



Western Riverside Council of Governments Technical Advisory Committee

AGENDA

**Thursday, January 16, 2020
9:30 a.m.**

**BB&K's Office
Citrus Tower
3390 University Avenue, 5th Floor
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 Technical Advisory 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 Technical Advisory Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

- 1. CALL TO ORDER (Chris Lopez, Chair)**
- 2. SELF INTRODUCTIONS**
- 3. PLEDGE OF ALLEGIANCE**
- 4. PUBLIC COMMENTS**

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

5. MINUTES

- A. **Summary Minutes from the November 21, 2019, Technical Advisory Committee Meeting are Available for Consideration.** **P. 1**

Requested Action: 1. *Approve the Summary Minutes from the November 21, 2019, Technical Advisory Committee meeting.*

6. CONSENT CALENDAR

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

- A. **Finance Department Activities Update** **Andrew Ruiz, WRCOG** **P. 9**

Requested Action: 1. *Receive and file.*

- B. **WRCOG Committees and Agency Activities Update** **Chris Gray, WRCOG** **P. 15**

Requested Action: 1. *Receive and file.*

- C. **Western Riverside Energy Partnership Program Activities Update** **Anthony Segura, WRCOG** **P. 25**

Requested Action: 1. *Receive and file.*

- D. **Regional Streetlight Program Activities Update** **Daniel Soltero, WRCOG** **P. 27**

Requested Action: 1. *Receive and file.*

- E. **Single Signature Authority Report** **Andrew Ruiz, WRCOG** **P. 29**

Requested Action: 1. *Receive and file.*

- F. **Regional Housing Needs Assessment (RHNA) Appeals Update** **Chris Gray, WRCOG** **P. 31**

Requested Action: 1. *Receive and file.*

- G. **TUMF Construction Cost Index Adjustment Implementation Process** **Ivana Medina, WRCOG** **P. 35**

Requested Action: 1. *Receive and file.*

- H. **Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year** **Rick Bishop, WRCOG** **P. 47**

Requested Action: 1. *Recommend that the Executive Committee approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.*

- I. **International City / County Management Association Activities Update** **AJ Wilson, ICMA** **P. 53**

Requested Action: 1. *Receive and file.*

7. **REPORTS / DISCUSSION**

- A. **Report from the League of California Cities** **Erin Sasse, League of California Cities** **P. 57**

Requested Action: 1. *Receive and file.*

- B. **Western Community Energy Activities Update** **Barbara Spoonhour, WRCOG** **P. 61**

Requested Action: 1. *Receive and file.*

- C. **Public Service Fellowship Activities Update** **Rachel Singer, WRCOG** **P. 63**

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

- D. **Regional Energy Network Development Activities Update** **Anthony Segura, WRCOG** **P. 81**

Requested Action: 1. *Request letters from member agencies in support of the REN development.*

Requested Action: 1. *Recommend that the Executive Committee adopt Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.*

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

9. **ITEMS FOR FUTURE AGENDAS** Members

10. **GENERAL ANNOUNCEMENTS** Members

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

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

12. **ADJOURNMENT**

1. CALL TO ORDER

The meeting of the Technical Advisory Committee was called to order at 9:32 a.m. by Chair Chris Lopez at WRCOG's office, Citrus Conference Room.

2. ROLL CALL

Members present:

Chris Mann, City of Canyon Lake
Bryan Jones, City of Eastvale
Chris Lopez, City of Hemet, Chair
Grant Yates, City of Lake Elsinore
Armando Villa, City of Menifee
Tom DeSantis, City of Moreno Valley
Louie Lacasella, City of Murrieta
Andy Okoro, City of Norco
Al Zelinka, City of Riverside
Rob Johnson, City of San Jacinto
Betsy Lowry, City of Temecula (10:37 a.m. departure)
Gary Nordquist, City of Wildomar
George Johnson, County of Riverside
Danielle Coats, Eastern Municipal Water District
Mathew Evans, March Joint Powers Authority

Staff present:

Steve DeBaun, Legal Counsel
Rick Bishop, Executive Director
Barbara Spoonhour, Deputy Executive Director - Operations
Andrew Ruiz, Chief Financial Officer
Casey Dailey, Director of Energy & Environmental Programs
Tyler Masters, Program Manager
Christopher Tzeng, Program Manager
Janis Leonard, Administrative Services Manager
Rachel Singer, Staff Analyst
Ivana Medina, Staff Analyst
Daniel Soltero, Staff Analyst
Suzy Nelson, Administrative Assistant

Guests present:

Jason Farin, County of Riverside Executive Office
Alonzo Barrera, County of Riverside Executive Office
Imelda Huerta, City of Menifee
Jeff Potts, City of Corona
Jeremy Goldman, Southern California Edison
Michael Wolfe, City of Moreno Valley
Araceli Ruiz, County of Riverside, District 1
Darcy Kuenzi, Riverside County Flood Control and Water Conservation District
Andrea Macias, Riverside County Flood Control and Water Conservation District
Scott Barber, Ardurra

3. PLEDGE OF ALLEGIANCE

Committee member Chris Mann led members and guests in the Pledge of Allegiance.

4. PUBLIC COMMENTS

There were no public comments.

5. MINUTES (County / Canyon Lake) 15 yes; 0 no; 0 abstain; Item 5.A was approved. The Cities of Banning, Beaumont, Calimesa, Corona, Jurupa Valley, and Perris, Western Municipal Water District, and Morongo Band of Mission Indians were not present.

A. Summary Minutes from the September 19, 2019, Technical Advisory Committee Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the September 19, 2019, Technical Advisory Committee meeting.*

6. CONSENT CALENDAR (Moreno Valley / San Jacinto) 15 yes; 0 no; 0 abstain; Items 6.A thru 6.M were approved. The Cities of Banning, Beaumont, Calimesa, Corona, Jurupa Valley, and Perris, Western Municipal Water District, and Morongo Band of Mission Indians were not present.

A. Finance Department Activities Update

Action: 1. *Received and filed.*

B. WRCOG Committees and Agency Activities Update

Action: 1. *Received and filed.*

C. Western Riverside Energy Partnership Program Activities Update

Action: 1. *Received and filed.*

D. Regional Housing Needs Assessment Methodology Activities Update

Action: 1. *Received and filed.*

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

Action: 1. *Received and filed.*

F. California Clean Air Day Activities Recap

Action: 1. *Received and filed.*

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

Action: 1. *Recommended that the Executive Committee approve the 1st Quarter Draft Budget Amendment for Fiscal Year 2019/2020.*

H. Regional Energy Network Development Activities Update

Action: 1. *Received and filed.*

I. AB 1236 Guidebook and Activities Update

Action: 1. *Received and filed.*

J. Grant Writing Assistance Program Update

Action: 1. *Received and filed.*

K. Western Community Energy Activities Update

Action: 1. *Received and filed.*

L. Emergency Medical Care Committee Meeting Update

Action: 1. *Received and filed.*

M. Approval of Technical Advisory Committee 2020 Meeting Schedule

Action: 1. *Approved the Schedule of Technical Advisory Committee meetings for 2020.*

7. REPORTS / DISCUSSION

A. Report from the League of California Cities

Erin Sasse was unable to attend; therefore, no report was provided.

Action: 1. *None.*

B. Santa Ana Municipal Separate Storm Sewer System (MS4) Permit Compliance Program Update

Darcy Kuenzi, Riverside County Flood Control (RCFC) and Water Conservation District (WCD), presented a bi-annual update on the MS4 permit compliance and other mandates for addressing stormwater management in the region.

The Santa Ana National Pollutant Discharge Elimination System (NPDES) Permit requires City Managers for the Cities of Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Norco, Perris, Riverside and San Jacinto, as well as the Riverside County Executive Officer, to meet at least two times annually to discuss the NPDES MS4 Permit Compliance Program.

Recently, Riverside County Watershed Protection has partnered with RCFC and WCD, Coachella Valley Water District, and 27 cities that manage watershed programs, and has implemented a new website, www.rcwatershed.org. The idea of this partnership is to educate and empower residents with information about water pollution prevention and to comply with all federal, state, and local requirements.

As of today, the Santa Ana MS4 Permit is still expired. The Santa Ana Regional Water Quality Control Board is working on a regional approach with San Bernardino and Orange County. The Board is working on some key issues such as homeless encampments and the watershed planning requirements. The Santa Margarita River MS4 Permit renewal is anticipated to commence in spring 2020.

RCFC and WCD anticipates total budgeted expenditures for the Santa Ana River Stormwater Program to be just under \$3M and the Santa Margarita Stormwater Program to be just under \$2M for Fiscal Year 2019/2020.

The biggest legislation impact that recently passed is Senate Bill (SB) 205. As a means to control stormwater pollution, SB 205 will require applicable facilities to demonstrate enrollment with the industrial stormwater permit when applying for or renewing a business license.

Action: 1. *Received and filed.*

C. Southern California Edison Public Safety Power Shutoff Program

Jeremy Goldman reported that wildfires have been the issue dominating the state over the last few weeks. Last year, the Governor signed SB 901 which required all electric utilities to file its wildfire mitigation plans. The plans are comprehensive strategies to prevent, combat, and respond to wildfires.

Southern California Edison (SCE) is in the process of installing weather stations in all of the higher fire circuits throughout its service territory. High tech fire monitoring cameras are being installed. SCE's goal is to install 850 weather stations by the end of 2020 as part of its wildfire mitigation program. A team of meteorologists monitor the weather with new state-of-the-art software with high-resolution weather model forecasts that can detect weather down to 2-miles away. In less than five months, crews completed detailed inspections of over 400,000 distribution and transmission structures in high-risk fire areas. SCE also is deploying helicopters and drones equipped with infrared, ultraviolet, and HD image scanning to perform aerial inspections.

SCE inspects over 900,000 trees annually. SCE staff's in-house arborists and contracts with 80-plus pruning specialists; crews were added during high fire risk times.

SCE has begun, in certain areas, installing a rubberized covered conductor to decrease the chance of spark should a tree fall on the lines and break them. SCE's goal is to install 600 circuit miles of insulated wire by 2020.

Protective devices and reclosers are being added to poles which allow automatic and remote access to turn off power lines in the event of an emergency. Currently, SCE has over 1,500 automatic reclosures programmed with more of a sensitive setting in case of wildfire.

Undergrounding is very costly and have potential environmental impacts; however, SCE is in the process of determining where undergrounding can occur.

More than 500 qualified response team members serve as an on-call 24/7 for SCE's Emergency Operations Center. The team, when alerted, can respond within two hours of notification.

The Public Safety Power Shutoff Program (PSPS) is an operational practice where SCE may employ to pre-emptively turn off power – de-energize – on certain power lines when weather conditions threaten power lines in a way that present an imminent danger to public safety. SCE has been enhancing its PSPS Program by using its increased situational awareness capabilities and real-time information to drive more of a precise decision-making around potential events. SCE is in constant contact with first responders.

SCE has held meetings with 120 cities, counties, and tribal governments to educate customers about preparing for power shutoffs. Letters are sent communicating potential power shutoffs planned for customers in affected service areas. SCE is working on a statewide advertising campaign to spread the information on community resilience and preparedness.

Committee member George Johnson asked what types of tools SCE has regarding preparedness.

Mr. Goldman responded with there are many tools on www.sce.com/psps that can help educate customers during a power shutoff.

Action: 1. *Received and filed.*

D. 2020 Census Update – Report from Riverside County

Jason Farin provided an update regarding the upcoming Census. The Riverside County Board of Supervisors approved an agreement with the State that will net Riverside County \$1.21 million in funding for marketing and outreach campaigns. Of that \$1.21 million, \$500,000 was set aside to be shared amongst the cities for outreach. The amount allocated to each city will be determined by population, hard to count (HTC) percentages as identified by the State, and a base amount. Allowable uses include Census Questionnaire Assistance Centers, outreach and marketing materials (i.e., pledge card drive), and training of volunteers. Although the County encourages the Complete Count Committees, it is not required. The city funding is intended to avoid duplication, identify outreach gaps, and respond accordingly. The County has partnered with the Riverside County Office of Education to work on the HTC areas.

If a city would like to opt-in for funding opportunities, they would need to send an email to 2020census@rivco.org by December 9, 2019. If a city chooses to opt-out of funding the County will subcontract directly with the Administrative Community Based Organization to provide outreach activities.

For the cities participating in funding, after informing the County of its intent, each city would then need to adopt a resolution or proclamation supporting the 2020 Census, develop an outreach plan focused on identified geographic areas and demographic populations least likely to respond, collaborate with the County and its partners to avoid duplication of marketing efforts, identify outreach gaps and respond accordingly, use (SWORD) to identify the HTC population, and update outreach activities in SWORD on a bi-weekly basis.

Committee member Tom DeSantis asked if a city can request funding directly from the State or is it only for counties.

Mr. Farin responded that only the counties are used as the pass through of funds. The County is partnering with multiple agencies and the Census Bureau.

Action: 1. *Received and filed.*

E. TUMF Nexus Study Principles and Goal Discussion

Ivana Medina provided an overview of several principles and goals that should be considered when updating the Nexus Study. WRCOG updates the TUMF Nexus Study every four years after approval of the SCAG RTP/SCS document. The Nexus Study uses the same growth forecasts as the RTP/SCS for consistency purposes. Staff is asking for feedback on five key elements of the Study approach and process before they begin.

Staff provided different examples of issues and options to discuss and provided the effects of each issue. Key topics included the scope of the Network, the level of funding provided for projects, how easy or difficult it would be to add new projects, and whether an automatic Construction Cost Index adjustment should be considered.

Next steps include preparation of a survey to send out to members for feedback. Once feedback is compiled, staff intends to return with an update in January or February 2020. The Public Works

Directors asked for more time to provide feedback, so they can meet with elected officials and city managers; WRCOG will ask the committees to take action in March and April 2020.

Any and all comments need to be submitted to WRCOG by January 9, 2020, to initiate the comprehensive update of the Nexus Study in the summer of 2020.

Action: 1. *Received and filed.*

F. Alternative Compliance Program Activities Update

Christopher Tzeng provided an update on the Alternative Compliance Framework that staff, and the project team have been working on for the last two years. This Framework would further enable a potential compliance program to address stormwater issues. This Framework would be a voluntary regional program to allow jurisdictions and property owners to address individual needs regarding stormwater measures and new regulations.

WRCOG has partnered with Riverside County Flood Control and Water Conservation District (RCFC), Riverside County, and other agencies to evaluate an Alternative Compliance Program (ACP) for the Southwestern Riverside County, Santa Margarita Watershed. ACP projects can include regional detention basins, stream improvements, habitat improvements, and other related items. Currently, WRCOG is working with the San Diego Water Quality Control Board (RWQCB) region because that region currently allows this type of program in its MS4 Permit. Even though WRCOG's subregion lies within different RWQCB areas, the team is approaching each area differently.

The project team has drafted an ACP Guidance Manual which describes information pertinent to ACP components, such as document recording, credit / deficit recording, collecting fee-in-lieu and annual fees, and assuring ongoing maintenance and compliance. This document was provided to RCFC, Riverside County, and the Cities of Murrieta, Temecula, and Wildomar for review and comment. All of the agencies have provided comments which have been incorporated into the updated Manual. Staff from Riverside County have requested a follow-up meeting to discuss the draft Manual and specific issues related to land development.

WRCOG is preparing a grant application to implement a regional planning effort for the Santa Margarita Watershed and, if successful, plans to utilize funding to implement initial phases of the ACP and to leverage initial work for future funding and other efforts.

Action: 1. *Received and filed.*

G. Regional Streetlight Program Activities Update

Daniel Soltero provided a recap of all Streetlight Program activities to date. As of November 1, 2019, over 28,000 of 55,000 streetlights have been retrofitted. Of the 11 participating jurisdictions in the Program, 10 have completed the acquisition process and have commenced with Siemens' Operations and Maintenance (O&M) services. Siemens offer 24/7 telephone and web based reporting services.

To date, 683 total work orders across participating jurisdictions in the Program have utilized O&M services. Of the resolved work orders across the subregion that happened between September 2018 through October 2019, the average resolution time for routine O&M work orders is 4.99 work days and the average resolution time for extraordinary O&M callouts is 1.84 days.

The Cities of Eastvale, Hemet, Murrieta, San Jacinto, and Wildomar and the Jurupa Community Services District have completed over 90% of its streetlights retrofit, while the other jurisdictions are currently retrofitting and/or getting ready to start.

Committee member Bryan Jones added that it was a very smooth process and commended staff.

Action: 1. *Received and filed.*

8. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that there are two new city managers coming to the subregion, Rod Butler with the City of Jurupa Valley and Jacob Ellis with the City of Corona.

9. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

10. GENERAL ANNOUNCEMENTS

Committee member Rob Johnson shared that the City of San Jacinto will be hosting the League of California Cities Division meeting at the newly remodeled Soboba Casino on January 13, 2020.

11. NEXT MEETING

The next Technical Advisory Committee meeting is scheduled for Thursday, January 16, 2020, at 9:30 a.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.

12. ADJOURNMENT

The meeting of the Technical Advisory Committee adjourned at 10:46 a.m.

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Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Finance Department Activities Update

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

Date: January 16, 2020

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

Requested Action:

1. Receive and file.

FY 2018/2019 Agency Audit

WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott, LLP (RAMS) to conduct its financial audit. The final Comprehensive Annual Financial Report (CAFR) is expected to be issued by the end of December 2019. The draft CAFR will be provided to the Finance Directors Committee as soon as it is received so that the Committee members can review and provide comments. Once comments from the Finance Directors Committee are received, staff will present the CAFR to the Administration & Finance Committee in February 2020, with the Executive Committee scheduled to receive the report at its March 2020 meeting.

Financial Report Summary Through November 2019

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

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – November 2019.

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Item 6.A

Finance Department Activities
Update

Attachment 1

Financial Report summary –
November 2019

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

Total Agency

Revenues	Approved Budget 6/30/2020	Thru Actual 11/30/2019	Remaining Budget 6/30/2020
Member Dues	\$ 311,410	311,410	-
Interest Revenue - Other	25,000	45,597	(20,597)
PACE Residential Revenue	212,500	72,285	140,215
Other HERO Revenue	680,000	210,750	469,250
Statewide HERO Revenue	570,000	285,696	284,304
PACE Commercial Revenue	165,000	100,000	65,000
PACE Residential Recording Rev	111,800	56,564	55,236
Statewide HERO Recording fee Rev	441,200	143,296	297,904
Regional Streetlights Revenue	187,511	446,155	(258,644)
NW Clean Cities - Member Dues	128,000	158,160	(30,160)
Solid Waste	107,313	112,970	(5,657)
Statewide Used Oil Grant Revenue	377,654	377,654	-
CAP Grant Revenue	125,000	106,100	18,900
Adaptation Grant Revenue	125,000	39,122	85,878
LTF Revenue	775,000	800,250	(25,250)
TUMF Admin Commerical	47,284	32,628	14,656
TUMF Admin Retail	109,687	40,670	69,017
TUMF Admin Industrial	502,285	125,980	376,305
TUMF Admin Single Family	1,121,669	305,972	815,697
TUMF Admin Multi-Family	199,074	152,445	46,629
Commerical/Service	1,134,806	783,072	351,734
Retail	2,632,497	976,080	1,656,417
Industrial	12,054,852	3,023,520	9,031,332
Single Family	26,920,065	7,343,328	19,576,737
Multi-Family	4,777,779	3,658,680	1,119,099
Total Revenues & Carryover	55,365,007	19,708,384	35,656,623
Overhead Transfer In	1,996,602	788,883	1,207,719
Total Revenues & Overhead	57,361,609	20,497,267	36,864,342

Expenses	Approved Budget 6/30/2020	Thru Actual 11/30/2019	Remaining Budget 6/30/2020
Salaries & Wages - Fulltime	\$ 1,955,970	868,758	1,087,212
Fringe Benefits	628,266	261,778	366,488
CalPERS OPEB Paydown	200,000	184,103	15,897
Overhead Allocation	1,893,320	788,883	1,104,437
General Legal Services	396,706	107,502	289,204
Audit Svcs - Professional Fees	30,500	16,700	13,800
Bank Fees	40,150	8,730	31,420
Commissioners Per Diem	62,500	14,300	48,200
Office Lease	465,000	135,986	329,014
WRCOG Auto Fuels Expenses	1,500	502	998
Parking Validations	10,000	5,993	4,007
Coffee and Supplies	2,500	1,200	1,300
Event Support	181,591	82,094	99,497
Program/Office Supplies	22,263	8,135	14,128

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



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: WRCOG Committees and Agency Activities Update

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

Date: January 16, 2020

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

Requested Action:

1. Receive and file.

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of December 2019.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. Summary recaps from December Committee meetings.

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Item 6.B

WRCOG Committees and Agency
Activities Update

Attachment 1

Summary recaps from December
Committee meetings

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**Western Riverside Council of Governments
Executive Committee
Meeting Recap
December 2, 2019**

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

TUMF Reimbursement Agreement Approved

- The Executive Committee approved a TUMF Reimbursement Agreement Amendment with the City of Moreno Valley for the Moreno Beach Drive / SR-60 Interchange reallocation of funds from the Engineering Phase to the Design Phase.

Grant Application Approved for the Water Sustain and Manage America's Resources for Tomorrow (SMART) Cooperative Watershed Management Program Phase I Grants

- The Executive Committee adopted a resolution supporting the submittal of a grant to the Bureau of Reclamation for the SMART Watershed Management Program.
- The grant, if funded, will allow WRCOG to continue with existing efforts to explore regional storm water mitigation measures and continue collaborative planning efforts in the Santa Margarita Watershed.

Western Riverside Energy Partnership Program Contract Approved

- The Executive Committee approved a Partnership contract with the Southern California Gas Company to continue to jointly deliver the 2020 Energy Partnership Program, which will provide energy project support through the form of audits and rebate applications. In addition to this, the 2020 Partnership will provide outreach to the community and inform both residents / businesses on energy saving customer programs.

SCAG Presents on its Connect SoCal Development

- Philip Law from the Southern California Association of Governments provided a presentation on Connect SoCal, SCAG's Regional Transportation Plan / Sustainable Communities Strategy (RTP/SCS) document for 2020-2045.
- The RTP/SCS identifies key regional transportation projects that would be implemented over the next 25 years. The Plan also addresses a range of federal and state requirements related to air quality, vehicle miles traveled and sustainability.
- The public comment period is now open on the RTP/SCS and will conclude on January 23, 2020. The Plan is expected to be considered for approval by SCAG in April 2020. More information can be found at <https://www.connectsocial.org/Pages/default.aspx>.

1st Quarter Budget Amendment Approved

- For the 1st Quarter of Fiscal Year 2019/2020, there will be a net increase in expenditures of \$146,344 related to additional staffing for Western Community Energy (WCE), and for legal costs associated with Commercial PACE Program administration.
- WCE anticipates to pay back WRCOG for startup costs in late 2021. (WRCOG is providing initial management and administrative support to WCE.)
- The overall Agency budget remains balanced.

Regional Streetlight Program Milestones Discussed

- Approximately half of the 55,000 streetlights among the 11 participating agencies have been retrofitted to date. Staff reviewed the retrofit status for each of the jurisdictions.
- 10 of 11 participating agencies will utilize Siemens for streetlight operations and maintenance (O&M) services as part of a regional program administered by WRCOG.
- Staff provided an update on operations and maintenance of the streetlights. A total of 683 O&M work orders were resolved across the region between September 2018 and October 2019. Average resolution time for routine O&M work orders is 4.99 work days, and the average resolution time for extraordinary O&M callouts is 1.84 days. Additionally, 16 pole knockdowns across the region have occurred since September 2018; Siemens responded to and restored public safety at pole knockdown sites in an average of 2.56 hours.

Commercial PACE Program Expands Footprint

- The Executive Committee authorized the Executive Director to execute a HERO Commercial Programs Administration Agreement and adopted a resolution authorizing Renovate America to administer and finance eligible improvements on commercial properties, giving commercial PACE Providers greater access to the California statewide footprint.

Updated General Assembly and Executive Committee Meeting Dates

- Please note that the correct date for the 2020 General Assembly is June 25, 2020, and the second June meeting of the Executive Committee is the morning of June 26, 2020. These corrections will be presented to the Executive Committee for action at the next meeting.

Next Meeting

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



**Western Riverside Council of Governments
Planning Directors Committee
Meeting Recap
December 12, 2019**

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

RHNA Appeals Update

- Staff provided an update on the RHNA appeals process. They noted that there are three formal options for appeal:
 1. SCAG did not use accurate data for their jurisdiction.
 2. SCAG didn't utilize their own methodology.
 3. Show there has been a fundamental change in your communities that wasn't included in the analysis.
- Staff also noted that most appeals historically have been unsuccessful and would only recommend a jurisdiction to file an appeal if they have significant evidence that follows the appeals guidelines.

State Housing Legislation Update

- Three key bills (SB 13, AB 68, and AB 881) relate to reducing requirements for ADU's.
- Per questions raised at previous PDC meetings, staff reported back that jurisdictions can integrate ADUs into their housing element, however certain data collection and analysis is required to document these circumstances.

TUMF Construction Cost Index (CCI) Adjustment Implementation Process

- In November 2019, the Executive Committee approved the TUMF CCI adjustment with a Single-family residential phase in over two years and no increase to the retail fees.
- Member jurisdictions must adopt a new TUMF Fee resolution to account for the Construction Cost Index fee increase no later than May 2020.
- Staff is available to give presentations/attend meetings regarding the resolution, CCI, or TUMF Program.

Resilient IE Activities Update

- Resilient IE is comprised of six deliverables and staff provided an update on the status of the different project elements.
- To date, the Guidebook, City-Level Hazard and Evacuation Maps, and the Revised Vulnerability Assessment and Adaptations Strategy have been completed. The Inland Southern California Climate Collaborative has been formed and will launch Winter 2020.
- Current efforts are focused on the Risk-Based Pilot Program and the Template Resilience Element, both projected to be completed by February 2020.
- Here is the link the Guidebook: <http://www.wrcog.cog.ca.us/DocumentCenter/View/7230/Climate-Resilient-Transportation-Infrastructure-Guidebook>

Subregional CAP Update

- Major component of the CAP is updating GHG inventories and staff has been coordinating data requests with jurisdictions.

- Looking forward, data collection will continue into winter 2020 and calculate baseline GHG emissions for subregion by April 2020.
- The CAP update will be complete by December 2020.

RIVCOM Socio-Economic Data Update

- Development of the Riverside County Transportation Analysis Model (RIVCOM) kicked off in August 2018. The project team has been working to incorporate the appropriate socio-economic data (SED) from the SCAG.
- Staff is requesting that the committee review the SED by Friday, December 20, 2019 and is available to meet to discuss any questions.

General Announcements

- Access the APA survey link: https://www.apacalifornia-conference.org/docs/Call_for_Topics_FINAL.pdf
- WRCOG office will be closed from December 23, 2019 through January 3, 2020, for the holidays and January 13, 2020 through January 24, 2020, to accommodate the move to the second floor of the Citrus Tower. Staff will be available during the 2 weeks in January via email.
- During the January office closure, staff plans to meet with the zones to receive feedback on FY 2019/2020 Revenue Forecast and if they'd like to add or request additional projects or funding.
- At the end of January 2020, WRCOG's NEW offices will be officially located on the 2nd floor of the Citrus Tower.

Next Meeting

The Planning Directors Committee meeting scheduled for Thursday, January 9, 2020, is **cancelled**. The next Planning Directors Committee meeting is scheduled for Thursday, February 13, 2020, at 9:30 a.m., at WRCOG's **NEW** office located at 3390 University Avenue, **Suite 200**, Riverside.



**Western Riverside Council of Governments
Public Works Committee
Meeting Recap
December 12, 2019**

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

TUMF Construction Cost Index Adjustment Implementation Process

- In November 2019, the Executive Committee approved the TUMF CCI adjustment with a Single-family residential phase in over two years and no increase to the retail fees.
- Member jurisdictions must adopt a new TUMF Fee resolution to account for the Construction Cost Index fee increase no later than May 2020.
- Staff is available to give presentations/attend meetings regarding the resolution, CCI, or TUMF Program.

TUMF Zone Revenue Forecasts

- Staff proposed a FY 2019/2020 Revenue Forecast for each zone using multiple factors including previous years revenue as a baseline, three- and five-year averages, and recent growth trends.
- During individual Zone meetings, further discussion will be held on proposed methodologies and then adopted.

Resilient IE Activities Update

- Resilient IE is comprised of six deliverables and staff provided an update on the status of the different project elements.
- Current efforts are focused on the Risk-Based Pilot Program and the Template Resilience Element, both projected to be completed by February 2020.

RIVCOM Socio-Economic Data Update

- Development of the Riverside County Transportation Analysis Model (RIVCOM) kicked off in August 2018. The project team has been working to incorporate the appropriate socio-economic data (SED) from the SCAG.
- Staff is requesting that the committee review the SED by Friday, December 20, 2019 and is available to meet to discuss any questions.

Traffic Impact Analysis Guidelines Template

- Consultants from Fehr & Peers presented on the Proposed Traffic Impact Analysis Guidelines in response to Senate Bill 743 and to provide general updated guidelines.

TUMF Nexus Study Input

- Two surveys regarding the TUMF Nexus Study Principals and Goals and project costs and will be distributed to members for feedback.
- The deadline for survey feedback is January 17th, 2020.

General Announcements

- WRCOG office will be closed from December 23, 2019 through January 3, 2020, for the holidays and January 13, 2020 through January 24, 2020, to accommodate the move to the second floor of the Citrus Tower. Staff will be available during the 2 weeks in January via email.
- During the January office closure, staff plans to meet with the each zone to receive feedback on FY 2019/2020 Revenue Forecast and if they'd like to add or request additional projects or funding.
- At the end of January 2020, WRCOG's NEW offices will be officially located on the 2nd floor of its current office building, Citrus Tower.

Next Meeting

The Public Works Committee meeting scheduled for Thursday, January 9, 2020, is **cancelled**. The next Public Works Committee meeting is scheduled for Thursday, February 13, 2020, at 2:00 p.m. at WRCOG's **NEW** office located at 3390 University Avenue, **Suite 200**, Riverside.



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Western Riverside Energy Partnership Program Activities Update

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

Date: January 16, 2020

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

Requested Action:

1. Receive and file.

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

2019 LED Holiday Light Exchange and Energy Efficiency Kit Giveaway

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

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

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

2019 WREP Holiday Events			
Date	Event	Location	Time
Monday, November 18	Christmas Tree Lighting Ceremony	City of Calimesa City Hall, 908 Park Ave. Calimesa, CA 92320	5:00 p.m. - 6:30 p.m.
Saturday, December 7	Festival of Trees	City of Murrieta Town Square Park Murrieta, CA 92562	5:00 p.m. - 7:00 p.m.
Saturday, December 7	Christmas in the Park	City of Hemet Gibbel Park, 2500 W Florida Ave. Hemet, CA 92545	8:00 a.m. - 12:00 p.m.
Saturday, December 7	Winter Wonderland	City of Eastvale Eastvale Community Center 13820 Schleisman Rd. Eastvale, CA 92880	3:00 p.m. - 9:00 p.m.
Saturday, December 14	Breakfast with Santa	City of Wildomar Fire Station 61 32627 Gruwell Street Wildomar, CA 92595	8:00 a.m. - 11:00 a.m.



WRCOG staff helping Calimesa residents at a Christmas Tree Lighting Ceremony



City of Murrieta Festival of Trees event

Prior Action:

November 21, 2019: The Technical Advisory Committee received and filed.

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Regional Streetlight Program Activities Update

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

Date: January 16, 2020

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

Requested Action:

1. Receive and file.

Background

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

Regional Streetlight Retrofit Update

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

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

JCSD	1,905	99%	9/30/2019
Lake Elsinore	3,739	98%	10/7/2019
Hemet	3,993	90%	8/15/2019
San Jacinto	1,945	95%	9/19/2019
Temecula	7,279	34%	11/25/2019
Meniffee	Est. 6,780		Q1 2020
Perris	4,581		Q1 2020

Prior Action:

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

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Single Signature Authority Report

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

Date: January 16, 2020

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

Requested Action:

1. Receive and file.

The Executive Director has Single Signature Authority for contracts up to \$100,000. For the months of September 2019 through December 2019, three contracts were signed by the Executive Director. These are summarized below.

1. In September 2019, a Professional Services Agreement (PSA) Amendment was executed with Evari GIS Consulting for an additional \$5,500. The purpose of this PSA is to support the Streetlight Program with GIS consulting services and other assistance as needed.
2. In November 2019, a PSA was executed with W.B. Consulting for \$15,000. W.B. Consulting will provide housing legislation and development impact fee analysis to support WRCOG and its member agencies.
3. In November 2019, a PSA was executed with ReCollect Systems, Inc., for \$12,000. The purpose of this PSA is to support the Solid Waste Program in meeting California's recycling legislation, promoting education and proper disposal methods in Western Riverside County.

Prior Action:

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

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Regional Housing Needs Assessment (RHNA) Appeals Update

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

Date: January 16, 2020

The purpose of this item is to provide an update on the RHNA appeals process as it relates to WRCOG's member agencies.

Requested Action:

1. Receive and file.

Background

As part of the RHNA process, the Southern California Association of Governments (SCAG) develops a methodology to allocate units to its member agencies. This methodology must be submitted to the Department of Housing and Community Development (HCD) for review. Once the methodology is approved, the actual allocation of units by income category occurs. After each jurisdiction has been notified of its allocation, a jurisdiction may then appeal its allocation.

Appeals Process

The approximate timing of the appeals process with key milestones is:

January 2020: Deadline for HCD to submit any written findings and either accept or reject the draft RHNA methodology. January 13, 2020, would be the last day for HCD to act on the proposed RHNA methodology.

If HCD rejects the draft RHNA methodology: SCAG must make the necessary revisions and HCD has the option to have an additional 90-day review of the revised draft RHNA methodology.

If HCD accepts the draft RHNA methodology: SCAG must officially adopt the RHNA methodology.

Feb. – March 2020: Assuming HCD acceptance of the draft RHNA methodology, SCAG distributes a Draft Allocation Plan to each of its member agencies. This Plan provides the number of units by income category for each jurisdiction. Jurisdictions have 45 days to submit its appeal to SCAG.

April – May 2020: SCAG has 45 days to review all appeals and reject or approve.

Appeal Criteria

State law regulates the appeals process and determines the valid basis for an appeal. Staff would note that simply disagreeing with the allocation process or the number of units assigned to a jurisdiction is not a valid basis for an appeal.

Valid criteria for an appeal is as follows:

- SCAG, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04.
- SCAG, as applicable, failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.04.
- A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant to subdivision (d) of Section 65584.04. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

A jurisdiction cannot base its appeal on the following items:

- Voter-approved measures that restrict residential permits issued
- Underproduction of units based on the prior RHNA allocation
- Stable population numbers based on the last RHNA cycle

WRCOG's interpretation is that successful appeals have to be technical in nature, rather than policy. For example, it may be possible to appeal an allocation by claiming that the information contained in the SCAG RHNA calculation is incorrect.

Staff recommends that jurisdictions be mindful that a successful appeal will require some level of staff and/or outside consultant effort. While there does not appear to be a penalty for appealing a jurisdiction's RHNA allocation, it may be advisable to consider the level of effort required for a successful appeal.

Other Notes

A jurisdiction may appeal its own allocation or another jurisdiction's allocation. Any appeal of another jurisdiction's allocation is limited to the first two criteria identified above. Additionally, outside stakeholder groups are also allowed to appeal a jurisdiction's RHNA allocation as well.

Next Steps

The next key milestone in the process is the approval or rejection of SCAG's proposed RHNA methodology by HCD on or before January 13, 2020. Once WRCOG is informed of HCD's action, it will share that information with its member jurisdictions.

Prior Actions:

December 12, 2019: The Planning Directors Committee received and filed.

November 11, 2019: The Planning Directors 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 Technical Advisory Committee

Staff Report

Subject: TUMF Construction Cost Index Adjustment Implementation Process

Contact: Ivana Medina, Staff Analyst, imedina@wrcog.us, (951) 405-6753

Date: January 16, 2020

The purpose of this item is to provide an update on the process to approve the Transportation Uniform Mitigation Fee (TUMF) Construction Cost Index (CCI) adjustment, as directed by WRCOG's Executive Committee.

Requested Action:

1. Receive and file.

WRCOG's TUMF Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in Western Riverside County. The Construction Cost Index (CCI) is an increase in TUMF tied to increases in land, labor, and materials needed to implement transportation projects in the WRCOG subregion.

Background

At the November 4, 2019, Executive Committee meeting, staff presented a TUMF CCI adjustment for consideration. The Executive Committee approved the item and set the following fee levels:

As of July 1, 2020, the following fee levels will be in effect:

- Single-Family: \$9,478 per dwelling unit
- Multi-Family: \$6,389 per dwelling unit
- Retail: \$7.50 per square foot
- Service: \$4.75 per square foot
- Industrial: \$1.81 per square foot

As of January 1, 2021, the following fee levels will be in effect:

- Single-Family: \$9,810 per dwelling unit
- Multi-Family: \$6,389 per dwelling unit
- Retail: \$7.50 per square foot
- Service: \$4.75 per square foot
- Industrial: \$1.81 per square foot

Implementation Process

To implement these changes, each of WRCOG's member agencies will need to adopt a new TUMF Fee resolution. A copy of the updated fee resolution and template Staff Report are attached.

The process for adopting the resolution requires that the jurisdiction provide notice of the meeting at which the fee increase will be considered. If a group, such as the BIA, has previously requested written notice of any fee increases, staff asks that they receive a written notice. Staff would defer to each member agency regarding the specific procedures related to resolution adoption.

Please note that WRCOG member agencies do not have to adopt a new TUMF Ordinance as the language of the Ordinance allows amendments to the Ordinance and updates to the fee resolutions. The updated fee resolution enacts new fees that take effect by July 1, 2020, so WRCOG's requests adoption of this resolution no later than May 2020.

Staff is available to attend any meetings regarding the resolution and would be available to present if needed regarding the overall TUMF Program or the CCI adjustment specifically. Please follow-up with Chris Gray at (951) 405-6710 or cgray@wrcog.us should you require any WRCOG staff to attend any meetings on this issue.

Prior Actions:

December 12, 2019: The Planning Directors Committee received and filed.

November 4, 2019: The Executive Committee Approved the implementation of the adjusted TUMF CCI as of July 1, 2020, with the following fee amounts: a) Single-Family: \$9,478 per dwelling unit; b) Multi-Family: \$6,389 per dwelling unit; c) Retail: \$7.50 per square foot; d) Service: \$4.75 per square foot; e) Industrial: \$1.81 per square foot; 2) Approved the implementation of the adjusted TUMF CCI as of January 1, 2021, with the following fee amounts: a) Single-Family: \$9,810 per dwelling unit; b) Multi-Family: \$6,389 per dwelling unit; c) Retail: \$7.50 per square foot; d) Service: \$4.75 per square foot; e) Industrial: \$1.81 per square foot;

Fiscal Impact:

Adoption of a CCI adjustment would generate the TUMF Program revenues by approximately 5% in the 2020/2021 Fiscal Year.

Attachments:

1. Updated TUMF Fee Resolution.
2. Template Staff Report for Adoption.

Item 6.G

TUMF Construction Cost Index
Adjustment Implementation Process

Attachment 1

Updated TUMF Fee Resolution

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RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF [INSERT CITY NAME]
AMENDING THE APPLICABLE TRANSPORTATION UNIFORM MITIGATION FEE (TUMF)
APPLICABLE TO ALL DEVELOPMENTS IN THE [INSERT CITY NAME]**

WHEREAS, the [INSERT CITY NAME] (“City”) is a member agency of the Western Riverside Council of Governments (“WRCOG”), a joint powers agency comprised of the County of Riverside and eighteen cities located in Western Riverside County; and

WHEREAS, the member agencies of WRCOG recognized that there was insufficient funding to address the impacts of new development on the regional system of highways and arterials in Western Riverside County (the “Regional System”); and

WHEREAS, in order to address this shortfall, the member agencies formulated a plan whereby a transportation mitigation fee would be assessed on new development and would be used to fund the necessary improvements for the Regional System; and

WHEREAS, WRCOG, with the assistance of TUMF Program participating jurisdictions, has prepared an updated Nexus Study entitled “Transportation Uniform Mitigation Fee Nexus Study: 2016 Update” (“2016 Nexus Study”) pursuant to California Government Code sections 66000 et seq. (the Mitigation Fee Act), for the purpose of updating the fees. On July 10, 2017, the WRCOG Executive Committee reviewed the 2016 Nexus Study and TUMF Program and recommended TUMF participating jurisdictions amend their applicable TUMF ordinances to reflect changes in the TUMF network and the cost of construction in order to update the TUMF Program; and

WHEREAS, consistent with its previous findings made in the adoption of Ordinance No. _____, the City Council has been informed and advised, and hereby finds, that if the capacity of the Regional System is not enlarged and unless development contributes to the cost of improving the Regional System, the result will be substantial traffic congestion in all parts of Western Riverside County, with unacceptable Levels of Service. Furthermore, the failure to mitigate growing traffic impacts on the Regional System will substantially impair the ability of public safety services (police and fire) to respond and, thus, adversely affect the public health, safety and welfare. Therefore, continuation of a TUMF Program is essential; and

WHEREAS, the City Council finds and determines that there is a reasonable and rational relationship between the use of the TUMF and the type of development projects on which the fees are imposed because the fees will be used to construct the transportation improvements that are necessary for the safety, health, and welfare of the residential and non-residential users of the development in which the TUMF will be levied; and

WHEREAS, the City Council finds and determines that there is a reasonable and rational relationship between the need for the improvements to the Regional System and the type of development projects on which the TUMF is imposed because it will be necessary for the residential and non-residential users of such projects to have access to the Regional system. Such development will benefit from the Regional System improvements and the burden of such developments will be mitigated in part by payment of the TUMF; and

WHEREAS, the City Council finds and determines that the cost estimates set forth in the

new 2016 Nexus Study are reasonable cost estimates for constructing the Regional System improvements and the facilities that compromise the Regional System, and that the amount of the TUMF expected to be generated by new development will not exceed the total fair share cost to such development; and

WHEREAS, the fees collected pursuant to the TUMF Ordinance shall be used to help pay for the design, planning, construction of and real property acquisition for the Regional System improvements and its facilities as identified in the 2016 Nexus Study. The need for the improvements and facilities is related to new development because such development results in additional traffic and creates the demand for the improvements;

WHEREAS, by notice duly given and published, the City Council set the time and place for a public hearing on the 2016 Nexus Study and the fees proposed thereunder and at least ten (10) days prior to this hearing, the City Council made the 2016 Nexus Study available to the public; and

WHEREAS, at the time and place set for the hearing, the City Council duly considered data and information provided by the public relative to the cost of the improvements and facilities for which the fees are proposed and all other comments, whether written or oral, submitted prior to the conclusion of the hearing; and

WHEREAS, section [SECTION 4.C. OF MODEL ORDINANCE] of the TUMF Ordinance authorizes periodic review and adjustment to the applicable TUMF in accordance with any adjustments made by the WRCOG Executive Committee; and

WHEREAS, the fees collected pursuant to this Resolution shall be used to finance the public facilities described or identified in the Nexus Study; and

WHEREAS, the levying of TUMF has been reviewed by the City Council and staff in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines and it has been determined that the adoption of this ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines.

NOW, THEREFORE, the City Council of [INSERT CITY NAME] does resolve as follows:

SECTION 1. Findings. The recitals set forth above are hereby adopted as findings in support of this Resolution. In addition, the City Council re-adopts the findings contained in Section [INSERT SECTION 2 OF CITY ORDINANCE] in support of the adjusted TUMF contained herein.

SECTION 2. TUMF Schedule. In accordance with Section [SECTION 4.C. OF MODEL ORDINANCE] of the TUMF Ordinance, there is hereby adopted the following fee schedule for the TUMF which replaces the fee schedule set forth in Sections 2 and 3 of Resolution No. ___ in its entirety as of [DATE], provided that the fee for retail commercial projects shall go into effect upon the Effective Date set forth in Section 4, below:

A. There is hereby adopted the following TUMF schedule:

- (1) \$9,146.00 per single-family residential unit
- (2) \$6,134.00 per multi-family residential unit
- (3) \$1.77 per square foot of an industrial project

- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.56 per square foot of a service commercial project
- (6) \$2.19 per square foot of a service Class A and B Office

B. For single-family residential, multi-family residential, and retail non-residential projects, the fees set forth in Section 2.A. shall be phased in as follows:

From July 1, 2020, to June 30, 2020, the fee schedule shall be as follows:

- (1) \$9,478.00 per single family residential unit
- (2) \$6,389.00 per multi-family residential unit
- (3) \$1.81 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.75 per square foot of a service commercial project
- (6) \$2.38 per square foot of a service Class A and B Office

From January 1, 2021, to June 30, 2021, the fee schedule shall be as follows:

- (1) \$9,810.00 per single family residential unit
- (2) \$6,389.00 per multi-family residential unit
- (3) \$1.781 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.75 per square foot of a service commercial project
- (6) \$2.38 per square foot of a service Class A and B Office

SECTION 3. CEQA Findings. The City Council hereby finds that in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines the adoption of this Resolution is exempt from CEQA pursuant to Section 15061(b)(3).

SECTION 4. Effective Date. This Resolution shall become on XXXXXXXX.

ADOPTED this _____ day of _____ 2020.

By: _____
Mayor, City of [INSERT CITY NAME]

ATTEST:

[NAME OF CITY CLERK]
CITY CLERK

By: _____

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Item 6.G

TUMF Construction Cost Index
Adjustment Implementation Process

Attachment 2

Template Staff Report for Adoption

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STAFF REPORT TEMPLATE

TO: CITY COUNCIL / BOARD OF SUPERVISORS

FROM: CITY MANAGER / DIRECTOR OF PUBLIC WORKS / DIRECTOR OF TRANSPORTATION & LAND MANAGEMENT

SUBJECT: PROPOSED ORDINANCE TO UPDATE PARTICIPATION IN THE TUMF PROGRAM; RESOLUTION ADOPTING A TUMF SCHEDULE.

DATED: _____, 2020

BACKGROUND:

The City / County is a Member Jurisdiction of the Western Riverside Council of Governments (“WRCOG”), a joint powers agency comprised of the County of Riverside and eighteen (18) cities located in Western Riverside County. Acting in concert, in 2002-2003, WRCOG member jurisdictions developed a plan whereby the shortfall in funds needed to enlarge the capacity of the Regional System of Highways and Arterials due to new development in Western Riverside County could be made up in part by a Transportation Uniform Mitigation Fee (“TUMF”) on future residential, commercial, and industrial development. As a member jurisdiction of WRCOG and as a TUMF participating jurisdiction, the City / County participated in the preparation of a certain “Western Riverside County Transportation Uniform Fee Nexus Study,” (“2002 Nexus Study”) later adopted by the WRCOG Executive Committee. Based on the 2002 Nexus Study, the City / County adopted and implemented an ordinance authorizing the City’s participation in a TUMF Program.

Pursuant to the Mitigation Fee Act (Gov. Code §§ 66000 *et seq.*), WRCOG has prepared a new Nexus Study (“2016 Nexus Study”) to update the fees. On July 10, 2017, the WRCOG Executive Committee reviewed the 2016 Nexus Study and recommended TUMF participating jurisdictions update their fees by amending their applicable TUMF Ordinances to reflect changes in the TUMF Network and the cost of construction.

DISCUSSION:

The proposed Ordinance provides the legal basis for a revised TUMF schedule. The actual TUMF schedule will be established through the Resolution.

In accordance with the Mitigation Fee Act, the proposed Ordinance and 2016 Nexus Study: (i) identify the purpose of the revised fees; (ii) identify the use to which the revised fees is to be put, including identification of any facilities to be financed; (iii) determine how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed; (iv) determine how there is a reasonable relationship between the need for the public facilities and the type of development project upon which the fees are imposed; and (v) determine how there is a reasonable relationship between the amount of the fees and the cost of the public facilities or portion or the public facility attributable to the development on which the fees are imposed.

The resolution will establish the Fee Schedule for TUMF as follows:

A. There is hereby adopted the following TUMF schedule:

- (1) \$9,146.00 per single family residential unit
- (2) \$6,134.00 per multi-family residential unit
- (3) \$1.77 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.56 per square foot of a service commercial project
- (6) \$2.19 per square foot of a service Class A and B Office

B. For single-family residential, multi-family residential and retail non-residential projects, the fees set shall be phased in as follows:

From July 1, 2020 to June 30, 2020, the fee schedule shall be as follows:

- (1) \$9,478.00 per single family residential unit
- (2) \$6,389.00 per multi-family residential unit
- (3) \$1.81 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.75 per square foot of a service commercial project
- (6) \$2.38 per square foot of a service Class A and B Office

From July 1, 2021 to June 30, 2021, the fee schedule shall be as follows:

- (1) \$9,810.00 per single family residential unit
- (2) \$6,389.00 per multi-family residential unit
- (3) \$1.781 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.75 per square foot of a service commercial project
- (6) \$2.38 per square foot of a service Class A and B Office

RECOMMENDATION:

Staff recommends:

- (1) Adoption of the attached Ordinance No. _____, amending and updating the City's TUMF Ordinance; and
- (2) Adoption of the attached Resolution No. _____, adopting a TUMF schedule.



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

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

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

Date: January 16, 2020

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

Requested Action:

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

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

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

Prior Action:

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

Fiscal Impact:

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

Attachment:

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

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Item 6.H

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

Attachment 1

Letter of Fifth Extension of MOU by Written Agreement

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Western Riverside Council of Governments

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

December 3, 2019

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

Subject: Letter of Fifth Extension of MOU by Written Agreement

Dear Superintendent White:

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

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

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

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

Sincerely,

By: 
Rick Bishop
Executive Director

Affirmed and Agreed:

RIVERSIDE COUNTY SUPERINTENDENT OF SCHOOLS

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

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Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: International City / County Management Association Activities Update

Contact: AJ Wilson, California Senior Advisor, International City / County Management Association, ajwcm@aol.com, (760) 723-8623

Date: January 16, 2020

The purpose of this item is to provide the Committee with an update of International City / County Management Association (ICMA) activities.

Requested Action:

1. Receive and file.

ICMA

Diversity Election January 10 - February 10, 2020: A referendum of ICMA members will begin on Friday, January 10, 2020, and the ballot will be available until February 10, 2020. The issues on the ballot all deal with an effort of the Board of Directors to increase diversity on members and diversity of those members elected to serve on the Board of Directors.

One matter that is not addressed is changes that may occur in the dues structure for voting members. A special committee of the Board is reviewing the issues related to dues and its impact on membership and should report back early this summer. This would apply whether or not the amendments on the present ballot are adopted.

2020 Inclusion Amendments:

The “why” behind these amendments:

- Diversifying and expanding the membership was a key priority of the ICMA Strategic Plan which was developed by the membership and approved by the ICMA Executive Board in 2017. By reviewing voting eligibility, ICMA can ensure it is consistent with the core beliefs and goals of the Association.
- Given the changing demographics of our world and a desire to include new voices in our profession, the Executive Board continues to focus on improving diversity and inclusion of membership across the association particularly in terms of race, ethnicity, gender, and age.
- A primary focus of the ICMA organization is to serve the needs of those who are local government leaders and aspire to leadership roles in local government. We want to welcome, encourage and develop the future generation of leaders.
- Just as our world is evolving, so is our profession and the ICMA organization. The Executive Board has undertaken a conversation about more effectively engaging our members across the career spectrum in the work and benefits of the association.

- The group of members who currently can **vote and serve** on the Board is not diverse. The chart below shows the demographics of those who currently are eligible to vote and the affiliate members working for local government who would be able to vote if the ballot measure passes.

	Voting Members (Full)	Affiliate Members in Service
Number of Members	7,200	2,300
Male	79%	49%
Female	21%	51%
Hispanic	2%	6%
African American	5%	7%
Asian	< 1%	2%
Average Age	56 Years	43 Years

If the amendment for changing years of service qualification is approved, the **non-CAO seat on the board** (there are 5 of them) would open the position to more diverse candidates to serve on the Board. To achieve the goals of promoting diversity and inclusion across our membership and within the leadership of the association, we asked our membership over the past year to provide feedback on several ideas that have led to the development of the proposed amendments to the ICMA constitution.

Timing and Process:

- The Board took on this challenge two years ago and covered a great deal of ground, including for example: definition of diversity that could be measured, understanding member categories, considering the composition of member categories by race, ethnicity, gender, and age.
- We refined our discussions down to three key areas in making ICMA a more inclusive and diverse organization:
 - Voting eligibility service on the Board
 - Appointment to the regional nominating committees
- Together with a member engagement consultant who specializes in diversity and inclusion, we began a comprehensive outreach initiative in February 2019. The objective was to gather as much input from as many members as possible. This included:
 - A national online focus group
 - Discussions at five ICMA Regional Conferences and 23 State Association Meetings for a total of 1,000 members providing feedback.
- It was clear from the feedback that members overwhelmingly support diversity and inclusion, and that experience in service to local government and ICMA involvement are very important.
- From all this feedback, the Board has endorsed four amendments to the ICMA constitution. Members eligible to vote will be able to vote beginning on January 10, 2020, with the ballot closing February 10, 2020.
- This is the opportunity that voting members (Full members) have to propel the organization forward. More diverse colleagues will become voting members and be eligible to serve on the Board to better reflect our communities and nation.
- The change brought about by these amendments is a great starting point...now we're going to need to get out there and recruit new leaders to both local government and our organization.

The four proposed Amendments approved and endorsed by the Board:

- Voting Rights: Extend voting eligibility to Affiliate Members in service who have been a member of ICMA and serving in a local government for five years. Affiliate members retain voting rights only if they are in service to a local government.

- Elected officials who are Affiliate Members will not be eligible to vote since they do not serve local governments in an appointed role.
2. Executive Board: Extend eligibility to serve on the Board in the designated non-CAO position to Affiliate Members in service (entry-level, mid-management, and department directors) who have been a member of ICMA and serving in a local government for five years.
 - Each U.S. region has the requirement that one of the three Board positions be designated solely for an Assistant / Deputy (aka non-CAO). This change, if approved, would limit the Affiliate Members to compete for the non-CAO position only. Full members who are non-CAO's would retain the ability to run for any position on the Board subject to the regional nominating protocols.
 3. Regional Nominating Committees: Allow any ICMA member serving in a local government and in good standing to serve as the appointed representative to the Regional Nominating Committee.
 - You must be a Full member of ICMA (i.e., a Manager or Assistant or someone who previously served in those roles) to participate in the regional nominating committee process. State and affiliate organizations (LGHN, NACA, and NFBPA) each appoint a representative to serve. Requiring that the person be a Full member may be a barrier to serving when the State Association President is not a Full member. It is also a barrier for the affiliate organizations as it can be difficult for them, given their smaller membership, to find a representative to serve in each region.
 4. Implementation: Amend the ICMA Constitution to remove the current requirement that amendments take place 10 days from the vote and replace it with the requirement that any proposed ballot amendment will include an implementation timeline.

More Information and Frequently Asked Questions: Visit the ICMA website at <https://www.icma.org/inclusion-amendments>. Members can also ask questions on the website. If you have questions, please contact Martha Perego, Director of Member Services & Ethics, at mperego@icma.org or (202) 962-3668.

Senior Advisor Support

As your Senior Advisor, Mr. Wilson is available for personal discussions, resource identification, and general briefings for your employees who may be ICMA members or MMASC members. Please contact Mr. Wilson at (714) 323-9116 or ajwcm@aol.com.

Prior Action:

September 19, 2019: 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 Technical Advisory 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: January 16, 2020

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

Requested Action:

1. Receive and file.

Legislature Reconvenes for Year Two with Eye on Key Issues for Cities

Governor Gavin Newsom will release his proposed January budget while Legislators work on two-year bills to meet the January 31st deadline.

Senate and Assembly leadership is expected to remain the same with Senator Toni Atkins (D-San Diego) as President pro Tempore of the Senate and Assembly Member Anthony Rendon (D-Lakewood) as Assembly Speaker. Senate Republican Leader Shannon Grove (R-Bakersfield) is expected to remain in her role along with Assembly Republican Leader Marie Waldron (R-Escondido).

Entering into the second year of the Newsom Administration, this legislative year again promises to feature numerous, bold policy proposals from the Administration and Legislature addressing statewide and national issues such as affordable housing, homelessness, gun control, healthcare access, and climate change.

From the outset, legislators and staff will be busy submitting bill requests to the Legislative Counsel by January 24, 2020, to meet the February 21, 2020, bill introduction deadline for the year. Legislative policy committees ramp up typically in March, but informational hearings begin early in the year. A tentative 2020 legislative calendar can be found in the [most recent Senate Publications](#).

Several Two-Year Priorities Await Action; Strong Budget Expected

The 2020 Legislative Session will begin with high expectations for the Legislature's and Governor's budget and policy priorities and at the same time calls for 'tempered expectations' on available funds. The tone will be set by the Governor who will unveil a budget proposal by the January 10, 2020, constitutional deadline and deliver a State of the State Address to the Legislature in early 2020.

The Legislative Analyst's Office in November issued its [Fiscal Year 2020-21 fiscal outlook](#), noting the positive condition of the state budget and additional capacity to grow budget reserves. However, the report highlights signs of weakening economic performance and advises limited spending on *new* on-going commitments to give the state the best chance to weather revenue shortfalls in various recession scenarios. The League will provide a comprehensive review of the budget relevant to cities shortly after its release.

Meanwhile, Legislators will be racing to keep alive several 'two-year' measures of interest to cities that must

pass their house of origin by January 31, 2020, in order to remain eligible for action this year. Efforts include legislation to spur the construction of housing, support individuals and families experiencing homelessness, and address the growing plastic recycling market crisis. On a parallel track, the League advocacy team expects to analyze nearly 2,000 proposals by the February 21, 2020, deadline for their impacts to cities.

Two-Year Bills of Interest to Cities

SB 50 (Wiener) Planning and Zoning. Housing Development Incentives

This measure would allow developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, parking requirements, and limit design review standards. Additionally, SB 50 would create a new two-tiered process that exempts small cities in small counties from the most extreme provisions of the measure.

AB 1484 (Grayson) Mitigation Fee Act. Housing Development

This measure would make numerous changes to the Mitigation Fee Act and significantly limit how local governments impose fees to help mitigate the impacts of a housing development project. These fees are essential in order to provide the services and facilities necessary to support those living in the housing development.

SB 54 (Allen) and AB 1080 (Gonzalez) CA Circular Economy and Plastic Pollution Reduction Act

These measures would require Cal Recycle to adopt a comprehensive regulatory scheme that would help to reduce the waste associated with single-use packaging and products by 75 percent by 2030. Specifically, the bill would require producers to register with Cal Recycle and provide data on their single-use packaging to help source reduce to the maximum extent possible. The bill would also allow producers and retailers to work together through a product stewardship organization to help meet California's reduction goals.

SB 266 (Leyva) Disallowed Pension Compensation

This measure would require public agencies to directly pay retirees and/or their beneficiaries disallowed retirement benefits using general fund dollars in the event that retirement benefits are calculated and administered incorrectly.

AB 418 (Kaira) Union Agent-Represented Worker Privilege

This measure would expand the current evidentiary privilege against disclosure of communications to also include union agent-represented worker communications.

AB 1356 (Ting) Local Jurisdiction: Retail Commercial Cannabis Activity

This measure requires that if more than 50 percent of the voters of a local jurisdiction voted in favor of Proposition 64, these local jurisdictions would be required to issue a minimum number of licenses authorizing retail cannabis activity within that jurisdiction. More specifically, this measure requires these cities to issue a minimum of one retail cannabis license for every four liquor licenses, or one retail cannabis license for every 10,000 residents.

Call for Entries Open for Outstanding Local Streets and Roads Projects

The [Save California Streets](#) Coalition has opened the nomination period for its annual Outstanding Local Streets and Roads Awards Program.

Submissions should highlight a street or road infrastructure project or program that has demonstrated a significant improvement in your community's street system. The coalition comprises a number of organizations including the League of California Cities and the California State Association of Counties.

Nominations for this prestigious award are due January 10, 2020. Awards will be presented during the Public Works Officers Institute on March 19, 2020, in Monterey.

Projects nominated should address one of four categories that promote a comprehensive improvement of local streets:

- Efficient and Sustainable Road Maintenance, Construction and Reconstruction Projects

- Complete Streets Projects
- Safety or Intelligent Transportation System Projects
- Efficient and Sustainable Bridge Maintenance, Construction and Reconstruction Projects

Applications must be [submitted online](#).

Please contact Brandon Black at bblack@cacities.org or (916) 658-8204 with any questions on the award program and application process.

Prior Action:

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

Fiscal Impact:

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

Attachment:

None.

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Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Western Community Energy Activities Update

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

Date: January 16, 2020

The purpose of this item is to provide an update on Western Community Energy's upcoming launch.

Requested Action:

1. Receive and file.

Community Choice Aggregation (CCA) allows cities and counties to aggregate their buying power to secure electrical energy supply contracts on a region-wide basis. A CCA provides a choice for the community, which it does not currently have (unless their community is served by a separate public utility). A CCA provides local control over rate setting and programs by locally elected city councilmembers. Rates and programs are designed and implemented at the local level, at local public meetings, where members of the public who are living within the CCA boundaries can readily participate.

Established in August 2018, Western Community Energy (WCE) will purchase energy on behalf of its member jurisdictions, the Cities of Eastvale, Hemet, Jurupa Valley, Norco, Perris, and Wildomar. The Cities of Norco, Perris, and Wildomar will launch in April 2020 and the Cities of Eastvale, Hemet, and Jurupa Valley will launch in May 2020. The WCE Board of Directors have been meeting to adopt policies and provide staff and its consultants direction on various data inputs (i.e., energy mixture, rate savings goals, reserves, etc.) necessary for the April and May 2020 launch. To date, all assumptions regarding a savings off the bottom line of Southern California Edison's (SCE's) utility bills remains intact. Current WCE member jurisdictions are expected to save residents and businesses over \$6 million per year in reduced energy costs.

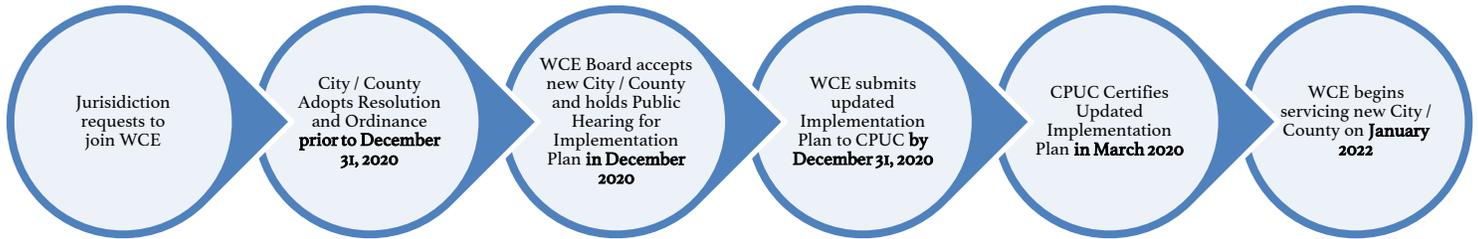
Updates

Rate Setting: On January 8, 2020, the WCE Board of Directors adopted its first-generation rate schedule. Staff is excited to note that the adopted rates meet the 2% savings of the overall SCE utility bill for residents and businesses in those member agencies.

New members: The WCE Board of Directors remains interested in having other jurisdictions (whether members of WRCOG or outside the subregion) join WCE and will be having a discussion at its February meeting to establish a policy on how to bring new members onboard and whether any of the startup costs associated with bringing that member on board would be passed along. Staff will provide the TAC members an update once that policy has been discussed and adopted by the WCE Board of Directors.

Please contact WRCOG staff if your jurisdiction is interested in joining Western Community Energy.

The following outlines the timeline if a jurisdiction is interested in joining WCE. For a **2022 launch**, jurisdictions would need to join WCE and adopt the CCA ordinance by **December 31, 2020**.



Prior Action:

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

Fiscal Impact:

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

Attachment:

None.



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Public Service Fellowship Activities Update

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

Date: January 16, 2020

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

Requested Actions:

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

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

Background

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

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

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

Round IV Update

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

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

Fellowship Ad Hoc Committee

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

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

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

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

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

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

Two-way split	Funding is split between WRCOG and host agency	Most likely option that preserves integrity of the Program	Some member agencies may not be able to participate due to budget constraints
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Upon discussion, the Ad Hoc Committee endorsed the two-way funding split between WRCOG and a host agency. The two-way split would extend the remaining \$300,000 Program funds for an additional two rounds.

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

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

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

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

Prior Actions:

January 8, 2020:

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

September 19, 2019:

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

Fiscal Impact:

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

Attachments:

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

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Item 7.C

Public Service Fellowship Activities
Update

Attachment 1

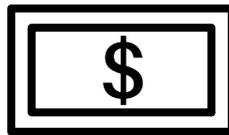
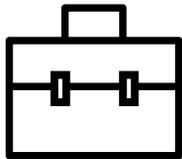
Featured Fellows Booklet

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WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

THE FELLOWSHIP EXPERIENCE

PUBLIC SERVICE FELLOWSHIP PROGRAM



WRCOG Public Service Fellowship

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

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

ALUMNI SPOTLIGHT

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



01 Alma Ramirez

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

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

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



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



Alma at the State Water Project Tour

02 Ani Dhruva

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

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



Q & A with Ani

1. What has the Fellowship Program meant for you?

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

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

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

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

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

03 Chika Ojukwu

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

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

From the Supervisor's Perspective

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



Chika with the County of Riverside District 1 Staff

04 Edgar Castelan

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

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



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

Edgar Castelan with Senator Leyva's staff

05 Eduardo Sida

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

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



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

From the Supervisor's Perspective

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

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

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

Item 7.C

Public Service Fellowship Activities
Update

Attachment 2
Fellowship Ad Hoc FAQ

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Fellowship Ad Hoc FAQ

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Regional Energy Network Development Activities Update

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

Date: January 16, 2020

The purpose of this item is to provide information on the development of a Regional Energy Network (REN) between the Coachella Valley Association of Governments (CVAG), San Bernardino Council of Governments (SBCOG), and WRCOG, and a regulatory update from the California Public Utilities CPUC (CPUC). A REN will offer energy efficiency programs that are administered by local government entities to its enrolled members. These programs can include energy upgrades towards local government buildings, financing mechanisms for energy upgrades, and workforce development programs for energy efficiency trades.

Requested Action:

1. Request letters from member agencies in support of the REN development.

Background

Over the past year, SBCOG, CVAG, and WRCOG have engaged a consultant to support and develop a business plan for a new energy efficiency program (Regional Energy Network – REN) within the region that would be presented for consideration and approval to the California Public Utilities (CPUC). To date, staff have been working alongside consultants Frontier Energy to gather information on public building data for both electric / gas models, addressing challenges / barriers; develop a strategic framework to be incorporated into the business plan; identify the program areas for the region; and have been communicating with staff at the CPUC, academia, and utility level to continue voicing the need of a REN within the Counties of Riverside and San Bernardino. Along with this work, WRCOG staff has met with Riverside County Economic Development Agency, UCR Extension, Mt. San Jacinto College, and members of the Riverside County Workforce Investment Board to discuss collaboration opportunities to grow energy efficiency support and program within the subregion.

CPUC REN Ruling

On October 24, 2019, the CPUC released its proposed decision and staff is pleased to announce that the proposed decision is highly in favor for the continuation of existing RENs and opens the doors to local governments which would like to pursue the development of and establishing a new REN within its region. Staff has developed a draft report of the proposed decision (Attachment 1) that breaks down the key components of this decision.

On December 5, 2019, the CPUC unanimously voted upon the proposed decision regarding the future of RENs. Along with this approval, RENs are no longer considered to be under the term “pilot” and are now viewed upon by the CPUC as ongoing energy efficiency programs that local governments can implement. Along with this approval, any new REN must meet the following requirements set forth within the proposed decision:

1. Any new REN business plan proposal must be vetted during at least one meeting of the California Energy Efficiency Coordinating Committee (CAEECC) for discussion and feedback.
2. Any new RENs will be required to provide letter of commitment in its business plan proposal to the CPUC. The letters of commitment will indicate as noted by the CPUC that the prospective REN has coordinated with each Utility and existing RENs within the subregion on coordination & cooperation to ensure that there will be no program conflicts.
3. New RENs will represent at least two local government entities within its governance structure, though one local government entity may propose to take the lead, at least initially.
4. New RENs will be required to file its progress towards its proposed metrics unique to the REN and specific to each of its approved business plans and considering its proposed service area, once the REN is approved and operating.

Next Steps

As part of the next steps for REN development, CVAG, SBCOG, and WRCOG have begun coordinating with its consultants to initiate writing the business plan, working with the CAEECC members to get on an upcoming meeting agenda to present the idea of a new REN within the Counties of Riverside and San Bernardino, and have started the communication process to develop a letter of commitment between other program administrators as requested within the voted upon proposed decision from the CPUC.

In addition to these next steps, WRCOG has developed a draft letter of support (Attachment 2) in which staff is seeking support from WRCOG's member agencies to return back to WRCOG by Thursday, February 13, 2020. The purpose of the letter of support is to show member agencies support of the joint REN development between CVAG, SBCOG, and WROG. Additionally, these support letters will be submitted with the submittal of the finalized business plan to the CPUC and the presentation to the California Energy Efficiency Coordination Committee (CEECC) voicing the regions desire to develop a REN within the Counties of Riverside and San Bernardino.

For additional questions or information on the REN development, please contact Anthony Segura at asegura@wrcoq.us.

Prior Action:

May 6, 2019: The Executive Committee authorized the Executive Director to enter into a contract agreement with Frontier Energy for Regional Energy Network Development.

Fiscal Impact:

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

Attachments:

1. Draft REN Proposed Decision.
2. Draft Letter of Support.

Item 7.D

Regional Energy Network
Development Activities Update

Attachment 1

Draft REN Proposed Decision

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[Proposed Decision for R.13-11-005](#)

DECISION REGARDING FRAMEWORKS FOR ENERGY EFFICIENCY REGIONAL ENERGY NETWORKS AND MARKET TRANSFORMATION

Quick Overview:

The decision authorizes the continued operation of existing RENs and invites new REN proposals as business plans to be filed with the Commission, if they meet certain additional requirements as defined in this decision. Any new REN will be required to represent more than one local government entity, to coordinate with existing program administrators in their geographic area prior to filing their business plan, to vet their proposal with stakeholders through the California Energy Efficiency Coordinating Committee (CAEECC), and to explain their REN governance structure in their business plan filing.

This decision also clarifies that some geographic overlap among more than one REN and other program administrators may be permitted, as long as there is appropriate coordination. REN criteria are also kept in place and clarified such that RENs are designed to fill gaps in the portfolios of all other program administrators (not just utilities) and to serve hard-to-reach customers. No cost-effectiveness threshold is required for RENs, but benefit-cost ratios and savings targets must be filed with the REN business plans. Finally, RENs are not confined to any particular program area or customer segment.

Findings:

1. RENs are no longer considered as “Pilots”. RENs have now been in existence since 2012 under the CPUC’s Energy Efficiency (EE) policy and as such the CPUC sees no further purpose in labeling RENs as “Pilots”.
2. Under D.15-10-028, the CPUC requires Program Administrators (PA’s) to refile their Business Plans when certain “Trigger” events happen.
 - a. Example of “Trigger” event: PA is unable to adjust its portfolio in response to goal, parameter, or other updates to meet savings goals; stay within budget of last approved business plan; or meet the CPUC’s cost effectiveness threshold (excludes Codes & Standards)
3. CPUC remains optimistic on the unique and appropriate role that Local Governments have with oversight & delivery of energy programs.
 - a. Unique value of Local Governments: Public Sector Buildings, Building Code Compliance, and treating / delivering EE services to hard-to-reach (HTR) customers.
 - b. Additional value: RENs also have the capability to leverage not only multiple local government entities into a single program delivery channel, but also utilize funding from various sources to deliver more comprehensive holistic programs, especially within HTR communities.
4. For all the reasons listed in #3, is why the CPUC supports the continuation of RENs.
 - a. CPUC also sees no reason to limit the ability of new RENs to form, provided that they meet the requirements set by the CPUC as found below:
 - i. Any new REN business plan proposal must be vetted during at least **ONE** meeting of the CAEECC, for discussion and feedback.

1. In its proposal to the CPUC, the new REN will then be required to include a summary of the CAEECC meeting and feedback received, and any changes made to the proposal as result of that stakeholder feedback.
2. New proposals are also encouraged to include similar summaries of any other stakeholder engagement or outreach conducted by the REN proponent prior to making the proposal to the CPUC.
 - a. This could include but not limited to, expressions of support from other local government entities or other stakeholders that would interact with the REN, if approved by the CPUC.
- ii. Any new RENs will require to provide commitment letters in its business plan proposal to the CPUC.
 1. This means for new RENs, coordination and overlap issues will be required to be worked out ahead of the Commission's consideration of the new REN business plan, instead of negotiated after a REN is approved.
 - a. Individual commitment letters will be required with every PA that has overlapping operation in the same geographic areas as the new REN (includes utilities, CCA's, and other RENs)
- iii. New RENs will represent at least two local government entities within their governance structure, though one local government entity may propose to take the lead, at least initially.
- iv. New RENs & existing RENs when seeking to renew their budgets in their next business plan proposal will include a detailed description of their Governance Structure and they will operate as a regional entity to deliver their programs.
- v. New RENs will be required to file their progress towards their proposed metrics unique to the REN and specific to each of their approved business plans and considering their proposed service area, once the REN is approved and operating.
 1. At the time of approval, the CPUC will also set energy saving targets for the REN business plan, and measure REN progress toward meeting their unique metrics and savings goals, which will be set based on the specific REN program proposals that are approved by the CPUC.
5. If a new business plan cycle is ordered, either for an individual REN or for a larger number of PA's, the existing REN would file its updated business plan at the time, as required by the CPUC.
6. CPUC & staff will continue to monitor RENs program performance, and make portfolio changes as warranted by evaluation results, just as they would with all other PA's.
7. For the concerns of geographic overlap, the CPUC seeks to avoid duplicative administrative costs that may be associated with multiple administrators operating in one area, disproportionate funding concentrated on one geographic area, and / or multiple PA's conducting similar activities.

- a. CPUC would also like to avoid customers receiving confusing or multiple competing offers for the same type of measure or project.
 - b. The CPUC encourages but does not requires all new & existing RENs to negotiate program design and implementation details with third parties, once selected by the utilities, whose program offerings overlap within those of the REN.
 - i. Coordination and cooperation is the interest of all PA's and / or implementers as well as the CPUC and the customers being served by these entities.
8. Existing or prospective RENs will be required to show how their program offerings supplement those of overlapping REN, utility, and CCA PA's or implementors.
- a. Specifically, RENs must state their desired outcome from activities that fill gaps of other program administrators.
 - i. RENs shall also propose savings goals and metrics associated with their unique value, as well as a methodology for measuring progress toward their metrics, in their business plan and ABALs.
9. The CPUC requires that RENs (new / existing) meet at least one of the criteria, not all three as seen below:
- a. Activities that utilities or CCAs cannot or do not intend to undertake.
 - b. Pilot activities where there is no current utility or CCA program offering, and where there is potential for scalability to a broader geographic reach, if successful.
 - c. Activities serving hard-to-reach markets, whether or not there is another utility or CCA program that may overlap.
10. The CPUC foresees no need to restrict the customer segments or program areas that the RENs are intended to serve as long as RENs meet the other criteria laid out in item #9.

Closing:

The proposed decision will be voted up on the an upcoming CPUC meeting in December 2019. At the very moment, these findings are in draft form and if approved at the upcoming voting meeting in December then this report will be final.

In conclusion, the proposed decision shows a lot of promise not just for existing RENs but for new RENs. This means that local governments that are interested in pursuing this energy program can and will have the opportunity to present business plan to the CPUC as long as item #4 can be met.

**This overview is only for the Future of RENs item, not the Market Transformation which is also listed on the Proposed Decision report of R.13-11-005*

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Item 7.D

Regional Energy Network
Development Activities Update

Attachment 2

Draft Letter of Support

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[Enter date]

Rick Bishop
Executive Director
Western Riverside Council of Governments
3390 University Ave., Suite 200
Riverside, CA 92501

Subject: Letter of Support for CVAG, SBCOG, and WRCOG Regional Energy Network Development

Dear Mr. Bishop:

The City of [Insert City Name] is pleased to support the development of a Regional Energy Network (REN) in partnership with the Western Riverside Council of Governments (WRCOG), Coachella Valley Association of Governments (CVAG) and the San Bernardino Council of Governments (SBCOG). We commit to supporting this initiative by actively assisting with identifying and engaging future energy projects, supporting outreach at existing community themed events, and providing ongoing feedback on how to continue to grow the programs for the REN.

We are eager to be involved and continue to learn more about the program areas as they are being developed. The City will support the program areas listed below for ongoing energy efficiency opportunities within the region:

1. Public: Technical assistance support for municipal agencies looking to upgrade their community centers, libraries, cooling centers, and senior centers.
2. Workforce Education & Training: Partnership opportunities with local academia to develop and offer work force programs that can support high school / community college students with jobs in the field of energy efficiency.
3. Codes & Standards: Technical support to local contractors, city planning staff, and local planning firms to better understand the new energy efficiency building codes.

With the recent California Public Utilities Commission approval on the future of RENs, we see this as a great opportunity to develop a REN within the Counties of Riverside and San Bernardino.

Please feel free to contact me at (XXX) XXX-XXXX or [enter email] should you have any questions.

Sincerely,

Name
City Manager / Director

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Western Riverside Council of Governments Technical Advisory Committee

Staff Report

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

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

Date: January 16, 2020

The purpose of this item is to seek authorization from the Executive Committee for the Executive Director to enter into a Bond Purchase Agreement between WRCOG and First Foundation Bank.

Requested Action:

1. Recommend that the Executive Committee adopt Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.

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

WRCOG Bond Refunding

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

As part of this process, WRCOG staff and PACE team partners have analyzed which bonds to consider for refunding first; the commercial bonds are the best candidates to refund at this time. There are approximately \$8.3 million in bonds from WRCOG's Commercial PACE Program that have been selected for refunding (the "Prior Commercial Bonds"). The proposed refunding will result in reduced administrative costs and trustee expenses. The term of Refunding Bonds is anticipated to be 18 years.

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

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

While both banks had competitive offers, staff recommends accepting the offer from First Foundation Bank. The refunding of the outstanding Prior Commercial Bonds is anticipated to generate approximately \$538,100 in aggregate net present value savings under current market conditions, or approximately 6.48% of the Prior Commercial Bonds being refunded. First Foundation Bank's terms offered a 3.45% interest rate, a first-year savings extraction date of 2024, total aggregate savings estimated at over \$700,000, and a debt service reserve fund of 20% of maximum annual debt service. The interest rate being competitive and locked in for 60 days, lower debt service reserve requirements, and an earlier savings extraction date would allow WRCOG to realize the maximum amount of savings at an earlier date than the other bids.

Staff is recommending that the Executive Committee adopt the presented resolution, authorizing the issuance and sale of limited obligation Refunding Bonds secured by certain commercial assessments, along with the following documents, which will be provided in the staff report being presented to the Executive Committee at its next meeting:

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

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

Should the resolution be approved, the bond sale will occur on or about February 6, 2020.

Prior Actions:

January 8, 2020: The Administration & Finance Committee recommended that the Executive Committee adopt Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.

October 9, 2019: The Administration & Finance Committee received and filed.

Fiscal Impact:

There is no direct fiscal impact. Upon issuance of the refunding bonds there will be expected anticipated savings to WRCOG as described above.

Attachment:

1. Resolution Number 02-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing the issuance of refunding certain outstanding WRCOG limited obligation improvement bonds and other certain actions.

Item 7.E

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

Attachment 1

Resolution Number 02-20; A
Resolution of the Executive
Committee of the Western Riverside
Council of Governments authorizing
the issuance of refunding certain
outstanding WRCOG limited
obligation improvement bonds and
other certain actions

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RESOLUTION NUMBER 02-20

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

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

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

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

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

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

WHEREAS, subsequently the Executive Committee adopted Resolution Number 24-13 approving the form of a Master Indenture dated January 1, 2015 (the “2015 Indenture,” collectively with the 2013 Indenture, collectively the “Prior Indentures”) by and between WRCOG and the Prior Trustee and the form of a supplemental indenture pursuant to which one or more series of bonds may be issued; and

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

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

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

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

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

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

WHEREAS, there has been presented to the Executive Committee an offer for the direct purchase of the Refunding Bonds from First Foundation Bank (the “Purchaser”), as set forth in the letter from the Purchaser to WRCOG dated December 12, 2019 (the “Term Sheet”); and

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

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

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

WHEREAS, the Executive Committee has considered the Term Sheet, the form of the Indenture of Trust, the Refunding Instructions and the Placement Agent Agreement and has determined that it is in

the best interest of WRCOG, that the Executive Committee authorize the issuance and sale of the Refunding Bonds; and

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

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

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

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

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

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

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

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

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

provided in the Indenture as finally executed.

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

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

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

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

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

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

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

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

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

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

Section 9. Issuance of the Refunding Bonds. The Executive Committee approves and authorizes the issuance and sale of the Refunding Bonds to the Purchaser pursuant to the Term Sheet presented by the Purchaser. The Authorized Representatives are each individually authorized and directed to execute and deliver the documents on behalf of WRCOG as set forth in the Term Sheet and any modifications to the Term Sheet shall be negotiated and approved by the Authorized

Representatives upon the submission of any such modifications by the Purchaser and shall be consistent with the requirements of this Resolution, provided that the true interest cost on the Refunding Bonds shall not exceed _____ percent (____%).

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

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

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

Section 13. Conditions of Approval. The approvals, authorization, and direction given by this Resolution are conditioned upon the satisfaction of the requirements of Section 10 hereof with respect to the issuance and sale of the Refunding Bonds. The officers of WRCOG designated above shall not take any action with respect to the execution and delivery of Indenture, Refunding Instructions, Placement Agent Agreement, or the issuance, sale, and delivery of the Refunding Bonds unless and until such conditions are satisfied, provided, however, that upon satisfaction of such conditions, this Resolution shall be fully effective and shall be carried out by such officers without further approval or action of the Executive Committee.

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

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

Bonnie Wright, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Warren Diven
WRCOG Bond Counsel

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

EXHIBIT A

LIST OF ASSESSMENT CONTRACTS AND BONDS

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Assessor Parcel Number</u>	<u>Supplemental Indenture</u>	<u>Bond Series Number</u>
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EXHIBIT B

GOOD FAITH ESTIMATES

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

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

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

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

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

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

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

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