Western Riverside Council of Governments
Executive Committee

REVISED AGENDA

Monday, June 4, 2018
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 450, 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 (Debbie Franklin, Chair)

2. PLEDGE OF ALLEGIANCE

RECESS OF THE WRCOG EXECUTIVE COMMITTEE MEETING TO CONVENE THE MEETING OF THE WRCOG SUPPORTING FOUNDATION, AND RECONVENE THE WRCOG EXECUTIVE COMMITTEE MEETING AT THE ADJOURNMENT OF THE WRCOG SUPPORTING FOUNDATION MEETING

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 agendized 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 May 7, 2018, Executive Committee Meeting are Available for Consideration **P. 1**

Requested Action: *1. Approve the Summary Minutes from the May 7, 2018, 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. PACE Programs Activities Update ***Casey Dailey*** **P. 11**

Requested Actions:

1. *Approve the proposed administrative changes to the WRCOG Energy Efficiency and Water Conservation Program Administrative Guidelines and Program Report and to the California HERO Program Report.*
2. *Adopt WRCOG Resolution Number 11-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties.*
3. *Adopt WRCOG Resolution Number 12-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Nevada County.*
4. *Adopt WRCOG Resolution Number 13-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Samas Commercial Programs.*
5. *Adopt WRCOG Resolution Number 14-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Greenworks Commercial PACE Program.*
6. *Adopt WRCOG Resolution Number 15-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the CaliforniaFIRST Program.*
7. *Adopt WRCOG Resolution Number 16-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the PACE Funding Program.*

B.	**Approval of Fiscal Year 2018/2019 Draft Agency Budget and Forwarding to General Assembly for Adoption**	***Andrew Ruiz***	**P. 85**

Requested Action: *1. Recommend that the General Assembly adopt WRCOG Resolution Number 17-18; A Resolution of the General Assembly of the Western Riverside Council of Governments adopting the Fiscal Year 2018/2019 Agency Budget for the Western Riverside Council of Governments.*

C.	**Approval of TUMF Program Reimbursement Agreements**	***Christopher Gray***	**P. 107**

Requested Action: *1. Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Riverside for the Planning and Engineering Phases of the Third Street Grade Separation Project in an amount not to exceed $4,000,000.*

Information items:

D.	**Finance Department Activities Update**	***Andrew Ruiz***	**P. 135**

Requested Action: *1. Receive and file.*

E.	**WRCOG Committees and Agency Activities Update**	***Rick Bishop***	**P. 141**

Requested Action: *1. Receive and file.*

F.	**Western Community Energy Activities Update**	***Barbara Spoonhour***	**P. 159**

Requested Action: *1. Receive and file.*

G.	**Regional Streetlight Program Activities Update**	***Tyler Masters***	**P. 163**

Requested Action: *1. Receive and file*

H.	**Western Riverside Energy Partnership Activities Update**	***Tyler Masters***	**P. 167**

Requested Action: *1. Receive and file*

6. REPORTS / DISCUSSION

A.	**Report from the League of California Cities**	***Erin Sasse, League of California Cities***	**P. 171**

Requested Action: *1. Receive and file.*

B. **Experience Regional Innovation Center Feasibility Analysis Update** — *Andrea Howard, WRCOG* — **P. 173**

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

C. **Approval of Final Active Transportation Plan** — *Christopher Gray, WRCOG* — **P. 195**

***Requested Action*:** *1. Approve the Western Riverside County Active Transportation Plan.*

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

8. REPORT FROM COMMITTEE REPRESENTATIVES

SCAG Regional Council and Policy Committee representatives
SCAQMD, Ben Benoit
CALCOG, Brian Tisdale

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. CLOSED SESSION

A. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO SECTION 54957.6

Agency Representative: Committee Chair or designee
Unrepresented Employee: Executive Director

B. PERFORMANCE EVALUATION PURSUANT TO SECTION 54957

Title: Executive Director

13. OPEN SESSION

Consideration and possible approval of amendment to employment contract with Executive Director.

14. NEXT MEETING:

1. **The WRCOG General Assembly meeting is scheduled for Thursday, June 21, 2018, at 6:30 p.m., at the Morongo Casino Resort & Spa, 2nd Floor Ballroom, in Cabazon.**
2. **The next WRCOG Executive Committee meeting is scheduled for Friday, June 22, 2018, at 10:00 a.m., at the Morongo Casino Resort & Spa, the Drum Room, 26th Floor, in Cabazon.**

15. ADJOURNMENT IN MEMORY OF MAYOR NEIL WINTER

Western Riverside Council of Governments 4.A

Regular Meeting

~ Minutes ~

Monday, May 7, 2018 **2:00 PM** **County Administrative Center**

1. CALL TO ORDER

The meeting was called to order by Chairwoman Debbie Franklin at 2:00 p.m. on April 2, 2018, at the Riverside County Administrative Center, 4080 Lemon Street, Riverside.

Jurisdiction	Attendee Name	Status	Arrived / Departed
City of Banning	Debbie Franklin	Present	1:55 PM
City of Beaumont	Nancy Carroll	Present	1:55 PM
City of Calimesa	Jeff Hewitt	Present	1:55 PM
City of Canyon Lake		Absent	
City of Corona	Eugene Montanez	Present	1:55 PM
City of Eastvale	Adam Rush	Present	1:55 PM
City of Hemet	Bonnie Wright	Present	1:55 PM
City of Jurupa Valley	Laura Roughton	Present	2:09 PM
City of Lake Elsinore	Brian Tisdale	Present	1:55 PM
City of Menifee	John Denver	Present	1:55 PM
City of Moreno Valley	Victoria Baca	Present	1:55 PM
City of Murrieta	Kelly Seyarto	Present	1:55 PM
City of Norco	Kevin Bash	Present	1:55 PM
City of Perris	Rita Rogers	Present	1:55 PM
City of Riverside		Absent	
City of San Jacinto	Crystal Ruiz	Present	1:55 PM
City of Temecula	Maryann Edwards	Present	1:55 PM
City of Wildomar	Ben Benoit	Present	1:55 PM
District 1		Absent	
District 2		Absent	
District 3	Chuck Washington	Present	1:55 PM
District 5	Marion Ashley	Present	1:55 PM
EMWD	David Slawson	Present	1:55 PM
WMWD	Brenda Dennstedt	Present	2:05 PM
Morongo Band of Mission Indians		Absent	
Office of Education	Judy White	Present	1:55 PM / 3:00 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 Rita Rogers led members and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

There were no public comments.

4. MINUTES

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

A. Summary Minutes from the April 2, 2018, Executive Committee Meeting are Available for Consideration

Action: 1. *Approved the Summary Minutes from the April 2, 2018, Executive Committee meeting.*

5. CONSENT CALENDAR

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

A. 3rd Quarter Draft Budget Amendment for Fiscal Year 2017/2018

Action: 1. *Approved the 3rd Quarter Draft Agency Budget Amendment for Fiscal Year 2017/2018.*

B. Additional Signature Authority

Action: 1. *Adopted WRCOG Resolution Number 08-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments providing signatory authority to the Chief Financial Office4r and Deputy Executive Director for agreements, ordinances, and resolutions in the absence of the Executive Director.*

C. Consideration of Policy Concerning the Issuance of Requests for Proposals

Actions:

1. *Approved the Policy outlined in the staff report related to Request for Proposals (RFP) for professional services.*
2. *Directed staff to update its Financial Manual to include the RFP Policy and present the updated Manual for formal approval by the WRCOG Finance Directors and Administration & Finance Committees.*

D. PACE Programs Activities Update

Action:

1. *Adopted WRCOG Resolution Number 10-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving the form of Amended and Restated Master Indenture for the issuance Limited Obligation improvement Bonds for the WRCOG CaliforniaFIRST Program, providing for the approval of future Master Indentures for its CaliforniaFIRST Program, PACE Funding Program, and Greenworks Program, and approving other actions in connection thereto.*

E. Potential Full Consolidation of RCHCA Staff and Operations with WRCOG

Action:

1. *Directed staff to continue to work with Riverside County and the RCHCA to fully consolidate RCHCA staff and operations into WRCOG and return with the necessary documents and agreements to commence the transition.*

F. 27th Annual General Assembly & Leadership ''Address: Consideration of Nominations for Outstanding Community Service Award

Action:

1. *Approved the nominees for the 2018 Outstanding Community Service Award to be recognized at the 27th Annual General Assembly & Leadership Address.*

G. Approval of TUMF Program Reimbursement Agreements and Agreement Amendments

Actions:

1. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Wildomar for the Construction Phase of the Bundy Canyon Road Project in an amount not to exceed $7,485,000.*
2. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Wildomar for the Planning, Engineering and Right-of-Way Phases of the Bundy Canyon Road Project in an amount not to exceed $6,882,000.*
3. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Wildomar for the Planning and Engineering Phases of the Palomar Road Project in an amount not to exceed $898,517.*
4. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Wildomar for the Construction Phase of the Clinton Keith Road Project in an amount not to exceed $3,048,860.*
5. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Wildomar for the Engineering Phase of the Clinton Keith Road Project in an amount not to exceed $1,260,140.*

H. Environmental Department Activities Update

Action: *1. Adopted WRCOG Resolution Number 09-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments to support Regional Application – Used Oil Payment Program – 9.*

I. Finance Department Activities Update

Action: *1. Received and filed.*

J. Local Assistance for WRCOG Member Agencies: Grant Writing Assistance & BEYOND Program Activities Update

Action: *1. Received and filed.*

K. WRCOG Committees and Agency Activities Update

Action: *1. Received and filed.*

L. Experience Regional Innovation Center Feasibility Analysis Update

Action: *1. Received and filed.*

M. Western Community Energy Activities Update

Action: *1. Received and filed.*

6. REPORTS / DISCUSSION

A. Nominations for WRCOG Chair, Vice-Chair, and 2nd Vice-Chair positions for Fiscal Year 2018/2019

Rick Bishop reported that the Administration & Finance (A&F) Committee serves as the Nominating Committee for the leadership positions of the Executive Committee. Pursuant to procedures, written notification was provided seeking those interested in serving in a leadership position. Responses were presented to the A&F Committee at its last meeting.

Chair Franklin indicated that the Nominating Committee attempts to ensure there is a geographical balance.

Committee member Washington added that on many Committees the leadership alternates between a city and the county each year. Because WRCOG has so many cities the county participates in a leadership capacity every three years or so; WRCOG's JPA and bylaws have no requirement for cities and county to alternate leadership each year as is the case with several other regional agencies.

Action: *1. Recommended to the WRCOG General Assembly the following slate of individuals for leadership positions for Fiscal Year 2018/2019*

Chair:	*Chuck Washington, Supervisor, County of Riverside District 3*
Vice-Chair:	*Bonnie Wright, Councilmember, City of Hemet*
2nd Vice-Chair:	*Laura Roughton, Councilmember, City of Jurupa Valley*

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

B. Report from the League of California Cities

Erin Sasse, League of California Cities, reported that the next Division meeting will be hosted by the City of Palm Springs on May 14, 2018. Software engineers will speak on software which can be used to review and project pension liabilities.

The Governor's May Revise will be released this Friday.

The California Business Roundtable is gathering signatures on an initiative which will require a two-thirds council vote on tax increases, would include a general purpose tax, and relates to fees cities impose. Once a fee is in place, there is the ability for the voters to conduct a referendum, overturn the fee. If a city annexes additional property and would need fees to provide services, there would have to be a two-thirds vote. It would also be retro-activated back to January 1, so if a city does not meet the threshold, it could be litigated it or it would not apply. Actual costs for fees would also need to be determined.

CalPERS is having a meeting next week on AB 1912, and will likely take a support position on this bill. The League is asking that letters be sent to CalPERS asking them to stay off, or oppose, but to not support this bill.

AB 2268 (as amended, Reyes) would restore funding for annexations; the League supports this bill.

AB 2491 (Cooley) would restore the policy for incorporations of new cities; the League supports this bill.

AB 2123 (Cervantes) would allow additional time for cities choosing to create districts for district-based elections. The League supports this bill.

SB 831 (as amended, Wieckowski) would allow for any accessory dwelling to be built on any home property with no impact, building, or connection fees. The League does not support this bill.

SB 828 (as amended, Wiener) would require local jurisdictions to accommodate 200% of Regional Housing Needs Assessment and will not certify housing elements, which means local jurisdictions will not qualify for SB 2 funding. The League does not support this bill.

AB 1749 (as introduced, Daly) would allow workers compensation for any off-duty officer who responds to any incident anywhere in the world. The League is hoping this bill will be narrowed down. The League recommends local jurisdictions send in letters of opposition and ask for amendments.

Action: *1. Received and filed.*

C. Fiscal Year 2018/2019 Agency Draft Budget

Ernie Reyna, WRCOG Chief Financial Officer, introduced Andrew Ruiz, WRCOG Program Manager, who will provide the presentation.

Mr. Ruiz reported that the Budget structure consists of four departments; Administration, Transportation, Energy, and Environment.

The Administration Department's expenditures include all general expenses which are not part of any other program, such as audit, bank, IT, and consulting fees. Overhead is charged to other departments. Total departmental revenue is projected at $6.7M, and expenditures at $6.7M.

The Transportation Department's programmatic revenue sources include TUMF, Clean Cities, Grant Writing, and Local Transportation Fund. Total departmental revenue is projected at $47.2M, and expenditures at $42.8M. The difference is due to TUMF project reimbursements are anticipated to be lower than revenues.

The Energy Department's programmatic revenue sources include PACE Residential and Commercial, SoCal Edison Partnership, and SoCal Gas Partnership. New PACE Commercial providers are projected to bring in additional revenues. Total departmental revenue is projected at $5.4M, and expenditures at $5.2M.

The Environmental Department's programmatic revenue sources include Used Oil and Solid Waste. Total departmental revenue is projected at $368K, and expenditures at $368K.

Overall, staff is projecting the Agency is will have a balanced budget with revenues of $60.3M, and expenditures at $55.7M.

Action: *1. Received and filed.*

D. California Voting Rights Act Update

Thomas Rice, Best Best & Krieger, provided a presentation on the California Voting Rights Act (CVRA), which became law in 2003, and presumably would make it easier to successfully challenge at-large districts. Successful plaintiffs are entitled to attorneys' fees, while the successful defendant is unlikely to get attorney's fees. The key standard is whether racially polarized voting has occurred. This is quite different than the standards under the Federal Voting Rights Act.

Mr. Rice reviewed a few cases with Committee members. In one case a city ended up paying $3M in plaintiff attorney fees, and $1.7M in its own attorney fees. In another case a city paid $4.5M in plaintiff attorney fees. In yet another case the Court ordered a city to transition to district-based, and chose the plaintiff's map over the city's map. Because of the high attorneys' fees associated with these cases, cities are reluctant to take up the fight remain at-large.

Mr. Rice reviewed several recent statutes with Committee members also. First, adopted in October 2015, SB 493 (Cannella) authorized the legislative body of a city with a population of fewer than 100,000 to adopt an ordinance transitioning to a "by district" election system without being required to submit the ordinance to the voters for approval. Second, AB 2220 (Cooper), adopted in September 2016, expanded this to all cities. Finally, AB 350 (Alejo), also adopted in September 2016, established a clear process for transition to "by district" elections. A plaintiff must send a letter to the city and wait 45 days before a suit can be filed. The public agency may then pass a resolution of intent indicating its intent to transition. If the agency adopts a resolution, is has 90 days to adopt an ordinance. Two public hearings must be held before maps can be drawn. Two public hearings must be held after the maps are drawn. The ordinance requires two readings. Plaintiff recovery is capped at $30,000. Mr. Rice noted that AB 350's cap discourages litigation over the fee recovery.

Mr. Rice also discussed proposed legislation such as AB 2123 (Cervantes), which would permit a city and a prospective plaintiff to enter into a written agreement to extend the time period to transition by an additional 90 days in order to conduct public outreach, encourage public participation, and receive public input.

Mr. Rice highlighted several options for consideration, including filing an amicus brief; financially supporting an existing challenge; financially supporting a local challenge; and proposing legislation.

Committee member Eugene Montanez asked if there have been any studies on cities which have transitioned to districts and how that has changed voting with regard to minorities.

Mr. Rice responded that the Rose Institute may have released a study on this subject.

Councilmember Crystal Ruiz asked when this will affect a regional committee such as this one.

Mr. Rice responded that the CVRA affects elected bodies, not appointed bodies.

Committee member Kelly Seyarto indicated that his city recently went through the transition and will have its first district election soon. Cities are not opting to change to by-district voting, they are being forced to by an attorney who is running around suing cities. While this is meant to do good, it is not. And Sacramento is not helping the cities.

Committee member Maryann Edwards indicated that the CVRA adopted the Federal Voting Rights Act, and eliminated two clauses which allow any argument to prove that any particular class has been denied the ability to vote in an election.

Committee member Ruiz asked how many other states are switching to by-district voting.

Mr. Rice responded that he does not know how many other states are doing this.

Action: *1. Received and filed.*

E. Proposed New TUMF Policy for TUMF Calculation

Christopher Gray, WRCOG Director of Transportation, reported that the current process to determining fee calculations for a project's obligation is that a developer will go to the city with the project and asks what the TUMF fee will be, the city reviews the project and makes a determination, and the developer then pays the fee to the city.

There have been instances in which the calculation was unclear, the jurisdiction did not calculate the fee properly, or the jurisdiction thought a project was exempt when it was not, etc. This causes a financial impact on the program as well as the jurisdiction. Sometimes this is discovered months, or even years, after a developer has paid its fees.

Approximately one year ago, the TUMF Administrative Plan was amended to indicate that if a jurisdiction vetted project fees through WRCOG in writing prior to the developer paying its fees, the calculation would not be subject to additional review.

There are many instances in which the jurisdiction and/or the developer will have recurring questions. The current process for asking questions and receiving an answer amongst the developer, jurisdiction, and WRCOG diluted, and staff is proposing a more straight-forward process. The first option would allow WRCOG to calculate all project fees and verity exemptions. The second option mirrors option one with the addition of non-residential projects. Option three would allow WRCOG to calculate fees for all uses and verity exemptions. Option four would allow for staff to focus only on exemptions.

Staff recommends option one, which would help to avoid significant issues related to jurisdictions exempting projects what should be assessed TUMF. Major issues would be avoided, preventing additional legal fees. This matter will be vetted through the WRCOG Committees before returning here with a specific requested action.

Action: *1. Received and filed.*

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

The Technical Advisory Committee Chairman was not in attendance.

8. REPORT FROM COMMITTEE REPRESENTATIVES

Committee member Rita Rogers announced that at the Southern California Association of Governments' General Assembly, the City of Perris was presented with an award for the Live Well Perris campaign.

Ben Benoit, South Coast Air Quality Management District (AQMD) representative, reported that the Indirect Source Rule was passed at AQMD to move forward with the rule making process for warehouses.

9. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop, WRCOG Executive Director, reported that Western Community Energy's website is up and running. A number of questions and answers on what a Community Choice Aggregation is, as well as other information, can be found on the website at www.westerncommunityenergy.com. A tour of the Contra Costa Transportation Authority's GoMentum Station where autonomous vehicle testing is occurring is confirmed for May 11, 2018. This year's General Assembly guest speaker is Steve Forbes. WRCOG's Regional Streetlight Program recently received an award in the Government Technology, Technology Innovation, Operations category. Mr. Bishop introduced a new staff member, Jessica May, who will be working in the Transportation Department, and new staff member Daniel Soltero, who will be working in the Energy Department.

10. ITEMS FOR FUTURE AGENDAS

Committee member Chuck Washington asked for a general presentation on CalPERS regarding the employer contribution to CalPERS.

11. GENERAL ANNOUNCEMENTS

Committee member Brian Tisdale thanked the City of Temecula for hosting the Reality Rally.

12. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, June 4, 2018, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor Board Chambers.

13. ADJOURNMENT

The meeting adjourned at 3:22 p.m.

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Item 5.A

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **PACE Programs Activities Update**

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

Date: **June 4, 2018**

The purpose of this item is to *approve revisions to the WRCOG Energy Efficiency and Water Conservation Administrative Guidelines and Program Report and CA HERO Program Report, as well as prepare to levy assessments for Fiscal Year 2018/2019 for the WRCOG HERO, CA HERO, CaliforniaFIRST, Greenworks, PACE Funding, and Samas PACE Programs.*

Requested Actions:

1. Approve the proposed administrative changes to the WRCOG Energy Efficiency and Water Conservation Program Administrative Guidelines and Program Report, and to the California HERO Program Report.
2. Adopt WRCOG Resolution Number 11-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties.
3. Adopt WRCOG Resolution Number 12-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Nevada County.
4. Adopt WRCOG Resolution Number 13-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Samas Commercial Programs.
5. Adopt WRCOG Resolution Number 14-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Greenworks Commercial PACE Program.
6. Adopt WRCOG Resolution Number 15-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the CaliforniaFIRST Program.
7. Adopt WRCOG Resolution Number 16-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the PACE Funding Program.

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

Overall PACE Program Update

The following table provides a summary of all residential projects that have been completed under the residential WRCOG PACE Programs through May 22, 2018:

PACE Program	Date Program Launched	Projects Completed	Total Project Value	Product Type Installed
WRCOG HERO	December 2011	26,181	$517,949,749	HVAC: 31.9%; Solar: 26.1%; Windows / Doors: 18.2%; Roofing: 9.2%; Landscape: 4.4%
California HERO	December 2013	59,499	$1,294,982,681	HVAC: 29.3%; Solar: 27.5%; Windows / Doors: 17.9%; Roofing:10.1 %; Landscape: 5.5%
CaliforniaFIRST	May 2017	146	$4,585,933	HVAC: 29.1%; Solar: 27.8%; Windows / Doors: 17.8%; Roofing:10.1 %; Landscape: 5.4%
PACE Funding	November 2017	58	$1,262,324	HVAC: 28.9%; Solar: 34.6%; Windows / Doors: 26.9%; Roofing: 7.7%; Landscape: 1.9%
Total:		**85,884**	**$1,818,780,687**	

The following table provides a summary of the total estimated economic and environmental impacts for projects completed in both the WRCOG and the California HERO Programs to date:

Economic and Environmental Impacts Calculations	
KW Hours Saved – Annually	874 GWh
GHG Reductions – Annually	174,459 tons
Gallons Saved – Annually	449 Million
$ Saved – Annually	92 Million
Projected Annual Economic Impact	$ 2.7 Billon
Projected Annual Job Creation/Retention	16,051 Jobs

Administrative Program Report Updates: The WRCOG Energy Efficiency and Water Conservation Program Administrative Guidelines and Program Report have been updated to reflect the removal of Spruce PACE as an administrator of PACE Programs in the WRCOG subregion. Spruce PACE has informed WRCOG that it is also no longer able to perform in its capacity and stopped accepting residential PACE applications as of April 30, 2018. Redlined updates are available as Attachment 1.

Levy of Assessments: Assessment contracts have been entered into within the Counties of Alameda, Contra Costa, Colusa, Del Norte, El Dorado, Fresno, Imperial, Kings, Los Angeles, Marin, Mariposa, Mono, Napa, Orange, Riverside, Sacramento, San Diego, City and County of San Francisco, San Joaquin, San Luis Obispo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma County, Stanislaus County, Tehama County, Tulare County and Ventura. Many of these Counties require one or more of the following representations to be made in order to place the HERO assessment on the tax roll of such County: a) WRCOG is authorized to levy the assessments; b) the assessments are levied in compliance with all applicable laws; c) the assessments are exempt or in compliance with the provisions of Proposition 218; and/or d) the delinquent assessments will be removed from the tax roll as required by the Master Indenture.

Instead of bringing multiple resolutions for action by the Executive Committee, WRCOG's bond counsel has developed Resolution Number 11-18 (Attachment 2) that can be used for any County that requires the aforementioned representations. The proposed Resolution makes such representations and authorizes the levy of assessments within various Counties for Fiscal Year 2018/2019 and subsequent fiscal years. However, the County of Nevada requests a separate Resolution Number 12-18 (Attachment 3) in order to levy the assessments within the County jurisdiction.

For the Samas Program, WRCOG's bond counsel has developed Resolution Number 13-18 (Attachment 4) that can be used for the Counties of Contra Costa, Fresno, Los Angeles, Orange, Riverside, San Diego, and Ventura that requires the aforementioned representations. The proposed Resolution makes such representations and authorizes the levy of assessments within the Counties for Fiscal Year 2018/2019.

For the Greenworks Program, WRCOG's bond counsel has developed Resolution Number 14-18 (Attachment 5) that can be used for the County of San Joaquin that requires the aforementioned representations. The proposed Resolution makes such representations and authorizes the levy of assessments within San Joaquin County for Fiscal Year 2018/2019 and subsequent fiscal years.

For the CaliforniaFIRST Program, WRCOG's bond counsel has developed Resolution Number 15-18 (Attachment 6) that can be used for Riverside County, which requires the aforementioned representations. The proposed Resolution makes such representations and authorizes the levy of assessments within Riverside County for Fiscal Year 2018/2019 and subsequent fiscal years.

For the PACE Funding Program, WRCOG's bond counsel has developed Resolution Number 16-18 (Attachment 7) to be used for Riverside County, which requires the aforementioned representations. The proposed Resolution makes such representations and authorizes the levy of assessments within Riverside County for Fiscal Year 2018/2019 and subsequent fiscal years.

Prior Action:

April 2, 2018: The Executive Committee 1) received WRCOG PACE Program Summary; 2) conducted a Public Hearing Regarding the inclusion of the City of Pleasanton; 3) adopted WRCOG Resolution Number 07-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments confirming modification of the California HERO Program Report so as to expand the Program area within which contractual assessments may be offered; 4) approved revisions to the overview statement that incorporates SB 242 and AB 1284 legislation for the WRCOG Energy Efficiency and Water Conservation Administrative Guidelines and Program Report and CA HERO Program Report, as well as the Program Handbooks for WRCOG HERO, CA HERO, CaliforniaFIRST, PACE Funding, and Spruce PACE Programs.

Fiscal Impact:

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

Attachments:

1. Redlined WRCOG Energy Efficiency and Water Conservation Program Administrative Guidelines and Program Report.
2. WRCOG Resolution 11-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties.
3. WRCOG Resolution 12-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Nevada County.
4. WRCOG Resolution 13-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Samas Commercial Programs.
5. WRCOG Resolution 14-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Greenworks Commercial PACE Program.

6. WRCOG Resolution 15-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the CaliforniaFIRST Program.
7. WRCOG Resolution 16-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the PACE Funding Program.

Item 5.A
PACE Programs Activities Update

Attachment 1
Redlined WRCOG Energy Efficiency and Water Conservation Program Administrative Guidelines and Program Report

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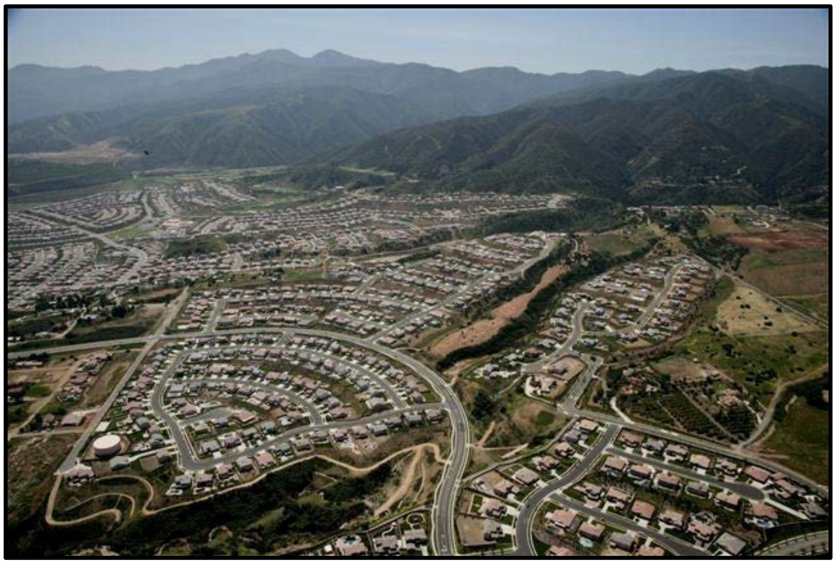
ENERGY EFFICIENCY AND WATER CONSERVATION PROGRAM FOR WESTERN RIVERSIDE COUNTY



ADMINISTRATIVE GUIDELINES AND PROGRAM REPORT

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

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Appendices

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EXHIBITS

On June 18, 2011, the Governor signed into law Chapter 28 of the Statutes of 2011 establishing the Seismic Safety Finance Act that amended Chapter 29 to authorize the financing of seismic strengthening improvements through voluntary contractual assessments.

On July 29, 2011, the WRCOG Executive Committee formally amended the Program Administrative Guidelines and Program Report to bifurcate the Program into two separate programs: the HERO Financing Plan for residential properties and the Commercial Energy Retrofit Application Financing Plan (the "CERA Financing Plan") as for commercial properties.

On September 12, 2011, the WRCOG Executive Committee formally adopted Resolution 06-12 which formally amended the Program Administrative Guidelines and Program Report to modify the boundaries of the territory within which assistance would be authorized to be provided to property owners to finance the installation of distributed generation renewable energy sources and energy or water efficiency improvements that are permanently affixed to real property by extending such boundaries to include the City of Jurupa Valley.

On June 3, 2013, the WRCOG Executive Committee adopted changes to the Program Report to change name of the Commercial Program, offered by Samas Capital, LLC, from CERA Financing to HERO Commercial Financing.

On April 4, 2016, the WRCOG Executive Committee formally adopted Resolution 11-16 which formally amended the Program Administrative Guidelines and Report to provide that the commercial portion of the Program for commercial properties to be administered and financed through Samas Capital, LLC, to be amended from the HERO Financing Plan to the "Samas Commercial."

On June 6, 2016, the WRCOG Executive Committee formally adopted Resolution 14-16 which formally amended the Program Administrative Guidelines and Report to authorize Renovate America, Inc. ("Renovate America") to administer and finance the installation of Eligible Products on Commercial Properties through the HERO Commercial portion of the Program.

On June 6, 2016, the WRCOG Executive Committee authorized WRCOG staff to work with additional PACE Providers to allow them to operate under WRCOG's umbrella for administration and bonding capabilities.

On September 12, 2016, the WRCOG Executive Committee directed and authorized the WRCOG Executive Director to enter into contract negotiations and execution of any necessary documents to include Renew Financial Group LLC ("Renew Financial") under WRCOG's PACE umbrella.

~~On October 3, 2016, the WRCOG Executive Committee directed and authorized the WRCOG Executive Director to enter into contract negotiations and execution of any necessary documents to include Spruce PACE LLC ("Spruce Finance") under WRCOG's PACE umbrella.~~

On July 10, 2017, the WRCOG Executive Committee formally adopted Resolution 35-17 which formally amended the Program Administrative Guidelines and Program Report to authorize the financing of seismic strengthening improvements.

4) *Renew Financial PACE Financing for Residential Properties*
WRCOG intends to utilize financing provided by Renew Financial to finance renewable energy projects plus eligible energy efficiency, water conservation and seismic strengthening products for all types of residential properties.

5) *Renew Financial Open-Market Commercial PACE Financing for Commercial Properties*
WRCOG intends to utilize financing facilitated by Renew Financial to finance renewable energy projects plus eligible energy efficiency, water conservation and seismic strengthening products for all types of commercial properties.

~~6) *Spruce PACE Financing for Residential Properties*~~
~~WRCOG intends to utilize financing provided by Spruce to finance renewable energy projects plus eligible energy efficiency, water conservation and seismic strengthening products for all types of residential properties.~~

~~7)~~6) PACE Funding PACE Financing for Residential Properties
WRCOG intends to utilize financing provided by PACE Funding to finance renewable energy projects plus eligible energy efficiency, water conservation and seismic strengthening products for all types of residential properties.

~~8)~~7) Greenworks PACE Financing for Commercial Properties
WRCOG intends to utilize financing provided by Greenworks Lending, LLC to finance renewable energy projects plus eligible energy efficiency, water conservation and seismic strengthening products for all types of commercial properties.

~~9)~~8) *Standard Financing Plan*
WRCOG further intends to preserve the ability to issue other municipal bonds pursuant to Chapter 29 to finance Eligible Products for residential and commercial properties not encompassed by of the above listed financing plans.

G. CHANGES TO REPORT

The Program Administrator may make changes to this Report determined as reasonable and necessary to clarify its provisions, to effectuate the purposes of the Program or to conform the Program to applicable federal or state law or regulations. Any changes to this Report that materially modify the Program shall only be made after approval by the WRCOG Executive Committee, except as specifically otherwise stated herein. Any changes to the Report will not affect the amounts payable under existing Assessment Contracts between a property owner and WRCOG.

The Program Administrator may modify from time to time the Eligible Products List and Sample Assessment Contract and Application attached hereto as Appendix A-1 ,A-2, A-3, A-4, and A-5 and Appendix C-1, C-2, C-3, C-4, C-5, C-6, C-7, and C-8 as deemed reasonable and necessary to effectuate the goal and purposes of the Program.

~~VII. Program Requirements for Participating in Spruce PACE Financing for Residential Properties~~

~~If financing is provided for the Program by Spruce PACE for residential properties, the following eligibility requirements will apply:~~

~~A. Eligible Property Owners and Eligible Properties~~

~~Property owners may be individuals, associations, business entities, cooperatives, and virtually any owner of residential property which pays real property taxes. Certain eligibility criteria must be satisfied and financing may be approved only if the all of the following criteria are met. This criteria is consistent with meeting the California Alternative Energy and Advanced Transportation Finance Authority (CAEATFA) PACE Loss Reserve Program:~~

- ~~Property owner(s) must be the property owner(s) of record.~~
- ~~Property owner(s) must be current on their property taxes and the property owner(s) certify(ies) that such owner(s) have not had a late payment on their property taxes more than once during the prior three (3) years (or since the purchase of the property, if owned by such property owner(s) for less than three (3) years).~~
- ~~Property owner(s) must be current on all property debt of the subject property at the time of application and cannot have had more than one 30-day mortgage late payment over the prior 12 months.~~
- ~~The property that will be subject to the assessment contract may not have recorded or outstanding involuntary liens in excess of one thousand dollars ($1,000).The property is not subject to any notices of default.~~
- ~~Property owner(s) have not been involved in a bankruptcy proceeding during the past seven (7) years and the property may not currently be an asset in a bankruptcy proceeding; provided, however, that if the bankruptcy is more than two years old, and if the property owner has no additional late payments more than 60 days past due in the last 24 months, the property owner may be approved.~~
- ~~Mortgage-related debt on the property must not exceed 97% of the value of the property. The maximum assessment amount shall not exceed the lesser of (a) than 15% on the first $700,000 value of the property and, if applicable, less than 10% of any value of the property thereafter or (b) a combined mortgage and Assessment Contract amount of 100% of the value of the property.~~
- ~~The total annual property tax and assessments, including the contractual assessment, on the property will not exceed 5% of the property's market value, as determined at the time of approval of the contractual assessment.~~
- ~~Additionally, the Program Administrator must make a good faith determination of the property owner's ability to repay the PACE assessment utilizing monthly income, housing expenses, and debt obligations.~~

~~Program financing is not currently available for properties that are not subject to secured property taxes, such as governmental entities and certain non-profit corporations. Property owners may make more than one application for funding under the Program if additional energy and water Eligible Products are desired by the owner and the eligibility criteria and maximum assessment amount criteria are met.~~

~~Manufactured homes or mobile homes on a permanent foundation pursuant to Health & Safety Code Section 18551, and the owner of the manufactured home or mobile home owns the underlying land upon which the manufactured home or mobile home has been installed, and such manufactured home or mobile home is subject to the payment of real property taxes (not DMV fees nor personal property taxes) are eligible. Mobile homes not meeting the foregoing requirements are not eligible to participate in the Program. Condominium owners and/or property owners with properties subject to HOA regulation are solely responsible for (a) determining (i) if the proposed Eligible Products are authorized to be installed on such owners' properties and (ii) if the installation of such Eligible Products requires the approval or authorization from the applicable association and (b) applying for and obtaining such approval or authorization, if applicable. Such owners may, upon request by the Program Administrator, need to provide written authorization from the condominium management or association stating that the applicant is authorized to install certain Eligible Products under the CC&R's or other governing regulations.~~

~~These eligibility regulations may be clarified as deemed necessary by the Program Administrator without amending the Administrative Guidelines and Program Report if such clarification will not result in a substantial revision of such eligibility requirement.~~

~~B. ELIGIBLE PRODUCTS~~

~~The Program affords property owners in Western Riverside County the opportunity to take advantage of a wide range of eligible energy-savings, water conservation/efficiency and seismic strengthening improvements, consistent with the following provisions:~~

1. ~~The Program is intended principally for retrofit activities to replace outdated inefficient equipment and to install new equipment that reduces energy or water consumption or produces renewable energy or provides seismic strengthening to existing structures. However, the Program is also available for purchasers of new homes and businesses that wish to add eligible energy efficiency, renewable energy, water conservation/efficiency and seismic strengthening Products to such homes after taking title of the property.~~

2. ~~The Program provides financing only for Eligible Products that are permanently affixed to real property.~~

3. ~~The Program provides financing only for Eligible Products specified in Appendix A-3 of the report. Broadly, these include:~~

   ~~a. Water Conservation/Efficiency~~
   ~~b. Energy Efficiency Eligible Products~~
   ~~c. Renewable Energy Systems~~
   ~~d. Seismic Strengthening Products~~
   ~~e. Approved Custom Products~~

4. ~~The property owner must ensure that any and all permits required by the jurisdiction for the installation of the Eligible Products are acquired.~~

5. ~~Financing is also available for projects that combine Eligible Products, such as bundling of water conservation/efficiency, energy efficiency, renewable energy~~

~~and seismic strengthening improvements. For instance, a property owner may choose to replace an aging and inefficient furnace, install weather stripping, install low flow toilets, and install a photovoltaic system as part of a single project.~~

~~C. ELIGIBLE COSTS~~

~~Eligible costs of the improvements include the cost of equipment and installation. Installation costs may include, but are not limited to, energy and water audit consultations, labor, design, drafting, engineering, permit fees, and inspection charges.~~

~~The cost of installation of Eligible Products shall be eligible to be financed only if such installation is completed by a contractor that is registered with the Program A list of contractors that are registered with the Program will be located on various Provider's website; however, WRCOG will not make recommendations for contracting assistance.~~

~~Property owners who elect to engage in broader projects – such as home or business remodeling – may only receive Program financing for that portion of the cost of retrofitting existing structures with renewable energy, energy efficiency, water conservation/efficiency and seismic strengthening Eligible Products. Repairs and/or new construction do not qualify for Program financing except to the extent that the construction is required for the specific approved improvement. Repairs to existing infrastructure, such as water and sewer laterals, are considered repairs and are not eligible.~~

~~WRCOG staff will evaluate conditions in the construction and installation market for the Eligible Products and may require the property owner to obtain additional bids to determine whether costs for the proposed Eligible Products are reasonable. While the property owner may choose the contractor, the amount available for financing may be limited to an amount determined reasonable by WRCOG, and may be reviewed by the Program Administrator.~~

~~No other rebates will be deducted from the assessment amount, except upon written request by the property owner. If the property owner requests the deduction of a rebate that later becomes unavailable, this request is at the property owner's risk. State or federal tax credits and performance-based incentives will not be deducted from the assessment amount, but property owners may wish to consider these additional benefits in determining the amount of their financing request.~~

~~D. ADMINISTRATIVE COSTS/FEES~~

~~As required pursuant to Section 5898.22 of Chapter 29, WRCOG met and consulted with the staff of the County Auditor-Controller's office on March 29, 2010 concerning the additional fees, if any, that will be charged to WRCOG for incorporating the proposed contractual assessments into the assessments of the general taxes on real property. The consultations revealed that the Auditor-Controller will charge WRCOG the same fees applicable to other fixed charges to be placed on the secured property tax roll as are established from time to time by the Board of Supervisors. The payment of such fees shall be included as a part of annual assessment administration and collection costs which will be added each year to the annual assessment on property tax bills. Such annual administration and collection costs are described below and in SectionV.D.~~

~~The Program will cover all or a portion of its costs through an expense component to be added to the amount of the financing request, not to exceed 7%. In addition, an~~

~~assessment loss reserve (not to exceed 10% and to be added to the assessment amount) may be required by bond holders or other investors. If available, the assessment loss reserve will be applied to payments at the end of the financing term. However, there are six other costs that are not covered in these expense and reserve components and will be borne by the property owners. These costs include:~~

7. ~~An application fee will be required and will not exceed $100 per application for residential properties and will not exceed the greater of $250 or one percent (1%) of the financing amount per application for commercial properties' provided, however, such fees shall not exceed the actual cost to process the applicable application. The owner may not include this cost in the financing request. Except as otherwise provided in applicable federal or state law, the application fee is nonrefundable, unless the property owner is deemed ineligible and the unused portion of the application fee may be prorated, however, may be waived by theProvider.~~

8. ~~Title and recording costs, including title insurance, where required, will be paid by the property owner.~~

9. ~~Permitting costs. Property owners are required to verify whether or not a permit is required by the participating jurisdictions. Permit costs will be paid by the property owner and are an eligible cost to include in thefinancing.~~

10. ~~Annual assessment administration and collection costs will be added each year to the annual assessment on property tax bills and will be adjusted in subsequent years for cost of living increases using the U.S. Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for all urban consumers for the Los Angeles, Riverside, and Orange Counties.~~

11. ~~Onsite Validation Fees. Onsite validation fees may be required for Program staff to confirm proposed energy efficiency, water efficiency, and/or renewable generation systems were actually installed prior to funding; provided, however, that such fee may not exceed the actual cost to undertake suchvalidation.~~

12. ~~If the property owner desires to have multiple disbursements (only on Eligible Products in excess of $50,000), the multiple disbursements will be subject to an additional processing fee not to exceed $150 and an inspection fee not toexceed $300 per partial disbursement, provided, however, that such fee may not exceed the actual cost of providing such service. The property owner will need to provide sufficient proof of purchased and delivered construction materials and/or completion of Eligible Products as required by the executed Assessment Contract. The Program will allow for up to two partial disbursements plus the final payment, as is appropriate for the particular assessment. A draft Assessment Contract is provided in Appendix C-6 of this report.~~

~~X.~~IX. Program Requirements for Participating in Standard Financing

If financing for the Program (or a particular group of applicants within the Program) is provided through the issuance of municipal bonds other than through the HERO, Samas, Renew Financial PACE, ~~Spruce PACE,~~ PACE Funding, or Greenworks Financing Plans, the following Program requirements will apply:

- ***ELIGIBLE PROPERTY OWNERS AND ELIGIBLE PROPERTIES***

For residential properties:

Property owners may be individuals, associations, business entities, cooperatives, and virtually any owner of residential property which pays real property taxes. Certain eligibility criteria must be satisfied and financing may be approved only if the all of the following criteria are met. This criteria is consistent with meeting the California Alternative Energy and Advanced Transportation Finance Authority (CAEATFA) PACE Loss Reserve Program:

- Property owner(s) must be the property owner(s) of record.
- Property owner(s) must be current on their property taxes and the property owner(s) certify(ies) that such owner(s) have not had a late payment on their property taxes more than once during the prior three (3) years (or since the purchase of the property, if owned by such property owner(s) less than three (3) years).
- Property owners must be current on all property debt of the subject property at the time of application and cannot have had more than one 30 day mortgage late payment over the prior 12 months.
- The Property that will be subject to the assessment contract may not have recorded or outstanding involuntary liens in excess of one thousand dollars ($1,000).Property owner(s) have not been involved in a bankruptcy proceeding during the past seven (7) years and the property may not currently be an asset in a bankruptcy proceeding; provided, however, that if the bankruptcy is more than two years old, and if the property owner has no additional late payments more than 60 days past due in the last 24 months, the property owner may be approved.
- Mortgage-related debt on the property must not exceed 97% of the value of the property. The maximum assessment amount shall not exceed the lesser of (a) than 15% on the first $700,000 value of the property and, if applicable, less than 10% of any value of the property thereafter or (b) a combined mortgage and Assessment Contract amount of 100% of the value of the property.
- The total annual property tax and assessments, including the contractual assessment, on the property will not exceed 5% of the property's market value, as determined at the time of approval of the contractual assessment.

For Commercial properties:

Property owners may be individuals, associations, business entities, cooperatives, and virtually any owner of Commercial property for which real property taxes are paid or assessments may otherwise be collected on the property tax bill. Certain eligibility the time that the Eligible Products are funded. Renew Financial will provide ongoing pricing feedback from the capital markets to aid in adjusting product pricing. The Program Administrator will review the interest rates on an annual basis.

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

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

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

Standard Financing Plan: The Program Administrator will set the interest rate for a contract assessment at the time the application is approved and the assessment contract is signed. The Program Administrator will review the interest rates on an annual basis.

PROPERTY ASSESSMENT LIEN

As part of the approval of the financing amount for each property owner who applies to the Program, the Program will, as part of its application review, calculate the total annual property taxes and assessments on the property, including the maximum assessment amount available through the Program, to ensure that such total will not exceed five percent (5%) of the market value of the property as required by California law.

All property owners must sign, notarize or provide such verification as may be required by WRCOG, and return the Assessment Contract to WRCOG within the time period specified in the approval notice. Upon execution of the Assessment Contract, the Program will place a lien for the full amount of the assessment on the property that secures the assessment. If the lien is recorded before the first business day in July, the assessment will appear on the next tax bill. For liens recorded made after the first business day of July, the assessment will not appear on the tax bill until the following tax year, but interest will accrue on the outstanding balance. A direct bill and/or additional tax bill or other method of payment (including capitalized interest) may be required, as determined by the Program, during the first tax year.

DELINQUENT ASSESSMENT COLLECTIONS

In general, it is expected that assessment installments will be collected on the *ad valorem* tax bills sent to property owners by the County Treasurer-Tax Collector, and therefore delinquency information will generally be available from the Treasurer-Tax Collector's office. In order to attract financing, WRCOG will covenant to commence and pursue judicial foreclosure proceedings with respect to parcels that are delinquent in the payment of assessment installments. The precise terms of such a covenant will be determined at the time of bond issuance. If the assessments levied in connection with the Program are covered by the County's Teeter Plan, the County will have an important role in determining the language of the foreclosure covenant.

~~XIV.~~ XIII. THE FINANCIAL STRATEGIES

The Program includes the following financial strategies. These include the use of one or more of the following: the Riverside County Treasurer Teeter Program, requirement of a 10% reserve fund, participation in the State pooled reserve funding program, the use of the HERO Financing Plan for Residential, SAMAS Commercial Financing Plan for Commercial, Renew Financial PACE Financing for Residential Properties , Renew Financial Open-Market Commercial PACE Financing, PACE Funding Residential PACE financing, Greenworks Commercial Financing Plan and exploration of other potential funding sources. An example of each strategy is provided below. WRCOG is a joint powers agency formed to assist participating jurisdictions with financings. WRCOG intends to cooperate in a financing arrangement whereby the Authority issues a bond or a series of bonds in an aggregate principal amount not to exceed $3 million.

Strategy One: WRCOG will establish the “WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County Fund” (the “WRCOG Fund”) and may accept funds from any available source. Repayments will be made pursuant to Assessment Contracts between the property owners and WRCOG and will be collected through the property assessment mechanism in the Riverside County property tax system, and, if approved by the County of Riverside, included in the Riverside County Teeter Program. WRCOG will manage or cause the County of Riverside to manage the WRCOG Fund in one enterprise fund with multiple sub-funds.

Strategy Two: The Program may require that inclusion of a 10% reserve fund be paid by the property owner and captured through the assessment charges, financing proceeds, grant resources or other sources as necessary and available to support the financing process.

Strategy Three: The Program may modify its eligibility criteria as needed to participate in the State’s pooled reserve funding program.

Strategy Four: The Program will, at launch, utilize the HERO Financing Plan to fund installations of Eligible Products for residential properties. Pursuant to such financing plan, Renovate America will provide a revolving credit line to finance the installation of Eligible Products to residential properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section II above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver to Renovate America, Inc., one or more municipal bonds secured by the contractual assessments payable by the properties to be improved.

Strategy Five: The Program will utilize the HERO Commercial Financing Plan for Commercial to fund installations of Eligible Products for commercial properties. Pursuant to such financing plans, Renovate America, Inc., will provide a revolving credit line to finance the installation of Eligible Products to commercial properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section III above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver to Renovate America, Inc., as applicable, one or more municipal bonds secured by the contractual assessments payable by the properties to be improved.

Strategy Six: The Program will utilize the SAMAS Commercial Financing Plan for Commercial to fund installations of Eligible Products for commercial properties. Pursuant to such financing plans, Samas Capital, LLC, will provide a revolving credit line to finance the installation of Eligible Products to commercial properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section IV above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver to Samas Capital, as applicable, one or more municipal bonds secured by the contractual assessments payable by the properties to be improved.

Strategy Seven: The Program will utilize the Renew Financial PACE Financing for Residential Properties to fund installations of Eligible Products for residential properties. Pursuant to such financing plans, Renew Financial will provide a warehouse to finance the installation of Eligible Products to residential properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section V above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver to Renew Financial, as applicable, one or more municipal bonds secured by the contractual assessments payable by the properties to be improved.

Strategy Eight: The Program will utilize the Renew Financial Open-Market Commercial PACE Financing for Commercial to fund installations of Eligible Products for commercial properties. Pursuant to such financing plans, Renew Financial, will facilitate private capital investment to finance the installation of Eligible Products to commercial properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section VI above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver through Renew Financial, as applicable, one or more municipal bonds or assignments secured by the contractual assessments payable by the properties to be improved.

~~Strategy Nine: The Program will utilize the Spruce PACE Financing for Residential Properties to fund installations of Eligible Products for residential properties. Pursuant to such financing plans, Spruce PACE will provide a warehouse to finance the installation of Eligible Products to residential properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section V above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver to Spruce PACE, as applicable, one or more municipal bonds secured by the contractual assessments payable by the properties to be improved.~~

Strategy ~~Ten~~Nine: The Program will utilize PACEfunding PACE Financing for Residential Properties to fund installations of Eligible Products for residential properties. Pursuant to such financing plans, PACE Funding will provide a warehouse to finance the installation of Eligible Products to residential properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section V above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver to PACE Funding, as applicable, one or more municipal bonds secured by the contractual assessments payable by the properties to be improved.

Strategy ~~Eleven~~Ten: The Program will utilize the Greenworks Commercial Financing Plan for Commercial to fund installations of Eligible Products for commercial properties. Pursuant to such financing plans, Greenworks Lending, LLC, will provide a revolving credit line to finance the installation of Eligible Products to commercial properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section IV above. In consideration for funding the installation of such Eligible Products WRCOG shall issue and deliver to Greenworks, as applicable, one or more municipal bonds secured by the contractual assessments payable by the properties to be improved.

Strategy ~~Twelve~~Eleven: For long-term and additional financing, WRCOG will continue to explore funding opportunities from a number of other potential funding sources, and combinations of sources, which may include but are not limited to additional funding from any funds under the control of the WRCOG Executive Committee, the issuance of notes, bonds, or agreements with utilities or public or private lenders, other governmental entities and quasi-governmental entities such as SCERA, CALPERS, Nationwide Retirement Solutions, funding from private entities, or any financing structure allowed by law.

~~APPENDIX A-3~~

~~ELIGIBLE PRODUCTS~~
~~[Spruce PACE FINANCING]~~

~~The WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County offers financing for a number of eligible equipment types, energy efficiency measures, solar systems, and other innovative, energy-saving and energy generation custom products for residential and commercial property owners.~~

~~Minimum energy efficiency specifications are set at EnergyStar, California Title 24 and Title 20, and WaterSense standards, among other equivalent rating agencies, as applicable. Efficiency standards will "ratchet-up" with EnergyStar, WaterSense, California Title 24 and Title 20 standards, or other new standards as may be appropriate and as agreed upon by WRCOG.~~

~~Any Solar PV system must be eligible for CSI or an equivalent utility rebate program unless the property is not connected to the electricity grid or such utility rebate program is not available.~~

~~Eligible Product List~~

~~In addition to the Product Eligibility Criteria listed below, all product specifications and installation quality must meet or exceed applicable local and state permitting, codes and health and safety standards. Pulled permits are required for many of the products below (if required by the local jurisdiction). All products must be installed per manufacturer's specifications.~~

~~Product Section~~	~~Product Category~~	~~Product Type~~	~~Eligibility Criteria~~	~~Maximum Term~~
~~Renewable Energy~~	~~Electric Vehicle Charging Station~~	~~Electric Vehicle Charging Station~~	~~1. Product must be a Level 2 charger with SAE J1772 standard charging plug.~~ ~~2. Product must be Underwriters Laboratory (UL) listed.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior tofunding.~~	~~10~~
~~Renewable Energy~~	~~Energy Storage~~	~~Advanced Energy Storage Systems~~	~~1. Product must meet the eligibility requirements outlined in the current California Self-Generation Incentive Program (SGIP) Handbook.~~ ~~2. System must be grid connected unless the property is not currently connected to the grid. System does not need to be interconnected attime of funding.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~10~~
~~Renewable Energy~~	~~Solar Photovoltaic~~	~~Solar Inverters~~	~~1. Product must be manufactured by vendor on Spruce's approved vendor list.~~ ~~2. A copy of the pulled permit or permit number must be submitted for this product prior tofunding.~~ ~~3. System must be grid connected unless the property is not currently connected to the grid. System does not need to be interconnected at time of funding.~~	~~20~~
~~Renewable Energy~~	~~Solar Photovoltaic~~	~~Solar Panels - With Monitoring~~	~~1. Product must be manufactured by vendor on Spruce's approved vendor. 2. A copy of the pulled permit or permit number must be submitted for this product prior to funding. 3. System must be grid connected unless the property is not currently connected to the grid. System does not need to be interconnected at time of funding. 4. To qualify for a 25-year term, a system must monitor performance.~~	~~30~~
~~Renewable Energy~~	~~Solar Photovoltaic~~	~~Solar Panels - Without Monitoring~~	~~1. Product must be manufactured by vendor on Spruce's approved vendor. 2. A copy of the pulled permit or permit number must be submitted for this product prior to funding. 3. System must be grid connected unless the property is not currently connected to the grid. System does not need to be interconnected at time of funding.~~	~~20~~
~~Renewable Energy~~	~~Solar Thermal~~	~~Solar Pool Heating~~	~~1. Product must have OG-100 Collector Certification by the Solar Rating and Certification Corporation (SRCC) or International Association of Plumbing and Mechanical Officials (IAPMO).~~	~~15~~

~~Product Section~~	~~Product Category~~	~~Product Type~~	~~Eligibility Criteria~~	~~Maximum Term~~
~~Renewable Energy~~	~~Solar Thermal~~	~~Solar Water Heating~~	~~1. System must have OG-300 System Certification by Solar Rating and Certification Corporation (SRCC) or International Association of Plumbing and Mechanical Officials (IAPMO). 2. System Solar Fraction (SF) must be ≥ 0.5 in property's climate zone. 3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~15~~
~~Renewable Energy~~	~~Wind Energy~~	~~Small Wind Turbine~~	~~1. Product must meet the eligibility requirements outlined in the current California Self-Generation Incentive Program (SGIP) Handbook.~~ ~~2. System must be installed to be grid connected unless the property is not currently connected to the grid. System does not need to be interconnected at time of funding.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior tofunding.~~	~~20~~
~~Energy Efficiency~~	~~HVAC~~	~~Air-Source Heat Pump~~	~~1. SEER ≥ 14.0, EER ≥ 11.0, and HSPF ≥ 8.0.~~ ~~2. Product must replace an existing product.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior tofunding.~~	~~15~~
~~Energy Efficiency~~	~~HVAC~~	~~Attic Fan~~	~~1. Product must have thermostat control. 15 Energy Efficiency HVAC Boiler 1. AFUE ≥ 85%.~~ ~~2. Only Natural Gas and Propane systems are eligible.~~ ~~3. Product must replace an existing product.~~ ~~4. A copy of the pulled permit or permit number must be submitted for this product prior tofunding.~~	~~20~~
~~Energy Efficiency~~	~~HVAC~~	~~Ceiling Fan~~	~~1. Product must be ENERGY STAR Certified.~~	~~10~~
~~Energy Efficiency~~	~~HVAC~~	~~Central Air Conditioner~~	~~1. SEER ≥ 14.0 and EER ≥ 11.0.~~ ~~2. Product must replace an existing product.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior tofunding.~~	~~15~~
~~Energy Efficiency~~	~~HVAC~~	~~Duct Insulation~~	~~1. R-value ≥ 6. 2. Per Title 24, total system leakage must be ≤ 15% of nominal system air flow prior to insulation.~~	~~20~~
~~Energy Efficiency~~	~~HVAC~~	~~Duct Replacement~~	~~1. Installation must comply with Title 24 Requirements.~~ ~~2. Final total system leakage must be ≤ 6% of nominal system air flow.~~ ~~3. Product must be insulated with R-value ≥ 6.~~ ~~4. Final total system leakage as a percent of nominal air flow must be submitted on the final invoice.~~	~~20~~

			~~5. Per Title 24, duct leakage test is required unless asbestos or other health/safety issues are present. Photo must be submitted to receive exemption.~~	

~~Product Section~~	~~Product Category~~	~~Product Type~~	~~Eligibility Criteria~~	~~Maximum Term~~
~~Energy Efficiency~~	~~HVAC~~	~~Duct Sealing~~	~~1. Installation must comply with Title 24 Requirements. 2. Final total system leakage must be ≤ 15% of nominal system air flow.~~ ~~3. Final total system leakage as a percent of nominal air flow must be submitted on the final invoice.~~ ~~4. Per Title 24, duct leakage test is required unless asbestos or other health/safety issues are present. Photo must be submitted to receive exemption.~~	~~20~~
~~Energy Efficiency~~	~~HVAC~~	~~Ductless Mini-Split~~	~~1. SEER ≥ 15.0 and HSPF ≥ 8.2.~~ ~~2. Product must replace an existing product.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~15~~
~~Energy Efficiency~~	~~HVAC~~	~~Evaporative Cooler~~	~~1. Product must be listed in the CEC Appliance Efficiency Database.~~ ~~2. Product must have separate ducting system, independent of the air conditioning and heating duct system.~~ ~~3. Product must be permanently installed through wall or on the roof. Window-installed product is not eligible.~~	~~10~~
~~Energy Efficiency~~	~~HVAC~~	~~Furnace~~	~~1. AFUE ≥ 90%, or AFUE ≥ 80% with ECM.~~ ~~2. Product must replace an existing product.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~15~~
~~Energy Efficiency~~	~~HVAC~~	~~Geothermal Heat Pump~~	~~1. Product must meet the criteria below:~~ ~~a. Closed Loop Water-to-Air: EER ≥ 14.1 and COP ≥ 3.3~~ ~~b. Open Loop Water-to-Air: EER ≥ 16.2 and COP ≥ 3.6~~ ~~c. Closed Loop Water-to-Water: EER ≥ 15.1 and COP ≥ 3.0~~ ~~d. Open Loop Water-to-Water: EER ≥ 19.1 and COP ≥ 3.4 e. DGX: EER ≥ 15.0 and COP ≥ 3.5.~~ ~~2. Product must replace an existing product.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~15~~
~~Energy Efficiency~~	~~HVAC~~	~~Heating and Air~~	~~1. SEER ≥ 14.0, EER ≥ 11.0, and AFUE ≥ 80% with ECM.~~	~~15~~

		~~Conditioning Package Unit~~	~~2. Product must replace an existing product.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	
~~Energy Efficiency~~	~~HVAC~~	~~Pellet Stove or Insert~~	~~1. Product must be on the List of EPA Certified Wood Stoves.~~	~~20~~
~~Energy Efficiency~~	~~HVAC~~	~~Programmable Thermostat Control~~	~~1. Product must be programmable.~~	~~15~~
~~Energy Efficiency~~	~~HVAC~~	~~Radiant Heating (Floor, Wall, Ceiling)~~	~~1. Distribution must be hydronic, not electric resistance.~~ ~~2. If installing a heat source, the heating equipment must comply with eligibility criteria.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~15~~
~~Energy Efficiency~~	~~HVAC~~	~~Ventilating Fans~~	~~1. Product must be ENERGY STAR Certified.~~	~~10~~
~~Energy Efficiency~~	~~HVAC~~	~~Whole House Fan~~	~~1. Product must be listed in the CEC Appliance Efficiency Database.~~ ~~2. Installation must comply with Title 24 Requirements.~~	~~15~~
~~Energy Efficiency~~	~~Insulation and Air Sealing~~	~~Air Sealing~~	~~1. Service must be performed to BPI and ASHRAE 62.2 guidelines.~~ ~~2. Final ACHn ≤ 0.5 OR overall infiltration reduction ≥ 35%.~~ ~~3. Final ACHn OR infiltration reduction percentage must be submitted on final invoice.~~	~~10~~
~~Energy Efficiency~~	~~Insulation and Air Sealing~~	~~Attic Insulation~~	~~1. R-value ≥ 38.~~ ~~2. Installation must comply with CEC QII Standards.~~	~~20~~
~~Energy Efficiency~~	~~Insulation and Air Sealing~~	~~Floor Insulation (over unconditioned space)~~	~~1. R-value ≥ 19.~~ ~~2. Installation must comply with CEC QII Standards.~~	~~20~~
~~Energy Efficiency~~	~~Insulation and Air Sealing~~	~~Foam Insulation - Attic/Roof~~	~~1. R-value ≥ 30. 2. Surface must be insulated with spray foam. 3. Space beneath insulation must be conditioned space. 4. Installation must comply with CEC QII Standards.~~	~~20~~
~~Energy Efficiency~~	~~Insulation and Air Sealing~~	~~Wall Insulation~~	~~1. R-value ≥ 13.~~ ~~2. Installation must comply with CEC QII Standards.~~	~~20~~
~~Energy Efficiency~~	~~Lighting~~	~~Indoor Lighting Fixtures~~	~~1. Product must be ENERGY STAR Certified.~~ ~~2. Product must be permanently installed.~~	~~10~~
~~Energy Efficiency~~	~~Lighting~~	~~Outdoor Lighting Fixtures~~	~~1. Product must be ENERGY STAR Certified.~~ ~~2. Product must be permanently installed.~~	~~10~~
~~Energy Efficiency~~	~~Pool Equipment~~	~~Automatic Pool Covers~~	~~1. Product must be an automatic (not manual) pool cover.~~	~~10~~

			~~2. Product must be Underwriters Laboratory (UL) listed.~~	
~~Energy Efficiency~~	~~Pool Equipment~~	~~Gas Pool Heater~~	~~1. Product must be listed in the CEC Appliance Efficiency Database.~~ ~~2. Thermal Efficiency ≥ 83%.~~ ~~3. Product must replace an existing product.~~ ~~4. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~10~~
~~Energy Efficiency~~	~~Pool Equipment~~	~~Pool Pump and Motor~~	~~1. Product must be ENERGY STAR Certified.~~ ~~2. Product must replace an existing product.~~	~~10~~

~~Product Section~~	~~Product Category~~	~~Product Type~~	~~Eligibility Criteria~~	~~Maximum Term~~
~~Energy Efficiency~~	~~Roofing and Siding~~	~~Cool Roof - Performance~~	~~1. If the roof does not qualify as a Prescriptive Cool Roof, then ONE of the following performance criteria must be met in order to qualify as a Performance Cool Roof:~~ ~~a. Eligible Attic Insulation is installed~~ ~~b. Eligible Duct Replacement is installed~~ ~~c. Eligible Duct Sealing and Duct Insulation is completed~~ ~~d. Eligible Radiant Barrier is installed~~ ~~e. 1" air-space is installed between top of roof deck and bottom of roofing product~~ ~~f. Insulation is installed above roof deck with R-value ≥ 4.~~ ~~2. Installation must comply with Title 24 Requirements.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~20~~
~~Energy Efficiency~~	~~Roofing and Siding~~	~~Cool Roof - Prescriptive~~	~~1. Product must meet ONE of the criteria below. Per Title 24, if Aged Solar Reflectance is not available, it can be calculated using the following equation: Aged Solar Reflectance = (0.7)*(Initial Solar Reflectance) + 0.06.~~ ~~a. Low-Slope roofs (roof pitch ≤ 2:12) must have an Aged Solar Reflectance ≥ 0.5.~~ ~~b. Steep-Slope roofs (roof pitch > 2:12) must have an Aged Solar Reflectance ≥ 0.15.~~ ~~2. Installation must comply with Title 24 Requirements.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~20~~
~~Energy Efficiency~~	~~Roofing and Siding~~	~~Exterior Coating~~	~~1. Product must have solar reflectance ≥ 0.5 as tested by recognized third-party laboratory using ASTM C1549- 09 test method.~~	~~20~~

~~Energy Efficiency~~	~~Roofing and Siding~~	~~Insulated Siding~~	~~1. R-Value ≥ 2. 20 Energy Efficiency Roofing and Siding Radiant Barrier 1. Emissivity ≤ 0.1 and Reflectivity ≥ 0.9.~~ ~~2. Product must be installed with an air space ≥ 1" on at least one side of the barrier.~~	~~20~~
~~Energy Efficiency~~	~~Water Heating~~	~~Electric Heat Pump Tank Water Heater~~	~~1. Product must be ENERGY STAR Certified.~~ ~~2. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~10~~
~~Energy Efficiency~~	~~Water Heating~~	~~Gas Storage Tank Water Heater~~	~~1. Product must be ENERGY STAR Certified.~~ ~~2. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~10~~
~~Energy Efficiency~~	~~Water Heating~~	~~Gas Tankless Water Heater~~	~~1. Product must be ENERGY STAR Certified.~~ ~~2. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~10~~
~~Energy Efficiency~~	~~Water Heating~~	~~Hot Water Tank Insulation~~	~~1. R-value ≥ 6. 2. Product must only be installed on water tank with R-value < 24.~~	~~20~~

~~Product Section~~	~~Product Category~~	~~Product Type~~	~~Eligibility Criteria~~	~~Maximum Term~~
~~Energy Efficiency~~	~~Water Heating~~	~~Pipe Insulation - Hot Water~~	~~1. R-value ≥ 3. 20 Energy Efficiency Water Heating Water Heat Recovery 1. Heat exchanger must transfer waste heat from drain to hot water tank or hot water delivery system.~~	~~10~~
~~Energy Efficiency~~	~~Windows and Doors~~	~~Applied Window Films~~	~~1. Product must be NFRC Certified.~~	~~10~~
~~Energy Efficiency~~	~~Windows and Doors~~	~~Doors~~	~~1. Product must meet the criteria below:~~ ~~a. Opaque Doors: U-Factor ≤ 0.21.~~ ~~b. ≤ 1/2-Lite Doors: U-Factor ≤ 0.27 and SHGC ≤ 0.30.~~ ~~c. > 1/2-Lite Doors: U-Factor ≤ 0.32 and SHGC ≤ 0.30.~~ ~~2. Product must replace an existing product.~~	~~20~~
~~Energy Efficiency~~	~~Windows and Doors~~	~~Exterior Shade Products~~	~~1. Each product must be permanently installed to provide shading to at least one window or door.~~ ~~2. Product must be installed on the West or South side of property.~~ ~~3. Qualifying equipment includes: awnings, exterior window shades, solar screens and patio covers.~~ ~~4. Other exterior structural elements are NOT eligible including, but not limited to sunroom enclosures, exterior decks, balconies, roof overhangs, and/or any freestanding structure.~~ ~~5. Interior window shades are NOT eligible.~~ ~~6. Product can ONLY be installed on properties located within California Building Climate Zones 2 and 6-16.~~	~~10~~

~~Energy Efficiency~~	~~Windows and Doors~~	~~Skylights and Tubular Daylighting Devices~~	~~1. U-Factor ≤ 0.55 and SHGC ≤ 0.30.~~	~~20~~
~~Energy Efficiency~~	~~Windows and Doors~~	~~Windows~~	~~1. U-Factor ≤ 0.32 and SHGC ≤ 0.30.~~ ~~2. Product must replace an existing product.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior tofunding.~~	~~20~~
~~Water Efficiency~~	~~Drought Tolerant Landscaping~~	~~Artificial Turf~~	~~1. Product must replace existing, living lawn or hardscape (e.g. asphalt/concrete driveway, patio).~~ ~~2. Product must be water-permeable.~~ ~~3. Product must be non-toxic and lead free (including any infill material).~~ ~~4. Product installation must carry a warranty ≥ 10 years.~~ ~~5. Artificial turf is not allowed in the following cities in Los Angeles County: Alhambra, Bellflower, Cerritos, Cudahy, Culver City, El Monte, Glendale, Monrovia, Montebello, Redondo Beach, San Gabriel, San Marino, West Hollywood, Westlake Village.~~	~~10~~
~~Water Efficiency~~	~~Drought Tolerant Landscaping~~	~~Permeable Ground Cover~~	~~1. Product must replace existing, living lawn or hardscape (e.g. asphalt/concrete driveway, patio).~~ ~~2. Product must be water-permeable.~~ ~~3. The following products qualify:~~ ~~a. Decomposed granite~~ ~~b. Pavers and patio stones with a minimum of 1/4" joint spacing~~ ~~c. Gravel/rock/boulders/stone~~ ~~d. Artificial Turf underlayment.~~ ~~4. Product depth must be at least 2".~~ ~~5. Plants, biodegradable material, and anyother products not listed do not qualify.~~	~~20~~
~~Water Efficiency~~	~~Indoor Water Efficiency~~	~~High-Efficiency Faucet Fitting~~	~~1. Product must be listed in the CEC Appliance Efficiency Database.~~ ~~2. Flow rate ≤ 1.5 GPM.~~ ~~3. Product must be permanently installed.~~	~~15~~
~~Water Efficiency~~	~~Indoor Water Efficiency~~	~~High-Efficiency Showerhead~~	~~1. Product must be listed in the CEC Appliance Efficiency Database.~~ ~~2. Flow rate ≤ 1.5 GPM.~~ ~~3. Product must be permanently installed.~~	~~10~~
~~Water Efficiency~~	~~Indoor Water Efficiency~~	~~Toilets~~	~~1. Product must be WaterSense Certified.~~	~~20~~
~~Water Efficiency~~	~~Indoor Water Efficiency~~	~~Water Delivery Systems~~	~~1. Product must meet the definition of one of the following water delivery options:~~ ~~a. Dedicated Recirculation Line~~ ~~b. Whole House Manifold System~~ ~~c. Demand-initiated Recirculating System~~ ~~d. Core Plumbing System.~~	~~15~~

			~~2. Installation cannot include any work on the sewage system or the city main.~~ ~~3. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	
~~Water Efficiency~~	~~Outdoor Water Efficiency~~	~~Drip Irrigation~~	~~1. Product must be installed in turf, garden, planter, or flower bed areas.~~	~~10~~
~~Water Efficiency~~	~~Outdoor Water Efficiency~~	~~Greywater Systems~~	~~1. Installation must comply with Chapter 16A of the California Plumbing Code.~~ ~~2. A copy of the pulled permit or permit number must be submitted for this product prior to funding.~~	~~15~~
~~Water Efficiency~~	~~Outdoor Water Efficiency~~	~~Rainwater Catchment Systems~~	~~1. Product must hold ≥ 50 gallons at one time.~~ ~~2. Product must be permanently installed.~~	~~10~~
~~Water Efficiency~~	~~Outdoor Water Efficiency~~	~~Weather-Based Irrigation Control Systems~~	~~1. Product must be WaterSense Certified.~~	~~10~~

~~APPENDIX C-6~~

~~RESIDENTIAL ASSESSMENT CONTRACT~~
~~Spruce PACE~~

~~Spruce PACE Program~~

~~ASSESSMENT CONTRACT (RESIDENTIAL)~~

~~This Assessment Contract (this "Contract") is made and entered into as of this <Date>, by and between the Western Riverside Council of Governments, a joint exercise of powers authority (the "Authority" or "WRCOG"), and the record owner(s), Joe Smith, (the "Property Owner"), of the fee title to the real property identified on Exhibit A (the "Property").~~

~~RECITALS~~

~~WHEREAS, the Authority is a joint exercise of powers authority the members of which include numerous cities and counties in the State of California; and~~

~~WHEREAS, the Authority has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the "Program") to allow the financing of certain renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure that are permanently fixed to real property (the "Authorized Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the California Streets & Highways Code ("Chapter 29") and the issuance of improvement bonds under the Improvement Bond Act of 1915 (California Streets and Highways Code Sections 8500 and following) (the "1915 Act") upon the security of the unpaid contractual assessments; and~~

~~WHEREAS, the Authority subsequently allowed SPRUCE PACE LLC to become an additional administrator of the Program (the "SPRUCE PACE Program"); and~~

~~WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner of each lot or parcel on which an assessment is levied at the time the assessment is levied pursuant to a contract between the property owner and the public agency; and~~

~~WHEREAS, the Authority has conducted the proceedings required by Chapter 29 with respect to the territory within the boundaries of the cities or County of Riverside (the "County") identified in Exhibit A and which has elected to participate in the Spruce PACE Program (the "Participating Entity"); and WHEREAS, the Property is located in the boundaries of the Participating Entity, and the Participating Entity has consented to (i) owners of property within its jurisdiction (the "Participating Property Owners") participating in the Spruce PACE Program and (ii) the Authority conducting assessment proceedings under Chapter 29 and issuing bonds under the 1915 Act to finance the Authorized Improvements; and~~

~~WHEREAS, pursuant to Chapter 29, the Authority and the Property Owner wish to enter into a contract pursuant to which the Property Owner would agree to pay an assessment in order to finance the installation on the Property of the Authorized Improvements described in **Exhibit A** (the "Improvements") and the Authority would agree to provide financing, all on the terms set forth in this Contract;~~

~~NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Property Owner and the Authority formally covenant, agree and bind themselves and their successors and assigns as follows:~~

~~AGREEMENT~~

~~**Section 1.** Purpose. The Property Owner and the Authority are entering into this Contract for the purpose of financing the installation of the Improvements identified on Exhibit A on the Property. The Authority will not finance installation of Improvements other than those listed on Exhibit A.~~

~~**Section 2.** The Property. This Contract relates to the real property identified on Exhibit A. The Property Owner has supplied to the Authority current evidence of its ownership of fee title to the Property and possesses all legal authority necessary to execute this Contract on behalf of the Property Owner.~~

~~**Section 3.** Contract to Pay Assessment; Prepayment~~

~~(a) Payment of Assessment. The Property Owner hereby freely and willingly agrees to pay the "Assessment," the amount of which shall be determined as provided in Section 3(b) below. The Authority will not provide financing in an amount in excess of the Assessment. Except as otherwise set forth in this Contract, the Assessment will be paid in the installments (each, an "Assessment Installment"). The schedule of estimated maximum annual Assessment Installments are set forth in paragraph (c) below. Interest will accrue on the Assessment at the interest rate set forth on Exhibit B beginning on the date on which the Authority issues bonds to finance the installation of the Improvements.~~

~~(b) The Assessment. The Assessment shall equal the total amount disbursed by the Authority to pay for (i) the Improvements identified on Exhibit A, plus (ii) all costs, fees and interest associated therewith as reflected on Exhibit B, which total amount is also known as the Actual Disbursement Amount (defined below). In no event, however, will the amount disbursed by the Authority exceed the Maximum Disbursement Amount set forth in Exhibit B.~~

~~(c) Schedule of Estimated Maximum Annual Assessment Installments. The following schedule of estimated maximum annual Assessment Installments is based upon the assumptions provided in Exhibit B hereto, including (without limitation) the Estimated Disbursement Amount, which is based upon the price of the initially selected Improvements identified in Exhibit A, which in turn provides the basis for calculating the associated costs, fees and interest appearing below and on Exhibit B.~~

~~**Tax Year* (commencing July 1)**~~	~~**Total Annual Payment****~~	~~**Interest Portion of Annual Payment*****~~
~~2017 – 2018~~		
~~2018 – 2019~~		
~~2019 – 2020~~		
~~2020 – 2021~~		
~~2021 – 2022~~		
~~2022 – 2023~~		
~~2023 – 2024~~		
~~2024 – 2025~~		
~~2025 – 2026~~		
~~2026 – 2027~~		

~~* The estimated initial Tax Year is based upon the Estimated Disbursement Date. The actual initial Tax Year will be based upon the actual disbursement date.~~
~~** Includes the annual Assessment Installments due in the Tax Year and current annual assessment administrative fee of $25.00 (subject to change).~~
~~*** This column includes annual interest and any prepaid interest if financed. Consult your tax advisor about potential tax deductibility and any other tax benefits.~~

~~**FOLLOWING THE DISBURSEMENT OF THE ACTUAL DISBURSEMENT AMOUNT, THE SPRUCE PACE PROGRAM ADMINISTRATOR WILL ADJUST THE ASSESSMENT AND THE ESTIMATED MAXIMUM ANNUAL ASSESSMENT INSTALLMENTS, IF NECESSARY, TO REFLECT THE ACTUAL ASSESSMENT BASED UPON THE ACTUAL DISBURSEMENT AMOUNT, THE ACTUAL DATE OF DISBURSEMENT AND THE ACTUAL AMOUNT OF INTEREST DUE AND PAYABLE BEFORE THE FIRST PAYMENT ADDED TO THE ACTUAL DISBURSEMENT AMOUNT. THE ACTUAL AMOUNT OF THE ASSESSMENT AND SCHEDULE OF ANNUAL ASSESSMENT INSTALLMENTS SHALL BE SPECIFIED IN THE "PAYMENT OF CONTRACTUAL ASSESSMENT REQUIRED" TO BE RECORDED BY WRCOG IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE.**~~

~~Upon receipt of the fully executed and final Completion Certificate (as described in the current version of the Spruce PACE Program Handbook, referred to herein as the "Handbook") the Authority shall calculate and disburse payments to those entitled to receive them (the "Actual Disbursement Amount") hereunder. If at any time after executing this Contract but before the Authority pays the Actual Disbursement Amount, the Property Owner changes the Improvements to be installed from those originally appearing on Exhibit A, but (i) the Improvement categories and the Improvement types do not change from those originally selected, and (ii) the "Revised Estimated Disbursement Amount" (which means the amount anticipated to be the Actual Disbursement Amount based on the changed Improvements) is less than or equal to the Estimated Disbursement Amount, the parties do not need to execute the Addendum described in Section 5 below, and this Contract shall remain unmodified and the Assessment shall be calculated as described above in this Section 3(c). If, however, any such change meets the provisions of Section 5 below, then an Addendum will be required.~~

~~(d) Administrative Expenses. The Property Owner hereby acknowledges and agrees that the Authority may add amounts to an annual installment of the Assessment in order to pay for the costs of collecting the Assessment (the "Additional Administrative Assessment").~~

~~(e) Prepayment of the Assessment. The Assessment may be prepaid, in whole or in any amount of at least $2,500, at any time upon the payment of (i) the whole or a portion of the unpaid principal component of the Assessment, (ii) and interest on the Assessment Prepayment Amount to the second business day of the second month following the date the prepayment is made.~~

~~(f) Absolute Obligation. The Property Owner hereby agrees that the Assessment will not be subject to reduction, offset or credit of any kind in the event that the bond or bonds secured thereby are refunded or for any other reason.~~

~~**Section 4.** Existing Mortgage Disclosure. The Program establishes the manner by which WRCOG may finance, pursuant to Chapter 29, the installation of Authorized Improvements, including the Improvements. The Improvements will be financed pursuant to this Assessment Contract between Property Owner andWRCOG.~~

~~BEFORE EXECUTING THIS ASSESSMENT CONTRACT, PROPERTY OWNER SHOULD CAREFULLY REVIEW ANY MORTGAGE AGREEMENT(S) OR OTHER SECURITY INSTRUMENT(S) WHICH AFFECT THE PROPERTY OR TO WHICH THE PROPERTY OWNER IS A PARTY. ENTERING INTO THIS ASSESSMENT CONTRACT WITHOUT THE CONSENT OF EXISTING LENDER(S) COULD CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH AGREEMENTS OR SECURITY INSTRUMENTS. DEFAULTING UNDER AN EXISTING MORTGAGE AGREEMENT OR SECURITY INSTRUMENT COULD HAVE SERIOUS CONSEQUENCES TO THE PROPERTY OWNER, WHICH COULD INCLUDE THE ACCELERATION OF THE REPAYMENT OBLIGATIONS DUE UNDER SUCH AGREEMENT OR SECURITY INSTRUMENT.~~

~~IN ADDITION, FANNIE MAE AND FREDDIE MAC, THE OWNERS OF A SIGNIFICANT PORTION OF ALL HOME MORTGAGES, STATED THAT THEY WOULD NOT PURCHASE HOME LOANS WITH ASSESSMENTS SUCH AS THOSE OFFERED BY WRCOG. THIS MAY MEAN THAT PROPERTY OWNERS WHO SELL OR REFINANCE~~

~~THEIR PROPERTY MAY BE REQUIRED TO PREPAY SUCH ASSESSMENTS AT THE TIME THEY CLOSE THEIR SALE OR REFINANCING.~~

~~If Property Owner's mortgage lender requires an impound for Property Owner's property taxes, Property Owner acknowledges that Property Owner should consider notifying such lender of the annual Assessment payment amount so such lender can adjust the Property Owner's impound amount to include the annual Assessment payment.~~

~~**Section 5.** Addendum. The parties agree to execute an addendum to this Contract (the "Addendum") if at any time after executing this Contract but before the Actual Disbursement Amount is released for disbursement: (i) the Improvement categories or the Improvement types change from those appearing in Exhibit A; (ii) the Revised Estimated SAMPLE Smith, Joe CA073000000 4 Disbursement Amount is greater than the Estimated Disbursement Amount but does not exceed the Maximum Disbursement Amount;or (iii) it becomes necessary to correct the name, capacity, title, party or clerical errors identified therein. In any such case, the Authority, or the Spruce PACE Program on behalf of the Authority, shall prepare an Addendum: (i) setting forth an accurate description of the Improvements installed; (ii) confirming that the Assessment does not exceed the Maximum Disbursement Amount; and (iii) as necessary, correcting the names, capacities, titles, parties and other clerical corrections appearing in the original documentation comprising this Contract. The Authority, or the Spruce PACE Program on behalf of the Authority, shall prepare and provide such Addendum to the Property Owner for review and signature. Once signed by the Property Owner, the Authority shall execute the Addendum, which shall become part of, and be incorporated into, this Contract as if it originally appeared therein.~~

~~**Section 6.** Collection of Assessment; Lien. The Assessment, the interest and penalties thereon as a result of a delinquency in the payment of any installment of the Assessment, and the Additional Administrative Assessment shall constitute a lien against the Property until they are paid and shall be collected and shall have the lien priority as set forth in Chapter 29.~~

~~The Property Owner acknowledges that if any Assessment Installment is not paid when due, the Authority has the right to have such delinquent Assessment Installment and its associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Property for the payment of the delinquent installments, associated penalties and interest, and all costs of suit, including attorneys' fees. The Property Owner acknowledges that, if bonds are sold to finance the Improvements, the Authority may obligate itself, through a covenant with the owners of such bonds, to exercise its judicial foreclosure rights with respect to delinquent Assessment Installments under circumstances specified in such covenant.~~

~~**Section 7.** Financing of the Improvements.~~

~~(a) Contract to Finance Improvements. The Authority hereby agrees to use the Assessment, together with the Additional Administrative Assessment, to finance the Improvements, including the payment of the Authority's reasonable costs of administering the Spruce PACE Program, subject to the Property Owner's compliance with the conditions for such financing established by the Authority.~~

~~(b) Assessment Installments. The Property Owner agrees to the issuance of bonds by the Authority to finance the installation of the Improvements. The interest rate used to calculate the Assessment Installments set forth in Section 3(c) of this Contract is identified on Exhibit B. If the Authority determines in its reasonable discretion that the Assessment Installments may be reduced because the applicable interest rate on the bonds issued to finance installation of the Improvements is lower than the interest rate specified in Exhibit B, or if the cost of the Improvements, as shown in a final invoice provided to the Authority by the Property Owner, isless~~

~~than the amount shown on Exhibit B, then, concurrently with the disbursement of funds to the Property Owner, the Authority may provide the Property Owner with a schedule of annual Assessment Installments that provides for annual installments that are less than those set forth in the attached Exhibit B.~~

~~**Section 8.** Multiple Contractors and Improvements. Notwithstanding anything to the contrary in this Contract, if the Property Owner engages one or more contractors (each, a "Contractor," which term includes any designee thereof) to install more than one Improvement, the installation of which Improvements will not be completed simultaneously, the Property Owner and the Authority agree as follows:~~

~~a. Upon receipt of the initial Completion Certificate from a Contractor and the Property Owner (the "First Installation Completion Certificate") acknowledging installation of the first type or category of Improvements, then:~~

~~i. The "Investor" (which means any person or entity who has entered into an agreement with the Authority to purchase bonds under the Program) shall deposit the Actual Disbursement Amount with the municipal trustee for the Program;~~

~~ii. The Authority shall cause bonds to be issued and sold to the Investor in the amount equal to the Actual Disbursement Amount deposited with such municipal trustee;~~

~~iii. The Authority shall cause all instruments, documents and agreements described in Section 10 of this Contract to be recorded;~~

~~iv. The Authority shall cause the amount reflected in the First Installation Completion Certificate to be disbursed to the Contractor who installed such Improvements; and~~

~~v. The Authority shall cause all administrative, recording and other fees described on line 6 of Exhibit B to be paid.~~

~~b. Upon receipt of a subsequent Completion Certificate from the Property Owner and the Contractor (each, a "Subsequent Installation(s) Completion Certificate") acknowledging installation of the subsequent types or categories of Improvements, the Authority shall cause the municipal trustee for the Program to disburse amount(s) reflected in each such Subsequent Installation Completion Certificate to the Contractor who installed such Improvements.~~

~~c. Upon receipt of the final Completion Certificate from the Contractor and the Property Owner (the "Final Installation Completion Certificate") acknowledging installation of the final types or categories of Improvements, then:~~

~~i. The Authority shall cause the amount reflected in such Final Installation Completion Certificate to be disbursed to the Contractor who installed such Improvements; provided, however, that:~~

~~1. If the remaining balance of the Actual Disbursement Amount the Investor has deposited with the municipal trustee exceeds the amount reflected in the Final Installation Completion Certificate, the Authority shall cause such excess to be applied, at the discretion of the Investor, (i) to the Property Owner's next assessment payment due under this Contract, or (ii) to the reduction of the outstanding balance of the Assessment determined in accordance with Sections 3 and 5 of this Contract; or~~

~~2. If the remaining balance of the Actual Disbursement Amount the Investor has deposited with the municipal trustee is less than the amount reflected in the Final~~

~~Installation Completion Certificate, the Property Owner shall be individually responsible for paying such difference to the applicable Contractor, and such payment shall be excluded from the Assessment under this Contract.~~

~~d. If for any reason any one or more of the categories or types of Improvements planned to be installed under this Section 8 is not installed by the expiration date reflected in the Notice to Proceed, then the Investor shall have the option to declare the financing of the Improvements complete, in which case the municipal trustee shall be notified to apply any remaining balance of the Actual Disbursement Amount held by such municipal trustee to reduce the Property Owner's outstanding Assessment.~~

~~**Section 9.** Term: Contract Runs with the Land: Subdivision.~~

~~(a) Except as otherwise set forth in this Contract, this Contract shall expire upon the final payment or prepayment of the Assessment.~~

~~(b) This Contract establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land pursuant to Civil Code Section 1462.~~

~~(c) In the event the Property is subdivided while the Assessment remains unpaid, the Assessment will be assigned to the newly-created parcel on which the Improvements are located. If the Improvements no longer exist, the Assessment will be assigned to each of the newly-created parcels on a per-acre basis, unless the Authority, in its sole discretion, determines that the Assessment should be allocated in an alternate manner.~~

~~**Section 10.** Recordation of Documents. The Property Owner hereby authorizes and directs the Authority to cause to be recorded in the office of the County Recorder the various notices and other documents required by Chapter 29 and other applicable laws to be recorded against the Property.~~

~~**Section 11.** Notice. To the extent required by applicable law, the Property Owner hereby agrees to provide written notice to any subsequent purchaser of the Property, including any subdivision of the Property, of the obligation to pay the Assessment pursuant to this Contract.~~

~~**Section 12.** Waivers, Acknowledgment and Contract. Because this Contract reflects the Property Owner's free and willing consent to pay the Assessment following a noticed public hearing, the Property Owner hereby waives any otherwise applicable requirements of Article XIIID of the California Constitution or any other provision of California law for an engineer's report, notice, public hearing, protest or ballot.~~

~~The Property Owner hereby waives its right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority undertaken in connection with the Spruce PACE Program. The Property Owner hereby agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Improvements. The Property Owner hereby acknowledges that the Property will be responsible for payment of the Assessment regardless of whether the Improvements are properly installed, operated or maintained as expected.~~

~~The Property Owner hereby agrees that the Authority is entering into this Contract solely for the purpose of assisting the Property Owner with the financing of the installation of the Improvements, and that the Authority and the Participating Entity have no responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing or maintenance of the Improvements. Based upon the foregoing, the Property Owner hereby waives the right to recover from and fully and irrevocably releases the Authority, the Participating Entity and any and all agents, employees, attorneys, representatives and successors and assigns of the Authority and the Participating Entity from any and all losses, liabilities, claims, damages~~

~~(including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), relating to the subject matter of this Contract that the Property Owner may now have or hereafter acquire against the Authority, the Participating Entity and any and all agents, employees, attorneys, representatives and successors and assigns of the Authority or the Participating Entity.~~

~~To the extent that the foregoing waivers and agreements are subject to Section 1542 of the California Civil Code or similar provisions of other applicable law, it is the intention of the Property Owner that the foregoing waivers and agreements will be effective as a bar to any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), of whatever character, nature and kind, known or unknown, suspected or unsuspected, and Property Owner agrees to waive any and all rights and benefits conferred upon the Property Owner by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law. Section 1542 reads as follows:~~

> ~~"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."~~

> ~~By initialing below, the Property Owner agrees to waive the provisions of Section 1542 in connection with the matters that are the subject of the foregoing waivers and releases. The waivers, releases and agreements set forth in this Section 12 shall survive termination of this Contract.~~

~~**Section 13.** Dispute Resolution Procedures~~

~~Dispute Resolution Procedures~~

~~IMPORTANT – PLEASE READ THIS DISPUTE RESOLUTION PROVISION CAREFULLY AND ENTIRELY. IT IS PART OF THIS CONTRACT AND WILL HAVE A SUBSTANTIAL IMPACT ON THE WAY YOU AND THE AUTHORITY MAY RESOLVE ANY DISPUTES NOW OR IN THE FUTURE. IT CONTAINS A JURY TRIAL WAIVER, PROCEDURES FOR DISPUTE RESOLUTION AND A CLASS OR REPRESENTATIVE ACTION WAIVER.~~

~~A. Arbitration and Class or Representative Action Waiver.~~

~~1. Before asserting a Dispute in any proceeding Property Owner ("Property Owner") and Authority agree that they shall engage in good faith attempt to resolve the claim.~~

~~2. Any claim, dispute, or controversy (together, any "Dispute") arising out of or relating in any way to this Contract, the Spruce PACE Program or any communication or agreement related to the Spruce PACE Program, and/or any financing of products extended to you through the Spruce PACE program shall be resolved by binding arbitration on an individual basis under the terms of the agreement to arbitrate set forth herein. The issues to be arbitrated shall also include, and the arbitrator shall decide, any issues relating to the making, validity, enforceability, and scope of this Arbitration Agreement. Nothing in sub-part A shall be construed to prejudice the right of either party to obtain such provisional relief or remedies as shall otherwise be available judicially pending appointment of the arbitrator or to bring their Dispute in small claims court on an individual basis.~~

~~3. For purposes of sub-parts A and B, you agree that: (a) "Authority" means and includes the Authority or WRCOG, any of WRCOG's parents, subsidiaries, affiliates, agents, privities, employees, predecessors, successors, assigns, contractors and sub-contractors and (b) "Property Owner" includes any successor in interest to the Property. In addition, this agreement to arbitrate will also inure to the benefit of any~~

~~third party named as a co-defendant or co-respondent with the Authority (as defined herein) or whose conduct is challenged by you in a Dispute which is otherwise subject to this dispute resolution clause including without limitation any Contractor, Investor, Participating Entity, Spruce PACE, LLC, ("Spruce PACE"), Spruce Lending, Inc., ("Spruce Lending"), or Kilowatt Systems, LLC, ("Kilowatt"), 2900 North Loop West, 3rd Floor, Houston, TX 77092 and any of their parents, subsidiaries, affiliates, agents, privities, employees, predecessors, successors, assigns, contractors and sub-contractors~~

~~4. PROPERTY OWNER AND AUTHORITY HEREBY WAIVE THEIR CONSTITUTIONAL AND STATUTORY RIGHTS TO GO TO COURT AND HAVE A TRIAL IN FRONT OF A JUDGE OR A JURY, instead electing that all claims and disputes shall be resolved by arbitration under this Dispute Resolution Provision.~~

~~5. The arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules (the "Rules") in effect at the time the arbitration is brought. Information about JAMS and a copy of the JAMS Streamlined Arbitration Rules can be obtained from JAMS at https://www.jamsadr.com/rules-streamlined-arbitration. Any Dispute shall be resolved by a single arbitrator selected by the parties within (30) days of the commencement of the arbitration in accordance with the criteria set forth herein. The arbitrator shall be selected from the JAMS panel of neutrals then active on the roster maintained by the JAMS office located nearest to where you reside at the time arbitration is commenced and the arbitrator shall be a retired federal judge, a retired state appellate judge, or a retired state trial judge, which state trial judge shall have had 10 or more years of judicial experience. In the event that the parties do not agree on the identity of the arbitrator, JAMS shall appoint an arbitrator in accordance with the Streamlined Rules and thesecriteria.~~

~~6. In the event that JAMS is unable or unwilling to administer any arbitration arising under this agreement to arbitrate, then the arbitration shall be administered by the American Arbitration Association ("AAA") before a single arbitrator and under the AAA's Consumer Arbitration Rules in effect at the time the arbitration is brought as modified by this agreement to arbitrate. Information about the arbitration process can be obtained from the AAA at www.adr.org. or (800) 778-7879. In the event AAA refuses or is otherwise unable to administer the arbitration, the arbitration shall be administered by another reputable arbitration service provider agreed to by the parties or, in the event that no agreement is reached, the arbitration service provider shall be selected by a judge of any court of competent jurisdiction. In the event that AAA, or another arbitration service, administers the arbitration, the arbitrator selected can, but need not be, from the JAMS roster but otherwise shall meet the qualifications set forth in paragraph 5, immediately above.~~

~~7. All in-person hearings and conferences in the arbitration shall take place at a locale within the federal judicial district in which you reside at the time the arbitration is commenced, unless Property Owner and Authority agree otherwise.~~

~~8. This Arbitration Agreement is made pursuant to a transaction involving interstate commerce. The arbitrator shall apply the Federal Arbitration Act (9 U.S.C. §§1-16) (the "FAA"), and no state law governing arbitration shall govern this agreement to arbitrate or any issues relating to the enforcement of the arbitration agreement or the arbitrability of Disputes between the parties.~~

~~9. Subject to and without limiting Paragraph 6, in conducting the arbitration and rendering its award, the arbitrator shall apply: (a) the rules of the applicable arbitration service provider identified in Paragraph 5, immediately above, and (b) rules of decision governing the substance of the underlying Dispute. For purposes of sub-part b of this Paragraph, the arbitrator shall apply as rules of decision: (x) federal law (to the extent that the underlying Dispute arises under federal law) and/or (y) the law of the state where the property is located without reference to that state's choice of law rules (to the extent the substance of the underlying dispute does not arise under federal law). The arbitrator shall honor claims of privilege and shall apply statutes of limitations as recognized under applicable law.~~

~~10. Each party shall bear the expense of its own counsel, experts, witnesses and preparation and presentation of proofs. Upon request, Authority will pay your portion of the fees and expenses of the arbitrator and administrative fees and expenses of the arbitration imposed by the arbitrator or pursuant to the rules of the arbitration service provider.~~

~~11. The arbitrator shall have the authority to award monetary damages and may grant any non-monetary remedy or relief, including injunctive relief that is available under applicable law and rules of the arbitration service provider. The arbitrator will have no authority to award consequential damages, indirect damages, treble damages or punitive damages, or any monetary damages not measured by the prevailing party's economic damages, unless such an award is expressly authorized under applicable law. The arbitrator will have no authority to award attorney's fees except authorized by law (such as where a party brings a claim under a statute that provides for attorney's fees to be awarded to the prevailing party) in which case such attorney's fees and costs will be available to the claimant or respondent on the same basis as if the Dispute were venued in a court of law. For avoidance of doubt, fees awarded pursuant to fee shifting authorized by law shall not include the fees of the arbitrator or any administrative fee imposed by the arbitration service provider. The arbitrator shall issue a written award and statement of decision describing the essential findings and conclusions on which the award is based. The award of the arbitrator is final and binding upon the Property Owner andWRCOG.~~

~~12. **THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY DISPUTES WITHIN THE SCOPE OF THIS ARBITRATION PROVISION TO BE ARBITRATED ON A CLASS OR REPRESENTATIVE BASIS OR FOR CLAIMS TO BE ARBITRATED OR LITIGATED JOINTLY OR CONSOLIDATED WITH THE DISPUTES OF ANY OTHER PROPERTY OWNERS.**~~

~~13. Any state or federal court with jurisdiction and venue may enter an order enforcing this agreement to arbitrate, enter judgment upon the arbitrator's award and/or take any action authorized under the FAA.~~

~~14. If any part or parts of this agreement to arbitrate are found to be invalid or unenforceable by a decision of a court of competent jurisdiction, then such specific part or parts shall be of no force or effect and shall be severed, but the remainder of this agreement to arbitrate shall continue in full force and effect. If, however, the waiver of rights to participate in class, representative or consolidated proceedings or to arbitrate injunctive relief claims is finally determined to be invalid, unenforceable, , then part A of this agreement to arbitrate shall be of no force or effect.~~

~~15. You may opt out of Arbitration by sending us written notice within 15 days of the date of this contract stating that you wish to "opt out of the agreement to arbitrate disputes." Your written notice must be signed by all Property Owners (including successors in ownership to the signatories below).~~ ~~**The opt-out notice should be sent to the following address: Spruce PACE Program 2900 North Loop West, 3rd Floor, Houston TX 77092. (You should retain a copy of your opt-out notice and evidence of mailing or delivery). An opt-out notice is only effective if it is signed by you and sent to us within 15 days (as provided above).**~~ ~~I agree that indicating my desire to opt-out of this agreement to arbitrate in any manner other than as provided above is insufficient notice. By opting-out you will not be subject to arbitration.~~ ~~**HOWEVER, TO FULLEST EXTENT PERMITTED BY LAW, YOU AGREE TO WAIVE ANY RIGHT TO A JURY TRIAL CONCERNING ANY DISPUTE BETWEEN YOU AND SPRUCE REGARDLESS OF WHETHER YOU OPT OUT OF ARBITRATION**~~. ~~However, your decision to opt out of this Arbitration Provision will not have any other effect on this Contract.~~

~~16. Survival of Agreement. This agreement to arbitrate shall survive the termination of this Contract.~~

~~17. Small Claims Court. Notwithstanding the foregoing, either Property Owner or Authority may bring an individual action in small claims court.~~

~~**B. California Judicial Reference Proceeding (California-Related Property Owners Only).**~~

~~1. This sub-part B applies only to a "California-Related Property Owner." You are a California-Related Property Owner if you are a California resident at the time you enter into this Contract, your property is located in California, or you file suit against Authority in California.~~

~~2. To the extent that a California-Related Property Owner opts out of arbitration or (a) his or her agreement to arbitrate claims for injunctive relief is deemed unenforceable or (b) his or her wavier of the right to participate in class, representative or consolidated proceedings are deemed unenforceable, then any claim, dispute, or controversy (together, any "dispute") arising out of or relating in any way to this Contract, the Spruce PACE Program or any communication or agreement related to the Spruce PACE Program, and/or any financing of products extended to you through the Spruce PACE program shall be resolved pursuant to the provisions for reference and trial by referee (without jury) set forth in California Code of Civil Procedure Section 638 et seq., as expressly modified by the provisions hereof (a "Reference Action").~~

~~3. The referee ("Referee") shall be a retired federal judge, a retired state appellate judge, or a retired state trial judge, which state trial judge shall have had 10 or more years of judicial experience. The Referee shall be appointed who is either (i) agreed to by the parties within (30) days of notice by any party to the others of the intention to invoke this judicial reference agreement to resolve the dispute, or (ii) failing such agreement, is appointed pursuant to California Code of Civil Procedure Section 640. The parties agree that an action to obtain appointment of referee may be commenced in the Superior Court of California in and for the county of Property Owner's residence at the time the Property Owner entered into this Contract or for the county in which the property is located. The parties hereto agree that any party may (and, if necessary, the other party shall join in such filing) file with the Clerk of the appropriate Superior Court, and/or with the appropriate judge of such Court, any and all petitions, motions, applications or other documents necessary to obtain the appointment of such a Referee.~~

~~4. Property Owner and Authority agree that said Referee shall be appointed for all purposes (including, without limitation, (x) ruling on any and all discovery matters and motions and any and all pretrial or trial motions, (y) setting a schedule of pretrial proceedings, and (z) making any other orders or rulings a sitting judge of the Superior Court would be empowered to make in any action or proceeding in the Superior Court). Any matter before the Referee shall be governed by the substantive law of California including its choice of law rules except as otherwise specifically agreed by the parties and approved by the Referee. The parties intend this general reference agreement to be specifically enforceable in accordance with the California Code of Civil Procedure. Any appeal or writ review of the decisions of the Referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of a Superior Court. The Referee shall in his/her statement of decisions set forth his/her findings of fact and conclusions of law.~~

~~5. Pursuant to California Code of Civil Procedure 2016.030, Property Owner and Authority agree that discovery shall be conducted in accordance with the JAMS Streamlined Arbitration Rules identified in sub-part A, above, however the Referee retains discretion, for good cause shown by noticed motion, to require additional discovery. It is the parties' intention and the parties and the Referee shall use their best efforts to be certain that (i) the exchange of documents contemplated in the Streamlined Rules be completed no later than two months from the date (the "Referee Date") the Referee is appointed (whether by stipulation or by the Court), and (ii) trial be set on a date that is within six months after the Referee Date. Property Owner and Authority agree that motions for summary judgment or summary adjudication may be heard on thirty days' notice.~~

~~6. Nothing in this judicial reference clause shall prejudice the right of either party to obtain provisional relief or other equitable remedies as shall otherwise be available judicially pending reference of a Dispute to a Referee.~~

~~By initialing below, the Property Owner acknowledges and agrees to the terms set forth in Sections 4, 12 and 13 above.~~

NAME Initials:	____	Initials:	____
Initials:	____	Initials:	____

~~**Section 14.** Indemnification. The Property Owner agrees to indemnify, defend, protect, and hold harmless the Authority, the Participating Entity and any and all agents, employees, attorneys, representatives and successors and assigns of the Authority or the Participating Entity, from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with (i) the Property Owner's participation in the Spruce PACE Program, (ii) the Assessment, (iii) the Improvements, or (iv) any other fact, circumstance or event related to the subject matter of this Contract, regardless of whether such losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) accrue before or after the date of this Contract.~~

~~The provisions of this Section 14 shall survive the termination of this Contract.~~

~~**Section 15.** Right to Inspect Property. The Property Owner hereby grants the Authority, its agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the Improvements. The Property Owner further hereby grants the Authority, its agents and representatives the right to examine and copy any documentation relating to the Improvements.~~

~~**Section 16.** Carbon Credits. The Property Owner hereby agrees that any carbon credits attributable to the Improvements shall be owned by the Authority.~~

~~**Section 17.** Spruce PACE Program Application. The Property Owner hereby represents and warrants to the Authority that the information set forth in the Spruce PACE Program Application submitted to the Authority in connection with Property Owner's request for financing is true and correct as of the date hereof, and that the representations set forth in the Spruce PACE Program Application with respect to the Property and the Property Owner are true and correct as of the date hereof as if made on the datehereof.~~

~~**Section 18.** Amendment. Except as set forth in Section 3 or as provided for in Exhibit A pertaining to a fully executed and final Completion Certificate, this Contract may be modified only by an Addendum (as provided in Section 5) or other written agreement of the Authority and the PropertyOwner.~~

~~**Section 19.** Binding Effect; Assignment. This Contract inures to the benefit of and is binding upon the Authority, the Property Owner and their respective successors and assigns. The Authority has the right to assign any or all of its rights and obligations under this Contract without the consent of the Property Owner. The obligation to pay the Assessment set forth in this Contract is an obligation of the Property and no agreement or action of the Property Owner will be competent to impair in any way the Authority's rights, including, but not limited to, the right to pursue judicial foreclosure of the Assessment lien or the right to enforce the collection of the Assessment or any installment thereof against the Property.~~

~~**Section 20.** Exhibits. Exhibits A and B attached to this Contract are incorporated into this Contract by this reference as if set forth in their entirety in this Contract.~~

~~**Section 21.** Severability. If any provision of this Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Contract.~~

~~**Section 22.** Corrective Instruments. The Authority and the Property Owner agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required in order to carry out the expressed intention of this Contract.~~

~~**Section 23.** Governing Law: Venue. This Contract is governed by and construed in accordance with the laws of the State of California. Any legal action brought under this Contract must be instituted in the Superior Court of the County of Riverside, State of California.~~

~~**Section 24.** Counterparts. This Contract may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument. Section 25. Monitoring and Recording of Telephone Calls. The Spruce PACE Program may monitor and/or record telephone calls for security and customer service purposes. By agreeing to this Assessment Contract the Property Owner agrees to have their telephone calls with the Spruce PACE Program monitored and/or recorded.~~

~~**Section 26.** Contract Documents. Property Owner understands and acknowledges that the entire agreement between Property Owner and WRCOG includes each and every document specified in the List of Documents contained in Exhibit B to this Contract (together, the "Contract Documents").~~

~~By executing this Contract Property Owner acknowledges and agrees that:~~

~~a. Property Owner has had sufficient time to review and has reviewed each of the Contract Documents and has had the opportunity to ask any questions to WRCOG that the Property Owner may have regarding such Contract Documents.~~

~~b. Property Owner has reviewed, understands and agrees to each and every additional requirement and term contained in Appendix B to the Spruce PACE Program Handbook (the "Handbook").~~

~~c. Property Owner has reviewed, understands, agrees to and affirms each and every representation and warranty contained in the Property Owner's application and the Handbook.~~

~~**Prior to executing this Assessment Contract, I have read and understand (a) the Property Owner's Acknowledgments and Disclosures contained in (a) the Application, (b) this Assessment Contract, (c) the Privacy Notice and (d) the Handbook.**~~

~~**Owner(s) must execute and return this Contract to WRCOG at the address set forth in the "Notice Information" section of Exhibit A hereto so that it is received by WRCOG not later than DATE. If the Property Owner fails to return the signed Assessment Contract to WRCOG by the indicated date the Spruce PACE Program reserves the right to require the Property Owner to enter into a new Contract. All signatures of the Property Owner must be notarized by a duly licensed notary unless the Property Owner has previously successfully completed the identity verification process approved by WRCOG.**~~

~~**IN WITNESS WHEREOF**, the Authority and the Property Owner have caused this Contract to be executed in their respective names by their duly authorized representatives, all as of the Effective Date. The "Effective Date" is defined as the last date entered with the signatures of the parties below.~~

Owner 1:

____
<NAME>, Signature
Date:____________________________________
Month/Day/Year

WRCOG: Executive Director and/or his or her designee:

____
Name (Please Print)

____________________________________ ____________________________________
WRCOG Signature Date of Execution by WRCOG

~~EXHIBIT A~~

~~DESCRIPTION OF PROPERTY, DESCRIPTION OF THE PRODUCTS, AND NOTICE INFORMATION~~

~~**Description of Property:**~~

~~Property Owner Name(s): <NAME>~~

~~Property Address: <ADDRESS>~~

~~APN: xxx-xxx-xxx-xxx~~

~~Participating Entity: City of San Diego~~

~~County: San Diego~~

~~**Description of Products:**~~

~~**PRODUCT #1**~~
~~Product Category Type: Heating, Cooling & Ventilation - Air Conditioner~~

~~Or similar energy efficient product which is allowed under the Spruce PACE Program Guide.~~

~~All terms set forth in the fully executed and final Completion Certificate shall supersede and take precedence over any term in this Exhibit A that conflicts with, is not covered by, or is otherwise contrary to, the terms set forth in such Completion Certificate, and such Completion Certificate shall become part of, and be incorporated into, this Exhibit A as if they originally appeared therein.~~

~~**Notice Information:**~~

~~Western Riverside Council of Governments~~
~~Attn: Spruce PACE Program Manager~~
~~3390 University Avenue, Suite 450~~
~~Riverside, CA 92501~~

~~Joe Smith~~
~~[Address]~~
~~[City, State, Zip]~~

~~EXHIBIT B~~

~~LIST OF CONTRACT DOCUMENTS, DISBURSEMENT, AND ASSUMPTIONS APPLICABLE TO THE SCHEDULE OF ESTIMATED MAXIMUM ANNUAL ASSESSMENT INSTALLMENTS~~

~~List of Contract Documents:~~

~~The Contract shall consist of the following documents:~~

- ~~This Contract and the exhibits hereto;~~
- ~~Any Addendum entered into pursuant to Section 5 hereto;~~
- ~~The Right to Cancel;~~
- ~~The Completion Certificate or, pursuant to Section 8, each applicable Completion Certificate;~~
- ~~The Assessment Cost and Payment Summary;~~
- ~~The Notice of Assessment;~~
- ~~The Payment of Contractual Assessment Required;~~
- ~~The Spruce Program Handbook, current version; and~~
- ~~The Spruce PACE Program website located at https://www.sprucefinance.com/pace.~~

~~Disbursement Amounts:~~

~~The "Maximum Disbursement Amount" under this Contract is $__________, which means that WRCOG shall not disburse any amount that exceeds this figure. The "Estimated Disbursement Amount" under this Contract is $<TOTAL ASSESSMENT AMT>, which is based upon the Improvements and pricing set forth in this Contract. The Estimated Disbursement Date is <DATE>, which date is used in the table in Section 3(c) of the Contract.~~

~~Assumptions Applicable to the Schedule of Estimated Maximum Annual Assessment Installments:~~

~~The schedule of the estimated maximum Annual Assessment Installments provided in Section 3(c) of the Contract is based on the following assumptions:~~

~~1. WRCOG disburses the Estimated Disbursement Amount to Owner.~~

~~2. Interest totaling a maximum of $<CAP I> will accumulate until September 2nd of the year in which you make your first assessment payment, in accordance with the Improvement Bond Act of 1915. That amount will be added to Owner's Estimated Disbursement Amount.~~

~~3. WRCOG disburses to Owner on the Estimated Disbursement Date.~~

~~4. The Assessment Interest Rate is <RATE>%.~~

~~5. The Annual Percentage Rate (APR) of your assessment is <APR>%. The APR is your costs over the term expressed as a rate. This is not your interest rate.~~

~~6. The total administrative fees, recording fees and annual assessment added to your assessment is $<FEES>.~~

~~Prepayment:~~

~~You have a right to pay off your assessment lien amount at any time in full, or in any amount of at least $2,500 pursuant to Section 3(e) of the Assessment Contract. However, if you do so, you will have to pay the principal amount of the assessment to be prepaid ("Assessment Prepayment Amount") and interest on the Assessment Prepayment Amount to the second business day of the second month following the date the prepayment is made.~~

[NAME]
[ID No.]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

Property Owner

STATE OF California }ss.
COUNTY OF_________________}
On________________, before me,____, Notary Public,
personally appeared____,
who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

Signature____ (This area for official notarial seal)

~~MEMORANDUM AGREEMENT OF ASSESSMENT CONTRACT~~

~~THIS MEMORANDUM AGREEMENT OF ASSESSMENT CONTRACT is entered into as of <DATE>, between the Western Riverside Council of Governments, a joint exercise of powers of authority (the "Authority") and Joe Smith, (individually and collectively the "Property Owner"), the record owner(s) of the fee title to the real property identified on Exhibit A (the "Property") and constitutes a binding contract of the parties hereto.~~

~~1. uthority has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the "Program") to allow financing of certain renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure that are permanently fixed to real property (the "Authorized Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the California Streets & Highways Code ("Chapter 29") and the issuance of improvement bonds under the Improvement Bond Act of 1915 (California Streets and Highways Code Sections 8500 and following) (the "1915 Act") upon the security of the unpaid contractual assessments.~~

~~2. Authority subsequently allowed SPRUCE PACE LLC to become an additional administrator of the Program (the "SPRUCE PACE Program").~~

~~3. The Authority and the Property Owner are executing in connection herewith, that certain Spruce PACE Program Assessment Contract dated as of the date hereof (the "Assessment Contract").~~

~~4. The Property Owner hereby freely and willingly agrees to pay the assessment (the "Assessment") as provided in Exhibit B to the Assessment Contract plus interest and the Additional Administrative Assessment as provided in the Assessment Contract. The Assessment shall equal the total amount disbursed by the Authority to pay for (i) the Improvements identified on Exhibit A to the Assessment Contract, plus (ii) all costs, fees and interest associated therewith as reflected on Exhibit B to the Assessment Contract, which total amount is also known as the Actual Disbursement Amount (defined below).~~

~~5. Upon receipt of the fully executed and final Completion Certificate, as described in the current version of The Spruce PACE Program Handbook (referred to herein as the "Handbook"), the Authority shall calculate and disburse payments to those entitled to receive them (the "Actual Disbursement Amount") hereunder subject to such revisions as are agreed to pursuant to the Assessment Contract and subject to any Addendum to the Assessment Contract provided for under the Assessment Contract agreed to and executed by the parties hereto. The Property Owner shall comply with all requirements for contracting for the installation of the Improvements as required in the Assessment Contract and shall deliver such Completion Certificates as are provided for in the Assessment Contract. The Authority shall comply with all disbursement and recording requirements provided for in the Assessment Contract.~~

~~6. The Assessment, the interest and penalties thereon as a result of a delinquency in the payment of any installment of the Assessment, and the Additional Administrative Assessment shall constitute a lien against the Property (the "Assessment Lien") until they are paid and shall be collected and shall have the lien priority as set forth in Chapter 29 and may be enforced through judicial foreclosure action that could result in the sale of the Property for payment of the delinquent installments, and all penalties, interest and costs of suit, including attorneys' fees subject to such forbearance and subordination as may be provided in any Subordination Agreement that may be executed between the Authority and any other lienholder now or hereafter.~~

~~7. Except as otherwise set forth herein or in the Assessment Contract, this Contract shall expire upon (i) the final Assessment payment as provided in the Assessment Contract or (ii) any prepayment of the Assessment, provided that such prepayment is meant to be permanent and the party who is then the Property Owner does~~

~~not execute a document confirming the assumption and continuation of the Assessment Contract and the Assessment Lien.~~

~~8. This Contract establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land pursuant to Civil Code Section 1462. If the Property is subdivided while the Assessment remains unpaid, the Assessment will be assigned to the newly-created parcel as provided in the Assessment Contract.~~

~~9. The Property Owner hereby waives (i) any otherwise applicable requirements of Article XIIID of the California Constitution or any other provision of California law for an engineer's report, notice, public hearing, protest or ballot; (ii) any right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority undertaken in connection with the HERO Program; and (iii) any rights waived in the Assessment Contract.~~

~~10. This Memorandum is subject to all of the terms, conditions and understandings of the Assessment Contract, which are incorporated herein by reference as though copied verbatim herein. In the event of a conflict between the terms of this Memorandum and the terms of the Assessment Contract, the terms of the Assessment Contract shall prevail.~~

~~**Description of Improvements:**~~

~~**PRODUCT #1**~~
~~Product Category Type:~~

~~**IN WITNESS WHEREOF**, the Authority and the Property Owner have duly executed this Memorandum as of the date first above written.~~

Owner 1:

____
<NAME>, Signature
Date:___________________________________
Month/Day/Year

WRCOG: Executive Director and/or his or her designee:

____
Name (Please Print)

___________________________________ ___________________________________
WRCOG Signature Date of Execution by WRCOG

Item 5.A

PACE Programs Activities Update

Attachment 2

WRCOG Resolution 11-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties

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RESOLUTION NUMBER 11-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS MAKING CERTAIN REPRESENTATIONS AND AUTHORIZING THE PLACEMENT OF ASSESSMENTS ON THE TAX ROLL IN VARIOUS COUNTIES

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee" and "WRCOG" respectively) previously initiated proceedings pursuant to Chapter 29 of Part 3 of Divisions 7 of the California Streets and Highways Code ("Chapter 29") to permit the provision of Property Assessed Clean Energy ("PACE") services within those cities that had taken action to become Associate Members of WRCOG and established and ordered the implementation of a voluntary contractual assessment program to be known as the "California HERO Program" (the "Program") to assist property owners within the jurisdictional boundaries of each Associate Member with the cost of installing distributed generation renewable energy sources, energy and water efficient improvements and electric vehicle charging infrastructure that are permanently fixed to their properties ("Authorized Improvements"); and

WHEREAS, the Executive Committee has by previous resolutions declared its intent to levy assessments for the purpose of financing Authorized Improvements under the provisions of Chapter 29; and

WHEREAS, assessment contracts have been entered into for properties located within the jurisdictional boundaries of Alameda County, Contra Costa County, Colusa County, Del Norte County, El Dorado County, Fresno County, Imperial County, Kings County, Los Angeles County, Marin County, Mariposa County, Mono County, Napa County, Orange County, Riverside County, Sacramento County, San Diego County, City and County of San Francisco, San Joaquin County, San Luis Obispo County, Santa Barbara County, Santa Clara County, Santa Cruz County, Solano County, Sonoma County, Stanislaus County, Tehama County, Tulare County and Ventura County (each a "County," and together the "Counties"); and

WHEREAS, the special assessment levied against the real property within the Counties are not levied with regard to property values but rather are fixed special assessments based upon the costs of the Authorized Improvements and the financing of such improvements; and

WHEREAS, the Executive Committee has determined and hereby certifies that the assessments are exempt from the provisions of Proposition 218, which was passed by the voters in November 1996; and

WHEREAS, the Executive Committee has further determined that the assessments are in compliance with all applicable laws.

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

Section 1. The above recitals are true and correct.

3390 University Avenue, Suite 450 • Riverside, CA 92501 • 1951) 405-6700 • www.wrcog.us

Section 2. The Executive Committee orders the levy and collection of such special assessments within the jurisdictional boundaries of Associate Members within the Counties for the 2018/2019 Fiscal Year, and in each subsequent fiscal year in which the charges may validly be levied; that a copy of this Resolution shall be delivered to the Auditor-Controller of each of the Counties for placement of such assessments on the 2018/2019 County Tax Roll of each respective County, and in each subsequent fiscal year in which the charges may validly be levied.

Section 3. The special assessments are in compliance with all applicable laws and are exempt from the provisions of Proposition 218.

Section 4. In the event of delinquencies, WRCOG will pursue the removal of the delinquent special taxes from the delinquent secured tax roll in accordance with the provisions of the Master Indenture.

Section 5. The Executive Director, or any designee of the Executive Director (each, an "Authorized Representative"), is hereby authorized and directed to take any other actions in the judgment of the Executive Director or such Authorized Representative necessary to place the special assessments on the 2018/2019 County Tax Roll of each respective County.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on June 4, 2018.

____
Deborah Franklin, Chair
WRCOG Executive Committee

____
Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

____
Best Best & Krieger, LLP
Bond Counsel

AYES: ---　　**NAYS:** ---　　ABSENT: ---　　ABSTAIN: ---

Item 5.A

PACE Programs Activities Update

Attachment 3

WRCOG Resolution 12-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Nevada County

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RESOLUTION NUMBER 12-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS MAKING CERTAIN REPRESENTATIONS AND AUTHORIZING THE PLACEMENT OF ASSESSMENTS ON THE TAX ROLL IN NEVADA COUNTY

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee" and "WRCOG" respectively) previously initiated proceedings pursuant to Chapter 29 of Part 3 of Divisions 7 of the California Streets and Highways Code ("Chapter 29") to permit the provision of Property Assessed Clean Energy ("PACE") services within those cities that had taken action to become Associate Members of WRCOG and established and ordered the implementation of a voluntary contractual assessment program to be known as the "California HERO Program" (the "Program") to assist property owners within the jurisdictional boundaries of each Associate Member with the cost of installing distributed generation renewable energy sources, energy and water efficient improvements and electric vehicle charging infrastructure that are permanently fixed to their properties ("Authorized Improvements"); and

WHEREAS, the Executive Committee has by previous resolutions declared its intent to levy assessments for the purpose of financing Authorized Improvements under the provisions of Chapter 29; and

WHEREAS, assessment contracts have been entered into for properties located within the jurisdictional boundaries of Nevada County (the "County"); and

WHEREAS, the County and WRCOG have entered into an "Agreement for Collection of Property Assessed Clean Energy (PACE) Assessments for the Western Riverside Council of Governments - California Home Energy Renovation Opportunity (HERO) Program" whereby the special assessments for the Program will be collected by the County at the same time and in the same manner as County taxes are collected; and

WHEREAS, the special assessments levied against the real property within the County are not levied with regard to property values but rather are fixed special assessments based upon the costs of the Authorized Improvements and the financing of such improvements; and

WHEREAS, the Executive Committee has determined and hereby certifies that the assessments are exempt from the provisions of Proposition 218, which was passed by the voters in November 1996; and

WHEREAS, the Executive Committee has further determined that the assessments are in compliance with all applicable laws; and

WHEREAS, the Executive Committee requests that the County Auditor-Controller enter those special assessments identified in Exhibit A on the tax roll for collection by the County Auditor-Controller commencing with the property tax bills for the 2018/2019 Fiscal Year.

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

Section 1. The above recitals are true and correct.

Section 2. The Executive Committee orders the levy and collection of such special assessments identified in Exhibit "A" within the jurisdictional boundaries of Associate Members within the County for the 2018/2019 Fiscal Year, and in each subsequent fiscal year in which the charges may validly be levied; that a copy of this Resolution shall be delivered to the Auditor-Controller of the County for placement of such assessments on the 2018/2019 County Tax Roll, and in each subsequent fiscal year in which the charges may validly be levied.

Section 3. The special assessments are in compliance with all applicable laws and are exempt from the provisions of Proposition 218.

Section 4. In the event of delinquencies, WRCOG will pursue the removal of the delinquent special assessments from the delinquent secured tax roll in accordance with the provisions of the Master Indenture.

Section 5. The Executive Director, or any designee of the Executive Director (each, an "Authorized Representative"), is hereby authorized and directed to take any other actions in the judgment of the Executive Director or such Authorized Representative necessary to place the special assessments on the 2018/2019 Tax Roll of the County, including, but not limited to making additions, deletions and modifications to Exhibit A attached hereto.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on June 4, 2018.

Deborah Franklin, Chair WRCOG Executive Committee	Rick Bishop, Secretary WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
Bond Counsel

AYES: ___ NAYS: ___ ABSENT: ___ ABSTAIN: ___

Exhibit A

DAVID TAUSSIG & ASSOCIATES

5/24/2018 5:22:02 PM

CA HERO Nevada County (2018-2019) Residential

County of Nevada

Participating Properties Funded Through December 19, 2017

Fund No. 66102

Bond Series / Tax Parcel Number	Assessment Contract Id	Interest Due 3/2/2019	Interest Due 9/2/2019	Principal Due 9/2/2019	Annual Admin Fee	Levy Adjustment	FY 2018-2019 Total Levy
170428-CA-RA3-HPR-R-20C							
29-130-04-000	CA057102459	$689.43	$689.44	$384.16	$45.00	($0.01)	$1,808.02
Subtotal 170428-CA-RA3-HPR-R-20C		**$689.43**	**$689.44**	**$384.16**	**$45.00**	**($0.01)**	**$1,808.02**
170526-CA-RA2-HPR-R-20C							
29-161-15-000	CA057102460	$1,459.15	$1,459.15	$813.05	$45.00	($0.01)	$3,776.34
Subtotal 170526-CA-RA2-HPR-R-20C		**$1,459.15**	**$1,459.15**	**$813.05**	**$45.00**	**($0.01)**	**$3,776.34**
171006-CA-RA-HPR-R-20C							
05-400-01-000	CA057102466	$2,018.91	$2,018.92	$1,016.43	$45.00	$0.00	$5,099.26
Subtotal 171006-CA-RA-HPR-R-20C		**$2,018.91**	**$2,018.92**	**$1,016.43**	**$45.00**	**$0.00**	**$5,099.26**
180126-CA-RA3-HPR-R-20CD							
08-460-54-000	CA057102468	$2,016.96	$2,016.96	$1,015.45	$45.00	($0.01)	$5,094.36
Subtotal 180126-CA-RA3-HPR-R-20CD		**$2,016.96**	**$2,016.96**	**$1,015.45**	**$45.00**	**($0.01)**	**$5,094.36**
Grand Total	**Parcel Count 4**	**$6,184.45**	**$6,184.47**	**$3,229.09**	**$180.00**	**($0.03)**	**$15,777.98**

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Item 5.A

PACE Programs Activities Update

Attachment 4

WRCOG Resolution 13-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Samas Commercial Programs

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RESOLUTION NUMBER 13-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS MAKING CERTAIN REPRESENTATIONS AND AUTHORIZING THE PLACEMENT OF ASSESSMENTS ON THE TAX ROLL IN VARIOUS COUNTIES FOR THE SAMAS COMMERCIAL PROGRAMS

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee" and "WRCOG" respectively) has undertaken proceedings to establish and has established pursuant to Chapter 29 of Part 3 of Divisions 7 of the California Streets and Highways Code ("Chapter 29") to the "WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County" (the "WRCOG Program") and the "California HERO Program" (the "California HERO Program," together with the WRCOG Program, the "Programs") to assist property owners within the jurisdictional boundaries of the program area of each Program (the "Program Areas") with the cost of installing distributed generation renewable energy sources, energy and water efficient improvements and electric vehicle charging infrastructure that are permanently fixed to their properties ("Authorized Improvements"); and

WHEREAS, the Executive Committee has authorized Samas Capital, LLC, to serve as an administrator for the Programs (the "Samas Commercial Programs"); and

WHEREAS, the Executive Committee has by previous resolutions declared its intent to levy assessments for the purpose of financing Authorized Improvements under the provisions of Chapter 29; and

WHEREAS, assessment contracts have been entered into for properties located within the jurisdictional boundaries of the Counties of Contra Costa, Fresno, Los Angeles, Orange, Riverside, San Diego, and Ventura (each a "County," and together the "Counties"); and

WHEREAS, the special assessments levied against the real property within the Counties are not levied with regard to property values but rather are fixed special assessments based upon the costs of the Authorized Improvements and the financing of such improvements; and

WHEREAS, the Executive Committee has determined and hereby certifies that the assessments are exempt from the provisions of Proposition 218, which was passed by the voters in November 1996; and

WHEREAS, the Executive Committee has further determined that the assessments are in compliance with all applicable laws.

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

Section 1. The above recitals are true and correct.

Section 2. The Executive Committee orders the levy and collection of such special assessments within the Program Areas within the Counties for the 2018/2019 Fiscal Year, and in each subsequent fiscal year in which the charges may validly be levied; that a copy of this Resolution shall be delivered to the Auditor-Controller of each of the Counties for placement of such assessments on the 2018/2019 County Tax Roll of each respective County, and in each subsequent fiscal year in which the charges may validly be levied.

Section 3. The special assessments are in compliance with all applicable laws and are exempt from the provisions of Proposition 218.

Section 4. In the event of delinquencies, WRCOG will pursue the removal of the delinquent special taxes from the delinquent secured tax roll in accordance with the provisions of the Master Indenture.

Section 5. The Executive Director, or any designee of the Executive Director (each, an "Authorized Representative"), is hereby authorized and directed to take any other actions in the judgment of the Executive Director or such Authorized Representative necessary to place the special assessments on the 2018/2019 County Tax Roll of each respective County.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on June 4, 2018.

____
Deborah Franklin, Chair
WRCOG Executive Committee

____
Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

____
Best Best & Krieger, LLP
Bond Counsel

AYES: ___ NAYS: ___ ABSENT: _______ ABSTAIN: ___

Item 5.A

PACE Programs Activities Update

Attachment 5

WRCOG Resolution 14-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in various counties for the Greenworks Commercial PACE Program

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RESOLUTION NUMBER 14-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS MAKING CERTAIN REPRESENTATIONS AND AUTHORIZING THE PLACEMENT OF ASSESSMENTS ON THE TAX ROLL IN VARIOUS COUNTIES FOR THE GREENWORKS COMMERCIAL PACE PROGRAMS

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee" and "WRCOG" respectively) has undertaken proceedings to establish and has established pursuant to Chapter 29 of Part 3 of Divisions 7 of the California Streets and Highways Code ("Chapter 29") to the "WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County" (the "WRCOG Program") and the "California HERO Program" (the "California HERO Program," together with the WRCOG Program, the "Programs") to assist property owners within the jurisdictional boundaries of the program area of each Program (the "Program Areas") with the cost of installing distributed generation renewable energy sources, energy and water efficient improvements and electric vehicle charging infrastructure that are permanently fixed to their properties ("Authorized Improvements"); and

WHEREAS, the Executive Committee has authorized Greenworks Lending LLC to serve as an administrator for the Programs (the "Greenworks Commercial PACE Programs"); and

WHEREAS, the Executive Committee has by previous resolutions declared its intent to levy assessments for the purpose of financing Authorized Improvements under the provisions of Chapter 29; and

WHEREAS, assessment contracts have been entered into for properties located within the jurisdictional boundaries of San Joaquin County (the "County"); and

WHEREAS, the special assessments levied against the real property within the County are not levied with regard to property values but rather are fixed special assessments based upon the costs of the Authorized Improvements and the financing of such improvements; and

WHEREAS, the Executive Committee has determined and hereby certifies that the assessments are exempt from the provisions of Proposition 218, which was passed by the voters in November 1996; and

WHEREAS, the Executive Committee has further determined that the assessments are in compliance with all applicable laws.

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

Section 1. The above recitals are true and correct.

Section 2. The Executive Committee orders the levy and collection of such special assessments within the Program Areas within the County for the 2018/2019 Fiscal Year, and in each subsequent fiscal year in which the charges may validly be levied; that a copy of this Resolution shall be delivered to the Auditor-Controller of the County for placement of such assessments on the 2018/2019 County Tax Roll, and in each subsequent fiscal year in which the charges may validly be levied.

Section 3. The special assessments are in compliance with all applicable laws and are exempt from the provisions of Proposition 218.

Section 4. In the event of delinquencies, WRCOG will pursue the removal of the delinquent special taxes from the delinquent secured tax roll in accordance with the provisions of the Master Indenture.

Section 5. The Executive Director, or any designee of the Executive Director (each, an "Authorized Representative"), is hereby authorized and directed to take any other actions in the judgment of the Executive Director or such Authorized Representative necessary to place the special assessments on the 2018/2019 County Tax Roll.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on June 4, 2018.

____

Deborah Franklin, Chair
WRCOG Executive Committee

____

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

____

Best Best & Krieger, LLP
Bond Counsel

AYES: __ _ NAYS: __ _ ABSENT: __ _ ABSTAIN: ______

Item 5.A

PACE Programs Activities Update

Attachment 6

WRCOG Resolution 15-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the CaliforniaFIRST Program

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RESOLUTION NUMBER 15-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS MAKING CERTAIN REPRESENTATIONS AND AUTHORIZING THE PLACEMENT OF ASSESSMENTS ON THE TAX ROLL IN RIVERSIDE COUNTY FOR THE CALIFORNIAFIRST PROGRAM

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee" and "WRCOG" respectively) has undertaken proceedings to establish and has established the "Western Riverside Council of Governments Energy Efficiency and Water Conservation Program for Western Riverside County" (the "WRCOG Program") pursuant to Chapter 29 of Part 3 of Divisions 7 of the California Streets and Highways Code ("Chapter 29"), the Joint Exercise of Powers Agreement of WRCOG, originally made and entered April 1, 1991, as further amended to date (the "Joint Exercise of Powers Agreement"), and, Implementation Agreements by and between WRCOG and its Regular Members, separate voluntary contractual assessment program to assist property owners within the jurisdictional boundaries of the program area, with the cost of installing distributed generational renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Authorized Improvements"), as further described in the program reports adopted by the Executive Committee in establishing the WRCOG Program, that are permanently affixed to their property; and

WHEREAS, the Executive Committee has authorized Renew Financial Group, LLC, to serve as an administrator for the WRCOG Program (the "CaliforniaFirst Program"); and

WHEREAS, the Executive Committee has by previous resolutions declared its intent to levy assessments for the purpose of financing Authorized Improvements under the provisions of Chapter 29; and

WHEREAS, assessment contracts have been entered into for properties located within the jurisdictional boundaries of Riverside County (the "County"); and

WHEREAS, the special assessments levied against the real property within the County are not levied with regard to property values but rather are fixed special assessments based upon the costs of the Authorized Improvements and the financing of such improvements; and

WHEREAS, the Executive Committee has determined and hereby certifies that the assessments are exempt from the provisions of Proposition 218, which was passed by the voters in November 1996; and

WHEREAS, the Executive Committee has further determined that the assessments are in compliance with all applicable laws.

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

Section 1. The above recitals are true and correct.

Section 2. The Executive Committee orders the levy and collection of such special assessments within the jurisdictional boundaries of its Regular Members within the County for CaliforniaFirst Program for the 2018/2019 Fiscal Year, and in each subsequent fiscal year in which the charges may validly be levied; that a copy of this Resolution shall be delivered to the Auditor-Controller of the County for placement of such assessments on the 2018/2019 Tax Roll of the County, and in each subsequent fiscal year in which the charges may validly be levied.

Section 3. The special assessments are in compliance with all applicable laws and are exempt from the provisions of Proposition 218.

Section 4. In the event of delinquencies, WRCOG will pursue the removal of the delinquent special taxes from the delinquent secured tax roll in accordance with the provisions of the Master Indenture.

Section 5. The Executive Director, or any designee of the Executive Director (each, an "Authorized Representative"), is hereby authorized and directed to take any other actions in the judgment of the Executive Director or such Authorized Representative necessary to place the special assessments on the 2018/2019 Tax Roll of the County.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on June 4, 2018.

Deborah Franklin, Chair WRCOG Executive Committee	Rick Bishop, Secretary WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
Bond Counsel

AYES: ________ **NAYS:** ________ ABSENT: ________ ABSTAIN: ________

Item 5.A

PACE Programs Activities Update

Attachment 7

WRCOG Resolution 16-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments making certain representations and authorizing the placement of assessments on the tax roll in Riverside County for the PACE Funding Program

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RESOLUTION NUMBER 16-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS MAKING CERTAIN REPRESENTATIONS AND AUTHORIZING THE PLACEMENT OF ASSESSMENTS ON THE TAX ROLL IN RIVERSIDE COUNTY FOR THE PACE FUNDING PROGRAM

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee" and "WRCOG" respectively) has undertaken proceedings to establish and has established the "Western Riverside Council of Governments Energy Efficiency and Water Conservation Program for Western Riverside County" (the "WRCOG Program") pursuant to Chapter 29 of Part 3 of Divisions 7 of the California Streets and Highways Code ("Chapter 29"), the Joint Exercise of Powers Agreement of WRCOG, originally made and entered April 1, 1991, as further amended to date (the "Joint Exercise of Powers Agreement"), and, Implementation Agreements by and between WRCOG and its Regular Members, separate voluntary contractual assessment program to assist property owners within the jurisdictional boundaries of the program area, with the cost of installing distributed generational renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Authorized Improvements"), as further described in the program reports adopted by the Executive Committee in establishing the WRCOG Program, that are permanently affixed to their property; and

WHEREAS, the Executive Committee has authorized Pace Funding Group, LLC, to serve as an administrator for the WRCOG Program (the "PACE Funding Program"); and

WHEREAS, the Executive Committee has by previous resolutions declared its intent to levy assessments for the purpose of financing Authorized Improvements under the provisions of Chapter 29; and

WHEREAS, assessment contracts have been entered into for properties located within the jurisdictional boundaries of Riverside County (the "County"); and

WHEREAS, the special assessments levied against the real property within the County are not levied with regard to property values but rather are fixed special assessments based upon the costs of the Authorized Improvements and the financing of such improvements; and

WHEREAS, the Executive Committee has determined and hereby certifies that the assessments are exempt from the provisions of Proposition 218, which was passed by the voters in November 1996; and

WHEREAS, the Executive Committee has further determined that the assessments are in compliance with all applicable laws.

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

Section 1. The above recitals are true and correct.

Section 2. The Executive Committee orders the levy and collection of such special assessments within the jurisdictional boundaries of its Regular Members within the County for the PACE Funding Program for the 2018/2019 Fiscal Year, and in each subsequent fiscal year in which the charges may validly be levied; that a copy of this Resolution shall be delivered to the Auditor-Controller of the County for placement of such assessments on the 2018/2019 Tax Roll of the County, and in each subsequent fiscal year in which the charges may validly be levied.

Section 3. The special assessments are in compliance with all applicable laws and are exempt from the provisions of Proposition 218.

Section 4. In the event of delinquencies, WRCOG will pursue the removal of the delinquent special taxes from the delinquent secured tax roll in accordance with the provisions of the Master Indenture.

Section 5. The Executive Director, or any designee of the Executive Director (each, an "Authorized Representative"), is hereby authorized and directed to take any other actions in the judgment of the Executive Director or such Authorized Representative necessary to place the special assessments on the 2018/1209 Tax Roll of the County.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Executive Committee of the Western Riverside Council of Governments held on June 4, 2018.

Deborah Franklin, Chair WRCOG Executive Committee	Rick Bishop, Secretary WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
Bond Counsel

AYES: --- NAYS: ______ ABSENT: ______ ABSTAIN: ---

Item 5.B

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of Fiscal Year 2018/2019 Draft Agency Budget and Forwarding to General Assembly for Adoption**

Contact: **Andrew Ruiz, Program Manager, aruiz@wrcog.us, (951) 405-6741**

Date: **June 4, 2018**

The purpose of this item is to *provide Committee members with minor revisions to the Final Draft Agency Budget for Fiscal Year 2018/2019 and request that the Committee recommend that the General Assembly approve the Final Draft.*

Requested Action:

1. Recommend that the General Assembly adopt WRCOG Resolution Number 17-18; A Resolution of the General Assembly of the Western Riverside Council of Governments adopting the Fiscal Year 2018/2019 Agency Budget for the Western Riverside Council of Governments..

WRCOG's annual Budget is adopted every June by the General Assembly. Before adoption, the Budget is vetted through WRCOG's Committees for comment and direction. The Budget is segmented by the Agency Departments: Administration, Energy, Environment, and Transportation. The General Fund is comprised of the Administration, Energy, and Environment Departments, while TUMF is part of the Special Revenue Fund. Each Department contains its own programs and has its own source of funds. Once the Budget has been vetted through the Committees, it is presented to the General Assembly as an "Agency-wide" Budget for adoption.

Budget Schedule

The draft Budget for Fiscal Year (FY) 2018/2019 has been presented according to the following schedule:

- April 11, 2018: Administration & Finance Committee
- April 19, 2018: Technical Advisory Committee
- April 26, 2018: Finance Director's Committee
- May 7, 2018: Executive Committee
- May 9, 2018: Administration & Finance Committee (final review)
- May 17, 2018: Technical Advisory Committee (final review)
- ***June 4, 2018: Executive Committee (final review)***
- June 21, 201: General Assembly (take action)

First Round Presented on April 11, 2018

The Draft FY 2018/2019 Budget (Attachment 1) is presented by department (Administration, Energy, Environment, and Transportation) with each department displaying its own programs.

The tab labeled "Administration Total" includes the default Administration Program. The majority of revenues for the Administration Program are generated by member dues. Budgeted expenditures include salaries and benefits of Administration employees, including the Executive Director and the staff in the Government Relations, Administrative Services and Fiscal divisions. The Administration Program also includes WRCOG's lease, as well as audit, bank, legal, IT, and consulting fees. Expenditures have historically exceeded revenues in this Program so the Agency must charge overhead to the remaining departments to balance the budget. The overhead is determined during the creation of the budget and is simply the amount necessary to have revenues equal expenditures. The amount provided by the various departments will then be transferred out to the Administration Program to balance its budget.

Government Relations will continue to administer the BEYOND, Fellowship, and Experience Programs with previously allocated carryover funds from excess PACE revenues.

The Energy Department includes the following Programs: PACE Residential; PACE Commercial; SoCal Edison Partnership; SoCal Gas Partnership; the Regional Streetlight Program; and Community Choice Aggregation (CCA).

The California (CA) HERO PACE Program has declined in revenues and volumes in FY 2017/2018, likely due to state regulations, potential market saturation, and other PACE providers entering the market. WRCOG anticipates a continued decrease in the CA HERO Program and has budgeted for a 40% decrease in revenues in FY 2018/2019. In prior years, WRCOG has had excess revenues from the PACE Programs, specifically the CA HERO Program, which have been used to build Agency reserves and fund other Agency and member activities (such as BEYOND, Fellowship, Grant Writing, and Experience). At the end of FY 2017/2018, WRCOG anticipates $1M in carryover revenues, which will be recommended to fund the CCA's budget for FY 2018/2019. For FY 2018/2019, WRCOG's PACE Programs will have a balanced budget with minimal anticipated excess revenues. However, in FY 2018/2019, WRCOG will be bringing in additional PACE providers and anticipates growth in the PACE commercial market, which could potentially bring more revenues to the Agency.

The Regional Streetlight Program continues to move forward and will be self-sustaining in FY 2018/2019. The Streetlight Program will also recover some Program costs as member jurisdictions have their loans funded. WRCOG anticipates $480K to be recovered, which will pay back a portion of what the General Fund covered for part of that Program's start-up costs.

The CCA Program also continues to move forward. If a decision to form is made, it is anticipated that the Program will be self-sustaining and generate revenues in the coming years, which will pay back the General Fund for the upfront costs.

The Environment Department includes the Solid Waste and Used Oil Programs, which receive state funding to provide services to WRCOG's member agencies. In FY 2017/2018, WRCOG introduced a pilot Litter Program, which was funded by Agency Carryover Funds and will continue into FY 2018/2019 with unspent, previously allocated carryover funds budgeted in FY 2017/2018.

The Transportation Department includes the following Programs: Transportation Uniform Mitigation Fee (TUMF); the Grant Writing Program which is funded by the Agency's carryover funds; Transportation Planning which is funded by the State Local Transportation Fund (LTF); and the Clean Cities Program. The majority of revenues received in the Transportation Department come from the TUMF Program, which WRCOG anticipates will receive $45M in revenues in FY 2018/2019.

The Agency's FY 2018/2019 total Budget will include total TUMF revenue and total project expenditures; in earlier years, the only portion included for TUMF was the 4% Administration fee WRCOG received from the Program. The revenue and expenditures will include 100% of the TUMF Program's total revenue and expenditures. Because of this additional amount for TUMF, total Agency revenue for FY 2018/2019, plus transfers from other departments for overhead, is projected to be $58,937,742 against total Agency expenditures of $53,678,061.

Second Round Update

Staff has presented the draft Budget for FY 2018/2019 through WRCOG's Committee structure, and is presenting the Draft Budget for a second time according to the above schedule. Based on discussions and comments from both staff and the Committees, the following are highlights of revisions made to the draft Budget since the first round review.

The Energy Department will reduce budgeted revenues for the HERO Program by an additional 15% from what was originally budgeted, based on the most recent trends in volumes and revenues. Spruce, a PACE provider through WRCOG, has ceased its PACE Program; accordingly its budgeted revenues and expenditures have been removed.

At the April Administration & Finance Committee meeting, members requested that staff outline the additional / new benefits it had included in the draft Budget of FY 2018/2019. The following is a listing of potential recommendations to be included in WRCOG's employee benefits for FY 2018/2019:

- A match to a defined contribution retirement plan
  - maximum 3% of gross pay ~ $50,000 maximum
- Addition of a vision plan
  - $30 / person per month X 29 full-time employees (FTEs) ~ $10,000
- Covering all family members for the dental plan
  - $56 increase / person per month X 29 FTEs ~$20,000
- Developing a wellness benefit that would be led by a staff Wellness Committee. This item is still in development.
  - $30 / person per month X 29 FTEs ~ $10,000

In total, the Agency benefits have been increased by $90,000 annually to be able to accommodate the additional benefits recommended based on the results of the Salary and Benefit study conducted by Koff & Associates. The above items represent a listing of potential additions to WRCOG's cafeteria plan; however, any amounts not used throughout the year would be reduced via a future quarterly budget amendment.

Prior Actions:

May 17, 2018: The Technical Advisory Committee recommended that the Executive Committee approve the Final Draft Fiscal Year 2018/2019 Agency Budget, substantially as to form.

May 9, 2018: The Administration & Finance Committee recommended that the Executive Committee approve the Final Draft Fiscal Year 2018/2019 Agency Budget, substantially as to form.

Fiscal Impact:

All known and expected revenues and expenditures impacting the Agency have been budgeted for Fiscal Year 2018/2019, but will be continually updated throughout the budget process.

Attachments:

1. Draft Fiscal Year 2018/2019 Agency Budget.
2. Resolution Number 17-18; A Resolution of the General Assembly of the Western Riverside Council of Governments Adopting the Fiscal Year 2018/2019 Agency Budget for the Western Riverside Council of Governments.

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Item 5.B

Approval of Fiscal Draft Year 2018/2019 Agency Budget and Forwarding to General Assembly for Adoption

Attachment 1

Draft Fiscal Year 2018/2019 Agency Budget

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Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Total Agency

Revenues	**Actual Thru 2/28/2018**	**Budget 6/30/2018**	**Proposed 6/30/2019**
Member Dues	311,410	311,410	311,410
PACE Residential Revenue	761,851	1,150,771	560,000
WRELP Phase 2 Revenue	21,302	75,000	86,750
Statewide HERO Revenue	3,054,573	5,800,000	2,400,000
Gas Co. Prtnrshp Revenue	6,521	50,000	86,676
Samas Commercial Recording Revenue	-	23,350	30,000
WRCOG HERO-Recording Revenue	159,683	354,775	122,500
SAMAS Comm Recording Rev	557,200	1,000,350	600,000
Renovate Comm Recording Rev	-	700	7,500
Regional Streetlights Revenue	228,960	228,960	300,000
Solid Waste	95,304	117,100	95,000
Used Oil Grants	230,000	255,000	228,820
NW Clean Cities - Air Quality	119,000	137,500	132,500
LTF Revenue	726,000	726,000	675,000
RivTAM Revenue	28,851	25,000	150,000
General Assembly Revenue	18,800	300,000	300,000
Commerical/Service	70,016	101,097	110,645
Retail	85,501	118,867	130,094
Industrial	250,585	249,133	272,663
Residential/Multi/Single	652,436	1,045,779	1,144,551
Multi-Family	74,691	129,787	142,045
Commercial/Service - Non-Admin Portion	1,750,396	2,426,945	2,655,491
Retail - Non-Admin Portion	2,137,532	2,852,820	3,122,265
Industrial - Non-Admin Portion	6,264,615	5,979,195	6,543,923
Residential/Multi/Single - Non-Admin Portion	16,310,889	25,098,070	27,469,233
Multi-Family - Non-Admin Portion	1,867,263	3,114,890	3,409,088
Other Legal Recovery	-	-	500,000
RCHCA Overhead			52,724
FY 17/18 Carryover Funds Transfer in			**945,845**
Carryover Funds Transfer in	**3,002,917**	**3,002,917**	**4,268,757**
Overhead Transfer in	**1,483,740**	**2,225,611**	**2,084,260**
Total Revenues and Carryover Funds	**40,270,598**	**57,350,026**	**58,937,742**

Expenditures	**Actual Thru 2/28/2018**	**Budget 6/30/2018**	**Proposed 6/30/2019**
Wages and Benefits			
Salaries & Wages Fulltime	1,247,432	2,569,922	2,445,113
Salaries & Wages - Fellowship	247,089	392,000	542,586
Fringe Benefits	490,657	735,986	929,898
Overhead Allocation	1,483,740	2,225,611	2,084,260
Total Wages, Benefits and Overhead	**4,340,513**	**5,923,519**	**6,001,857**
Other Legal	198,078	250,000	500,000
General Legal Services	444,303	629,037	615,000

PERS Unfunded Liability	-	-	198,823
OPEB Expense	60,000	60,000	100,000
Audit Svcs - Professional Fees	20,200	27,500	27,500
Bank Fees	14,681	29,000	19,000
Commissioners Per Diem	35,100	62,500	62,500
Office Lease	147,228	427,060	400,000
WRCOG Auto Fuels Expenses	340	750	1,250
Parking Validations	4,558	5,010	27,550
Staff Recognition	-	1,210	800
Coffee and Supplies	1,026	200	3,000
Event Support	61,204	147,401	102,369
Program/Office Supplies	15,327	25,938	24,150
Computer Equipment/Supplies	6,396	9,886	8,000
Computer Software	22,016	28,402	30,000
Rent/Lease Equipment	18,393	35,100	30,000
Membership Dues	17,122	32,100	33,000
Meeting Support Services	6,051	18,184	9,681
Postage	4,721	4,890	6,015
Other Household Exp	(1,578)	4,250	750
COG HERO Share Expenses	9,550	25,000	15,000
Storage	11,296	11,000	16,000
Printing Services	1,426	16,462	4,607
Computer Hardware	1,692	4,288	14,100
Misc. Office Equipment	688	688	1,000
Communications - Regular Phone	11,077	9,209	15,000
Communications - Cellular Phones	7,127	13,617	21,000
Communications - Computer Services	36,504	62,452	57,500
Communications - Web Site	7,312	8,465	8,000
Equipment Maintenance - General	5,737	10,000	10,000
Equipment Maintenance - Comp/Software	11,662	26,200	21,000
Insurance - Gen/Busi Liab/Auto	66,801	73,520	79,850
PACE Residential Recording	858,248	1,354,775	727,500
Seminars/Conferences	7,688	18,853	13,150
General Assembly Expenses	20,491	300,000	300,000
Travel - Mileage Reimbursement	12,643	23,809	23,600
Travel - Ground Transportation	2,327	8,083	4,800
Travel - Airfare	9,090	22,741	11,500
Lodging	6,764	12,346	8,750
Meals	3,798	8,301	8,150
Other Incidentals	6,448	10,023	9,950
Training	6,302	11,800	9,250
OPEB Repayment	-	71,053	71,053
Supplies/Materials	-	63,426	34,168
Advertising Media - Newspaper Ad	-	19,000	2,000
Advertisement Radio & TV Ads	51,025	51,571	49,500
Staff Education Reimbursement	2,500	25,000	12,500
Consulting Labor	1,340,990	4,302,555	3,102,373
TUMF Project Reimbursement	10,659,201	39,000,000	38,000,000
BEYOND Program REIMB	512,405	2,052,917	2,799,015
Computer Equipment/Software	14,608	44,877	3,500
Office Furniture Purchased	312,500	312,500	20,000
Misc Equipment Purchased	2,816	2,816	3,000

Total General Operations	**15,093,990**	**50,159,710**	**47,676,204**
Total Expenditures and Overhead	**19,434,503**	**56,083,229**	**53,678,061**

Name	**Title**	**Percent**
Rick Bishop	Executive Director	100%
Chris Gray	Director of Transportation	100%
Ernie Reyna	Chief Financial Officer	100%
Barbara Spoonhour	Director of CCA	100%
Casey Dailey	Director of Energy & Environment	100%
Chris Tzeng	Program Manager- Transportation	100%
Andrew Ruiz	Program Manager - Fiscal	100%
Tyler Masters	Program Manager - Streetlights	100%
Michael Wasgatt	Program Manager - Energy	100%
Crystal Adams	Program Manager - Energy	100%
Janis Leonard	Program Manager - Office	100%
Lupe Lotman	Staff Analyst I - Energy	100%
Sam Amphonphong	Senior Analyst - Fiscal	100%
Dolores Badillo	Staff Analyst I - Environment	100%
Kyle Rodriguez	Staff Analyst I - Environment	100%
Danny Ramirez-Cornejo	Program Manager - TUMF	100%
Jessica May	Staff Analyst -TUMF	100%
Vacant	Staff Analyst I - Energy	100%
Andrea Howard	Program Manager - Gov't Affairs	100%
Cynthia Mejia	Staff Analyst I - Gov't Affairs	100%
Suzy Nelson	Staff Analyst I - Office	100%
Anthony Segura	Staff Analyst I - Energy	100%
Jairo Sandoval Toranzo	Staff Analyst I - Energy	100%
Ichelle Acosta	Staff Technician - Energy	100%
Meredith Sumenek	Staff Technician - Energy	100%
LaNeice Potter	Staff Technician - Call Center	100%
Victoria Gracia	Staff Technician -Call Center	100%
Daniel Soltero	Staff Analyst I - Streetlights	100%
Vacant	Staff Analyst I - Gov't Affairs	100%

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Total Administration Budget

Revenues

Description	Actual	Budget	Proposed
Member Dues	311,410	311,410	311,410
General Assembly Revenue	18,800	300,000	300,000
RCHCA Overhead			52,724
Total Revenues	**332,280**	**611,410**	**664,134**
Overhead Transfer in	**1,483,740**	**2,225,611**	**2,084,260**
Total Revenue and Overhead	**1,816,020**	**2,837,021**	**2,748,394**

Expenditures

Salaries & Wages - Fulltime	443,558	863,140	631,095
Fringe Benefits	187,563	281,344	277,903
Total Wages & Benefits	**1,484,595**	**1,144,484**	**908,998**
General Legal Services	38,129	75,000	75,000
PERS Unfunded Liability	-	-	198,823
OPEB Expense	60,000	60,000	100,000
Audit Svcs - Professional Fees	20,200	27,500	27,500
Bank Fees	75	2,000	2,000
Commissioners Per Diem	34,650	60,000	60,000
Office Lease	147,228	427,060	400,000
WRCOG Vehicle Expenses	340	750	1,250
Parking Validations	2,583	1,225	20,000
Employee Wellness	-	800	800
Coffee and Supplies	1,026	-	3,000
Event Support	27,328	63,429	65,000
Program/Office Supplies	12,701	10,000	15,500
Computer Equipment/Supplies	1,222	1,000	1,000
Computer Software	14,591	15,000	20,000
Rent/Lease Equipment	18,393	35,000	30,000
Membership Dues	16,039	25,000	30,000
Postage	1,285	1,279	2,500
Storage	-	1,000	1,000
Printing Services	163	-	150
Computer Hardware	49	1,000	11,000
Communications - Regular Phone	11,077	9,209	15,000
Communications - Cellular Phones	2,290	5,500	10,500
Communications - Computer Services	34,895	62,434	55,000
Communications - Web Site	7,312	6,865	8,000
Equipment Maintenance - General	5,737	10,000	10,000
Equipment Maintenance - Comp/Software	11,062	25,000	20,000

Insurance - Gen/Busi Liab/Auto	66,341	72,250	79,000
Seminars/Conferences	2,776	4,000	4,000
General Assembly Expenses	20,491	300,000	300,000
Travel - Mileage Reimbursement	391	2,500	2,500
Travel - Ground Transportation	196	1,500	1,000
Travel - Airfare	1,304	3,500	2,000
Lodging	323	3,000	1,000
Meals	625	2,000	3,000
Other Incidentals	366	1,000	1,000
Training	2,299	5,000	5,000
OPEB Repayment	-	71,053	71,053
Staff Education Reimbursement	2,500	25,000	12,500
Consulting Labor	149,587	130,968	151,320
Office Furniture Purchased	312,500	312,500	20,000
Misc Equipment Purchased	2,816	2,816	3,000
Total General Operations	**1,050,699**	**1,909,783**	**1,839,396**
Total Expenditures	**2,535,294**	**3,054,267**	**2,748,394**
			0

Name	Title	Percent
Rick Bishop	Executive Director	100%
Ernie Reyna	Chief Financial Officer	50%
Andrew Ruiz	Program Manager - Fiscal	60%
Janis Leonard	Program Manager - Office	100%
Sam Amphonphong	Staff Analyst II - Fiscal	100%
Suzy Nelson	Staff Analyst I - Adminstrative Assis	100%

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

WRCOG ENVIRONMENT

Total Environment Budget

Revenues	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
Solid Waste	95,304	117,100	95,000
Used Oil Grants	230,000	255,000	228,820
Carryover Funds Transfer in			**18,478**
Total Revenues	**325,304**	**372,100**	**342,298**

Expenditures	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
Wages and Benefits			
Salaries & Wages Fulltime	67,049	114,234	142,602
Fringe Benefits	18,370	27,555	42,419
Overhead Allocation	28,387	42,580	42,260
Total Wages, Benefits and Overhead	**116,358**	**184,368**	**227,281**
General Operations			
General Legal Services	358	858	500
Parking Validations	195	285	250
Event Support	21,938	43,021	26,000
Program/Office Supplies	212	1,511	1,200
Membership Dues	-	1,000	500
Meeting Support Services	169	4,600	3,081
Storage	11,296	10,000	15,000
Printing Services	-	11,462	2,957
Communications - Cellular Phones	919	1,117	1,000
Insurance - Gen/Busi Liab/Auto	460	570	850
Seminars/Conferences	1,720	2,720	1,000
Travel - Mileage Reimbursement	1,844	3,109	3,100
Travel - Ground Transportation	175	400	250
Travel - Airfare	582	1,182	500
Lodging	966	1,269	750
Meals	-	200	200
Training	462	1,800	500
Supplies/Materials	-	28,359	5,879
Advertising Media - Newspaper Ad	-	4,000	2,000
Advertising- Billboard	-	3,000	-
Advertisement Radio & TV Ads	51,025	51,571	49,500
Total General Operations	**93,088**	**187,733**	**115,017**
Total Expenditures and Overhead	**209,445**	**372,102**	**342,298**

Casey Dailey	Director of Energy & Environment	20%
Dolores Badillo	Staff Analyst I - Environment	100%

Kyle Rodriguez	Staff Analyst I - Environment	100%

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Total Transportation & Planning Budget

Revenues	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
NW Clean Cities - Air Quality	119,000	137,500	132,500
LTF Revenue	726,000	726,000	675,000
RivTAM Revenue	25,000	25,000	150,000
Commerical/Service	70,016	101,097	110,645
Retail	85,501	118,867	130,094
Industrial	250,585	249,133	272,663
Residential/Multi/Single	652,436	1,045,779	1,144,551
Multi-Family	74,691	129,787	142,045
Commercial/Service - Non-Admin Portion	1,750,396	2,426,945	2,655,491
Retail - Non-Admin Portion	2,137,532	2,852,820	3,122,265
Industrial - Non-Admin Portion	6,264,615	5,979,195	6,543,923
Residential/Multi/Single - Non-Admin Portion	16,310,889	25,098,070	27,469,233
Multi-Family - Non-Admin Portion	1,867,263	3,114,890	3,409,088
Other Legal Recovery	-	-	500,000
Carryover Funds Transfer in (grant writing	**3,002,917**	**3,002,917**	**4,250,279**
Total Revenues and Carryover Funds	**33,336,848**	**45,407,999**	**50,707,779**

Expenditures	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
Wages and Benefits			
Salaries & Wages - Fulltime	188,311	440,270	717,575
Salaries & Wages - Fellowship	247,089	392,000	542,586
Fringe Benefits	63,894	95,842	232,685
Overhead Allocation	500,000	750,000	1,222,000
Total Wages, Benefits and Overhead	**1,005,406**	**1,678,112**	**2,714,846**
Other Legal	198,078	250,000	500,000
General Legal Services	36,801	180,453	57,000
Parking Validations	1,255	1,700	3,200
Event Support	1,137	5,000	2,283
Program/Office Supplies	1,256	2,350	1,750
Computer Equipment/Supplies	594	1,000	1,000
Meeting Support Services	3,083	3,994	1,100
Other Household Exp	213	250	250
Printing Services	1,263	5,000	1,500
Communications - Cellular Phones	1,264	4,000	4,000
Seminars/Conferences	635	2,700	1,650
Travel - Mileage Reimbursement	5,209	7,240	8,250
Travel - Ground Transportation	473	1,277	550
Travel - Airfare	970	2,750	1,000
Lodging	2,046	2,529	2,000
Meals	2,110	3,300	2,650
Other Incidentals	477	1,950	950
Supplies/Materials	-	1,750	2,000

Consulting Labor	344,616	1,522,114	1,407,786
TUMF Project Reimbursement	10,659,201	39,000,000	38,000,000
BEYOND Program REIMB	512,405	2,052,917	2,799,015
Total General Operations	**11,776,443**	**43,418,024**	**42,797,934**
Total Expenditures and Overhead	**12,781,849**	**45,096,136**	**45,512,780**

Name	Title	Percent
Chris Gray	Director of Transportation	100%
Ernie Reyna	Chief Financial Officer	40%
Chris Tzeng	Program Manager- Transportation	100%
Andrew Ruiz	Program Manager - Fiscal	30%
Tyler Masters	Program Manager - Street Light	50%
Danny Ramirez-Cornejo	Program Manager - TUMF	100%
Vacant-TUMF	Staff Analyst -TUMF	100%
Andrea Howard	Program Manager - Gov't Affairs	100%
Cynthia Mejia	Staff Analyst I - Gov't Affairs	100%
Anthony Segura	Staff Analyst I - Energy	30%
Vacant	Staff Analyst I - Gov't Affairs	100%

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Total Energy Budget

Revenues	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
PACE Residential Revenue	761,851	1,150,771	560,000
WREP Phase 2 Revenue	21,302	75,000	86,750
Statewide HERO Residential Revenue	3,054,573	5,800,000	2,400,000
Gas Co. Prtnrshp Revenue	6,521	50,000	86,676
PACE Commercial Revenue	-	23,350	30,000
PACE Residential Recording Rev	159,683	354,775	122,500
Statewide HERO Recording Revenue	557,200	1,000,350	600,000
PACE Commercial Recording Rev	-	700	7,500
Regional Streetlights Revenue	228,960	228,960	300,000
Total Revenues	**4,792,426**	**8,732,906**	**4,193,426**

Expenditures	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
Wages and Benefits			
Salaries & Wages Fulltime	493,376	974,878	750,693
Fringe Benefits	195,809	293,714	295,945
Overhead Allocation	1,319,684	1,753,661	820,000
Total Wages, Benefits and Overhead	**2,018,326**	**3,022,252**	**1,866,638**
General Operations			
General Legal Services	234,383	280,565	332,500
Bank Fees	14,606	27,000	17,000
Commissioners Per Diem	450	2,500	2,500
Parking Validations	525	1,800	4,100
Event Support	10,802	35,951	9,086
Program/Office Supplies	1,052	11,986	5,450
Computer Equipment/Supplies	3,887	7,193	6,000
Computer Software	7,275	12,351	10,000
Membership Dues	480	3,750	1,000
Meeting Support Services	282	5,807	5,000
Postage	3,025	2,431	3,515
Other Household Exp	443	2,000	500
COG HERO Share Expenses	9,550	25,000	15,000
Computer Hardware	1,643	3,288	3,100
Misc. Office Equipment	688	688	1,000
Communications - Cellular Phones	2,654	3,000	5,500
Communications - Computer Services	1,609	18	2,500
Equipment Maintenance - Comp/Software	600	1,200	1,000
PACE Recording Fees	858,248	1,354,775	727,500
Seminars/Conferences	1,925	6,933	5,500
Travel - Mileage Reimbursement	4,392	10,358	7,750
Travel - Ground Transportation	720	4,728	1,500
Travel - Airfare	5,081	13,382	6,000
Lodging	2,116	5,340	3,000

Meals	444	2,536	1,300
Other Incidentals	5,605	6,215	8,000
Training	3,541	5,000	3,750
Supplies/Materials	-	33,317	26,289
Consulting Labor	716,470	2,129,125	1,043,267
Computer Equipment/Software	2,346	6,202	3,500
Total General Operations	**1,903,134**	**4,033,614**	**2,262,107**
Total Expenditures and Overhead	**3,921,460**	**7,055,866**	**4,128,745**

Name	**Title**	**Percent**
Ernie Reyna	Chief Financial Officer	10%
Barbara Spoonhour	Director of CCA	20%
Casey Dailey	Director of Energy & Environment	80%
Andrew Ruiz	Program Manager - Fiscal	10%
Tyler Masters	Program Manager - Street Light	15%
Michael Wasgatt	Program Manager - Energy	100%
Crystal Adams	Program Manager - Energy	100%
Lupe Lotman	Staff Analyst I - Energy	100%
Vacant	Staff Analyst I - Energy	100%
Anthony Segura	Staff Analyst I - Energy	70%
Jairo Sandoval Toranzo	Staff Analyst I - Energy	100%
Ichelle Acosta	Staff Technician - Energy	100%
Meredith Sumenek	Staff Technician - Energy	100%
LaNeice Potter	Staff Technician - Call Center	100%
Victoria Gracia	Staff Technician -Call Center	100%
Vacant	Staff Analyst I - Streetlights	100%

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Program: CCA

Revenues	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
Carryover Funds Transfer In			945,845
Total Revenues	**-**	**-**	**945,845**

Expenditures	Actual Thru 2/28/2018	Budget 6/30/2018	Proposed 6/30/2019
Wages and Benefits			
Salaries & Wages Fulltime	55,139	177,401	203,148
Fringe Benefits	25,021	37,531	80,947
Total Wages, Benefits and Overhead	**80,159**	**214,933**	**284,095**
General Operations			
General Legal Services	134,633	92,161	150,000
Program/Office Supplies	107	91	250
Membership Dues		1,500	1,500
Meeting Support Services	283	283	500
Seminars/Conferences	632	2,500	1,000
Travel - Mileage Reimbursement	806	602	2,000
Travel - Ground Transportation	764	178	1,500
Travel - Airfare	1,152	1,927	2,000
Lodging	1,313	208	2,000
Meals	619	265	1,000
Consulting Labor	130,318	509,983	500,000
Total General Operations	**270,627**	**644,522**	**661,750**
Total Expenditures and Overhead	**350,786**	**859,455**	**945,845**

Name	Title	Percent
Barbara Spoonhour	Director of CCA	80%
Tyler Masters	Program Manager - Streetlights	35%

Item 5.B

Approval of Fiscal Draft Year 2018/2019 Agency Budget and Forwarding to General Assembly for Adoption

Attachment 2

Resolution Number 17-18; A Resolution of the General Assembly of the Western Riverside Council of Governments Adopting the Fiscal Year 2018/2019 Agency Budget for the Western Riverside Council of Governments

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RESOLUTION NUMBER 17-18

A RESOLUTION OF THE GENERAL ASSEMBLY OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS ADOPTING THE FISCAL YEAR 2018/2019 AGENCY BUDGET FOR THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

WHEREAS, the Western Riverside Council of Governments (WRCOG) operates on a fiscal year basis, beginning on July 1 of each year and continuing until June 30 of the succeeding year; and

WHEREAS, Article III, Section 3.3 of the WRCOG Joint Powers of Agreement states that prior to July 1 of each year, the General Assembly of WRCOG shall adopt a final budget for the expenditures of WRCOG during the following year; and

WHEREAS, Article III, Section 6, Subdivision (A) of the WRCOG Bylaws states that the Executive Committee of WRCOG shall prepare and recommend to the General Assembly a yearly budget for funds and distribution and to determine the estimated share of contributions from each member agency; and

WHEREAS, on June 4, 2018, a proposed Agency Budget for Fiscal Year 2018/2019 was presented to the Executive Committee, and the Executive Committee recommended the proposed Agency Budget for Fiscal Year 2018/2019 to the General Assembly; and

WHEREAS, WRCOG provided the public with proper notice that the meeting to approve the proposed Agency Budget for Fiscal Year 2018/2019 is to be held on June 21, 2018, at the General Assembly meeting; and

WHEREAS, on June 21, 2018, the proposed Agency Budget for Fiscal Year 2018/2019 was presented to the General Assembly and the General Assembly held a public hearing on the proposed Budget.

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

Section 1. RECITALS

The above recitals are incorporated herein by this reference.

Section 2. FINAL BUDGET

The General Assembly hereby approves and adopts the WRCOG Fiscal Year 2018/2019 Agency Budget.

3390 University Avenue, Suite 450 • Riverside, CA 92501 • (951) 405-6700 • www.wrcog.us

Section 3. AMENDING THE FINAL BUDGET

In accordance with Sections 4.1 and 1.2.2, Subdivision (f) of the WRCOG Joint Powers Agreement and Government Code section 29092, the General Assembly hereby delegates its powers to amend the WRCOG Fiscal Year 2018/2019 Agency Budget and approve Budget transfers throughout the Fiscal Year to the Executive Director and/or the Executive Committee.

PASSED AND ADOPTED at a Meeting of the General Assembly of the Western Riverside Council of Governments held on June 21, 2018.

____
Deborah Franklin, Chair
WRCOG Executive Committee

____
Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

____
Steven DeBaun
WRCOG Legal Counsel

AYES: ___ NOES: ___ ABSENT: ___ ABSTAIN: ___

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of TUMF Program Reimbursement Agreements**

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

Date: **June 4, 2018**

The purpose of this item is to *seek approval of a TUMF Program Reimbursement Agreement related to a project underway with TUMF fund contribution.*

Requested Action:

1. Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Riverside for the Planning and Engineering Phases of the Third Street Grade Separation Project in an amount not to exceed $4,000,000.

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

TUMF Reimbursement Agreement

One Reimbursement Agreement for a TUMF project is summarized below.

City of Riverside (one agreement):

1. Third Street Grade Separation in the amount of $4,000,000: This Project will lower Third Street from approximately Vine Street to Park Avenue. The realignment of Commerce Street will be necessary for the completion of the project. This Reimbursement Agreement is for the Planning and Engineering Phases of the Project, which are expected to be completed in 2022.

Prior Action:

None.

Fiscal Impact:

TUMF Program activities are included in the Agency's adopted Fiscal Year 2017/2018 Budget under the Transportation Department.

Attachment:

1. Reimbursement Agreement with the City of Riverside for the Planning and Engineering Phases of the Third Street Grade Separation.

Item 5.C

Approval of TUMF Program Reimbursement Agreements

Attachment 1

Reimbursement Agreement with the City of Riverside for the Planning and Engineering Phases of the Third Street Grade Separation

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TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM AGREEMENT TO REIMBURSE TUMF FUNDS THIRD STREET GRADE SEPARATION PLANNING AND ENGINEERING PHASES

THIS REIMBURSEMENT AGREEMENT ("Agreement") is entered into as of this day of ____, 20__, by and between the Western Riverside Council of Governments ("WRCOG"), a California joint powers authority and The City of Riverside ("City"), a California charter city and municipal corporation. WRCOG and City are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

A. WRCOG is the Administrator of the Transportation Uniform Mitigation Fee Program of Western Riverside County ("TUMF Program").

B. WRCOG has identified and designated certain transportation improvement projects throughout Western Riverside County as projects of regional importance ("Qualifying Projects" or "Projects"). The Qualifying Projects are more specifically described in that certain WRCOG study titled "TUMF Nexus Study", as may be amended from time to time. Qualifying Projects can have Regional or Zonal significance as further described in the TUMF Nexus Study.

C. The TUMF Program is funded by TUMF fees paid by new development in Western Riverside County (collectively, "TUMF Program Funds"). TUMF Program Funds are held in trust by WRCOG for the purpose of funding the Qualifying Projects.

D. The City proposes to implement a Qualifying Project, and it is the purpose of this Agreement to identify the project and to set forth the terms and conditions by which WRCOG will release TUMF Program Funds.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the Parties hereby agree as follows:

1. Description of the Qualifying Project. This Agreement is intended to distribute TUMF Program Funds to the City for Third Street Grade Separation, (the "Project"), a Qualifying Project. The Work, including a timetable and a detailed scope of work, is more fully described in Exhibit "A" attached hereto and incorporated herein by reference and, pursuant to Section 20 below, is subject to modification if requested by the City and approved by WRCOG. The work shall be consistent with one or more of the defined WRCOG Call for Projects phases detailed herein as follows:

1) PA&ED – Project Approvals & Environmental Document
2) PS&E – Plans, Specifications and Estimates

2. WRCOG Funding Amount. WRCOG hereby agrees to distribute to City, on the terms and conditions set forth herein, a sum not to exceed **Four Million Dollars ($4,000,000),** to

be used for reimbursing the City for eligible Project expenses as described in Section 3 herein ("Funding Amount"). The Parties acknowledge and agree that the Funding Amount may be less than the actual cost of the Project. Nevertheless, the Parties acknowledge and agree that WRCOG shall not be obligated to contribute TUMF Program Funds in excess of the maximum TUMF share identified in the TUMF Nexus Study ("Maximum TUMF Share"), as may be amended from time to time.

3. Project Costs Eligible for Advance/Reimbursement. The total Project costs ("Total Project Cost") may include the following items, provided that such items are included in the scope of work attached hereto as Exhibit "A" ("Scope of Work"): (1) City and/or consultant costs associated with direct Project coordination and support; (2) funds expended in preparation of preliminary engineering studies; (3) funds expended for preparation of environmental review documentation for the Project; (4) all costs associated with right-of-way acquisition, including right-of-way engineering, appraisal, acquisition, legal costs for condemnation procedures if authorized by the City, and costs of reviewing appraisals and offers for property acquisition; (5) costs reasonably incurred if condemnation proceeds; (6) costs incurred in the preparation of plans, specifications, and estimates by City or consultants; (7) City costs associated with bidding, advertising and awarding of the Project contracts; (8) construction costs, including change orders to construction contract approved by the City; (9) construction management, field inspection and material testing costs; and (10) any City administrative cost to deliver the Project.

4. Ineligible Project Costs. The Total Project Cost shall not include the following items which shall be borne solely by the City without reimbursement: (1) any City administrative fees attributed to the reviewing and processing of the Project; and (2) expenses for items of work not included within the Scope of Work in Exhibit "A".

5. Procedures for Distribution of TUMF Program Funds to City.

(a) Initial Payment by the City. The City shall be responsible for initial payment of all the Project costs as they are incurred. Following payment of such Project costs, the City shall submit invoices to WRCOG requesting reimbursement of eligible Project costs. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to the City, and documents evidencing the City's payment of the invoices or demands for payment. Documents evidencing the City's payment of the invoices shall be retained for four (4) years and shall be made available for review by WRCOG. The City shall submit invoices not more often than monthly and not less often than quarterly.

(b) Review and Reimbursement by WRCOG. Upon receipt of an invoice from the City, WRCOG may request additional documentation or explanation of the Project costs for which reimbursement is sought. Undisputed amounts shall be paid by WRCOG to the City within thirty (30) days. In the event that WRCOG disputes the eligibility of the City for reimbursement of all or a portion of an invoiced amount, the Parties shall meet and confer in an attempt to resolve the dispute. If the meet and confer process is unsuccessful in resolving the dispute, the City may appeal WRCOG's decision as to the eligibility of one or more invoices to WRCOG's Executive Director. The WRCOG Executive Director shall provide his/her decision in writing. If the City disagrees with the Executive Director's decision, the City may appeal the decision of the Executive Director to the full WRCOG Executive Committee, provided the City submits its request for appeal to WRCOG within ten (10) days of the Executive Director's written decision. The decision of the WRCOG Executive Committee shall be final. Additional details concerning the procedure for the City's submittal of invoices to WRCOG and WRCOG's consideration and payment of submitted invoices are set forth in Exhibit "B", attached hereto and incorporated herein by reference.

(c) Funding Amount/Adjustment. If a post Project audit or review indicates that WRCOG has provided reimbursement to the City in an amount in excess of the Maximum TUMF Share of the Project, or has provided reimbursement of ineligible Project costs, the City shall reimburse WRCOG for the excess or ineligible payments within 30 days of notification by WRCOG.

6. Increases in Project Funding. The Funding Amount may, in WRCOG's sole discretion, be augmented with additional TUMF Program Funds if the TUMF Nexus Study is amended to increase the maximum eligible TUMF share for the Project. Any such increase in the Funding Amount must be approved in writing by WRCOG's Executive Director. In no case shall the amount of TUMF Program Funds allocated to the City exceed the then-current maximum eligible TUMF share for the Project. No such increased funding shall be expended to pay for any Project already completed. For purposes of this Agreement, the Project or any portion thereof shall be deemed complete upon its acceptance by WRCOG's Executive Director which shall be communicated to the City in writing.

7. No Funding for Temporary Improvements. Only segments or components of the construction that are intended to form part of or be integrated into the Project may be funded by TUMF Program Funds. No improvement which is temporary in nature, including but not limited to temporary roads, curbs, tapers or drainage facilities, shall be funded with TUMF Program Funds, except as needed for staged construction of the Project.

8. City's Funding Obligation to Complete the Project. In the event that the TUMF Program Funds allocated to the Project represent less than the total cost of the Project, the City shall provide such additional funds as may be required to complete the Project.

9. City's Obligation to Repay TUMF Program Funds to WRCOG; Exception For PA&ED Phase Work. Except as otherwise expressly excepted within this paragraph, in the event that: (i) the City, for any reason, determines not to proceed with or complete the Project; or (ii) the Project is not timely completed, subject to any extension of time granted by WRCOG pursuant to the terms of this Agreement; the City agrees that any TUMF Program Funds that were distributed to the City for the Project shall be repaid in full to WRCOG, and the Parties shall enter into good faith negotiations to establish a reasonable repayment schedule and repayment mechanism. If the Project involves work pursuant to a PA&ED phase, City shall not be obligated to repay TUMF Program Funds to WRCOG relating solely to PA&ED phase work performed for the Project.

10. City's Local Match Contribution. City local match funding is not required, as shown in Exhibit "A" and as called out in the City's Project Nomination Form submitted to WRCOG in response to its Call for Projects.

11. Term/Notice of Completion. The term of this Agreement shall be from the date first herein above written until the earlier of the following: (i) the date WRCOG formally accepts the Project as complete, pursuant to Section 6; (ii) termination of this Agreement pursuant to Section 15; or (iii) the City has fully satisfied its obligations under this Agreement. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

12. Representatives of the Parties. WRCOG's Executive Director, or his or her designee, shall serve as WRCOG's representative and shall have the authority to act on behalf of WRCOG for all purposes under this Agreement. The City hereby designates **Kris Martinez, Public Works Director**, or his or her designee, as the City's representative to WRCOG. The City's representative shall have the authority to act on behalf of the City for all purposes under this Agreement and shall coordinate all activities of the Project under the City's responsibility. The City shall work closely and cooperate fully with WRCOG's representative and any other agencies which may have jurisdiction over or an interest in the Project.

13. Expenditure of Funds by City Prior to Execution of Agreement. Nothing in this Agreement shall be construed to prevent or preclude the City from expending funds on the Project prior to the execution of the Agreement, or from being reimbursed by WRCOG for such expenditures. However, the City understands and acknowledges that any expenditure of funds on the Project prior to the execution of the Agreement is made at the City's sole risk, and that some expenditures by the City may not be eligible for reimbursement under this Agreement.

14. Review of Services. The City shall allow WRCOG's Representative to inspect or review the progress of the Project at any reasonable time in order to determine whether the terms of this Agreement are being met.

15. Termination.

(a) Notice. Either WRCOG or City may, by written notice to the other party, terminate this Agreement, in whole or in part, in response to a material breach hereof by the other Party, by giving written notice to the other party of such termination and specifying the effective date thereof. The written notice shall provide a 30 day period to cure any alleged breach. During the 30 day cure period, the Parties shall discuss, in good faith, the manner in which the breach can be cured.

(b) Effect of Termination. In the event that the City terminates this Agreement, the City shall, within 180 days, repay to WRCOG any unexpended TUMF Program Funds provided to the City under this Agreement and shall complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. In the event that WRCOG terminates this Agreement, WRCOG shall, within 90 days, distribute to the City TUMF Program Funds in an amount equal to the aggregate total of all unpaid invoices which have been received from the City regarding the Project at the time of the notice of termination; provided, however, that WRCOG shall be entitled to exercise its rights under Section 5(b), including but not limited to conducting a review of the invoices and requesting additional information. Upon such termination, the City shall, within 180 days, complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. This

Agreement shall terminate upon receipt by the non-terminating Party of the amounts due to it hereunder and upon completion of the segment or portion of Project work for which TUMF Program Funds have been provided.

(c) Cumulative Remedies. The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

16. Prevailing Wages. The City and any other person or entity hired to perform services on the Project are alerted to the requirements of California Labor Code Sections 1770 et seq., which would require the payment of prevailing wages were the services or any portion thereof determined to be a public work, as defined therein. The City shall ensure compliance with these prevailing wage requirements by any person or entity hired to perform the Project. The City shall defend, indemnify, and hold harmless WRCOG, its officers, employees, consultants, and agents from any claim or liability, including without limitation attorneys, fees, arising from its failure or alleged failure to comply with California Labor Code Sections 1770 et seq.

17. Progress Reports. WRCOG may request the City to provide WRCOG with progress reports concerning the status of the Project.

18. Indemnification.

(a) City Responsibilities. In addition to the indemnification required under Section 16, the City agrees to indemnify and hold harmless WRCOG, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of the City or its subcontractors. The City will reimburse WRCOG for any expenditures, including reasonable attorneys' fees, incurred by WRCOG, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of the City.

(b) WRCOG Responsibilities. WRCOG agrees to indemnify and hold harmless the City, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of WRCOG or its sub-consultants. WRCOG will reimburse the City for any expenditures, including reasonable attorneys' fees, incurred by the City, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of WRCOG.

(c) Effect of Acceptance. The City shall be responsible for the professional quality, technical accuracy and the coordination of any services provided to complete the Project. WRCOG's review, acceptance or funding of any services performed by the City or any other person or entity under this Agreement shall not be construed to operate as a waiver of any rights WRCOG may hold under this Agreement or of any cause of action arising out of this Agreement. Further, the City shall be and remain liable to WRCOG, in accordance with applicable law, for all damages to WRCOG caused by the City's negligent performance of this Agreement or supervision of any services provided to complete the Project.

19. Insurance. The City shall require, at a minimum, all persons or entities hired to perform the Project to obtain, and require their subcontractors to obtain, insurance of the types and in the amounts described below and satisfactory to the City and WRCOG. Such insurance shall be maintained throughout the term of this Agreement, or until completion of the Project, whichever occurs last.

(a) Commercial General Liability Insurance. Occurrence version commercial general liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Project or be no less than two times the occurrence limit. Such insurance shall:

(i) Name WRCOG and City, and their respective officials, officers, employees, agents, and consultants as insured with respect to performance of the services on the Project and shall contain no special limitations on the scope of coverage or the protection afforded to these insured;

(ii) Be primary with respect to any insurance or self-insurance programs covering WRCOG and City, and/or their respective officials, officers, employees, agents, and consultants; and

(iii) Contain standard separation of insured provisions.

(b) Business Automobile Liability Insurance. Business automobile liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

(c) Professional Liability Insurance. Errors and omissions liability insurance with a limit of not less than $1,000,000.00 Professional liability insurance shall only be required of design or engineering professionals.

(d) Workers' Compensation Insurance. Workers' compensation insurance with statutory limits and employers' liability insurance with limits of not less than $1,000,000.00 each accident.

20. Project Amendments. Changes to the characteristics of the Project, including the deadline for Project completion, and any responsibilities of the City or WRCOG may be requested in writing by the City and are subject to the approval of WRCOG's Representative, which approval will not be unreasonably withheld, provided that extensions of time for completion of the Project shall be approved in the sole discretion of WRCOG's Representative. Nothing in this Agreement shall be construed to require or allow completion of the Project without full compliance with the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.;* "CEQA") and the National Environmental Policy Act of 1969 (42 USC

4231 *et seq.*), if applicable, but the necessity of compliance with CEQA and/or NEPA shall not justify, excuse, or permit a delay in completion of the Project.

21. Conflict of Interest. For the term of this Agreement, no member, officer or employee of the City or WRCOG, during the term of his or her service with the City or WRCOG, as the case may be, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

22. Limited Scope of Duties. WRCOG's and the City's duties and obligations under this Agreement are limited to those described herein. WRCOG has no obligation with respect to the safety of any Project performed at a job site. In addition, WRCOG shall not be liable for any action of City or its contractors relating to the condemnation of property undertaken by City or construction related to the Project.

23. Books and Records. Each party shall maintain complete, accurate, and clearly identifiable records with respect to costs incurred for the Project under this Agreement. They shall make available for examination by the other party, its authorized agents, officers or employees any and all ledgers and books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or related to the expenditures and disbursements charged to the other party pursuant to this Agreement. Further, each party shall furnish to the other party, its agents or employees such other evidence or information as they may require with respect to any such expense or disbursement charged by them. All such information shall be retained by the Parties for at least four (4) years following termination of this Agreement, and they shall have access to such information during the four-year period for the purposes of examination or audit.

24. Equal Opportunity Employment. The Parties represent that they are equal opportunity employers and they shall not discriminate against any employee or applicant of reemployment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

25. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California.

26. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit.

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

28. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

29. Public Acknowledgement. The City agrees that all public notices, news releases, information signs and other forms of communication shall indicate that the Project is being cooperatively funded by the City and WRCOG TUMF Program Funds.

30. No Joint Venture. This Agreement is for funding purposes only and nothing herein shall be construed to make WRCOG a party to the construction of the Project or to make it a partner or joint venture with the City for such purpose.

31. Compliance With the Law. The City shall comply with all applicable laws, rules and regulations governing the implementation of the Qualifying Project, including, where applicable, the rules and regulations pertaining to the participation of businesses owned or controlled by minorities and women promulgated by the Federal Highway Administration and the Federal Department of Transportation.

32. Notices. All notices hereunder and communications regarding interpretation of the terms of this Agreement or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

If to City:	Kris Martinez, Public Works Director City of Riverside 3900 Main Street Riverside, CA 92522 Telephone: (951) 826-5575 Facsimile: (951) 826-2460
If to WRCOG:	Western Riverside Council of Governments Riverside County Administrative Center 4080 Lemon Street, Third Floor Riverside, California 92501-3609 Attention: Christopher Gray, Director of Transportation Telephone: (951) 955-8304 Facsimile: (951) 787-7991

Any notice so given shall be considered served on the other party three (3) days after deposit in the U.S. mail, first class postage prepaid, return receipt requested, and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred regardless of the method of service.

33. Integration; Amendment. This Agreement contains the entire agreement between the PARTIES. Any agreement or representation respecting matters addressed herein that are not expressly set forth in this Agreement is null and void. This Agreement may be amended only by mutual written agreement of the PARTIES.

34. Severability. If any term, provision, condition or covenant of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

35. Conflicting Provisions. In the event that provisions of any attached appendices or exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the Agreement.

36. Independent Contractors. Any person or entities retained by the City or any contractor shall be retained on an independent contractor basis and shall not be employees of WRCOG. Any personnel performing services on the Project shall at all times be under the exclusive direction and control of the City or contractor, whichever is applicable. The City or contractor shall pay all wages, salaries and other amounts due such personnel in connection with their performance of services on the Project and as required by law. The City or consultant shall be responsible for all reports and obligations respecting such personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance and workers' compensation insurance.

37. Effective Date. This Agreement shall not be effective until executed by both Parties. The failure of one party to execute this Agreement within forty-five (45) days of the other party executing this Agreement shall render any execution of this Agreement ineffective.

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective on the day and year first above-written.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By:______________________ Date:________
Rick Bishop
Executive Director

Approved to Form:

By:______________________ Date:________
Steven C. DeBaun
General Counsel

CITY OF RIVERSIDE, a municipal corporation

By: ______________________ Date:________

Atttest:________________________________
City Clerk

Approved to Form:

By:______________________ Date:________
Deputy City Attorney
Ruthann M. Salera

EXHIBIT "A"

SCOPE OF WORK

SCOPE OF WORK: The project will design and construct an underpass at the existing Third Street at-grade crossing of the Burlington Northern Santa Fe (BNSF) railroad in the City of Riverside. Third Street will be lowered from about Vine Street to Park Avenue and a bridge will be constructed to convey rail traffic. The project also requires the realignment of Commerce Street, construction of slopes, retaining walls, and storm water pump station as well as relocation of wet and dry utilities. Project design consists of the following phases:

1) Project Approval and Environmental Documents (PA&ED) phase – Complete preliminary engineering and obtain environmental clearance for the project;

2) Plans, Specifications, and Estimate (PS&E) phase – Prepare construction documents and advertise the project for bids

EXHIBIT "A-1"

ESTIMATE OF COST

Phase	TUMF	LOCAL/STATE/FEDERAL	TOTAL
PA&ED	$1,500,000		$1,500,000
PS&E	$2,500,000		$2,500,000
RIGHT OF WAY	$1,000,000	$12,000,000	$13,000,000
CONSTRUCTION		$28,000,000	$28,000,000
TOTAL	$5,000,000	$40,000,000	$45,000,000

This Reimbursement Agreement is for the Planning and Engineering Phases only.

EXHIBIT "A-2"

PROJECT SCHEDULE

TIMETABLE:

Phase	Estimated Completion Date	Estimated Cost	Comments
PA&ED	12/2020	$1,500,000	
PS&E	12/2022	$2,500,000	
RIGHT OF WAY	12/2022	$13,000,000	
CONSTRUCTION	07/2025	$28,000,000	
TOTAL		$45,000,000	

This Reimbursement Agreement is for the Planning and Engineering Phases only.

Elements of Compensation

EXHIBIT "B"

PROCEDURES FOR SUBMITTAL, CONSIDERATION AND PAYMENT OF INVOICES

1. For professional services, WRCOG recommends that the City incorporate this Exhibit "B-1" into its contracts with any subcontractors to establish a standard method for preparation of invoices by contractors to the City and ultimately to WRCOG for reimbursement of City contractor costs.

2. Each month the City shall submit an invoice for eligible Project costs incurred during the preceding month. The original invoice shall be submitted to WRCOG's Executive Director with a copy to WRCOG's Project Coordinator. Each invoice shall be accompanied by a cover letter in a format substantially similar to that of Exhibit "B-2".

3. For jurisdictions with large construction projects (with the total construction cost exceeding $10 million) under construction at the same time, may with the approval of WRCOG submit invoices to WRCOG for payment at the same time they are received by the jurisdiction. WRCOG must receive the invoice by the 5th day of the month in order to process the invoice within 30 days. WRCOG will retain 10% of the invoice until all costs have been verified as eligible and will release the balance at regular intervals not more than quarterly and not less than semi-annually. If there is a discrepancy or ineligible costs that exceed 10% of the previous invoice WRCOG will deduct that amount from the next payment.

4. Each invoice shall include documentation from each contractor used by the City for the Project, listing labor costs, subcontractor costs, and other expenses. Each invoice shall also include a monthly progress report and spreadsheets showing the hours or amounts expended by each contractor or subcontractor for the month and for the entire Project to date. Samples of acceptable task level documentation and progress reports are attached as Exhibits "B-4" and "B-5". All documentation from the City's contractors should be accompanied by a cover letter in a format substantially similar to that of Exhibit "B-3".

5. If the City is seeking reimbursement for direct expenses incurred by City staff for eligible Project costs, the City shall provide the same level of information for its labor and any expenses as required of its contractors pursuant to Exhibit "B" and its attachments.

6. Charges for each task and milestone listed in Exhibit "A" shall be listed separately in the invoice.

7. Each invoice shall include a certification signed by the City Representative or his or her designee which reads as follows:

"I hereby certify that the hours and salary rates submitted for reimbursement in this invoice are the actual hours and rates worked and paid to the contractors or subcontractors listed.

Signed ________________________________

Title __________________________________

Date __________________________________

Invoice No. ____________________________

8. WRCOG will pay the City within 30 days after receipt by WRCOG of an invoice. If WRCOG disputes any portion of an invoice, payment for that portion will be withheld, without interest, pending resolution of the dispute, but the uncontested balance will be paid.

9. The final payment under this Agreement will be made only after: (I) the City has obtained a Release and Certificate of Final Payment from each contractor or subcontractor used on the Project; (ii) the City has executed a Release and Certificate of Final Payment; and (iii) the City has provided copies of each such Release to WRCOG.

EXHIBIT "B-1"
[Sample for Professional Services]

For the satisfactory performance and completion of the Services under this Agreement, City will pay the Contractor compensation as set forth herein. The total compensation for this service shall not exceed (_____INSERT WRITTEN DOLLAR AMOUNT___) ($___INSERT NUMERICAL DOLLAR AMOUNT___) without written approval of City's City Manager [or applicable position] ("Total Compensation").

1. ELEMENTS OF COMPENSATION.

Compensation for the Services will be comprised of the following elements: 1.1 Direct Labor Costs; 1.2 Fixed Fee; and 1.3 Additional Direct Costs.

1.1 DIRECT LABOR COSTS.

Direct Labor costs shall be paid in an amount equal to the product of the Direct Salary Costs and the Multiplier which are defined as follows:

1.1.1 DIRECT SALARY COSTS

Direct Salary Costs are the base salaries and wages actually paid to the Contractor's personnel directly engaged in performance of the Services under the Agreement. (The range of hourly rates paid to the Contractor's personnel appears in Section 2 below.)

1.1.2 MULTIPLIER

The Multiplier to be applied to the Direct Salary Costs to determine the Direct Labor Costs is __________________, and is the sum of the following components:

1.1.2.1 Direct Salary Costs _____________________

1.1.2.2 Payroll Additives _____________________

The Decimal Ratio of Payroll Additives to Direct Salary Costs. Payroll Additives include all employee benefits, allowances for vacation, sick leave, and holidays, and company portion of employee insurance and social and retirement benefits, all federal and state payroll taxes, premiums for insurance which are measured by payroll costs, and other contributions and benefits imposed by applicable laws and regulations.

1.1.2.3 Overhead Costs _____________________

The Decimal Ratio of Allowable Overhead Costs to the Contractor Firm's Total Direct Salary Costs. Allowable Overhead Costs include general, administrative and overhead costs of maintaining and operating established offices, and consistent with established firm policies, and as defined in the Federal Acquisitions Regulations, Part 31.2.

Total Multiplier ____________________
(sum of 1.1.2.1, 1.1.2.2, and 1.1.2.3)

1.2 FIXED FEE.

1.2.1 The fixed fee is $______________________.

1.2.2 A pro-rata share of the Fixed Fee shall be applied to the total Direct Labor Costs expended for services each month, and shall be included on each monthly invoice.

1.3 ADDITIONAL DIRECT COSTS.

Additional Direct Costs directly identifiable to the performance of the services of this Agreement shall be reimbursed at the rates below, or at actual invoiced cost.

Rates for identified Additional Direct Costs are as follows:

ITEM	REIMBURSEMENT RATE
	[___insert charges___]
Per Diem	$ /day
Car mileage	$ /mile
Travel	$ /trip
Computer Charges	$ /hour
Photocopies	$ /copy
Blueline	$ /sheet
LD Telephone	$ /call
Fax	$ /sheet
Photographs	$ /sheet

Travel by air and travel in excess of 100 miles from the Contractor's office nearest to City’s office must have City's prior written approval to be reimbursed under this Agreement.

2. DIRECT SALARY RATES

Direct Salary Rates, which are the range of hourly rates to be used in determining Direct Salary Costs in Section 1.1.1 above, are given below and are subject to the following:

2.1 Direct Salary Rates shall be applicable to both straight time and overtime work, unless payment of a premium for overtime work is required by law, regulation or craft agreement, or is otherwise specified in this Agreement. In such event, the premium portion of Direct Salary Costs will not be subject to the Multiplier defined in Paragraph 1.1.2 above.

2.2 Direct Salary Rates shown herein are in effect for one year following the effective date of the Agreement. Thereafter, they may be adjusted annually to reflect the Contractor's adjustments to individual compensation. The Contractor shall notify City in writing prior to a change in the range of rates included herein, and prior to each subsequent change.

POSITION OR CLASSIFICATION	RANGE OF HOURLY RATES
[___sample___]	
Principal	$ .00 - $ .00/hour
Project Manager	$ .00 - $ .00/hour
Sr. Engineer/Planner	$ .00 - $ .00/hour
Project Engineer/Planner	$ .00 - $ .00/hour
Assoc. Engineer/Planner	$ .00 - $ .00/hour
Technician	$ .00 - $ .00/hour
Drafter/CADD Operator	$ .00 - $ .00/hour
Word Processor	$ .00 - $ .00/hour

2.3 The above rates are for the Contractor only. All rates for subcontractors to the Contractor will be in accordance with the Contractor's cost proposal.

3. INVOICING.

3.1 Each month the Contractor shall submit an invoice for Services performed during the preceding month. The original invoice shall be submitted to City's Public Works Director.

3.2 Charges shall be billed in accordance with the terms and rates included herein, unless otherwise agreed in writing by City's Representative.

3.3 Base Work and Extra Work shall be charged separately, and the charges for each task and Milestone listed in the Scope of Services, shall be listed separately. The charges for each individual assigned by the Contractor under this Agreement shall be listed separately on an attachment to the invoice.

3.4 A charge of $500 or more for any one item of Additional Direct Costs shall be accompanied by substantiating documentation satisfactory to City such as invoices, telephone logs, etc.

3.5 Each copy of each invoice shall be accompanied by a Monthly Progress Report and spreadsheets showing hours expended by task for each month and total project to date.

3.6 If applicable, each invoice shall indicate payments to DBE subcontractors or supplies by dollar amount and as a percentage of the total invoice.

3.7 Each invoice shall include a certification signed by the Contractor's Representative or an officer of the firm which reads as follows:

I hereby certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed.
Signed ______________________________
Title ______________________________
Date ______________________________
Invoice No. ______________________________

4. PAYMENT

4.1 City shall pay the Contractor within four to six weeks after receipt by City of an original invoice. Should City contest any portion of an invoice, that portion shall be held for resolution, without interest, but the uncontested balance shall be paid.

4.2 The final payment for Services under this Agreement will be made only after the Contractor has executed a Release and Certificate of Final Payment.

EXHIBIT B-2
Sample Cover Letter to WRCOG

Date
Western Riverside Council of Governments
Riverside County Administrative Center
4080 Lemon Street, Third Floor
Riverside, California 92501-3679
Attention: Deputy Executive Director
ATTN: Accounts Payable

Re: Project Title - Invoice #__

Enclosed for your review and payment approval is the City's invoice for professional and technical services that was rendered by our contractors in connection with the 2002 Measure "A" Local Streets and Roads Funding per Agreement No. ________ effective __(Month/Day/Year)__. The required support documentation received from each contractor is included as backup to the invoice.

Invoice period covered is from __Month/Date/Year__ to __Month/Date/Year__.

Total Authorized Agreement Amount:	$0,000,000.00
Total Invoiced to Date:	$0,000,000.00
Total Previously Invoiced:	$0,000,000.00
Balance Remaining:	$0,000,000.00
Amount due this Invoice:	**$0,000,000.00**
	===========

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the contractors listed.

By: ______________________________
Name
Title

cc:

EXHIBIT B-3
Sample Letter from Contractor to City

Month/Date/Year

Western Riverside Council of Governments
Riverside County Administrative Center
4080 Lemon Street, Third Floor
Riverside, California 92501-3679
Attention: Deputy Executive Director
Attn: Accounts Payable Invoice #____________

For **[type of services]** rendered by **[contractor name]** in connection with **[name of project]** This is per agreement No. XX-XX-XXX effective __Month/Date/Year__.

Invoice period covered is from __Month/Date/Year__ to __Month/Date/Year__.

Total Base Contract Amount:	$000,000.00
Authorized Extra Work (if Applicable)	$000,000.00

TOTAL AUTHORIZED CONTRACT AMOUNT:	$000,000.00
Total Invoice to Date:	$000,000.00
Total Previously Billed:	$000,000.00
Balance Remaining:	$000,000.00
Amount Due this Invoice:	$000,000.00
	==========

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed,

By: ____________________
Name
Title

EXHIBIT B-4
SAMPLE TASK SUMMARY SCHEDULE
(OPTIONAL)

EXHIBIT B-5
Sample Progress Report

REPORTING PERIOD: Month/Date/Year to Month/Date/Year
PROGRESS REPORT: #1

A. Activities and Work Completed during Current Work Periods

TASK 01 – 100% PS&E SUBMITTAL

1. Responded to Segment 1 comments from Department of Transportation
2. Completed and submitted Segment 1 final PS&E

B. Current/Potential Problems Encountered & Corrective Action

Problems	Corrective Action
None	None

C. Work Planned Next Period

TASK 01 – 100% PS&E SUBMITTAL

1. Completing and to submit Traffic Signal and Electrical Design plans
2. Responding to review comments

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Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Finance Department Activities Update**

Contact: **Andrew Ruiz, Program Manager, aruiz@wrcog.us, (951) 405-6741**

Date: **June 4, 2018**

***The purpose of this item is to** provide an update on the Fiscal Year (FY) 2018/2019 Agency Budget development process, the 4th Quarter Budget amendment schedule for FY 2017/2018, the FY 2017/2018 Agency Audit, and the Agency Financial Report summary through March 2018.*

Requested Action:

1. Receive and File.

FY 2018/2019 Agency Budget Development Process

Staff is finalizing the FY 2018/2019 Agency Budget; below is the schedule of presentations for review and action at the various Committees, including the General Assembly:

April 11, 2018:	Administration & Finance Committee (first review)
April 19, 2018:	Technical Advisory Committee (first review)
April 26, 2018:	Finance Directors Committee (first review)
May 7, 2018:	Executive Committee (first review)
May 9, 2018:	Administration & Finance Committee (second review)
May 17, 2018:	Technical Advisory Committee (*second review*)
June 4, 2018:	**Executive Committee *(second review)***
June 21, 2018:	General Assembly *(action)*

4th Quarter Budget Amendment

June 30, 2018, will mark the end of the fourth quarter of FY 2017/2018. The Administration & Finance Committee will consider the 4th Quarter Draft Budget Amendment at its July 11, 2018, meeting. The Technical Advisory Committee will consider the amendment report at its July 19, 2018, meeting, and the Executive Committee will consider the amendment on August 6, 2018.

Fiscal Year 2017/2018 Agency Audit

WRCOG's annual Agency audit is tentatively scheduled to begin the week of May 28, 2018. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit; in July or August, RAMS will return to finish its second round, which is known as "fieldwork."

Financial Report Summary through March 2018

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

Prior Actions:

May 17, 2018: The Technical Advisory Committee received and filed.

May 9, 2018: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – March 2018.

Item 5.D

Finance Department Activities Update

Attachment 1

Financial Report summary – March 2018

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

Revenues	**Approved 6/30/2018 Budget*** **	**Thru 2/28/2018 Actual**	**Remaining 6/30/2018 Budget**
Member Dues	311,410	313,695	(2,285)
General Assembly	300,000	18,800	281,200
PACE Residential Revenue	816,771	768,095	48,676
CA HERO Residential Revenue	5,800,000	3,235,848	2,564,152
The Gas Company Partnership	50,000	31,377	18,623
SCE WREP Revenue	75,000	80,114	(5,114)
PACE Residential Recording Revenue	182,775	163,180	19,595
CA HERO Residential Recording Revenue	1,000,000	618,350	381,650
CA First Residential Revenue	167,000	29,900	137,100
CA First Residential Recording Revenue	86,000	10,587	75,413
Other Misc Revenue	-	3,928	(3,928)
Solid Waste	117,100	78,835	38,265
Used Oil Revenue	255,000	207,961	47,039
Active Transportation Revenue	150,000	80,567	69,433
RIVTAM Revenue	25,000	25,000	-
Air Quality-Clean Cities	137,500	138,000	(500)
LTF	726,000	726,000	-
Commercial/Service - Admin Portion	101,097	95,225	5,872
Retail - Admin Portion	118,867	85,501	33,366
Industrial - Admin Portion	249,133	352,716	(103,583)
Residential/Multi/Single - Admin Portion	1,045,779	757,868	287,911
Multi-Family - Admin Portion	129,787	79,598	50,189
Commercial/Service - Non-Admin Portion	2,426,945	2,285,406	141,538
Retail - Non-Admin Portion	2,852,820	2,052,030	800,789
Industrial - Non-Admin Portion	5,979,195	8,465,183	(2,485,988)
Residential/Multi/Single - Non-Admin Portion	25,098,070	18,188,822	6,909,248
Multi-Family - Non-Admin Portion	3,114,890	1,910,345	1,204,544
Total Revenues	**60,574,824**	**40,802,933**	**19,771,892**

Expenditures			
Wages & Salaries	2,579,801	1,936,515	643,286
Fringe Benefits	739,956	616,009	123,947
Total Wages and Benefits	**3,379,757**	**2,552,524**	**827,233**
Overhead Allocation	2,219,371	1,664,528	554,843
General Legal Services	634,037	671,730	(37,693)
Audit Fees	27,500	20,200	7,300
Bank Fees	29,000	20,604	8,396
Commissioners Per Diem	62,500	39,300	23,200
Office Lease	427,060	147,228	279,832
WRCOG Auto Fuel	750	480	270
WRCOG Auto Maintenance	100	710	(610)
Special Mail Srvcs	1,800	673	1,127
Parking Validations	4,865	4,925	(60)
Staff Recognition	1,245	525	720
Coffee and Supplies	160	1,203	(1,043)

Event Support	105,370	69,629	35,741
General Supplies	26,088	16,429	9,659
Computer Supplies	12,258	7,887	4,371
Computer Software	28,486	22,308	6,178
Rent/Lease Equipment	35,100	20,316	14,784
Membership Dues	32,850	19,991	12,859
Subcriptions/Publications	5,099	698	4,401
Meeting Support/Services	18,910	11,946	6,964
Postage	5,005	5,994	(989)
Other Household Expenditures	4,250	-	4,250
COG Partnership Agreement	25,000	9,504	15,496
Storage	11,000	11,655	(655)
Printing Services	16,462	1,426	15,036
Public Notices	11,900		11,900
Computer Hardware	4,286	1,692	2,594
Misc. Office Equipment	1,376	688	688
EV Charging Equipment	5,975	5,975	-
Communications-Regular	9,218	12,969	(3,751)
Communications-Long Distance	500	231	269
Communications-Cellular	14,021	9,275	4,746
Communications-Comp Sv	75,009	38,930	36,079
Communications-Web Site	8,465	7,869	596
Equipment Maintenance - General	10,000	5,737	4,263
Equipment Maintenance - Computers	26,200	11,662	14,538
Insurance - General/Business Liason	73,520	64,370	9,150
WRCOG Auto Insurance	1,570	3,457	(1,887)
PACE Recording Fees	1,354,775	945,486	409,289
Seminars/Conferences	23,353	13,579	9,774
General Assembly Expenditures	300,000	48,206	251,794
Travel - Mileage Reimbursement	27,409	15,351	12,058
Travel - Ground Transportation	7,583	2,852	4,731
Travel - Airfare	25,423	12,191	13,232
Lodging	15,999	9,778	6,221
Meals	10,700	4,860	5,840
Other Incidentals	10,123	6,831	3,292
Training	15,400	9,060	6,340
Supplies/Materials	65,588	281	65,307
Ads	51,571	79,525	(27,954)
Education Reimbursement	25,000	2,500	22,500
Consulting Labor	4,414,309	1,671,152	2,743,157
Consulting Expenses	96,466	4,443	92,023
TUMF Project Reimbursement	39,000,000	11,818,580	27,181,420
BEYOND Expenditures	2,052,917	568,167	1,484,750
Computer Equipment Purchases	44,877	16,583	28,294
Office Furniture Purchases	312,500	265,488	47,012
Total General Operations	**61,600,179**	**18,427,656**	**43,172,523**
Total Expenditures	**64,979,936**	**20,980,180**	**43,999,756**

*****Includes 1st & 2nd quarter budget amendments**

Item 5.E

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **WRCOG Committees and Agency Activities Update**

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

Date: **June 4, 2018**

***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 summaries of actions and activities from recent WRCOG standing Committee meetings that have taken place since the May 2018 Executive Committee meeting.

Prior Action:

May 17, 2018: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachments:

1. WRCOG Committees Activities Matrix (Action items only).
2. Summary recaps from recent Committee meetings.

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Item 5.E

WRCOG Committees and Agency Activities Update

Attachment 1

WRCOG Committees Activities Matrix (Action items only)

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WRCOG Committees Activities Matrix (Action Items Only)	Executive Committee	Administration & Finance Committee	Technical Advisory Committee	Planning Directors Committee	Public Works Committee	Finance Directors Committee	Solid Waste Committee
Date of Meeting:	**5/7/18**	**5/9/18**	**5/17/18**	**5/10/18**	**5/10/18**	**Did not meet**	**Did not meet**
Current Programs / Initiatives:							
Regional Streetlights Program	n/a	n/a	Received and filed.	Received and filed.	n/a		
Property Assessed Clean Energy (PACE) Programs	Adopted WRCOG Resolution Number 10-18;	n/a	n/a	n/a	n/a		
Community Choice Aggregation (CCA) / Western Community Energy	Received and filed.	n/a	n/a	n/a	n/a		
TUMF	1) Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Wildomar for the Construction Phase of the Bundy Canyon Road Project in an amount not to exceed $7,485,000; 2) authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Wildomar for the Planning, Engineering and Right-of-Way Phases of the Bundy Canyon Road Project in an amount not to exceed $6,882,000; 3) authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Wildomar for the Planning and Engineering Phases of the Palomar Road Project in an amount not to exceed $898,517; 4) authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Wildomar for the Construction Phase of the Clinton Keith Road Project in an amount not to exceed $3,048,860; 5) authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Wildomar for the Engineering Phase of the Clinton Keith Road Project in an amount not to exceed $1,260,140.	n/a	1) Recommended that the Executive Committee approve an option that would have WRCOG verify all project TUMF fees and verify exemptions; 2) directed staff to complete a comprehensive update to the TUMF Calculator Tool by August 2018; 3) directed staff to complete the TUMF Administrative Plan update with the process for implementing an option that would have WRCOG verify all project TUMF fees and verify exemptions by August 2018.	Received and filed.	1) Recommended that the Executive Committee approve an option that would have WRCOG calculate all project TUMF fees and verify exemptions; 2) directed staff to complete a comprehensive update to the TUMF Calculator Tool by August 2018; 3) directed staff to complete the TUMF Administrative Plan update with the process for implementing an option that would have WRCOG calculate all project TUMF fees and verify exemptions by August 2018.		
Fellowship	n/a	n/a	n/a	n/a	n/a		
New Programs / Initiatives:							
EXPERIENCE	Received and filed.	Received and filed.	Received and filed.	Received and filed.	n/a		

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Item 5.E

WRCOG Committees and Agency Activities Update

Attachment 2

Summary recaps from recent Committee meetings

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Western Riverside Council of Governments
Executive Committee Meeting Recap
May 7, 2018

Following is a summary of key items from the last Executive Committee meeting. To review the full agenda and staff reports for all items, click here. To review the meeting PowerPoint presentations, click here.

New WRCOG Leadership Nominations Confirmed

- The Executive Committee approved the nomination of the following elected officials to serve in the Agency's leadership positions for Fiscal Year 2018/2019:
    - Supervisor Chuck Washington, Chair
    - Councilmember Bonnie Wright, City of Hemet, Vice-Chair
    - Councilmember Laura Roughton, City of Jurupa Valley, 2nd Vice-Chair
- Nominations will be confirmed at the WRCOG General Assembly & Leadership Address on June 21, 2018.

Western Community Energy (WCE) Website is Live

- "Western Community Energy," the Community Choice Aggregation (CCA) program being pursued for implementation in Western Riverside County, now has a fully operational website.
- A CCA provides for local elected officials to determine electricity rates for their residents and businesses and allows for communities to have a choice in where they get their energy from. WRCOG's CCA Feasibility Study and results from 10 operational CCAs in California show cost savings for CCA customers as well.
- The new website, Westerncommunityenergy.com offers a wealth of information and includes a series of video FAQ's, with staff responses to commonly asked questions.
- Staff continues to available to conduct outreach and provide presentations on WCE upon request.

Fiscal Year (FY) 2018/2019 Agency Draft Budget Moving Through Committees

- Staff are in the midst of preparing the FY 2018/2019 budget.
- A balanced, draft budget has been presented to the WRCOG Administration & Finance, Technical Advisory, Finance Directors, and Executive Committees for a first review.
- Each Committee will receive a second review, before the final budget is presented to the General Assembly on June 21, 2018, for adoption.

Proposed New Policy for TUMF Fee Calculations

- Staff are exploring opportunities to lower the burden to local jurisdictions related to TUMF fee calculations and reduce or eliminate fee calculation errors.
- The staff-preferred option would involve WRCOG staff taking full responsibility for calculating all project fees and verifying exemptions in a manner similar to how schools, water districts, and other non-jurisdiction agencies do. This would reduce local agency staff burdens, would eliminate the need for annual audits of members, and would eliminate the responsibility for agencies to "make up" the difference when fees are incorrectly calculated.
- The Public Works, Administration & Finance, and Technical Advisory Committees will review options and make a recommendation for consideration by the Executive Committee in the next few months.

Potential Full Consolidation of RCHCA Staff and Operations with WRCOG

- The Riverside County Habitat Conservation Agency (RCHCA) was formed for the purpose of planning for, acquiring, and managing approximately 40,000 acres of habitat for the Stephens' Kangaroo Rat (SKR).
- In 2015, the Executive Committee and RCHCA's Board of Directors approved a five-year Agreement that transferred the duties of administration and management of RCHCA activities to WRCOG. To date, the arrangement has worked well and has resulted in significant savings to the Agency.
- Staff has been given direction to develop documents that would now fully integrate the RCHCA into WRCOG in order to further improve staff efficiencies.

Local Assistance Provided to Member Agencies through Grant Writing Assistance

- WRCOG's Grant Writing Assistance Program funds professional grant writers to augment WRCOG member agencies staff time to compete for state, federal, and private grants.
- Grants received to date show a greater than 10-1 return on the Agency's expenditures.
- For more information on the Program, and to find out what grant writing assistance can be provided to WRCOG member agencies, visit our website.

Western Riverside Council of Governments
Administration & Finance Committee Meeting Recap
May 9, 2018

Following is a summary of major items discussed at the May 9, 2018, Administration & Finance Committee meeting. To review the full agenda and staff reports, please click here. To review the meeting PowerPoint Presentation, please click here.

Agreement for IT Assistance

- The Committee recommend that the Executive Committee authorize the Executive Director to negotiate and enter into a Professional Services Agreement with TWINTEL Solutions, Inc., as to form, to provide Information Technology and Audio / Visual services in an amount not to exceed $114,000 annually.

Draft FY 2018-2018 Agency Budget

- WRCOG presented a second report to the Admin & Finance Committee on the Agency's Proposed Budget for the upcoming fiscal year.
- The Budget is balanced with total Agency revenue for FY 2017/2018, plus transfers from other departments for overhead, projected to be $58.9M, against total Agency expenditures of $53.6M.
- The Committee approved the Draft Budget and forwarded it to the Executive Committee for consideration in June. The General Assembly will consider the final Budget on June 21.

Experience Regional Innovation Center

- The Experience Center is envisioned to be a regional center that would focus on innovation across a variety of fields such as agriculture, green tech, education, etc.
- The Experience concept is examining and exploring local and national models to gain insights on potential uses such as educational, community-serving, research, and economic development.
- A Steering Committee, consisting of Executive Committee members, staff from member jurisdictions and stakeholders, have met for three of the six planned meetings.
- The final meeting, scheduled for August 2018, will review study findings, terms of governance, operations and partnerships.

Western Riverside Council of Governments
Technical Advisory Committee Meeting Recap
May 17, 2018

Following is a summary of key items discussed at the last Technical Advisory Committee meeting. To review the full agenda and staff reports for all items, click here. To review the meeting PowerPoint presentations, click here.

Update from California League of Cities

- Beginning in 2020, all new homes will be required to have solar.
- It appears that enough signatures will be gathered and certified to place a repeal of SB1 on the ballot for voter consideration in November. Efforts are underway to educate the public on SB 1.
- U.S Communities Lunch & Learn, *Save Time and Money*– June 13, 2018 10:00 a.m. – 1:00 p.m. at Eastvale Community Center, 13820 Schleisman Rd. Eastvale, Ca. For more information contact Rob Fiorilli at rfiorilli@uscommunities.org.
- CalPERS had a meeting on AB 1912, and will likely take a support position on this bill. The League is asking that letters be sent to CalPERS asking them to not support.

Fiscal Year (FY) 2018/2019 Agency Draft Budget Moving Through Committees

- A balanced, draft budget has been presented to the WRCOG Administration & Finance, Technical Advisory, Finance Directors, and Executive Committees for a first review.
- The Draft will presented a second time to WRCOG's standing committees for review before the Final budget is presented to the General Assembly on June 21, 2018, for adoption.
- The TAC approved the draft budget and forwarded to the Executive Committee for consideration.

Proposed New Policy for TUMF Fee Calculations

- Staff are exploring opportunities to lower the burden to local jurisdictions related to TUMF fee calculations and reduce or eliminate fee calculation errors.
- The staff-preferred option would involve WRCOG staff taking full responsibility for verifying all project fees and verifying exemptions in a manner similar to how schools, water districts, and other non-jurisdiction agencies do. This would reduce local agency staff burdens, would eliminate the need for annual audits of members, and would eliminate the responsibility for agencies to "make up" the difference when fees are incorrectly calculated.
- The Public Works and Technical Advisory Committees will review options and make a recommendation for consideration by the Executive Committee in the next few months.

Upcoming Events

- June 21, 4 p.m. to 9 p.m.: WRCOG will host its 27th Annual General Assembly & Leadership Address featuring Steve Forbes at Morongo, free for WRCOG member jurisdictions. RSVP here.

Next Meeting

- **The Technical Advisory Committee is DARK in June.** The next meeting of the Technical Advisory Committee will convene on Thursday, July 19, 2018, at 9:30 a.m. in WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.

Western Riverside Council of Governments
Planning Directors Committee Meeting Recap
May 10, 2018

Following is a summary of key items discussed at the last PDC meeting. To review the full agenda and staff reports for all items, click here. To review the meeting PowerPoint presentations, click here. For additional information, contact Andrea Howard at ahoward@wrcog.us or (951) 405-6751.

Proposed New TUMF Policy for TUMF Calculation

- Staff are exploring opportunities to lower the burden to local jurisdictions related to TUMF fee calculations and reduce or eliminate fee calculation errors.
- The staff-preferred option would involve WRCOG staff taking full responsibility for calculating all project fees and verifying exemptions in a manner similar to how schools, water districts, and other non-jurisdictional agencies do. This would reduce local agency staff burdens, eliminate the need for annual audits of members, and eliminate the responsibility of agencies to “make up” the difference when fees are incorrectly calculated.
- The item will continue to be considered by WRCOG’s committees.

Community Gardens Best Practices

- Staff from the City of Perris provided an overview of the City’s work to reach its goal of growing a total of 31 sustainable and edible urban gardens across the City. Perris currently has community gardens in various locations, including elementary schools and City Hall, which is home to the Grow Perris demonstration garden.
- Community gardens fit into the City’s Live Well Perris initiative by promoting healthy diets and physical activity—Live Well Perris serves the entire community, but is particularly impactful for the City’s 25% of residents living below the poverty line.
- Funding for Perris’ gardens has come from a variety of source, including the WRCOG BEYOND Program and grants from the U.S. Conference of Mayors and the Aetna Foundation.

Small Cell Towers: Preliminary Findings of Municipal Design, Operation, and Administrative Guidelines and Requirements of Small Cell Deployment within California

- Small cells are low powered nodes that provide cellular service and are often used by telecommunication companies to support service speed and data transfer. Current estimates count approximately 12 million cells deployed to date and anticipate as many as 70 million to be deployed by 2025.
- To address small cells, municipalities commonly adopt standards for such elements as size, appearance, design, and location, and develop license agreements to work with telecommunications providers to place small cells on vertical infrastructure, such as streetlights, for a fee.
- There are multiple models for administering and operating small cells: municipally administered, private 3rd party administered, and public 3rd party administered.

Regional Housing Element

- In follow-up to a March PDC presentation, WRCOG consultant Alexa Washburn presented on a second case study on regional housing elements.
- The model presented, 21 Elements, is from San Mateo County where jurisdictions created a regional framework to guide development of individual plans, by establishing regular convenings, and creating a toolkit and plug-and-play templates.

- 21 elements resulted in streamlined approval by the California Department of Housing and Community Development (HCD), increased regional collaboration, cost savings, and certified housing elements for all 21 participating jurisdictions.

Next Meeting

- The next meeting of the WRCOG Planning Directors Committee will convene on Thursday, June 14, 2018 at WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.

Western Riverside Council of Governments
Public Works Committee Meeting Recap
May 10, 2018

Inland Empire Transportation Cybersecurity Research Initiative

- Christopher Gray, WRCOG Director of Transportation, introduced an initiative to analyze the current regulatory environment, management, and resources available to manage cybersecurity issues related to surface transportation facilities in Riverside and San Bernardino Counties.
- California State University, San Bernardino (CSUSB) researchers presented the tasks and deliverables, in this collaborative effort with WRCOG, which include steps to: review applicable policies and regulations, survey on emerging technologies in the Inland Empire, identify potential cybersecurity issues, interview transportation leaders, and develop the framework for a long-term cybersecurity strategy.
- Committee members were provided with an introductory survey to begin collecting data for the effort.
- For more information, please contact Christopher Gray at cgray@wrcog.us.

Active Transportation Plan – Final Report

- Christopher Tzeng, WRCOG Program Manager, presented the Active Transportation Plan for final review. Over the last two years, staff has provided numerous updates on the Plan, which will serve as a resource to member agencies focused on enhancing non-motorized infrastructure in the region.
- The Committee recommended that the Executive Committee approve the Western Riverside County Active Transportation Plan.
- For more information, please contact Christopher Tzeng at ctzeng@wrcog.us.

TUMF Program Communications Review

- Daniel Ramirez-Cornejo, WRCOG Senior Analyst, provided an update on the review of current WRCOG communications strategy for the TUMF Program.
- On-call planning consultant, Fehr & Peers, conducted interviews with stakeholders, reviewed the WRCOG website, and Annual Report to determine how well WRCOG is communicating on the TUMF Program and how to make the process more effective and efficient.
- Staff from Fehr & Peers presented the findings and recommendations of the communications review which included creating a TUMF fee calculator tool and interactive website with information on TUMF Network projects.
- For more information, please contact Daniel Ramirez-Cornejo at dramirez-cornejo@wrcog.us.

Proposed New TUMF Policy for TUMF Calculation

- Daniel Ramirez-Cornejo, WRCOG Senior Analyst, provided an update on the two preferred options to avoid TUMF calculation errors, which included WRCOG calculating TUMF for all new development projects and verifying exemptions.

- Committee members identified several concerns with changing TUMF calculation protocol including, but not limited to, timing of calculation responses and specific calculation processes if WRCOG staff were to do all calculations.
- The Committee revised language of the requested actions to have WRCOG staff verify TUMF for all new development projects rather than calculate.
- The Committee requested that additional information be provided with regard to a process for implementing an option that would have WRCOG calculate and collect all project TUMF fees.
- The Committee directed staff to update the TUMF Calculator Tool by August 2018, which would allow stakeholders to generate estimates of calculations for new development projects.
- For more information, please contact Daniel Ramirez-Cornejo at dramirez-cornejo@wrcog.us.

Grant Writing Assistance Program Update

- Christopher Gray, WRCOG Director of Transportation, discussed recent activities and awards associated with WRCOG's Grant Writing Assistance Program.
- The Grant Writing Assistance Program has resulted in more than $1 million in awarded funding and twelve applications.
- For more information, please contact Christopher Gray at cgray@wrcog.us.

Riverside County Traffic Analysis Model (RIVTAM) Update

- Christopher Gray, WRCOG Director of Transportation, provided a report on the status of the RIVTAM update. WRCOG has commenced the procurement process and the RIVTAM update will kick-off this summer.
- WRCOG is currently in the negotiation process with the selected consultant and anticipates entering into an agreement in the coming weeks.
- For more information, please contact Christopher Gray at cgray@wrcog.us.

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Item 5.F

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Western Community Energy Activities Update**

Contact: **Barbara Spoonhour, Director of Community Choice Aggregation Development, bspoonhour@wrcog.us, (951) 405-6760**

Date: **June 4, 2018**

***The purpose of this item is to** provide an update on the status of implementing Western Community Energy (WCE), a Community Choice Aggregation for participating jurisdictions in the subregion.*

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. In California, CCA legislation (Assembly Bill 117, Chaptered in 2002) allows for local jurisdictions to form a CCA, and several jurisdictions throughout California are pursuing the formation of CCAs as a way to provide local control in rate-making, and lower energy costs for businesses and residents.

A CCA allows a local government – either alone or as a group of jurisdictions in a Joint Powers Authority (JPA) – to purchase power on behalf of its community, while utilizing the delivery system of the investor owned utility, Southern California Edison (SCE) in this region's case. A CCA provides a choice for the community, which it does not currently have (unless their community is served by a separate public utility). Instead, the majority of residents and businesses in Western Riverside County only have one option, to get power from SCE under the rates SCE offers. Under a CCA, residents and businesses have the ability to choose from new rates and power sources (which are often more renewable) offered by the CCA, or they can choose to stay with SCE. Local jurisdictions, by participating in a CCA, allow for their businesses and residents to voluntarily make these choices.

Importantly, a CCA also provides local control over rate setting and programs by locally elected city councilmembers and Board of Supervisors members. Rates and programs would be 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. In contrast, SCE currently sets its rates through the California Public Utilities Commission (CPUC) in San Francisco.

Western Community Energy Update

WRCOG staff has been providing presentations to local jurisdictions during city council meetings, workshops, and other avenues to discuss the CCA concept and the steps taken to explore and move forward with the formation of a CCA in Western Riverside County, and will continue to do so as requested.

At this time staff believes that the most prudent and effective path forward is for jurisdictions to join the CCA so that they can then work together to more closely examine remaining issues and, together, determine whether to actually operationalize the Agency and provide services to their businesses and residents. Importantly, joining the CCA is not a commitment to implement the CCA, but, as explained below, it will provide flexibility to operationalize sooner rather than later; waiting to form a CCA could restrict implementation timeframes.

Major points of Emphasis

Feasibility Study concluded that CCA would provide rate savings to businesses and residents: In January 2016, the Executive Committee directed staff to study the potential formation of a CCA Program, and on February 6, 2017, the Executive Committee accepted a Feasibility Study which concluded, using very conservative assumptions, that the launch of a **CCA *would yield savings*** to CCA participants (i.e., residential and business consumers of electricity). WRCOG staff was directed to develop a CCA as a separate agency from WRCOG, but would initially use WRCOG resources to provide cost efficiencies.

	Estimated Annual Revenue to SCE (millions) (2015 data, 2018 rates)	2% Potential Savings per year (millions)
Calimesa	~$8.5	~$0.2
Canyon Lake	~$12.8	~$0.3
Corona	~$163.2	~$3.3
Eastvale	~$39.4	~$0.8
Hemet	~$87.9	~$1.8
Jurupa Valley	~$96.4	~$1.9
Lake Elsinore	~$47.7	~$1
Menifee	~$58.6	~$1.2
Moreno Valley	~$145.8	~$2.9
Murrieta	~$96.4	~$1.9
Norco	~$26.6	~$0.5
Perris	~$52.3	~$1
Temecula	~$109.9	~$2.2
Wildomar	~$22	~$0.4
TOTAL	~$967.8	~$19.4

CCAs are not new in California: CCAs are not a new concept, and the CCA being contemplated would not even be the first CCA in Western Riverside County. Twelve CCAs are currently operating in California, and at least 10 more will commence operations in 2018. In fact, jurisdictions representing approximately 65% of the population in SCE's service territory are examining CCA formation.

In Riverside County, the Desert Community Energy CCA is formed, with three jurisdictions on board. The City of San Jacinto has begun to service load for its community through a CCA operated by the City of Lancaster. Riverside County unincorporated area has set up its CCA and could service load by 2020. In Los Angeles and Ventura Counties, 31 jurisdictions have recently joined Clean Power Alliance in the last year alone.

WRCOG member jurisdictions are encouraged to join WCE for the following reasons:

Joining WCE comes with no initial obligations: Joining WCE does not lock in a City to implementation (there are many more steps that need to occur prior to launch) and joining WCE would allow the Agency to work with others in further examining and deciding whether to move forward.

CCAs are economic drivers: WRCOG member agencies regularly indicate that economic development is a top priority in the subregion. As CCAs form in adjacent communities, offering local control in rate setting, lower rates, and choices for residents and businesses, WRCOG jurisdictions stand to lose ground in the fight for new economic growth. Providing savings to community residents allows them to spend monies in their communities, rather than having it default to their energy bill.

Local control is huge: By joining a CCA, a local jurisdiction immediately has a voice in rate setting and can work to tailor rates that can best benefit its community and region. Currently, local elected officials have no vote on rate setting, which occurs at the CPUC in Northern California.

Giving constituents options is important: When a jurisdiction joins a CCA, it is simply providing its residents and businesses with the ability to choose whether they, too, wish to participate in the CCA. Participation is completely optional; prior to launch, and during operations, the CCA will deliver notices to businesses and residents to inform them of the CCA and its rates, and provide them with the ability to choose.

Timing is critical: In February 2018, the CPUC adopted a Resolution that dictates when a CCA can begin operating. CCAs that formed and submitted their required Implementation Plans prior to March 1, 2018, are able to launch in 2019. CPUC staff has indicated that the longer WCE takes to establish its Agency structure and submit its Implementation Plan, the later the potential launch date. For example, for any jurisdiction that joins before August 15, Staff estimates WCE could launch in 2020. By deferring action to join a CCA now, jurisdictions may not be able to offer these benefits to their constituents for several years because of State processes. Meanwhile, CCA's in adjacent communities could be drawing new businesses to establish new operations outside of the region.

Projected rate savings incorporates the cost of the "Exit Fee": The Power Charge Indifference Adjustment (PCIA), or "Exit Fee," is being raised by some as an unknown factor that should put the brakes on CCA formation. The "Exit Fee" is not new, and a fee is already in place for 2018. WRCOG's Feasibility Study / Business Plan used a highly conservative rate (over 30% above the current PCIA) in its analysis, and still shows that a CCA would benefit Western Riverside County. In fact, the PCIA fee used in the Feasibility Study is actually higher than what SCE states the PCIA should be.

Primarily because of the timing issue discussed above, WRCOG staff believes it is prudent for jurisdictions, in order to maintain maximum flexibility and options, to consider joining WCE by August 15. At that time, they can work together through the remaining matters that need to be addressed before launching. *Joining the CCA is not a commitment to implement and participate. Rather, it is a critical step to convene elected officials who are interested in CCA development to jointly determine whether and when to proceed.*

Upcoming Events

The Business of Local Energy Symposium
June 4 – 5, 2018
Sheraton Hotel, Sacramento

The Center for Climate Protection, along with the Local Government Commission (LGC) and the Local Government Sustainable Energy Coalition (LGSEC) are organizing the 3rd Business of Local Energy Symposium. This year's theme, "Community Choice: Power with Purpose," looks at accelerating CCA adoption, sharing best practices, and creating more benefits for communities. There will also be a pre-symposium workshop on the afternoon of June 4th on distributed energy resource (DER) projects that build local resiliency, provide unique customer services, and contribute to local economic development. For more information, please visit https://climateprotection.org/business-local-energy-symposium-2018/.

Prior Action:

May 7, 2018: 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: **Regional Streetlight Program Activities Update**

Contact: **Tyler Masters, Program Manager, tmasters@wrcog.us, (951) 405-6732**

Date: **June 4, 2018**

The purpose of this item is to *provide an update on the Western Riverside County streetlight acquisition and streetlight transition processes and the participating jurisdictions' next steps.*

Requested Action:

1. Receive and file.

WRCOG's Regional Streetlight Program will assist member jurisdictions with the acquisition and retrofit of their Southern California Edison (SCE)-owned and operated streetlights. The Program has three phases: 1) streetlight inventory; 2) procurement and retrofitting of streetlights; and 3) ongoing operations and maintenance. A major objective of the Program is to provide cost savings to participating member jurisdictions.

Background

At the direction of the Executive Committee, WRCOG developed a Regional Streetlight Program that will allow jurisdictions (and Community Service Districts) to purchase streetlights within their boundaries that are currently owned and operated by 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). Local control of the streetlight system provides jurisdictions with opportunities for future revenue generation such as digital-ready networks and telecommunications and information technology strategies.

Regional Streetlight Acquisition Process

Eleven jurisdictions (listed below) have moved forward and signed Purchase and Sales Agreements to acquire current SCE-owned streetlights within their jurisdictional boundaries. Collectively, these account for nearly 48,000 streetlights within Western Riverside County. This Agreement includes the terms and acquisition price for the sale of the streetlights for each jurisdiction. In June 2017, SCE presented participating cities with a first, and only, amendment to its Purchase and Sales Agreements, which included two changes to the original agreement. The first is a minor change in the overall price of the streetlight systems to include the additional depreciation of the streetlight systems from the original 2015/2016 valuation. The second includes an increase in the transition cost, from $30.00 per pole to $32.15 per pole. The transition cost component of the Agreement includes the time and materials that SCE's contractor will take during the acquisition and transition process when converting a streetlight from SCE-ownership to jurisdictional-ownership. The Cities of Perris, San Jacinto, and Wildomar, and the Jurupa Community Services District (JCSD) did not receive an amendment to their Purchase and Sales Agreement because the updated transition cost was already included in their Agreement. Once each Agreement is signed by the jurisdiction, SCE transmits the Agreement to the California Public Utilities Commission (CPUC) for review and approval.

The CPUC has approved nine of the member jurisdictions applications for streetlight ownership. The table below provides the status for each jurisdiction participating in the Program and is subject to change as SCE and CPUC progress through the approval processes. WRCOG staff will continue to update the progress as jurisdictions reach each milestone.

	City approves agreement to purchase streetlights	City approves amendment to PSA	SCE executes agreement	SCE sends to CPUC	CPUC approves streetlight transfer	City approves program participation
Eastvale	4/12/2017	7/25/17	✓	✓	12/8/2017	5/9/2018
Hemet	3/14/2017	9/11/2017	✓	✓	3/31/2018	
JCSD	3/13/2017	N/A	✓	✓	3/11/2018	
Lake Elsinore	1/24/2017	8/17/2017	✓	✓	3/11/2018	
Menifee	2/15/2017	3/7/2018	✓			
Moreno Valley	3/21/2017	10/16/17	✓	✓	3/31/2018	
Murrieta	3/7/2017	7/11/17	✓	✓	9/29/2017	12/19/2017
Perris	3/28/2017	N/A	✓	✓	3/31/2018	5/8/2018
San Jacinto	3/28/2017	N/A	✓	✓	3/31/2018	12/19/2017
Temecula	2/28/2017	5/30/17	✓	✓	Est. Q2 2018	
Wildomar	3/8/2017	N/A	✓	✓	3/31/2018	

As part of the next step of the Program, staff will work with each jurisdiction to identify and pursue action on the Regional Program Participation Package.

To date, the Cities of Eastvale, Murrieta, Perris and San Jacinto have approved the Program Participation Package, which contains the following items:

1. Financing: If approved, the jurisdiction will enter into an agreement with the Program's financing lender, Banc of America. Banc of America will be working with each respective jurisdiction to provide the adequate amount for Acquisition and/or LED Retrofit.
2. Retrofit, operation & maintenance: If approved, the jurisdiction will elect to enter into an agreement with WRCOG's retrofit, operation & maintenance (O&M) service provider, Siemens, which will be conducting retrofit services and ongoing maintenance remedies for any streetlight outages and fixture damages, and provide a 24/7 call center for residents with the goal of meeting and/or exceeding the current service that is being offered.
3. LED fixture procurement: If approved, the jurisdiction will elect to enter into an agreement to convert their current (HPS/LPS) lighting fixtures to LED technology. The LED technology that will be implemented throughout the region will be installed by Siemens.

Staff will be working with remaining jurisdictions to coordinate the Program Participation Package approval at upcoming City Council / Board meetings.

Streetlight Transition Process

WRCOG has received a transition timeline from SCE indicating the estimated timing that SCE will initiate and analyze each streetlight pole as part of the acquisition process. Known as the SCE Inventory and Inspection Process (or inventory true-up process), SCE estimates the entire region will have the streetlight transition started by October 2018. At the conclusion of the Process, each jurisdiction will be provided with their own streetlight report containing important information from the amount of sellable streetlight systems, streetlight location, pole material, etc. To date, the City of Murrieta has completed the Process and has received their streetlight data for review. The table below estimates the program milestones for each jurisdiction from the period SCE's Inventory and Inspection Process commences all the way through retrofit completion for the participants. Note that the table provides different scenario timelines based on alternating paces of SCE's process as well as the pace of retrofit.

	SCE Transition start 1	SCE Transition closing 2		City approval + payment of invoice 3	Additional Application Req.	Retrofit Start 4		Retrofit End (Siemens @ 3,000 poles/month) 5		Retrofit End (Siemens @ 1,000/Month)	
		Scenario #1 @ 2,000 /month	Scenario #2 @ 4,000/month			Scenario #1	Scenario #2	Scenario #1	Scenario #2	Scenario #1	Scenario #2
Eastvale	6/1/18	7/31/18	7/1/18	+ 45 days	N/A	9/14/18	8/15/18	10/24/18	09/24/18	01/13/19	12/14/18
Hemet	8/1/18	8/27/18	8/14/18		+ 90 days	1/9/19	12/27/18	01/26/19	01/13/19	03/02/19	02/17/19
JCSD	6/1/18	6/29/18	6/15/18		N/A	8/13/18	7/30/18	09/01/18	08/18/18	10/09/18	09/25/18
Lake Elsinore	6/1/18	7/18/18	6/24/18		N/A	9/1/18	8/8/18	10/03/18	09/09/18	12/06/18	11/12/18
Menifee	10/1/18	1/3/19	11/17/18		+ 90 days	5/18/19	4/1/19	07/20/19	06/03/19	11/23/19	10/07/19
Moreno Valley	9/1/18	1/11/19	11/6/18		N/A	2/25/19	12/21/18	05/24/19	03/19/19	11/17/19	09/12/19
Murrieta	complete	5/1/18	5/1/18		+ 90 days	9/13/18	9/13/18	11/16/18		03/25/19	
Perris	8/1/18	10/2/18	9/1/18		N/A	11/16/18	10/16/18	12/27/18	11/26/18	03/20/19	02/17/19
San Jacinto	8/1/18	8/28/18	8/14/18		N/A	10/12/18	9/28/18	10/30/18	10/16/18	12/05/18	11/21/18
Temecula	10/1/18	1/19/19	11/25/18		+ 90 days	6/3/19	4/9/19	08/15/19	06/21/19	01/09/20	11/15/19
Wildomar	9/1/18	9/22/18	9/11/18		+ 90 days	2/4/19	1/24/19	02/18/19	02/07/19	03/18/19	03/07/19

1. SCE Transition start: Initiation of streetlight inventory and inspection process and final verification of streetlight systems. Completed by SCE's third party contractor.
2. SCE Transition closing: SCE has indicated they can transition between 2,000 to 4,000 lights per month. As such, the table above estimated closing dates using two scenarios. Scenario #1 illustrates a conservative approach where SCE can audit 2,000 poles / month & Scenario #2 illustrates approach where SCE can audit 4,000 poles per month.
3. City Approval & payment and additional application requirements (if any): Estimated timeframe for City review of streetlight audit & submittal of payment for streetlight purchase to SCE. The 90 day provision for additional application is added for select jurisdictions with Low Pressure Sodium (LPS) lighting.
4. Retrofit start: Estimated LED retrofit start date. Retrofit start date will be based off of Footnote #2 audit approach.
5. Retrofit end: Estimated LED retrofit end date. Two Scenarios are shown with WRCOG's O&M vendor Siemens providing a 3,000 poles per month retrofit and 1,000 poles per month retrofit scenario(s).

Prior Action:

April 19, 2018: 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: **Western Riverside Energy Partnership Activities Update**

Contact: **Tyler Masters, Program Manager, tmasters@wrcog.us, (951) 405-6732**

Date: **June 4, 2018**

The purpose of this item is to *provide information on the 2018 City Tier Updates, 2018 Statewide Energy Efficiency Forum, and WREP's 2nd Quarterly Meeting.*

Requested Action:

1. Receive and file.

The Western Riverside Energy Partnership (WREP) responds to Executive Committee direction for WRCOG, Southern California Edison (SCE), and 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.

2018 City Tier Updates

One of the main goals of the Partnership is to assist participating member cities in identifying and implementing qualified energy efficiency measures within municipal facilities, and, by doing so, saving energy and reducing its utility bills. The more energy a member jurisdiction saves, the further they progress in the tier structure developed by SCE. The tier structure is comprised of four levels: Value, Silver, Gold, and Platinum. All jurisdictions start at Value level and in order to move on up in tier level status, member cities must complete several community outreach items and implement energy efficiency projects to help reach their goal kWh savings. As members progress through the tiers, they unlock additional incentives and rebate opportunities when implementing future energy efficiency projects. While SoCal Gas does not operate a tier structure to provide member jurisdictions additional incentives for projects, the member jurisdictions do receive enhanced incentives for participating in the Partnership. The incentives for gas projects are based off of project type, cost, and savings.

In April 2018, the following Cities achieved an advance in tier status:

- City of Hemet advanced from Gold to Platinum
- City of Murrieta advanced two tier levels from Value to Gold
- City of Wildomar advanced from Silver to Gold

The table below shows the new tier level of these jurisdictions, along with energy savings achieved and measures implemented.

Jurisdiction	Tier Level	Energy Savings (kWh)	Measures Implemented
Hemet	Platinum	58,061	Interior / Exterior LED lighting
Murrieta	Gold	183,755	LED Safety Light retrofit & Interior / Exterior LED lighting
Wildomar	Gold	5,020	Interior / Exterior LED lighting

Projects that assisted these cities with achieving higher tier levels include the installation of interior / exterior LED lighting, LED safety light retrofits, and installation of occupancy sensors in municipal facilities. In total, all three member cities combined saved over 240,000 kWh. This savings amount is equivalent to the CO_2 emissions of approximately 27 homes' electricity use for a full year (data from EPA Greenhouse Gas Equivalencies Calculator https://www.epa.gov/). WREP will continue to work with jurisdictional staff throughout 2018 to continue identifying / implementing energy projects as well as assist with community outreach programs to help each member move up the SCE tier level in order to receive higher incentives.

Partnership staff will be working with representatives from the three jurisdictions with recent tier advancements to provide presentations at upcoming City Council meetings to deliver each City's new tier level award and provide additional information on the City's involvement with the WREP Partnership.

2018 SEEC Forum

The 9th Annual Statewide Energy Efficiency Forum (SEEC) will be held in Sacramento on June 20 and 21, 2018, at the Sheraton Grand Sacramento (1230 J Street, Sacramento, CA). This year's event is offered at no-cost for local government staff and officials. The SEEC Forum aims to provide learning, sharing, and networking opportunities to help local governments save energy, reduce greenhouse gas emissions in their communities, and learn about new technologies for the field of sustainability.

Last year's forum focused on bridging the gap and featured topics on local energy / sustainability action plans to implement policies and technology updates in the field of sustainability. The 2017 Forum had over 280 participants that included attendees from cities, counties, local government partnerships, non-profit organizations, utilities, and private sector companies from across California.

This year's theme is "Scaling Up & Out." The theme will focus on educating attendees about featured topics such as the role of renewable energy / gas in Climate Action & Resiliency Planning, how CCAs can advance Energy Efficiency Goals, EV Charging Blueprint, Energy Efficiency Incentive Programs, and Regulation / Legislation impacting Local Energy Programs. Additionally, this forum is a great networking event to learn from various energy implementers throughout the state.

Additional information about the event is available on the Local Government Commission's website at http://californiaseec.org/forum/2018-forum/. Through the Partnership, WRCOG will reimburse the travel costs for member jurisdictions who attend the Forum.

WREP Quarterly Meeting

On May 24, 2018, WREP hosted its quarterly meeting in the City of Wildomar. At this meeting, member cities engaged with WREP staff, SCE, and SoCal Gas representatives to work on current / future energy efficiency goals. Furthermore, during this meeting, participants heard about the following topics:

- **What's hot in Energy Efficiency – TRC Solutions:** Lake Casco, Engineer, presented the various types of projects / measures that are currently in demand for both SCE and SoCal Gas. Such measures include smart controls for lighting, LED lighting for parking garages, and pool pumps / heater replacements.

Additionally, Mr. Casco informed the attendees about the next steps a jurisdiction can take to implement these solutions, which can be initiated through an audit report.

- **SCE's Time of Use (TOU) Rate update:** Amy Olsen, SCE Account Manager, provided a presentation on the new rates that SCE will be implementing for their residential and commercial customers. This new rate structure came about through the California Public Utilities Commission (CPUC), which has issued a statewide initiative to simplify rates and encourage conservation by having utilities transition most California customers to a new Time-Of-Use rate.

- **Customer Assistance Programs – SoCal Gas:** Sarita Figueroa, Customer Service Representative, provided an update to the attendees on the various customer programs that SoCal Gas residents / commercial customers can take advantage of to assist with their utility billing and comfort of their homes / buildings. Programs such as Direct Install, Energy Savings Assistance (ESA), California Alternate Rates for Energy (CARE), and Medical Baseline Allowance all are designed to help low-income and special needs residential customers manage their utility bills, and provide energy conservation and education.

In addition, WREP staff also acknowledged the Cities of Hemet, Murrieta, and Wildomar for their successes in the Partnership at May quarterly meeting.

Prior Action:

April 2, 2018: The Executive 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: **June 4, 2018**

***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:

May 17, 2018: 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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Item 6.B

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Experience Regional Innovation Center Feasibility Analysis Update**

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

Date: **June 4, 2018**

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

Requested Action:

1. Receive and file.

Background

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

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

- Los Angeles Cleantech Incubator (LACI) – Los Angeles, CA
- The Frontier Project – Rancho Cucamonga, CA
- Southern California Edison Energy Education Center – Irwindale, CA
- Alegria Farms – Irvine, CA

Feasibility Analysis

On October 2, 2017, the Executive Committee authorized staff to enter into a contract not to exceed $249,823, with PlaceWorks consultants to perform a comprehensive Feasibility Analysis of the Experience concept. The Analysis scope includes thorough research of relevant models, a demand analysis for the center and program elements, analysis of up-to four potential sites, analysis of governance options and partnership opportunities, financial analysis, and a final Feasibility Analysis with recommendation(s). Additionally, the Analysis would review potential funding partners and mechanisms to ensure a viable implementation plan for Experience, should it be found feasible to move forward.

Staff and consultants held an internal kick-off meeting on October 16, 2017, to discuss the goals and visions, as well as potential sites to include in the Analysis, and the formation of an advisory Steering Committee. The Steering Committee is scheduled to convene six times during the course of the Analysis to weigh in on the process and findings through August 2018, when the Analysis is scheduled to conclude. The Steering Committee is composed of members from the Executive Committee, who volunteered to serve in this role, in response to an email solicitation to all members. Additionally, staff invited a variety of stakeholders, including member agency staff, utility partners, and university representatives, to participate on the Steering Committee.

Steering Committee Meeting #1

On Monday, January 22, 2018, the Steering Committee convened its first meeting. The meeting began with an introduction to the Experience concept and review of some of the relevant models to provide Steering Committee participants with an idea of the variety of programming features others have instituted in the areas of education, community services, research, and economic development. Attendees then engaged in a discussion of the goals for Experience, building from the list staff and consultants drafted at the kick-off meeting. Meeting notes are provided as Attachment 1.

Steering Committee Meeting #2

The second Experience Steering Committee convened on Monday, February 26, 2018, in Rancho Cucamonga. Three presenters from regional models shared their experiences from the Lyle Center at Cal Poly Pomona, the Los Angeles Cleantech Incubator, and the Cucamonga Valley Water District's Frontier Project. Attendees asked the presenters questions to identify relevant lessons to apply to Experience. Meeting notes are included as Attachment 2.

Steering Committee Meeting #3

On Monday, March 19, 2018, the Steering Committee convened for its third meeting. The meeting included a presentation from University of California, Riverside (UCR) and Eastern Municipal Water District (EMWD) on partnership opportunities for Experience, with a particular focus on educational institutions at all levels (K-12 to University). UCR has several programs and research areas which could be synergistic with Experience, including sustainability innovations through the Bourns College of Engineering – Center for Environmental Research and Technology (CE-CERT). Similarly, EMWD shared success stories piloting various educational partnership models.

Meeting participants then reviewed and refined the Experience Mission Statement, the first draft of which was borne out of discussions in the first Steering Committee meeting. Finally, participants engaged in a thoughtful discussion on the program elements to include in the next phase of the Experience analysis. Meeting notes are included as Attachment 3.

Steering Committee Meeting Schedule

The Steering Committee was originally scheduled to meet for the fourth time in May, but due to Steering Committee participant conflicts, the next meeting has been postponed to June. The list below summarizes the topics and provides dates for each of the remaining Steering Committee meetings.

- June 18, 2018: Meeting #4, Demand analysis and site evaluation criteria
- July 23, 2018: Meeting #5, Alternative governance, operations, and partnerships
- August 20, 2018: Meeting #6, Final recommendations

Educational Tours

Experience is drawing inspiration from a wide variety of programs and facilities to refine the concept of a site that will best address the opportunities and challenges unique to the WRCOG subregion. Following the presentations from three other model organizations and a tour of the Frontier Project during the February 26, 2018, Steering Committee meeting, staff arranged tours at two facilities for Steering Committee members. On May 11, 2018, immediately following an unrelated WRCOG trip to the Bay Area, staff and Committee members toured the Port Workspaces, a co-working space in Oakland that has repurposed an abandoned mall to create an affordable means for entrepreneurs to grow their small businesses. On May 16, 2018, staff arranged a tour of the Los Angeles Cleantech Incubator, which offers business mentorship and state-of-the-art equipment to bring innovations in cleantech to market and fosters economic development for the City of Los Angeles.

Meetings with Host Site Jurisdictions

To support the analysis, staff and consultants have met one-on-one with each of the host site jurisdictions: Eastern Municipal Water District and the City of Perris, the City of Temecula, and the City of Riverside. Information gathered at these meetings will be incorporated into the demand analysis currently underway and subsequent phases on the Feasibility Analysis. At the June 18, 2018, Steering Committee meeting, the project team will present on the demand analysis findings. At the July 23, 2018, Steering Committee meeting, the project team and jurisdictional staff will present on the host site options.

Staff will provide regular updates to WRCOG Committees for the duration of the Analysis.

Prior Actions:

May 17, 2018: The Technical Advisory Committee received and filed.

May 9, 2018: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachments:

1. Steering Committee Meeting #1 Notes.
2. Steering Committee Meeting #2 Notes.
3. Steering Committee Meeting #3 Notes.

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Item 6.B

Experience Regional Innovation Center Feasibility Analysis Update

Attachment 1

Steering Committee Meeting #1 Notes

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Feasibility Study for EXPERIENCE - A Regional Innovation Center

Steering Committee Meeting #1 Summary
January 22, 2018 | 11:00 AM - 1:00 PM

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

Steering Committee:
Executive Committee Members: Debbie Franklin, City of Banning; Adam Rush, City of Eastvale; Laura Roughton, City of Jurupa Valley; Kelly Seyarto, City of Murrieta; Rusty Bailey, City of Riverside; Kevin Bash, City of Norco; Dr. White, Riverside County Superintendent of Schools

Member Agency Staff: Grace Williams, City of Perris; Lea Deesing, City of Riverside; Sherry Shimoshock, City of Riverside; Matt Peters, City of Temecula; Jolene Walsh, Eastern Municipal Water District (EMWD); Danielle Coates, EMWD; Melanie EMWD
Regional Stakeholders: Joanna Chang, Southern California Edison; Jeff Lawler, Southern California Gas Company (SoCalGas); Ana Aceves, SoCalGas; Alexandra Orozco, University of California, Riverside (UCR); Nicole Davis, UCR

Staff and Consultants: Rick Bishop, WRCOG; Jennifer Ward, WRCOG; Tyler Masters, WRCOG; Andrea Howard, WRCOG; Cynthia Mejia, WRCOG; Amber Bolden, WRCOG; Huyen Bui, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Scott Ashlock, PlaceWorks; Eric Carbonnier, HMC Architects

Experience - Origin and Current Ideas:
In 2010, WRCOG adopted the Sustainability Framework, which recognized six interrelated goal areas for achieving a high quality of life and regional economic growth: transportation, water and waste water, energy and environment, economic development, health, and education. The concept of Experience is a physical manifestation of the Framework that would contain various elements that advance the Framework Goals.

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

Purpose of this Study - Future Path for EXPERIENCE:
On October 2, 2017, WRCOG's Executive Committee approved a contract with PlaceWorks consultants to perform a Feasibility Analysis (the Analysis). The Analysis will explore the viability of bringing Experience to Western Riverside County. The analysis will begin with a review of relevant models to identify the program elements that would be desired for Experience. PlaceWorks will perform an opportunity and constraints analysis of the potential host sites and develop a demand analysis for the center and develop a set of options for the potential governance structure. Finally, the analysis components will be assessed together to determine overall feasibility.

Role of the Steering Committee:
The Steering Committee will provide valuable insights and feedback at each step of the Analysis. The meetings have been strategically scheduled to coincide with major milestones, and participants will be encouraged to provide valuable information to shape the direction and conclusion of the Analysis.

Timeline:
The Analysis will span ten months, beginning in October 2017 and concluding in July 2018. The full timeline is listed in the Meeting 1 Presentation slides.

Background on Other Relevant Models:
PlaceWorks presented several relevant models, providing a spectrum of ideas for potential elements to include in the Experience analysis, from examples across the County. These relevant models are listed in the Table of Relevant Models. Three of the models were also featured in a short compilation video played during the meeting, which can be viewed here.

Goal Setting by the Committee:
Initial working goals for Experience were shared with the Committee as a starting point for discussion. Over the course of an hour, members provided a variety of ideas and desires for what EXPERIENCE could be and how it could function. Below are the Initial Working Goals with comments incorporated, followed by a summary of the additional goals born from the discussion.

Initial Working Goals: EXPERIENCE should…

1. Benefit all WRCOG organizations and the communities served
2. Be tied to WRCOG's mission
3. Support WRCOG's Economic Development and Sustainability Framework
4. Not resemble a monument, but a place that engages, educates and motivates people
5. Be relevant to what's important to the region – a sustained public benefit
6. Be financially feasible from construction to operations and maintenance overtime
7. Have a high-level of performance for program elements and the facilities, which should be tracked and evaluated
8. Provide multiple reasons to visit through a wide variety of cohesive activities that result in returning visitors
9. Be innovative, cutting-edge, and provide a rotation of forward-thinking displays, events, and activities
10. Incorporate best practices for water and energy efficiency, sustainable building design, and business strategy
11. Empower the community to adopt techniques/take action

12. Provide visitors with a unique experience that encapsulates the region
13. Be embraced by both the public and private sector – encouraging partnerships and collaboration

Committee Discussion: EXPERIENCE should…

1. Provide economic development opportunities for individuals and businesses
    - Prepare people for jobs in the subregion
    - Be attractive to businesses (to locate there or partner with)
    - Be a central place to access information/resources (for companies considering moving to River-side or for start-up companies)
2. Not be a Monument
    - It should not just showcase what WRCOG has done
    - It must be relevant over time
    - The building design should reflect the energy/resource conserving technologies and tell a story (function over form)
3. Be accessible by all modes of transportation (e.g., car, bus, train, pedestrians, cyclists) and all segments of the population (low income, rural/urban, non-English speaking, multiple ages, etc.)
4. Tell the story of Western Riverside County by showcasing the region's current assets/successes. This should also include promoting the vision for Western Riverside County through visual simulations or other techniques.
    - Showcase uniqueness of region (what it has to offer) and tap into international opportunities to showcase (sister-cities)
    - Include futuristic "look" at trends Riverside County will likely experience, how these trends may change the region, and how we can prepare
    - Incorporate museum features w/revolving exhibits – see Catalina Island
    - Include space for each jurisdiction/partner to have exhibit
    - Promote region – every nook should tell a story
    - Showcase best practices that the region wants to see happen w/ new development
    - Paint the story of sustainability in Riverside County – for new businesses
    - Have a way to bring in new partners
    - Share success stories – WRCOG and others, showcase start-ups
    - Riverside County is a series of PLACES – tie them together with the EXPERIENCE concept
5. Compliment UC Riverside and Cal Poly Pomona sustainability and regenerative studies research (agricultural living labs, solar/micro grids)
6. Be accessible to everyone in the community – be affordable and open to the public
7. Accommodate large and small audiences
8. Provide interactive educational opportunities for all ages
    - Tactile
    - Education for children
    - SoCalGas – see demo in Downey: education on kitchen technology
    - "Inspiration center" – youth (tech playground), improve on Discovery Science Center model
    - Experience Water, Experience Health, Experience Education, etc. – based on Framework plan, could be located throughout

- See Discovery Cube – Sylmar

9. Serve as a centralized resource and information center for the region
    - Central place for accessing information – utility rebates, info on WRCOG partners, non-profit groups, community health, start-up companies, resource center
    - Include liaison services – permitting, accounting, legal

Committee Input on the Mission for EXPERIENCE:
Following a thorough discussion of goals, attendees were introduced to four mission statements from relevant models to initiate a first discussion on establishing a mission for Experience. Below is a summary of the discussion.

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

Item 6.B

Experience Regional Innovation Center Feasibility Analysis Update

Attachment 2

Steering Committee Meeting #2 Notes

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Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #2 Summary
February 26, 2018 | 10:30 AM- 12:00 PM

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

Steering Committee:
Executive Committee Members: Debbie Franklin, City of Banning; Adam Rush, City of Eastvale; Laura Roughton, City of Jurupa Valley; Kelly Seyarto, City of Murrieta; Rusty Bailey, City of Riverside; Kevin Bash, City of Norco; Ron Sullivan, Eastern Municipal Water District; Dr. White, Riverside County Superintendent of Schools

Member Agency Staff: Clara Miramontes, City of Perris; Grace Williams, City of Perris; Lea Deesing, City of Riverside; Sherry Shimoshock, City of Riverside; Luke Watson, City of Temeulca; Matt Peters, City of Temecula; Jolene Walsh, Eastern Municipal Water District (EMWD); Danielle Coates, EMWD; Melanie EMWD

Regional Stakeholders: Joanna Chang, Southern California Edison; Jeff Lawler, Southern California Gas Company (SoCalGas); Ana Aceves, SoCalGas; Jennifer Vaugn, SoCalGas; Alexandra Orozco, University of California, Riverside (UCR); Nicole Davis, UCR

Staff and Consultants: Rick Bishop, WRCOG; Jennifer Ward, WRCOG; Andrea Howard, WRCOG; Huyen Bui, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Eric Carbonnier, HMC Architects

Advisors: Dr. Kyle Brown, Lyle Center for Regenerative Studies; Mike Swords, Los Angeles Cleantech Incubator (LACI); Kristeen Farlow, Frontier Project

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

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

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

Purpose of this Study - Future Path for Experience:

On October 2, 2017, WRCOG's Executive Committee approved a contract with PlaceWorks consultants to perform a Feasibility Analysis (the Analysis). The Analysis will explore the viability of bringing Experience to Western Riverside County, by refining the projects goals and conducting a review of relevant models to identify the program elements that would be desired for Experience, performing an opportunities and constrains analysis of the potential host sites, developing a demand analysis for the center and a set of options for the potential governance structure, and finally, assessing the analysis components together to determine overall feasibility.

Role of the Steering Committee:

The Steering Committee will provide valuable insights and feedback at each step of the Analysis. The meetings have been strategically scheduled to coincide with major milestones, and participants will be encouraged to provide valuable information to shape the direction and conclusion of the Analysis.

Timeline:

The Analysis will span ten months, beginning in October 2017 and concluding in July 2018. The full timeline is listed in the Meeting 1 Presentation slides.

Meeting #1 Review:

The Steering Committee met for the first time on January 22, 2017. At the meeting, attendees received a thorough introduction to the Experience concept; learned of relevant models across the globe, from which Experience could draw inspiration and knowledge; discussed goals for Experience. Among the goals discussed, attendees expressed that Experience should by synergistic with WRCOG and the surrounding community (including k-12 education, colleges and universities, and businesses); Experience should provide region-wide economic and social benefits, and spur economic growth, especially by fostering economic opportunity; and Experience should tell the story of Western Riverside County—what the subregion has to offer and where it going. Finally, the Committee initiated a discussion to draft the Mission for Experience.

Model Site Representative Presentations:

Representatives from three Southern California models: the Lyle Center for Regenerative Studies at Cal Poly Pomona, the Los Angeles Cleantech Incubator (LACI), and the Cucamonga Valley Water Districts' Frontier Project, presented an overview of their programs and fielded questions from attendees regarding logistics and operations.

These models provided a good sampling of the diversity that exists among these centers. The Lyle Center was an early example of sustainable development and living, modeling practices which later informed the LEED certification process. It is built on a 16-acre campus at Cal Poly Pomona and is an affiliate of the University, designed with the mission to make a "collective impact toward a sustainable future." The Lyle Center meets its goals largely through student and faculty driven work to provide education and demonstrations, perform research, and conduct community outreach. The Center receives approximately 57% of the $550,000 annual operating expense from State allocation, and the remaining 43% from grants, endowment, and individual donations.

LACI is an entrepreneurial incubator located at the cutting-edge, 60,000 square foot La Kretz Innovation Campus, owned by Los Angeles Department of Water and Power (LADWP). LACI is an independent nonprofit born out of a Public Private Partnership with the City of LA and LADWP. It operates under the mission to create an inclusive green economy for the City and LA region. Since 2011, LACI has served more than 70 start-ups, created more than 2,000 jobs, generated $214 M in revenue and generated $335 M in economic benefit for the City.

The Frontier Project was developed out of a need for the CVWD for more office space and a desire to create an additional space to demonstrate water efficient best practices to the community by creating a regional destination. Opened in 2009, the 14,000 square foot building has office space, a technology gallery, conference space, demonstration kitchen, green roof, landscape demonstration, and is LEED Platinum. The Frontier project hosts regular meetings and events and is home to the Water Works Association.

Of particular note, the speakers provided these insights:

- Given the chance to change the course of development for the Lyle Center, Dr. Brown reported that he would give greater focus to areas where a significant impact could be made. . In recent years they have shifted their focus on working with the community, particularly Pomona Unified.
- Dr. Brown also noted the challenges of being a part of the university: 1) grants received have to flow through various departments which adds an additional layer or bureaucracy; and 2) they struggle to be entrepreneurial.
- Representatives from both LACI and the Frontier project reported that their event and meeting spaces, and LACI's co-working space cannot accommodate the demand they see in terms of physical size. They recommended capacity somewhere between 300 – 400 people.
- Mr. Swords shared that while the La Kretz Innovation Campus is a significant asset, the majority of the entrepreneurs they host report that the greatest benefit of working with LACI is the opportunity to work with the Executives in Residence. Additionally, Mike shared that prior to the opening of La Kretz, LACI operated as an incubator for four years and was named the #3 incubator in the world according to University Business Incubators, emphasizing that the programming drove the success of LACI.
- Mr. Swords also noted that the success of LACI was in part a function of strategic partnerships with the Mayor's Office, County Office, LA Department of Water & Power (LADWP), State of California, Federal Government, Port of Los Angeles, Metro, Metropolitan Water District (MWD), Southern California Edison (SCE), Financial institutions (JP Morgan, Wells Fargo), and Universities (UCLA, USC, Caltech, Cal State Northridge), JPL, Los Angeles County Economic Development Corporation (LAEDC), LA Chamber of Commerce, LA Business Council (LABC), and Industry partners.
- In contrast, Ms. Farlow shared that the Frontier Project struggled to meet its funding targets because it did not have a clearly defined mission and purpose at its onset, while it set-out to be an educational resource, that was not specific and compelling enough to attract supporters.

- Representative from each Center noted staff size: The Lyle Center has a staff of 3 not including faculty, LACI 30, and Frontier 1. This is relevant in relationship to regional impact and Center success.
- All three speakers acknowledged the challenge of any building or grounds staying relevant in terms of the demonstration technology being displayed. The advice from LACI was to have a broader mission, such as inventing and building hardware which by definition adapts overtime. Dr. Brown noted that the Lyle Center was built on the principles of regeneration, not on solutions, and therefore is more timeless.

The meeting slides, including speaker slides, are included as an attachment to this summary.

Item 6.B

Experience Regional Innovation Center Feasibility Analysis Update

Attachment 3

Steering Committee Meeting #3 Notes

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Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #3 Summary
March 19, 2018 | 11:00 AM- 1:00 PM

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

Steering Committee:
Executive Committee Members: Council Member Debbie Franklin, City of Banning; Council Member Adam Rush, City of Eastvale; Council Member Laura Roughton, City of Jurupa Valley; Council Member Kelly Seyarto, City of Murrieta; Mayor Rusty Bailey, City of Riverside; Council Member Kevin Bash, City of Norco; Director Ron Sullivan, Eastern Municipal Water District; Dr. Judy White, Riverside County Superintendent of Schools

Member Agency Staff: Clara Miramontes, City of Perris; Grace Williams, City of Perris; Brian Muhu, City of Perris; Al Zelinka, City of Riverside; Rafael Guzman, City of Riverside; Lea Deesing, City of Riverside; Sherry Shimshock, City of Riverside; Luke Watson, City of Temeulca; Matt Peters, City of Temecula; Paul Jones Eastern Municipal Water District (EMWD); Jolene Walsh, EMWD; Danielle Coates, EMWD; Melanie Nieman EMWD; Mike Barney, Riverside County Office of Education; Rohan Kuruppu, Riverside Transit Agency

Regional Stakeholders: Joanna Chang, Southern California Edison; Ana Aceves, Southern California Gas Company (SoCal Gas); Jennifer Vaugn, SoCal Gas; Melisa Marks, SoCal Gas; Alexandra Orozco, University of California, Riverside (UCR); Nicole Davis, UCR; Dianne Leibrandt, Riverside University Health System – Public Health

Staff and Consultants: Rick Bishop, WRCOG; Jennifer Ward, WRCOG; Andrea Howard, WRCOG; Anthony Segura, WRCOG; Cynthia Mejia, WRCOG; Huyen Bui, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Eric Carbonnier, HMC Architects

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

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

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

Meeting #2 Review:
The Steering Committee held its second meeting on February 26, 2018. At the meeting, representatives from three Southern California model facilities—the Lyle Center for Regenerative Studies at Cal Poly Pomona, the Los Angeles Cleantech Incubator (LACI), and the Cucamonga Valley Water Districts' Frontier Project—presented an overview of their programs and fielded questions from attendees regarding logistics and operations.

Attendees shared their reflections of the meeting. Sherry Shimshock noted the speakers' stories conveyed the importance of having a clearly defined mission, and identified financial partners who are in alignment with that mission. Director Sullivan, recounted the speakers' emphasis that the facilities be made sufficiently large for future demand, with the ability to accommodate upwards of 300 people. Other commenters noted that the partnership LACI has with the Los Angeles Department of Water and Power (DWP), is a potential model to emulate, in which there is long-term shared occupant in the building with a complementary mission. Council Member Franklin commented that the speakers showcased the diversity of the possibilities for Experience.

Opportunities for Collaboration
University of California, Riverside (UCR)
Alexandra Orozco and Nicole Davis of UCR presented on some of the existing initiatives occurring across UCR, including activities led solely by the University and in partnership with local, regional, and national agencies. As part of an effort to capitalize on the relocation of the California Air Resource's Board (CARB) to a Riverside facility adjacent to the University, UCR commissioned a strategic report on how to attract additional new ventures and employment opportunities for graduating students. The report revealed that the University's sustainability efforts (clean air, clean and green energy, synergy between technology and engineering, transportation, and health care) are the key area for University to focus on. The plan recommended focusing on leveraging these themes, focusing on retaining local talent and working collaboratively with local partners

UCR has several initiatives geared toward retaining local talent, including a newly launched Highlander Venture Investment Fund, mentorship and classroom programs for aspiring entrepreneurs, and the Excite Incubator – a collaboration with the University, City and County. UCR is also leading several sustainability-minded projects, including the Innovative Corridor, an active research and demonstration area underway in the City of Riverside to test transportation technologies developed out of the Bourns College of Engineering. Nicole shared that there is a great deal of momentum stemming from the University's existing programs and research, their network of partners, and the synergy they have cultivated with the existing and planned regional assets. The University's vision is to establish a green tech park for collaboration, events, laboratories, and test beds—something not unlike some of the ideas that have emerged for Experience. Both Alexandra and Nicole emphasized that there are ample opportunities to partner with the University, particularly in areas related to sustainability.

Al Zelinka shared that CARB's future facilities will be developed on an 18-acre site near campus, at Iowa and University Avenue, in a $416 million LEED Platinum net-zero-energy building to house 400-500 engineers and scientists conducting emissions testing and research for the State of California and beyond, opening in the spring of 2021. The facility will be in the City of Riverside's newly established Innovation Corridor and on University Avenue, where much of the UCR transportation technology testing occurs.

Riverside County Office of Education, Riverside (RCOE)
Mike Barney of RCOE shared that the agency is constantly trying to build the ability to demonstrate the strength of the region's education system across all levels and programs from K-12 to University and traditional education models to technical trade schools.

Eastern Municipal Water District (EMWD)
Paul Jones, General Manager of EMWD, a water, waste water and recycled water provider covering a 550 square-mile area, serving seven cities and unincorporated portions of the County in Western Riverside. EMWD is considered an industry-leading water supplier and water resource manager, focused on sustainability—EMWD generates approximately 50% of the energy consumed by its facilities and has a $290 million annual budget and 620 employees.

EMWD has several educational initiatives and partnerships working with both higher education and K-12, and focused outreach with disadvantaged communities. Higher education partnerships include Mount San Jacinto College for training certified operators; collaboration with the California State University San Marcos, Temecula, on the administration of the Environmental Leadership Institute; research on rate structures and water quality as well as internships with UCR; and Master Gardeners programs through the University of California Cooperative Extension; hosting Fellows through the CivicSpark Program, an extension AmeriCorps; field trips, training, and activities with 11 K-12 school districts; and education for business and civic leaders through the Water Leaders Academy.

EMWD has identified a few of the region's primary challenges, including a deficit of trade school education opportunities, which can prepare young people for meaningful and well-paying jobs. Additionally, Mr. Jones identified need for training for the STEM (science, technology, engineering, and math) curriculum, and growth potential career paths. Mr. Jones also highlighted many of the region's strengths and noted that a Perris location for the Experience facility offers myriad benefits, including the ability to positively influence future growth as the region is currently only 38 percent built-out.

Mission Statement for Experience
The project team introduced a draft Mission statement crafted from input received during the first steering committee meeting. Meeting attendees were asked to provide feedback with the goal of refining the Mission Statement to be 80% complete. To prepare for this, the project team shared a few existing Mission Statements from well-known brands, including Nike, Starbucks, and the Lyle Center, to convey the goal, in broad terms, of any mission statement. The draft provided at the meeting was:

"Experience is a place that connects our public, private, nonprofit, and education leaders to harness knowledge capital, attract growth industries, accelerate technologies, and spur economic development. Experience draws and inspires our community to learn and be engaged in innovations to improve our world."

Meeting attendees shared input on the draft. General comments included the idea that the first and second sentences might be broken apart to have one serve as the foundation of a Mission and the other of the Vision statement; ensuring that the Mission is simple enough that it is easily understood by a variety of audiences; and additional refinement of specific wording choices, including using the word or concept of "synergy," "place," and "sustainability" in some way. The project team will spend time reflecting on the ideas presented and will prepare a revised version with the Committee in the future.

Indoor/Outdoor Programming

The project team initiated a discussion of the general programming elements that might be included in the demand analysis of the Feasibility Analysis. Ten indoor space elements were presented for feedback: Rotating Display or Demonstration Area, Training Center for the Trades, Student-Oriented Education / Learning Area, Meeting / Event Space, Co-Working Area, Administrative Core, Labs / Fabrication / Prototype Area, Welcome Center, Food, and Office Space. In addition, four potential outdoor space elements were presented for feedback: Regional Resiliency Demonstrations and Innovations, Community Areas, Event Space, and Urban Agriculture.

There was a general consensus among participants that most elements were essential for inclusion in the analysis. A Training Center for the Trades was not strongly suggested for inclusion. Office Space for Lease was not strongly supported initially, but staff noted the capacity for leased office space to generate revenue that offsets operation costs and urged further investigation of this idea. Similarly, incubation space and co-working space was strongly supported by some, but not all. The project team will review the list with the consultants performing the demand analysis to assess the final elements for inclusion in the analysis.

The discussion of programming instigated a complementary discussion to identify the potential "customer," or end user for Experience. Meeting participants identified the following entities as likely customers for Experience: general public, students, businesses seeking best practices information, and private sector partnerships.

The meeting slides, including speaker slides, are included as an attachment to this summary.

Action Items

Based on the discussion of the Mission Statement, staff and consultants will work on revising the Mission Statement and drafting a complementary Vision statement.

Next Meeting

Meeting #4, originally scheduled for May 21, 2018, has been rescheduled to June 18, 2018, due to conflicts with several Steering Committee participants.

Item 6.C

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of Final Active Transportation Plan**

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

Date: **June 4, 2018**

The purpose of this item is to *request that the Committee approve the Western Riverside County Active Transportation Plan.*

Requested Action:

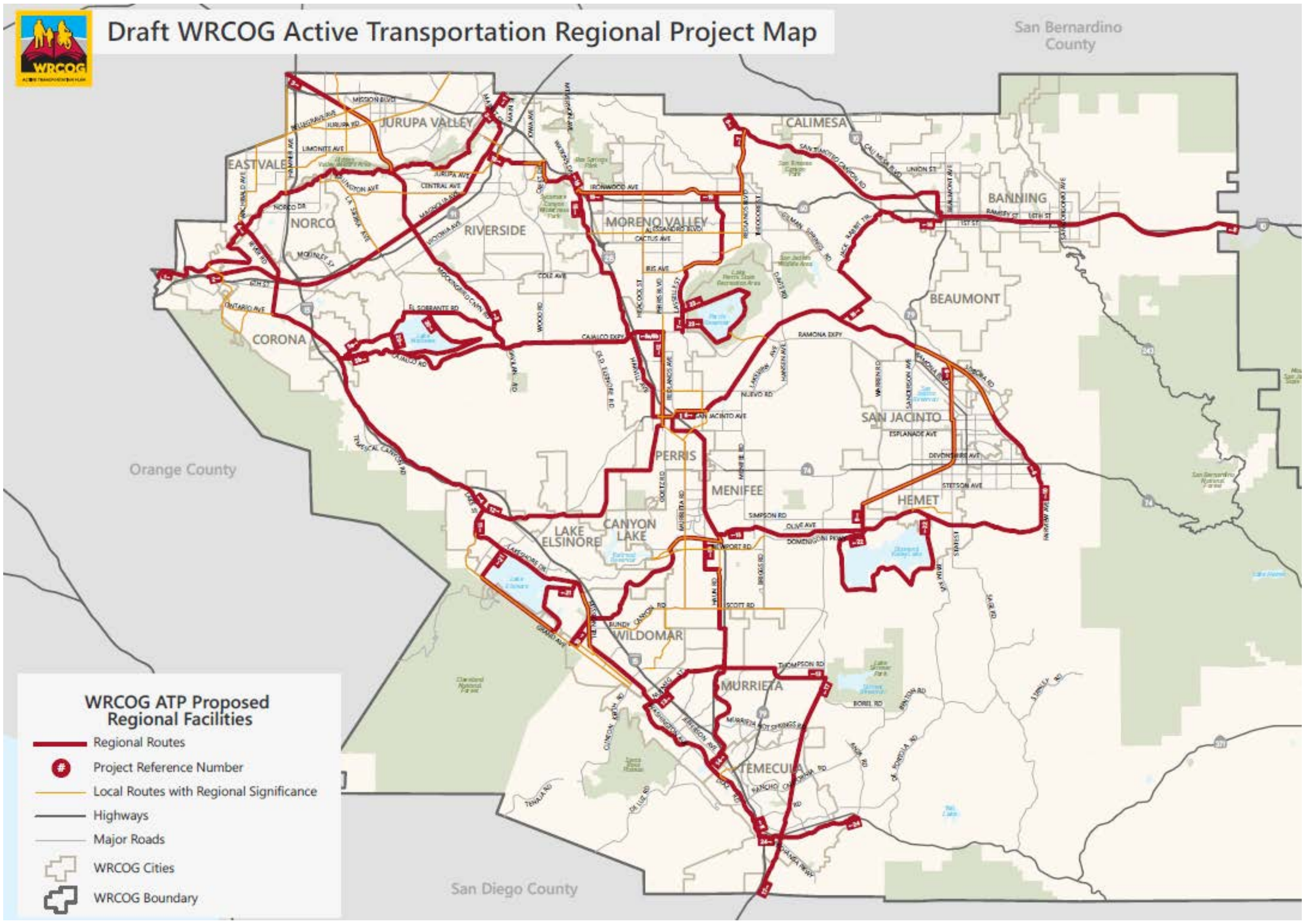
1. Approve the Western Riverside County Active Transportation Plan.

On May 28, 2015, the California Transportation Commission allocated funding to WRCOG to develop the Western Riverside County Active Transportation Plan (ATP). The Plan set objectives to increase safety and effectiveness of the non-motorized system, incorporate local Safe Routes to Schools planning efforts, and identify economic indicators that include education, disadvantaged communities, and federal air quality non-attainment zones. Since early 2016, WRCOG and its project team have been working on gathering input and working on the elements of the ATP. The ATP identifies challenges to and opportunities for creating a safe, efficient, and complete active transportation network that will expand the availability of active modes of transportation for users both within the region and between neighboring regions. The Plan was presented to the Public Works Committee at its April meeting and comments were provided. Those comments were addressed and the updated Plan was disseminated to the Committee for review prior to its May meeting. WRCOG is providing the Plan as a resource for jurisdictions who are interested in pursuing active transportation projects or programs and is not mandatory.

Executive Summary

WRCOG strives to support all residents and visitors of WRCOG whether they choose to walk, bike, take transit, or drive. This ATP focuses on enhancing the non-motorized infrastructure throughout the region, in hopes of developing a robust network for people who choose, or need, to walk and/or bike. Improvements to the active transportation network will ultimately benefit all users of the transportation system by providing more transportation choices. This plan serves as a resource for WRCOG member jurisdictions and stakeholders to help identify important active transportation facilities they would like to see in their communities and provides steps on how each individual project can be achieved.

The region's decision makers and representatives have provided input on this Plan. A year-long outreach effort was conducted to develop a regional active transportation network; one that is supported by facilities that span across the region and offer local connections to the many communities in the WRCOG subregion. The result is a network of 24 regional routes, many of which cross multiple jurisdictions and provide access to regional destinations. Forty-four local routes with regional significance, which were identified by local Planning and Public Works Directors, link to the regional routes, facilitating mobility and access for all cities and neighborhoods. The map below shows the proposed regional network across Western Riverside County.



Chapter 2 of the document provides an introduction the project. Chapter 3 provides an overview of the existing conditions in the region, with a focus on non-motorized modes of transportation. The ATP then provides an overview of the proposed active transportation regional network, with background information on the development process and its relation to other WRCOG projects happening in tandem with this plan. Each individual regional active transportation facility has its own detailed summary, which provides statistics and data that will aid in the funding and implementation process. Implementation and funding strategies that are relevant to the entire region are also provided at the end of the document.

Conducting outreach across Western Riverside County made one thing clear: jurisdictions are ready and willing to get to work to improve active transportation infrastructure region-wide.

<u>ATP Implementation</u>

<u>Possible Near-Term Action Items</u>

In hopes of capitalizing on the interest and collaboration of the ATP, this Plan has identified four "near-term strategies," summarized below, that will keep the conversation going and help move communities towards designing, funding, and implementing non-motorized infrastructure projects.

1. Open Streets Community Festivals

   Southern California has many successful examples of Open Streets events to emulate in Western Riverside County. These include events such as Ciclavia and SCAG Go Human campaigns. WRCOG is willing to advertise and help facilitate these types of temporary, tactical, urbanism events throughout the subregion. The idea is to be impactful, and have stakeholders and community members better understand the concept of active transportation. These events allow people of all ages and backgrounds to engage with non-motorized facilities in a controlled environment. They can also get jurisdictions excited enough to implement change. Another benefit of these events is that they continues the momentum of the ATP. If staff changes occur in decision-making positions, an Open Streets Event can help put focus back on the projects established as part of this effort.

2. Champion Building

   It is important for decision makers and community members to be able to speak knowledgably about active transportation so that the conversation continues for identifying the projects best for implementation. Western Riverside County is willing to invest in different training programs that focus on different aspects of active transportation. This training could be conducted at WRCOG headquarters, or in a video format. Training topics could include the basics of Complete Streets, impacts of lacking active transportation infrastructure, and active transportation decision making. The trainings would be tailored to different audiences, including high-level trainings for Directors / Leaders, and more detailed trainings for line staff. Advocates and community members could also take part in some of the trainings offered. By building a group of people more conversant in active transportation, Western Riverside County will have more support in moving toward project implementation when the opportunities arise.

3. Holistic Safety Improvements

   The safety of bicyclists and pedestrians is one of the most important aspects of active transportation planning for the Western Riverside County. Near-term safety improvements can be achieved by targeting two aspects, policy and education. Policy-based safety improvements include focusing more time and money on efforts such as Safe Routes to School or Vision Zero. By applying to the state-funded Systemic Safety Analysis Report Program, safety issues could be better identified and a list of systemic low-cost countermeasures could be developed. Education could be enhanced with efforts that focus on stakeholder outreach to involve key stakeholders in active transportation-related activities or field visits that help motivate communities for change. Field trips to challenging facilities or areas without any active transportation infrastructure in place would help stakeholders better understand the current conditions and challenges faced by users. Field trips would also allow improvements to be better tied into other maintenance or construction efforts, if the decision makers were aware of critical areas of need.

4. Identifying New Funding Opportunities

   One of the greatest barriers to implementation is funding for active transportation projects. This plan provides an overview of many of the common grants and funding sources that are available to jurisdictions in Western Riverside County. It is also important to develop a list of ideas for unique ways to collect funds. There are funds that may not obviously relate to active transportation, such as climate adaptation funding, but could be pursued by emphasizing the link between non-motorized modes and their minimal impacts on the environment. Other unique ways to fund projects could include crowd funding or requiring a local match to implement projects. There are examples across the nation, such as in Denver and Newport Beach, where businesses and residents contributed to the construction of important community projects. An additional strategy for covering all costs is making construction or maintenance more affordable. By reducing the cost of infrastructure by utilizing innovative design and construction techniques, the region will be able to stretch its money further. Jurisdictions can share best practices throughout Western Riverside County when they find cost-effective ways to implement change. This has been done, and may continue to be done, through WRCOG's Committees. Lastly, WRCOG is committed to reaching out to cities that need funding assistance. Staff is ready and willing to help with applications and identify ways to implement and construct projects around the region.

<u>Possible Immediate Action Items</u>

Building on the above strategies, there are six actions that should be considered. Listed below are areas where WRCOG can provide support and resources to the subregion and build momentum toward the implementation of facilities identified in the Active Transportation Plan:

1. Plan for a kick-off Open Streets Event: WRCOG can help sponsor a block party that provides opportunities to demonstrate potential projects, obtain community input on a variety of local and regional issues, market the Active Transportation Plan and how it can help fund and implement local projects, and build interest while having fun. These types of community events have been happening around the Southland, country, and world, including events ranging in length from 1 mile to 17 miles of car-free streets. Recent events have been held in Orange County, Los Angeles, the San Gabriel Valley, and other cities like San Diego, Santa Barbara, and Sacramento.

2. Conduct Trainings: Begin conducting training courses for local agency staff, advocates, decision makers, and non-profits to assist in educating local stakeholders and champion building; and prepare and conduct training courses that are most relevant to jurisdictional challenges and aspirations related to active transportation. For example, WRCOG would fund, lead, and/or help organize trainings for topics such as Complete Streets, access to transit, and designing for roadway safety as a sampling of a series of training workshops. Additionally, WRCOG may incentivize participation by aligning funds and resources for active transportation to prioritize cities that have attended training courses or adopted a Complete Streets Policy that is consistent with California's Complete Streets legislation, AB 1358.

3. Develop Formal Safe Routes to School Program: This Plan will provide a comprehensive approach to make school routes safer for children to walk and bike to school. WRCOG will build off the facilities proposed in this ATP and prioritize projects that have already been recommended by jurisdictions. Safe Routes to School projects can be effective in enhancing safety for schoolchildren and are a funding grant source that can be used to implement projects of local importance. Moreover, it is estimated that up to 30% of morning peak hour traffic is related to school drop-off and providing viable, non-motorized transportation options can help reduce congestion while improving air quality and providing a time friends or parents and children can walk and talk, rather than being sedentary and frustrated in morning traffic. According to the Center for Disease Control, collisions are a leading cause of death for children in the United States.

4. Explore Opportunities for TUMF to Support Active Transportation: Educate on current eligible TUMF funding for active transportation projects and consider / discuss including more eligible active transportation projects in future TUMF Nexus Study updates. Currently, only Class II Bike Lanes are eligible for TUMF funding under the Program. Therefore, it can be encouraged that these types of active transportation projects are built as part of the infrastructure using TUMF funding. WRCOG is willing to provide support and education on TUMF funds, and can be a resource to help address questions about incorporating this type of active transportation into construction projects. In future TUMF Nexus Study updates, additional active transportation project types can be reviewed for inclusion in the TUMF Program to receive TUMF funding, including project facilities identified in the ATP and other regional / subregional plans that are located on a TUMF network facility. Ultimately, any update to the TUMF eligible project list and Nexus Study would require approval by the WRCOG Committee structure. WRCOG will be bringing this topic to the WRCOG Committees later in 2018 for in-depth discussion. This strategy may be combined with item #2 to promote coordination and consistency of roadway improvements with relevant active transportation projects.

5. Develop a "Vision Zero Plan": a Vision Zero plan to eliminate all traffic fatalities and severe injuries will be developed specifically for Western Riverside County. WRCOG will kick-off this effort and advertise strategies to implement countywide when the plan is completed by identifying the priority roadways where the most fatalities and severe injuries occur. Based on the collision statistics, the most fatalities and severe injuries accrue to people in cars, so this strategy benefits all roadway users, not just the most vulnerable.

6. Influence the built environment to support multi-modal transportation: WRCOG will work with appropriate County departments to formalize the following guidelines and standards:

    a. Develop bicycle-parking guidelines as a model for the region that addresses parking for commercial, residential, and office uses.
    b. Develop region-wide wayfinding signage themes and standards.

Outcomes of ATP Implementation

Implementation of the facilities proposed in the ATP could result in:

- Over 500 miles of new active transportation infrastructure
- 56%of the total population being served by facilities
- 7 transit station connections
- Improved Level of Traffic Stress and safety
- Any additional, easy to gather, statistics
- 155 public sites served
- 109 schools served within ¼ mile of the network
- Serving 50% of all households with no vehicle available

Outreach Conducted

Updates have been provided to the WRCOG Committees throughout the development of the Plan since work commenced in March 2016.

- Executive Committee
  - 2016: February, May, June, July, October
  - 2017: November
  - 2018: February

- Technical Advisory Committee
  - 2016: January, May, July
  - 2017: October
  - 2018: January

- Planning Directors Committee/Public Works Committee
  - 2016: April, June, July, November, December
  - 2017: February, April, May, June, September
  - 2018: April

Prior Action:

May 10, 2018: The Public Works Committee recommended that the Executive Committee approve the Western Riverside County Active Transportation Plan.

Fiscal Impact:

Funding for this effort was provided by a $300,000 grant from the California Department of Transportation (Caltrans). Funding for any follow-on activities would require securing additional grant funding from agencies such as Caltrans and SCAG. Staff will work in the coming year to identify appropriate grants and develop applications for that funding.

Attachment:

None.