:_____

Attest:_____

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee**

By:_____

Title:_____

*-Signature Page-
Indenture of Trust*

EXHIBIT A
LIST OF ASSESSMENT CONTRACTS AND BONDS

Date Issued	Maturity Date	Assessor Parcel Number	Supplemental Indenture	Bond Series Number
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EXHIBIT B
FORM OF BOND

THIS BOND MAY BE TRANSFERRED ONLY TO "ACCREDITED INVESTORS" AS SUCH TERM IS DEFINED IN SECTION 230.501 OF REGULATION D OF THE SECURITIES ACT OF 1933. THE TRUSTEE MAY BE PROHIBITED FROM REGISTERING THE TRANSFER OF OWNERSHIP OF THIS BOND TO ANY PERSON WITHOUT RECEIPT OF AN EXECUTED INVESTOR LETTER AS DEFINED IN AND ATTACHED TO THE INDENTURE DESCRIBED HEREIN.

Number _ _____

****\$

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT REFUNDING BONDS, SERIES 2020
(Commercial Program)**

INTEREST RATE

MATURITY DATE

CLOSING DATE

REGISTERED OWNER:

PRINCIPAL AMOUNT: *** DOLLARS***

Under and by virtue of Article 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law"), the Western Riverside Council of Governments ("WRCOG"), will, out of the Redemption Fund established pursuant to a Indenture of Trust, dated as of February 1, 2020, by and between WRCOG and The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Trustee"), (the "Indenture"), pay to the registered owner named above or registered assigns, the principal installments specified below, in lawful money of the United States of America and in like manner will pay interest at the rate per annum stated above in the installments specified below, on each March 2 and September 2 (or the next succeeding Business Day, if such dates are not a Business Day) (each "Bond Payment Date") in each year commencing on [September 2, 2020]:

Bond Payment Date	Principal Installment	Interest Installment	Total
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Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Indenture.

Interest on the Bond shall be that rate of interest per annum set forth above under the heading “INTEREST RATE.” Interest on the Bond will be computed on the basis of a 360-day year of twelve 30-day calendar months, and will be payable on each Bond Payment Date. Each Bond shall bear interest from the Bond Payment Date immediately preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Bond Payment Date, in which event it shall bear interest from such Bond Payment Date; or (b) it is authenticated on or before August 15, 2020, in which event it shall bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Bond Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the Bond (excluding the final interest payment upon maturity or earlier redemption of the Bond) is payable in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the Bond Payment Date by wire transfer of immediately available funds made on such Bond Payment Date to an account designated in writing by such Owner delivered to the Trustee prior to the applicable Record Date. Such interest shall represent the portion of interest coming due during the period beginning on the immediately preceding Bond Payment Date and ending on the Bond Payment Date (or, in the case of the first Bond Payment Date, during the period commencing on the Closing Date and ending on the first Bond Payment Date).

Principal of the Bond (excluding the final principal payment upon maturity or earlier redemption of the Bond) shall be payable pursuant to the payment schedule set forth above in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the Bond Payment Date by wire transfer of immediately available funds.

Payment of principal of and accrued interest and premium on the Bond upon a Prepayment, redemption or final maturity of the Bond shall be payable in lawful money of the United States of America by the Trustee by wire transfer of immediately available funds, to the person whose name appears on the Bond Register as the Owner thereof, upon surrender of the Bond at the Corporate Trust Office of the Trustee. Upon payment by the Trustee of the principal of and accrued interest and premium on the Bond, the Bond will be cancelled by the Trustee in accordance with Trustee’s standard procedures. Upon surrender of a Bond redeemed in part only, WRCOG will execute and the Trustee will authenticate and deliver to the registered Owner, at the expense of WRCOG, a new Bond, of the same maturity, of Authorized Denominations in aggregate principal amount equal to the unredeemed portion of the Bond.

This Bond will continue to bear interest after maturity at the rate above stated if this Bond is presented at maturity and payment hereof is refused for any reason. If this Bond is not presented at maturity, interest hereon will run only until maturity.

This Bond will not be entitled to any benefit under Chapter 29, the Refunding Law or the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon are dated and signed by the Trustee.

This Bond is issued by the WRCOG under Chapter 29, the Refunding Law and the Indenture for the purpose of providing means for paying for the Improvements described in the Indenture, and is secured by a perfected first priority security interest in the Assessment recorded against the Participating Parcel identified in Exhibit A to the Indenture and the other Collateral, as described in the Indenture. Amounts payable with respect to the Bond, including principal and interest, shall be paid from the funds and accounts, and in the manner set forth in the Indenture.

This Bond is transferable by the registered Owner hereof, in person or by the Owner's attorney duly authorized in writing, at the Corporate Trust Office of the Trustee, subject to the terms and conditions provided in the Resolution of Issuance and the Indenture, including the payment of certain charges, if any, upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond, of any Authorized Denomination or Denominations, of the same maturity, and for the same aggregate principal amount, will be issued to the transferee in exchange therefor.

Neither WRCOG nor the Trustee will be required to make such exchange or registration of transfer of the Bond in the period beginning on or after a Record Date and ending before the next ensuing Bond Payment Date.

WRCOG and the Trustee may treat the registered Owner hereof as the absolute Owner for all purposes, and WRCOG and the Trustee will not be affected by any notice to the contrary.

The Bonds or any portion of the principal thereof, in integral multiple of [\$5,000], may be redeemed, at the option of WRCOG from any source of funds on any date by paying the redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), together with accrued interest to the date of redemption as follows:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Any date through March 2, 2024	103%
March 3, 2024 through March 2, 2027	102%
March 3, 2027 through March 2, 2030	101%
March 3, 2030 and any date thereafter	100%

The Bonds shall be subject to redemption on any Bond Payment Date, prior to maturity, as a whole or in part from such maturities, as are selected by WRCOG, from Prepayments of Assessments at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption.

The Bonds maturing on September 2, 2038, shall be called before maturity and redeemed, from the sinking fund payments that have been deposited into the Redemption Fund, on September 2, 2020, and on each September 2 thereafter prior to maturity, in accordance with the schedule of sinking fund payments set forth below. The Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

BONDS MATURING SEPTEMBER 1, 2038

Redemption Date (<u>September 2</u>)	Principal <u>Amount</u>
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	

In the event of a partial optional redemption or special mandatory redemption of any Bonds, pursuant to Section 2.3.1 or 2.3.2 of the Indenture, each of the remaining Sinking Fund Payments for such Bonds, as described above, will be reduced, as nearly as practicable, on a pro rata basis, provided that the reductions shall be made in multiples of not less than [\$5,000].

Notwithstanding any other provision herein, the Bonds shall not be required to be presented or surrendered for payment except for at maturity or redemption in whole thereof and notice of redemption shall not be required for regularly scheduled sinking fund payments. Payments of the Bonds shall be made pursuant to wire instructions provided by the Original Purchaser to the Trustee.

This Bond is a Limited Obligation Improvement Bond because, under the Indenture, WRCOG, the Members and Associate Members thereof are not obligated to advance

funds from the WRCOG treasury or the treasury of any such Member or Associate Member to cover any deficiency which may occur in the redemption fund for the Bond.

IN WITNESS WHEREOF, WRCOG has caused this Bond to be executed in its name and on its behalf by the facsimile signatures of its Treasurer and the Secretary of the Executive Committee all as of the Original Issue Date identified above.

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By: _____
Treasurer

Attest:

Secretary of the Executive Committee

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bond described in the within mentioned Indenture.

Dated: _____, 20__

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-	as tenants in common
TEN ENT	-	as tenants by the entirety
JT TEN	-	as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - _____
(Cust) (Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list

(FORM OF ASSIGNMENT)

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____, attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated:

Signature Guaranteed: _____

NOTICE: The signature(s) on this assignment must correspond with the name(s) as written on the face of the registered Bond in every particular without alteration or enlargement or any change whatsoever.

INDENTURE OF TRUST

EXHIBIT C

PURCHASER LETTER

_____, 20__

Piper Sandler & Co., as Placement Agent
800 Nicollet Mall
Minneapolis, MN

Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, California 92501
Attention: Executive Director

The Bank of New York Mellon
Trust Company, N.A.
400 South Hope Street, Suite 500
Los Angeles, CA 90071
Attention: Corporate Trust

Re: Western Riverside Council of Governments
Limited Obligation Improvement Refunding Bonds, Series 2020
(Commercial Program)

Ladies and Gentlemen:

The undersigned (the “Purchaser”) proposes to purchase the Limited Obligation Improvement Refunding Bonds, Series 2020 as listed above (the “Bonds”) from the Western Riverside Council of Governments (“WRCOG”). Capitalized terms used in this letter and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture of Trust, dated as of February 1, 2020 (the “Indenture of Trust”), by and between WRCOG and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”)

In connection with the sale of the Bonds to the Purchaser, the Purchaser hereby makes the following representations upon which you may rely:

1. The Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds.

2. The Purchaser is an “accredited investor” under Regulation D of the Securities Act of 1933 (the “1933 Act”) and therefore, has sufficient knowledge and experience in financial

and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.

3. The Bonds are being acquired by the Purchaser for investment and not for more than one account or with a view to distribution of the Bonds (subject to the understanding that disposition of Purchaser's property will remain at all times within its control). The Purchaser understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

4. The Purchaser understands that the Bonds are not registered under the 1933 Act, the Indenture has not been qualified under the Trust Indenture Act of 1939 and that such registration and qualification is not legally required as of the date hereof assuming the accuracy of the Purchaser's representations herein; and further understands that the Bonds: (a) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state; (b) will not be listed on any stock or other securities exchange; (c) will not carry a rating from any rating service; and (d) will be delivered in a form which may not be readily marketable.

5. The Purchaser understands that: (a) the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the State of California or any political subdivision thereof and that WRCOG has no taxing power; (b) the Bonds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of WRCOG, the State of California or any political subdivision thereof; and (c) the liability of WRCOG with respect to each Bond is limited to the first priority perfected security interest granted in the applicable Assessment and all other Collateral securing such Bond and all moneys deposited in the Redemption Fund (including the Assessment Collection Account and the Prepayment Account therein) that are derived from the issuance of the Bonds, the installments of such Assessment or from the prepayment of such Assessment received by WRCOG as set forth in the Indenture.

6. The Purchaser acknowledges that no official statement has been prepared for the Bonds, and that WRCOG will not be entering into a continuing disclosure agreement to provide ongoing disclosure respecting the Bonds. The Purchaser acknowledges that it has either been supplied with or been given access to such information, to which a reasonable investor would attach significance in making investment decisions, and the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning WRCOG, the Programs, the Assessment Contract, the Assessments, the Participating Parcels, the Indenture of Trust, the Bonds and the security therefor so that, as a reasonable investor, the Purchaser has been able to make its decision to purchase the Bonds, without reliance on Piper Sandler & Co. or its affiliates, its directors, officers, employees, attorneys or agents.

7. The Purchaser has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Purchaser, with assistance of counsel, has reviewed the Bonds, the Indenture of Trust. The Purchaser acknowledges, consents and agrees to all terms of such documents.

8. The Purchaser acknowledges that it has the right to sell and transfer the Bonds, in accordance with the terms of the Indenture of Trust and in compliance with applicable federal and state securities laws, subject to the delivery to the Trustee of an letter from the transferee in the form attached to the Indenture of Trust as Exhibit C; provided, however, the Purchaser and any successor of the Purchaser may elect at its own expense to securitize its interest in the Bonds, sell the Bonds to an entity in connection with such securitization and sell such securities to the investment community without the delivery of an investor letter substantially in the form hereof, provided that (i) the Purchaser complies with applicable federal and state securities laws in the sale of such securities, (ii) any such sale of the Bonds is to a Qualified Institutional Buyer or an Accredited Investor, and (iii) the purchase of the Bonds delivers a letter to WRCOG to the effect that it is a Qualified Institutional Buyer, as defined in Rule 144A under the Securities Act of 1933 as amended, or an Accredited Investor and acknowledges the transfer restrictions set forth in this paragraph (8); no further action or acknowledgement by WRCOG will be required to authorize such securitization or sale of bonds by the Purchaser or a successor to the Purchaser. Failure to deliver such letter shall cause the purported transfer to be null and void.

9. The Purchaser understands that neither the members, directors, officers, employees or agents of WRCOG, nor any person executing the Bonds and the Indenture of Trust, shall be subject to any personal liability or accountability by reason of or in connection with the issuance, offering, execution and delivery of the Bonds.

10. The Purchaser acknowledges that in connection with the offering of the Bonds: (i) Piper Sandler & Co., as Placement Agent, has acted at arm's length, is not an agent or financial advisor of, and owes no fiduciary duties to the Purchaser or any other person irrespective of whether the Placement Agent has advised or is advising the Purchaser on other matters, and (ii) the Purchaser represents it has had the opportunity to consult with its own legal counsel and to negotiate this Certificate prior to execution. The Purchaser waives to the fullest extent permitted by law any claims it may have against the Placement Agent arising from an alleged breach of fiduciary duty in connection with the placement of the Bonds.

11. The Purchaser has obtained what it considers adequate information regarding WRCOG, the Programs, the Assessment Contract, the Assessments, the Participating Parcels, the Indenture of Trust and the Bonds to make an informed investment decision to purchase the Bonds. Except as set forth in the Indenture, the Purchaser acknowledges that WRCOG, Piper Sandler & Co. and their respective agents, representatives and attorneys are under no duty to provide, and the Purchaser acknowledges that it is not entitled to receive, (i) any additional information regarding WRCOG, the Programs, the Assessment Contract, the Assessments, the Participating Parcels, the Indenture of Trust or the Bonds or (ii) an update to the information previously provided by such persons to the Purchaser; provided, however, that such acknowledgement does not extend to information provided by WRCOG, its agents, representatives and/or attorneys that would have the effect of correcting (a) any untrue statement of a material fact made in the Bonds, the Indenture of Trust or in any of the other information provided to the Purchaser by WRCOG or its agents, representatives or attorneys or (b) any omission of a material fact necessary to make a statement made in such documents not misleading in light of the circumstances under which it was made.

Very truly yours,

[Insert]_____

By:_____

Name:

Title:

INDENTURE OF TRUST
EXHIBIT D
PERMITTED INVESTMENTS

“Permitted Investments” shall include any of the following:

- (a) Federal securities.
- (b) Federal Housing Administration debentures.
- (c) Unsecured certificates of deposit (including those placed by a third party pursuant to a separate agreement between WRCOG and the Trustee), time deposits, demand deposits, overnight bank deposits, other deposit products, trust funds, trust accounts, interest-bearing deposits, interest-bearing money market accounts, and bankers’ acceptances (having maturities of not more than 30 days) of any bank (including those of the Trustee and its affiliates) the short-term obligations of which are rated “A-1” or better by S&P.
- (d) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million (including those of the Trustee and its affiliates), including unsecured certificates of deposit (including those placed by a third party pursuant to a separate agreement between WRCOG and the Trustee), time deposits, demand deposits, overnight bank deposits, other deposit products, trust funds, trust accounts, interest-bearing deposits, interest-bearing money market accounts, and bankers’ acceptances.
- (e) Commercial paper (having original maturities of not more than 270 days) rated “A-1+” by S&P and “Prime-1” by Moody’s.
- (f) State obligations, which means
 - (i) Direct general obligations of any state of the United States or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated “A3” by Moody’s and “A” by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.
 - (ii) Direct, general short-term obligations of any state agency or subdivision described in (i) above and rated “A-1+” by S&P and “Prime- 1” by Moody’s.
 - (iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (i) above and rated “AA” or better by S&P and “Aa” or better by Moody’s.
- (g) Pre-refunded municipal obligations having a rating in the highest investment category granted by S&P and Moody’s meeting the following requirements:

(i) the municipal obligations are (A) not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(ii) the municipal obligations are secured by cash or United States Treasury obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(iii) the principal of and interest on the United States Treasury obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

(iv) the cash or United States Treasury obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(v) no substitution of a United States Treasury obligation will be permitted except with another United States Treasury obligation and upon delivery of a new Verification; and

(vi) the cash or the United States Treasury obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(h) Investments in a money market mutual fund having a rating in the highest investment category granted thereby from S&P and Moody's, including, without limitation any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives and retains fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to the Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to the Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

(i) Repurchase and reverse repurchase agreements collateralized with securities described in (a) and (b) above, including those of the Trustee or any of its affiliates.

(j) California's Local Agency Investment Fund ("LAIF").

EXHIBIT E
OFFICER'S CERTIFICATE - REQUISITION FROM COST OF ISSUANCE FUND

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT REFUNDING BONDS, SERIES 2020
(Commercial Program)

OFFICER'S CERTIFICATE NO. __ -
REQUISITION FOR DISBURSEMENTS
FROM THE COST OF ISSUANCE FUND FOR PAYMENT OR REIMBURSEMENT OF
COSTS OF ISSUANCE

The undersigned hereby states and certifies:

(i) that the undersigned is an Authorized Representative of WRCOG within the meaning of such term as set forth in the Indenture of Trust hereinafter defined;

(ii) that, pursuant to Section 4.3.2 of the Indenture of Trust, dated as of February 1, 2020 (the "Indenture of Trust"), by and between Western Riverside Council of Governments ("WRCOG") and The Bank of New York Mellon Trust Company, N.A. as trustee (the "Trustee"), the undersigned hereby requests that the Trustee disburse from the Cost of Issuance Fund established for the above referenced Bonds pursuant to the Indenture of Trust to each of the payees designated on Attachment "A" attached hereto and incorporated herein by this reference, the respective sums set forth opposite such designated payees, in payment or reimbursement of actual Costs of Issuance;

(iii) that the amounts to be disbursed are properly chargeable to the Cost of Issuance Fund.

Capitalized terms used in this Officer's Certificate shall have the meaning given such terms in the Indenture of Trust unless specified otherwise herein.

Dated: _____, 20__

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By:_____

Authorized Officer

Attachment "A"

OFFICER'S CERTIFICATE NO. __

**COST OF ISSUANCE FUND
DISBURSEMENT INFORMATION**

<u>Payee</u>	<u>Payment Instructions</u>	<u>Amount</u>

EXHIBIT F
OFFICER’S CERTIFICATE - REQUISITION FROM
ADMINISTRATIVE EXPENSE FUND

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT REFUNDING BONDS, SERIES 2020
(Commercial Program)

OFFICER’S CERTIFICATE NO. __ -
REQUISITION FOR DISBURSEMENTS
FROM THE ADMINISTRATIVE EXPENSE FUND FOR PAYMENT OR
REIMBURSEMENT OF ADMINISTRATIVE EXPENSES

The undersigned hereby states and certifies:

(i) that the undersigned is an Authorized Representative of WRCOG within the meaning of such term as set forth in the Indenture of Trust hereinafter defined;

(ii) that, pursuant to Section 4.3.2 of the Indenture of Trust, dated as of February 1, 2020 (the “Indenture of Trust”), by and between Western Riverside Council of Governments (“WRCOG”) and The Bank of New York Mellon Trust Company, N.A. as trustee (the “Trustee”), the undersigned hereby requests that the Trustee disburse from the Administrative Expense Fund established for the above referenced Bonds pursuant to the Indenture of Trust to each of the payees designated on Attachment “A” attached hereto and incorporated herein by this reference, the respective sums set forth opposite such designated payees, in payment or reimbursement of actual Administrative Expenses; and

(iii) that the amounts to be disbursed are properly chargeable to the Administrative Expense Fund.

Capitalized terms used in this Officer’s Certificate shall have the meaning given such terms in the Indenture of Trust unless specified otherwise herein.

Dated: _____, 20__

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By:_____

Authorized Officer

Attachment “A”

OFFICER’S CERTIFICATE NO. __

**ADMINISTRATIVE EXPENSE FUND
DISBURSEMENT INFORMATION**

<u>Payee</u>	<u>Payment Instructions</u>	<u>Amount</u>

Item 6.C

PACE Programs Activities Update:
Refunding of WRCOG-Issued
Commercial Bonds

Attachment 4

Irrevocable Refunding Instructions to
the Trustee

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IRREVOCABLE REFUNDING INSTRUCTIONS

These IRREVOCABLE REFUNDING INSTRUCTIONS (these “Instructions”), dated as of February 1, 2020, are given by the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS, a joint exercise of powers authority existing under the laws of the State of California (the “WRCOG”), to DEUTSCHE BANK NATIONAL TRUST COMPANY, a national banking association organized and existing under the laws of the United States of America, acting as trustee (the “Prior Trustee”) for the hereinafter defined Refunded Bonds;

WITNESSETH:

WHEREAS, WRCOG has previously issued those certain bonds as identified in Exhibit A attached hereto (the “Refunded Bonds”) for the purpose of financing certain energy efficiency water conservation and other improvements on certain commercial properties identified in Exhibit A hereto, pursuant to Master Indentures, dated as of September 1, 2013 (the “2013 Indenture”) and January 1, 2015 (the “2015 Indenture”), each by and between WRCOG and the Prior Trustee, as supplemented by those Supplemental Indentures identified on Exhibit A (collectively, the “Indentures”); and

WHEREAS, WRCOG has determined that it is in the best financial interests of WRCOG to refund, at this time, the outstanding Refunded Bonds; and

WHEREAS, in order to provide funds for such purpose, WRCOG is issuing its Limited Obligation Improvement Refunding Bonds, Series 2020 (Commercial Program) (the “2020 Bonds”) and applying a portion of the proceeds thereof, together with certain other moneys, to defease and redeem all of the outstanding Refunded Bonds; and

WHEREAS, the 2020 Bonds are being issued pursuant to an Indenture of Trust, dated as of February 1, 2020, (the “2020 Indenture”) between WRCOG and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”); and

WHEREAS, WRCOG wishes to give these Instructions to the Prior Trustee for the purpose of providing the terms and conditions relating to the deposit and application of moneys to provide for the payment and redemption of all of the outstanding Refunded Bonds.

NOW, THEREFORE, WRCOG hereby irrevocably instructs the Prior Trustee as follows:

Section 1. Redemption Fund. The Prior Trustee shall hold within the Redemption Fund established pursuant to Section 4.1 of the 2013 Indenture (the “2013 Redemption Fund”), separate and apart from all other funds and accounts held by it, a portion of the proceeds of the 2020 Bonds as set forth in Section 2, together with funds in the Redemption Fund held under the 2013 Indenture, which amounts are hereby irrevocably pledged as a special trust fund for the redemption of the outstanding Refunded Bonds on [March 26], 2020.

The Prior Trustee shall hold within the Redemption Fund established pursuant to Section 4.1 of the 2015 Indenture (the “2015 Redemption Fund,” collectively with the 2013 Redemption Fund, the “Redemption Funds”), separate and apart from all other funds and accounts held by it,

a portion of the proceeds of the 2020 Bonds as set forth in Section 2, together with funds in the Redemption Fund held under the 2015 Indenture, which amounts are hereby irrevocably pledged as a special trust fund for the redemption of the outstanding Refunded Bonds on [February 25], 2020. Neither the Prior Trustee nor any other person shall have a lien upon or right of set off against the amounts at any time on deposit in the 2013 Redemption Fund or the 2015 Redemption Fund, and such amounts shall be applied only as provided herein.

Section 2. Deposit into the Refunded Bonds Redemption Fund; Investment of Amounts. Concurrently with delivery of the 2020 Bonds, WRCOG shall cause to be deposited in the 2013 Redemption Fund the amount of \$_____ in immediately available funds which represents \$_____ and \$_____ on hand in the 2013 Redemption Fund and relating to the Refunded Bonds and \$_____ of proceeds of the 2020 Bonds. [WRCOG hereby directs the Prior Trustee to hold all amounts as uninvested cash.]

Concurrently with delivery of the 2020 Bonds, WRCOG shall cause to be deposited in the 2015 Redemption Fund the amount of \$_____ in immediately available funds which represents \$_____ and \$_____ on hand in the 2015 Redemption Fund and relating to the Refunded Bonds and \$_____ of proceeds of the 2020 Bonds. [WRCOG hereby directs the Prior Trustee to hold all amounts as uninvested cash.]

WRCOG signifies that by making the deposit described herein, it is discharging the outstanding Refunded Bonds pursuant to Sections 10.1 of the Indentures.

Section 3. Proceedings for Redemption of Refunded Bonds. WRCOG hereby irrevocably elects, and directs the Prior Trustee, to redeem, on [March 26], 2020, from amounts on deposit in the Redemption Funds, the outstanding Refunded Bonds pursuant to the provisions of the Indentures. The Prior Trustee acknowledges it has given notice of such redemption in accordance with the Indentures in order to allow for the redemption of the Refunded Bonds on _____, 2020.

Section 4. Application of Funds to Redeem Refunded Bonds. The Trustee shall apply the amounts on deposit in the Redemption Funds to redeem the outstanding Refunded Bonds, as identified in Schedule 1 attached hereto, on [March 26], 2020 at a price equal to 105% of the outstanding principal amount thereof plus accrued and unpaid interest, all in accordance with the Indenture, at the following address:

[DB wire payment info to come].

Section 5. Transfer of Remaining Funds. Any amounts on deposit in the Redemption Funds shall be used for the purpose of paying interest on and the principal of any outstanding Refunded Bonds pursuant to the Indenture. Any amounts on deposit in the Redemption Funds or any other funds and accounts related to the Refunded Bonds following redemption or defeasance of the Outstanding Refunded Bonds shall be transferred to the Redemption Fund established under the 2020 Indenture to be used solely for the purpose of paying interest on the 2020 Bond.

Section 6. Amendment. These Instructions shall be irrevocable by WRCOG. These Instructions may be amended or supplemented by WRCOG, but only if WRCOG shall file with the Prior Trustee a certification of an independent accountant or independent financial adviser

engaged by WRCOG stating that such amendment or supplement will not affect the sufficiency of funds invested and held hereunder to make the payments required by Section 4.

Section 7. Application of Certain Terms of the Indenture. All of the terms of the Indenture relating to the payment of principal of and interest and repayment premium, if any, on the Refunded Bonds and the redemption thereof, and the protections, immunities and limitations from liability afforded the Prior Trustee, are incorporated in these Instructions as if set forth in full herein.

Section 8. Counterparts. These Instructions may be signed in several counterparts, each of which will constitute an original, but all of which will constitute one and the same instrument.

[Signature page follows]

Section 9. Governing Law. These Instructions shall be construed in accordance with and governed by the laws of the State of California.

**WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS**

By: _____
Rick Bishop, Executive Director

ACCEPTED:

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee

By: _____
Authorized Officer

*-Signature Page-
Irrevocable Refunding Instructions*

EXHIBIT A

BONDS TO BE REDEEMED

<u>Maturity Date</u>	<u>Bond Number</u>	<u>Principal Amount</u>	<u>Assessor Parcel Number</u>	<u>Supplemental Indenture</u>
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Item 6.C

PACE Programs Activities Update:
Refunding of WRCOG-Issued
Commercial Bonds

Attachment 5

Placement Agent Agreement
between WRCOG and Piper Sandler
Companies, as placement agent (the
“Placement Agent”)

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_____, 2020

**Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, California 92501**

Re: Placement Agent Engagement Letter
**Western Riverside Council of Governments Limited Obligation Improvement Refunding
Bonds, Series 2020 (Commercial Program) (the "Securities")**

Dear Mr. Dailey:

This letter confirms the agreement (the "Agreement") between Piper Sandler & Co. ("Piper Sandler" or "we" or "us") and Western Riverside Council of Governments (the "Issuer" or "you") as follows:

1. **Engagement.** The Issuer engages Piper Sandler to act as its exclusive representative to assist you on a best efforts basis in placing the proposed private transaction (the "Transaction") of the above-referenced Securities. You acknowledge and agree that Piper Sandler's engagement hereunder is not an agreement by Piper Sandler or any of its affiliates to underwrite, place or purchase the Securities or otherwise provide any financing to you. We may decline to participate in the Transaction if we reasonably determine that the Transaction has become impractical or undesirable. We accept this engagement upon the terms and conditions set forth in this Agreement.

As currently contemplated, the Transaction will be a placement of the Securities with gross proceeds of approximately \$7,700,000. You may in your discretion postpone, modify, abandon or terminate the Transaction prior to closing. Sale and delivery of the Securities by the Issuer and purchase by the purchasers will occur on the day of closing ("Closing Date").

During the term of our engagement, we will as directed by you and as appropriate to the Transaction, provide the following services:

- (a) consult with you in planning and implementing the Transaction;
 - (b) assist you in reviewing any transaction materials (the "Transaction Materials") we mutually agree are beneficial or necessary to the consummation of the Transaction;
 - (c) assist you in preparing for due diligence conducted by potential investors;
 - (d) identify potential investors and use our reasonable commercial efforts to assist in arranging sales of the Securities to investors;
 - (e) consult with you in structuring the investment; and
 - (f) assist you in negotiating definitive documentation.
2. **Fees and Expenses.**
 - (a) **Fees.** For our services, you agree to pay us:
 - (1.) a selling commission of **\$60,000** of the gross proceeds received by you on all sales of the Securities payable by wire transfer of immediately available funds at closing. For

avoidance of doubt, the fee shall not be payable in the event a closing of the Transaction does not occur.

- (b) **Expenses.** Upon receipt of an invoice, you agree to reimburse us for our reasonable expenses incurred in preparing to market and marketing the Securities, including, but not limited to, travel, fees and disbursements of our counsel and printing and distribution of Transaction Materials, whether or not a closing occurs but such reimbursement will not exceed \$20,000 without your approval.

3. **Representations, Warranties and Agreements of the Issuer.**

You represent and warrant to, and agree with us, that:

- (a) the Securities will be sold by you in compliance with the requirements for exemptions from registration or qualification of, and otherwise in accordance with, all federal and state Securities laws and regulations;
- (b) all financial projections that have or will be made available to Piper Sandler by you or any of your representatives in connection with the Transaction (the "Projections") have been and will be prepared in good faith and will be based upon assumptions believed by you to be reasonable (it being understood that projections by their nature are inherently uncertain and no assurances are being given that the results reflected in the Projections will be achieved);
- (c) you will make available to us and each purchaser such documents and other information which we and each purchaser reasonably deem appropriate and will provide access to your officers, directors, employees, accountants, counsel and other representatives and will provide each purchaser and us opportunities to ask questions and receive answers from these persons; it being understood that we and each purchaser will rely solely upon such information supplied by you and your representatives without assuming any responsibility for independent investigation or verification thereof;
- (d) you agree to be responsible for the accuracy and completeness of any Transaction Materials to the extent of federal securities laws applicable to the Transaction. You agree to notify us promptly of any material adverse changes, or development that may lead to any material adverse change, in your business, properties, operations, financial condition or prospects and concerning any statement contained in any Transaction Material, or in any other information provided to us, which is not accurate or which is incomplete or misleading in any material respect;
- (e) On the Closing Date, you will deliver or cause to be delivered to the Placement Agent:
 - (1.) The Opinion of Bond Counsel to the Issuer, dated the Closing Date relating to:
 - (i) the validity of the Securities;
 - (ii) exemption from registration and qualification under federal and state securities law; and
 - (iii) the tax-exempt status of the Securities, if applicable, together with a reliance letter from such counsel, dated the Closing Date and addressed to us and in a form acceptable to us.

4. **Other Matters Relating to Our Engagement.** You acknowledge that you have retained us solely to provide the services to you as set forth in this Agreement. As placement agent, Piper Sandler may provide advice concerning the structure, timing, terms, and other similar matters concerning

the Transaction. You acknowledge and agree that: (i) the primary role of Piper Sandler as a placement agent, is to place securities to investors in an arms-length commercial transaction and that Piper Sandler has financial and other interests that differ from your interests (ii) Piper Sandler is not acting as a municipal advisor, financial advisor or fiduciary to you or any other person or entity and has not assumed any advisory or fiduciary responsibility to you with respect to the transaction contemplated herein and the discussions, undertakings and proceedings leading thereto (irrespective of whether Piper Sandler has provided other services or is currently providing other services to you on other matters) (iii) the only obligations Piper Sandler has to you with respect to the transaction contemplated hereby expressly are set forth in this Agreement and (iv) you have consulted your own legal, accounting, tax, financial and other advisors, as applicable, to the extent deemed appropriate in connection with the transaction contemplated herein.

5. **Disclosure.** We previously provided to you regulatory disclosures (the “Regulatory Disclosures”) required by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board to be made by us in connection with this engagement. By execution of this Agreement you acknowledge receipt of these Regulatory Disclosures. We may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures. It is our understanding that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the Securities. If our understanding is incorrect, please notify the undersigned immediately.
6. **Termination.** You or we may terminate our engagement under this Agreement, with or without cause, upon ten days’ written notice to the other party. The fee, expense reimbursement, your representations, warranties and agreements and miscellaneous provisions of this Agreement will survive any termination of our engagement under this Agreement.
7. **Section Headings.** Section headings contained herein are for convenience of reference only and are not part of this Agreement.
8. **Amendment.** This Agreement may be amended only by a written instrument executed by each of the Parties. The terms of this Agreement may be waived only by a written instrument executed by the party waiving compliance.
9. **Entire Agreement.** This Agreement embodies the entire agreement and understanding between you and us and supersedes all prior agreements and understandings relating to the subject matter of this Agreement.
10. **No Assignment.** This Agreement has been made by the Issuer and Piper Sandler, and no other person shall acquire or have any right under or by virtue of this Agreement.
11. **Governing Law.** This Agreement, and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement, will be governed by and construed in accordance with the laws of New York. You and we hereby waive all right to trial by jury in any action, proceeding, or counterclaim (whether based upon contract, tort or otherwise) in connection with any dispute arising out of this Agreement or any matters contemplated by this Agreement.
12. **Consent to Jurisdiction; Service of Process.** The parties each hereby (a) submits to the jurisdiction of any state or federal court sitting in the County of New York, State of New York for the resolution of any claim or dispute with respect to or arising out of or relating to this Agreement or the relationship between the parties (b) agrees that all claims with respect to such actions or proceedings may be heard and determined in such court, (c) waives the defense of an inconvenient forum, (d) agrees not to commence any action or proceeding relating to this Agreement other than in a state or federal court sitting in the County of New York, State of New

York and (e) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 16. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

13. **Effectiveness.** This Agreement shall become effective upon its execution by duly authorized officials of all parties hereto and shall be valid and enforceable from and after the time of such execution.
14. **Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. You and us will endeavor in good faith negotiations to replace the invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid or unenforceable provisions.
15. **Counterparts.** This Agreement may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument.
16. **Notices.** Any notice required or permitted to be given under this Agreement shall be given in writing and shall be effective from the date sent by registered or certified mail, by hand, facsimile or overnight courier to the addresses set forth on the first page of this Agreement with a copy sent to the General Counsel of such Party.
17. THE PARTIES HEREBY IRREVOCABLY WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

Please confirm that the foregoing correctly and completely sets forth our understanding by signing and returning to us the enclosed duplicate of this engagement agreement.

Sincerely,

Katie Koster, Managing Director
Piper Sandler & Co.

Acknowledgement and Approval of Engagement
and Receipt of Regulatory Disclosures

Casey Dailey, Director of Energy and Environmental Programs
Western Riverside Council of Governments

Date: _____

Item 6.C

PACE Programs Activities Update:
Refunding of WRCOG-Issued
Commercial Bonds

Attachment 6

Exhibit A of Resolution 32-19, Good
Faith Estimate

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EXHIBIT A

GOOD FAITH ESTIMATE

Good Faith Estimate. The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the WRCOG by PFM Financial Advisors LLC (the "Municipal Advisor").

Principal Amount. The Municipal Advisor has informed the WRCOG that, based on the financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$250,000,000 (the "Estimated Principal Amount").

True Interest Cost of the Bonds. The Municipal Advisor has informed the WRCOG that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 6.591424%.

Finance Charge of the Bonds. The Municipal Advisor has informed the WRCOG that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$8,526,125.

Amount of Proceeds to be Received. The Municipal Advisor has informed the WRCOG that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by WRCOG, for the sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$237,309,361.11.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the Authority will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$513,582,829.39 (excluding any offsets from reserves or capitalized interest).

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

rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the WRCOG.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Western Community Energy Activities Update

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

Date: February 3, 2020

The purpose of this item is to provide an update on Western Community Energy's upcoming launch.

Requested Action:

1. Receive and file.
-

Community Choice Aggregation (CCA) allows cities and counties to aggregate their buying power to secure electrical energy supply contracts on a region-wide basis. A CCA provides a choice for the community, which it does not currently have (unless their community is served by a separate public utility). A CCA provides local control over rate setting and programs by locally elected city councilmembers. Rates and programs are designed and implemented at the local level, at local public meetings, where members of the public who are living within the CCA boundaries can readily participate.

Established in August 2018, Western Community Energy (WCE) will purchase energy on behalf of its member jurisdictions, the Cities of Eastvale, Hemet, Jurupa Valley, Norco, Perris, and Wildomar. The Cities of Norco, Perris, and Wildomar will launch in April 2020 and the Cities of Eastvale, Hemet, and Jurupa Valley will launch in May 2020. The WCE Board of Directors have been meeting to adopt policies and provide staff and its consultants direction on various data inputs (i.e., energy mixture, rate savings goals, reserves, etc.) necessary for the April and May 2020 launch. To date, all assumptions regarding a savings off the bottom line of Southern California Edison's (SCE's) utility bills remains intact. Current WCE member jurisdictions are expected to save residents and businesses over \$6 million per year in reduced energy costs.

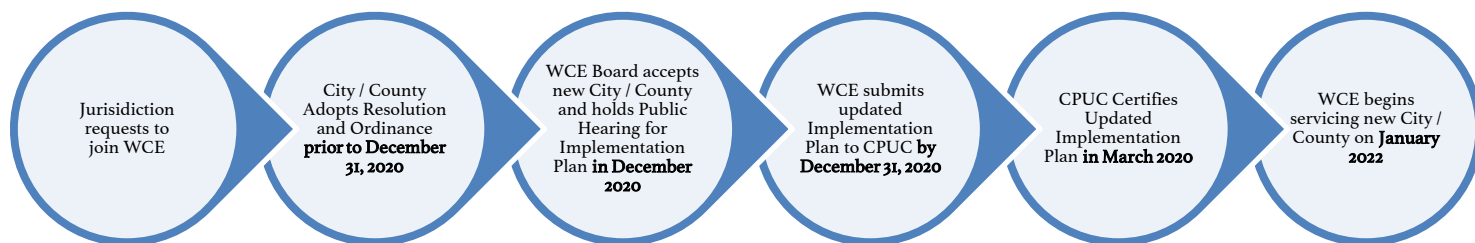
Updates

Rate Setting: On January 8, 2020, the WCE Board of Directors adopted its first-generation rate schedule. Staff is excited to note that the adopted rates meet the 2% savings of the overall SCE utility bill for residents and businesses in those member agencies.

New members: The WCE Board of Directors remains interested in having other jurisdictions (whether members of WRCOG or outside the subregion) join WCE and will be having a discussion at its February meeting to establish a policy on how to bring new members onboard and whether any of the startup costs associated with bringing that member on board would be passed along. Staff will provide the WRCOG Technical Advisory Committee members an update once that policy has been discussed and adopted by the WCE Board of Directors.

Please contact WRCOG staff if your jurisdiction is interested in joining Western Community Energy.

The following outlines the timeline if a jurisdiction is interested in joining WCE. For a **2022 launch**, jurisdictions would need to join WCE and adopt the CCA ordinance by **December 31, 2020**.



Prior Actions:

January 16, 2020: The Technical Advisory Committee received and filed.

December 2, 2019: The Executive Committee received and filed.

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: TUMF Program 2018/2019 Year in Review

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

Date: February 3, 2020

The purpose of this item is to provide an update to members of the Committee regarding key accomplishments and on-going activities related to WRCOG's Transportation Uniform Mitigation Fee (TUMF).

Requested Action:

1. Receive and file.

WRCOG's TUMF Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in Western Riverside County.

2018/2019 Revenues

TUMF Revenues and Expenditures are reported on a Fiscal Year (FY) basis. For FY 2018/2019, ending on June 30, 2019, the TUMF Program collected \$63,915,185. In the previous FY 2017/2018, the Program collected \$53,415,318. Revenues increased by 20% between FY 2017/2018 and FY 2018/2019.

A key element of the TUMF Program is the division of the WRCOG Region into TUMF Zones. The TUMF Zones represent major areas of the WRCOG region and are key participants in the TUMF decision making process. The five TUMF Zones are:

- Northwest (Riverside, Corona, Jurupa Valley, Norco, and Eastvale)
- Central (Moreno Valley, Menifee, and Perris)
- Southwest (Temecula, Murrieta, Wildomar, Canyon Lake, Lake Elsinore)
- Pass (Calimesa, Banning, Beaumont)
- Hemet / San Jacinto (Hemet and San Jacinto)

Unincorporated Riverside County is represented in all of the Zones. The March Joint Powers Authority also participates in TUMF and is represented in the Northwest and Central Zone. As shown in the table below, all of the TUMF Zones generated revenue in Fiscal Year 2018/2019. The highest collections were in the Northwest and Central Zones, which accounted for 70 percent of all TUMF collections. On a year-to-year basis, all of the TUMF Zones showed significant increases, except for the Southwest Zone where there was no increase in collections from the previous year.

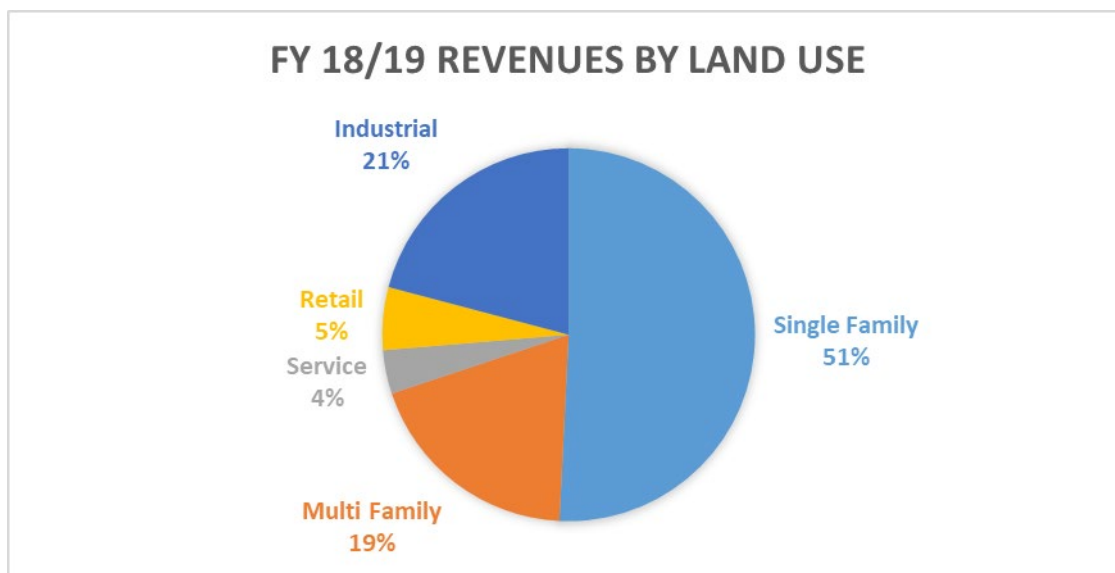
FY 18/19 Revenues by Zone	
Pass	\$3,062,572
Southwest	\$11,522,524
Central	\$19,496,526
Northwest	\$25,542,230
Hemet/SJ	\$4,291,332
Total	\$63,915,185

All WRCOG jurisdictions reported TUMF collections in the 2018/2019 Fiscal Year. The five jurisdictions which reported the highest collections are as follows:

- Unincorporated Riverside County (\$12 million)
- City of Moreno Valley (\$10 million)
- Riverside (\$6.6 million)
- Corona (\$5.7 million)
- Menifee (\$5.7 million)

Much of this growth in revenue was driven by increased collections in residential and industrial sectors. As shown in the table and chart below, slightly over half of all collections were for single-family residential projects (51%). However, there was also strong development activity in the industrial sector with over \$13 million in fees collected. These fee payments represent nearly 8 million square feet of industrial space. The multi-family collections were also one of the highest ever, with \$12 million in collections, representing approximately 2,000 new, multi-family units.

FY 18/19 Revenues by Land Use	
Single Family	\$32,463,021
Multi Family	\$12,207,989
Service	\$2,416,472
Retail	\$3,481,974
Industrial	\$13,345,729
Total	\$63,915,186



2018/2019 TUMF Project Activity

TUMF is a reimbursement program in which jurisdictions are reimbursed for actual expenses incurred. Agencies submit invoices to WRCOG for review and approval, after which WRCOG then pays with funds from the TUMF Program.

During FY 2018/2019, TUMF projects with significant levels of activity included:

- Clinton Keith Road Extension (\$17 million in TUMF funding)
- I-215 / Scott Road Interchange (\$15 million in TUMF funding)
- I-15 / Cajalco Road Interchange (\$45 million in TUMF funding)
- I-15 / Railroad Canyon Road Interchange (\$30 million in TUMF funding)
- Bundy Canyon Road Widening (\$14 million in TUMF funding)

The Clinton Keith Road Extension project was completed in the summer of 2018. WRCOG anticipates that the Cajalco Road and Scott Road interchanges will be fully complete prior to summer of 2020.

The TUMF Program reached a major milestone with the completion of its 100th project during FY 2018/2019. The Riverside Transit Agency used \$200,000 of TUMF funding to implement the Temecula Promenade Mobility Hub, which opened in January 2019. This project includes new bus shelters, upgraded lighting, and improved sidewalks.

Fee Collection Portal

WRCOG has completed its work on the TUMF fee collection portal, which allows project applicants to submit projects, calculate fees, and pay fees online. Prior to the development of this portal, the fee collection process was as follows:

- Applicants submitted project information
- Agency staff submitted a fee calculation request to WRCOG
- WRCOG calculated the fee
- WRCOG notified the agency and the applicant of the fees due
- The applicant then was responsible for payment of fees, either in person or via an electronic payment
- WRCOG would then send out a payment receipt to the jurisdiction and the applicant electronically

Under the fee portal, all of the steps happen via the online portal as described below:

- Applicants submit project information online
- Agencies review the information and approve it online
- A fee calculation is prepared automatically, which WRCOG approves online
- A fee estimate is sent automatically to the applicant
- Applicant then pays the fees, either in person, via an electronic payment, or via credit card

Technical work on the fee portal was completed during FY 2018/2019. Once that work was complete, WRCOG began training the jurisdictions on using the fee portal. As of January 2020, thirteen of the sixteen jurisdictions who asked WRCOG to assume fee collection responsibility have been trained and are currently using the portal. WRCOG is currently working with the remaining three jurisdictions to train their staff on use of the Fee Portal.

Initial feedback from agency staff and applicants is positive. There is also a reduction in calls and emails from applicants regarding fee calculations and the fee payment process. Over the long-term, WRCOG expects that there will be also be a reduction in the demands on agency staff with most fee calculations occurring in a routine fashion.

Major Activities in 2020

WRCOG anticipates that it will commence work on a comprehensive update to the TUMF Nexus Study. Prior to that work, WRCOG is completing several preliminary items of work to inform that Nexus Study update including:

- A background issues paper which will discuss key inputs related to the Nexus Study such as the anticipated level of growth, any major changes in travel behavior, and changes in the transportation funding environment. This background issues paper will also discuss any potential overlap between the Riverside County Transportation Commission's proposed transportation sales tax and the TUMF Program.
- A statement of key goals and principles for the Nexus Study update.
- A review of recent project costs to determine if regulatory changes, such as those imposed by Caltrans, or other factors are responsible for recent increases in project costs.
- A review of potential options on how to integrate VMT mitigation into the TUMF Nexus Study Process.

These materials are currently being prepared by WRCOG and will be presented to WRCOG's Committees for discussion prior to undertaking the Nexus Study.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: California's New Water Efficiency Laws: Water Targets for Agencies, not Individuals

Contact: Craig Miller, General Manager, Western Municipal Water District, cmiller@wmwd.com, (951) 571-7282

Date: February 3, 2020

The purpose of this item is to provide an update on California's new water efficiency laws.

Requested Action:

1. Receive and file.

On May 31, 2018, Governor Jerry Brown signed into law two new bills that will require urban water providers throughout California to set new permanent water use targets for their service areas by the year 2022. Senate Bill 606 (Hertzberg) and Assembly Bill 1668 (Friedman) provide a framework for setting water use targets, as well as implementing and enforcing the new water use requirements. There are no immediate impacts to individual customers from these new laws. These laws outline an overall framework to guide urban water providers in setting water use targets. Urban water providers will set and monitor targets for their service area as a whole (not on an individual customer basis) and will determine how to help their customers collectively reach the new targets.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

None.

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