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## **MINUTES**

### **Monday, May 7, 2012**

#### **1. CALL TO ORDER**

The meeting of the Western Riverside County Regional Conservation Authority was called to order by Chairman Jim Hyatt at 12:33 p.m., in the Board Room of the Riverside County Administrative Center, 4080 Lemon Street, Riverside, California, 92501.

#### **2. PLEDGE OF ALLEGIANCE**

Jesse Molina led the RCA Board Members and those present in a flag salute.

#### **3. ROLL CALL**

##### **Board Members Present**

Marion Ashley  
Kevin Bash  
Ben Benoit  
Roger Berg  
Randy Bonner  
Bob Buster  
Maryann Edwards  
Thomas Fuhrman  
Mike Gardner  
Jim Hyatt  
Linda Krupa  
Verne Lauritzen  
John Machisic  
Melissa Melendez  
Jesse Molina  
Eugene Montanez  
Adam Rush  
Jeff Stone

##### **Board Members Absent**

John Benoit  
Alan Long  
Scott Miller  
John Tavaglione  
Mark Yarbrough

#### **4. PUBLIC COMMENTS**

There were no public comments.

**RCA BOARD OF DIRECTORS MINUTES**

Page 2 of 8

May 7, 2012

**5. BOARD MEMBER ANNOUNCEMENTS**

There were no Board Member announcements.

**6. ADDITIONS/REVISIONS**

Steve DeBaun, Legal Counsel, requested that *RIC 532973 Empire Homes* be added to the Closed Session as a late breaking item. An e-mail was received by RCA Board Members after the posting and distribution of the agenda.

***M/S/C (ASHLEY/STONE) to add RIC 532973 Empire Homes to the Closed Session as a late breaking item.***

**7. APPROVAL OF MINUTES**

***M/S/C (RUSH/STONE) to approve the minutes of the April 2, 2012 minutes of the RCA Board of Directors, as submitted.***

***Abstain: Berg***

**8. CONSENT CALENDAR**

**8.1 RESOLUTION NO. 12-003, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND ESTABLISHING AUTHORITY LEVELS TO WRITE-OFF ACCOUNTS RECEIVABLE**

***M/S/C (STONE/BASH) to adopt Resolution No. 12-003, Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting an Allowance for Uncollectible Accounts and Establishing Authority Levels to Write-off Accounts Receivable.***

**9. RESOLUTION NO. 12-004, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING THE FISCAL YEAR 2012-13 OPERATING AND CAPITAL BUDGET**

Honey Bernas, Director of Administrative Services, informed the RCA Board that the proposed FY 2012-2013 budget reflects conservative revenue estimates and greatest possible expense reductions while still maintaining minimum operating levels to meet its obligations under the Plan. The projected budget changes from the FY 2012 budget are:

**Revenue - \$16,725 Thousand**

- Reduction of 48% in total revenue
- Projection of 2% increase in MSHCP Development Mitigation Fees
- Anticipated decrease of approximately 71% in donations

## RCA BOARD OF DIRECTORS MINUTES

Page 3 of 8

May 7, 2012

- No federal or state funds
- Projection of 25% decrease in infrastructure and civic projects

### Appropriations - \$17,070 Thousand

- Overall increase of 1% in Salaries and Benefits as a result of the following:
  - Reinstatement of a 2.7% step increase
  - Hiring of a temporary companion staff position for an impending staff retirement
  - Reduction of 9% in benefits from savings in pension cost
- Reduction of 6% in Supplies, Services and Contracts
- Overall reduction of 65% in budgeted Capital Outlay

Honey Bernas presented the proposed budget for Operations, Management and Monitoring, and Land Acquisition, as follows: 1) Total Revenue \$16,725 thousand; 2) Total Appropriations \$17,070 thousand; and, 3) Draw on Cash for Land Acquisition \$345 thousand. Staff recommends that the RCA Board of Directors approve RCA's proposed budget for FY 2012-13 and Resolution No. 12-004 to adopt the Operating and Capital Budget for FY 2012-13.

Adam Rush noted the substantial decrease in Land Donation. He asked if the acquisition dollars shown were based on the assessed market value of the property when it was acquired and if RCA will still actively solicit for land donations.

Honey Bernas said that the amount shown is the appraised value. One large land donation (\$1.5M) comes from the County of Riverside. Charlie Landry added that RCA always welcomes land donations. He noted that Section 6 funds are used as match funds for some of the acquired land.

Adam Rush asked the basis for the increase of the SAWA contract, and Honey Bernas said that since the CDFG completed their eight-year monitoring obligation, RCA will need to increase the SAWA contract in order to fulfill the monitoring requirements of the Plan.

Tom Fuhrman asked for clarification on the increase in the budgeted amounts under Salaries/Benefits and the process for which salary increases are approved, Honey Bernas said that the overall increase of 1% in Salaries/Benefits is as a result of: 1) the payout of accumulated leave for one employee that will be retiring; 2) reinstatement of a 2.7% step increase; 2) hiring a temporary companion staff position for an upcoming staff retirement; 3) reduction of 9% benefits is due to phasing out of the 8% Employer Paid Member Contribution. Most employees will be required to pay 100% of their retirement contribution effective July 4, 2012. Two staff members will continue to receive 2% in pension contributions until June 27, 2013. Any employee salary/benefit change is approved by the County of Riverside Board of Supervisors (RCA staff are employees of the County of Riverside).

## RCA BOARD OF DIRECTORS MINUTES

Page 4 of 8

May 7, 2012

Jeff Stone explained that the County of Riverside phased in the employee portion of the pension over two fiscal years starting in March 2012 and employees will be paying the full 8% effective July 2012, and in lieu of will receive negotiated modest salary increases.

Melissa Melendez asked why the proposed expenditures are greater than incoming revenues. Honey Bernas said that the draw on cash was needed for a potential property acquisition. Charlie Landry added that over the four years, RCA has always met its revenue projections and been under budget for expenditures.

***M/S/C (ASHLEY/STONE) to:***

- 1) Approve the proposed Fiscal Year 2012-2013; and***
- 2) Adopt Resolution No. 12-004, A Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2012-13 Operating and Capital Budget.***

***Nay: MELENDEZ***

### **10. RECURRING CONTRACTS FOR FISCAL YEAR 2012-13**

Honey Bernas presented the contracts for renewal for Fiscal Year 2012-13. She reviewed in detail the recurring contracts and contract amounts. She advised that since its inception, RCA has maintained a small staff and contracted with agencies and consultants with expertise in various specialized fields. She noted that the recurring contracts have been reduced over the last four years as staff negotiated contract reductions wherever possible. She pointed out that the 7% increase was due to an increase of \$205,165 in the Santa Ana Watershed Association contract. This increase was necessary to compensate for some of the loss of the CDFG funding which was provided in the first eight years of the Plan's implementation. In FY2012, CDFG provided funding of \$896,209 (\$556,225 in SWG and \$339,954 in other support such as staff and vehicles). In FY2013, CDFG will provide \$122,737 (a loss of \$773,473). RCA is currently not able to replace all of the CDFG funding; therefore, the Monitoring Program's ability to conduct the required surveys will be reduced even with the current contract increase.

Bob Buster questioned the justification for two Washington lobbyists, their tasks, the expected results in the coming year, and the basis to evaluate them. He said that so far their influence has not been beneficially productive for Riverside since the initiation of their contracts about four years ago.

Charlie Landry reviewed the services and activities being provided by David Kennett and Doug Wheeler. They have assisted RCA on issues relating to critical habitat

## **RCA BOARD OF DIRECTORS MINUTES**

**Page 5 of 8**

**May 7, 2012**

designations, Section 6 match funds, loan program legislation, meetings with various federal agencies and key members of the Senate and Congress in support of these programs. He noted the value of having meetings with the Department of Interior, Department of Fish and Game as well as with the congressional delegation already in place for RCA Board Members and staff on their trips to Washington, D.C. Results from their efforts included securing \$15 million of Section 6 match funds for land acquisition. Although no Section 6 funds were allocated last year, RCA is now in a position to compete for new federal funds.

Bob Buster said that RCA should take the experience gained from previous efforts and use it to RCA's advantage to influence and work with the congressional delegation representatives but it does not call for contracts to be renewed.

Randy Bonner voiced the need to reduce the contracts by 5%. Charlie Landry stated that most of the contracts have been reduced substantially over the years.

Roger Berg agreed with the comments made regarding the federal lobbyists' contracts. He reviewed the services currently being provided by Dudek and he felt that with the decrease of land acquisition and, therefore, less biological evaluation to be performed. He said that their fees are reasonable but the scope of services should be tightened and there needs to be some accountability.

Charlie Landry informed the RCA Board that staff meets with Dudek on a monthly basis to review completed and future tasks. Dudek's contract was significantly reduced as it was close to \$1 million two or three years ago. Honey Bernas added that the invoices Dudek submits include tasks as well as time spent with each task. Also, Dudek has come in under budget each year.

Melissa Melendez indicated her agreement with regard to the lobbyists. She stated that there is not a reason to have three consultants for Washington, D.C., with similar responsibilities. She also looked at the Geographics contract and questioned the hourly rate of their contract for photography work. She suggested that the RCA Board continue this agenda item and/or determine which recurring contracts require further review and that those be discussed at the next meeting.

Maryann Edwards commented that it is difficult dealing with lobbyists at a distance. Any undertaking by local governments in Washington, D.C., especially in the current climate, is painfully slow. For a local government to succeed requires significant relationship building. She suggested that perhaps monthly reports or a summary of the tasks performed could be provided to give the RCA Board a better understanding of what is being done.

Mike Gardner agreed and added that with additional information, the RCA Board Members have the ability make the educated decisions.

## **RCA BOARD OF DIRECTORS MINUTES**

**Page 6 of 8**

**May 7, 2012**

Jeff Stone stated that he had the opportunity to work with the lobbyists as the past Chairman of the RCA, and he found that they have tremendous accessibility to the highest levels of the federal government even though it has not resulted in any direct benefits to RCA yet. He said that RCA lobbyists were able to arrange a meeting with Ray LaHood, Secretary of Transportation, for RCA at a time when Mr. LaHood's son was being held hostage in a foreign country. The meeting led to the \$450+ million in Transportation Infrastructure Finance and Innovation Act (TIFIA) loan to Riverside County for the 91 Freeway. Such progress would not have been possible had it not been for the RCA, MSHCP that allowed for the permits from the California Department of Fish and Game and U.S. Fish and Wildlife Service. In addition, legislation is being proposed by Senator Dianne Feinstein and Congressman Ken Calvert to hopefully deliver federal responsibility of the Plan and provide low interest TIFIA loans in order for RCA to take advantage of the low property values. To indicate that the lobbyists have not been productive is a mistake as they are able to provide RCA access to legislators that the federal contingents are not able to. By terminating the contracts at this time, RCA will lose progress that has been accomplished so far. Also there is the time needed to devote to the matters in Washington, and there is limited time that RCA staff or its Board Members are able to spend on this effort. He does not support cancelling the contracts, but a quarterly report needs to be provided by the consultants. The reporting requirement needs to be included in the contract agreements and that RCA reserves the right to give three months notice of termination if progress is not shown.

Kevin Bash acknowledged the RCA's limited staff, and he agreed with Jeff Stone's comments and the additional provisions to the contracts.

Adam Rush agreed with Jeff Stone's comments especially putting the matter in perspective as it related to the TIFIA loan for RCTC and the immense importance to this County. He requested that, for additional information for the Board Members, in the future staff identify the funding source of each of the contracts.

Tom Fuhrman stated that he has not seen the Fire Response Plan that was developed with CALFire and that this contract (Driscoll) may only be needed every four years. Laurie Correa stated that Dave Driscoll is a retired CALFire Captain and does not only work the Fire Response Plan, which was adopted in 2006, but also does work on vegetation management plans and on other projects. She reviewed the services that he provides for RCA concerning to its reserve lands.

Eugene Montanez commented that it is difficult to assess the services that the lobbyists provide. He described the meetings that he attended for RCA last month with the Secretary of Transportation, as well as other lobbyists, at a time when the Secretary was faced with a personal crisis. Setting these meetings would have not been possible without their efforts. He noted the additional expense to be incurred to have them appear and provide a report to the RCA Board on a quarterly basis.

Jeff Stone suggested using the Board Room's electronic capabilities (Skype) for the lobbyists to present reports to the RCA Board.

## RCA BOARD OF DIRECTORS MINUTES

Page 7 of 8

May 7, 2012

Linda Krupa and Verne Lauritzen agreed with Jeff Stone's comments and proposal. They felt that it is important to provide a report on a regular basis relating to the services being provided and the cost for the services. By taking these measures will determine their accountability.

Roger Berg reiterated that he is unable to support the Dudek contract as the scope of work as it is written is very vague.

Chairman Hyatt said that staff has worked toward reducing the contract amounts over the years. He spoke about: 1) Dave Driscoll's work especially in the last year when fire broke out in RCA reserve land in Calimesa; and, 2) The materials that Geographics produced for RCA. The discussion has been helpful and educational, but he sees no need to continue this agenda item.

***M/S (MELENDEZ/BERG) that the RCA Board of Directors continue this agenda item to the next meeting to assemble the report showing the consultants' tangible results in order to make a determination on continuance of the respective contracts.***

***Nay: Ashley, Bash, BBenoit, Hyatt, Lauritzen, Machisic, Montanez, Rush, Stone***

***M/S/C (STONE/EDWARDS) that the RCA Board of Directors:***

- 1) Direct staff to include provisions on the contracts requiring quarterly reports and the RCA Board's right for a 90 day termination for substandard service;***
- 2) Approve the recurring contracts for Fiscal Year 2012-13 with the proposed changes, and***
- 3) Direct staff to provide additional information on the recurring contracts, i.e., scope of work, contract amounts, and funding source on quarterly reports.***

***Nay: Berg, Bonner, Fuhrman, Melendez***

***Abstain: Molina***

### 11. EXECUTIVE DIRECTOR'S REPORT

Charlie Landry reported on the following items:

#### 11.1 CONSULTANT REPORT – DAVE KENNETT FISCAL YEAR 2012 THIRD QUARTER REPORT

Received and filed Dave Kennett's Fiscal Year 2012 Third Quarter Report.

**RCA BOARD OF DIRECTORS MINUTES**

**Page 8 of 8**

**May 7, 2012**

**11.2 LOAN PROGRAM UPDATE**

Staff continues to work on the loan program even with the current gridlock in Washington, D.C., and the upcoming election in November. Updates will continue to be provided to the RCA Board.

**12. LAND ACQUISITION UPDATE**

Brian Beck, Land Acquisition Analyst, reviewed the locations of the recently acquired 286 acres and stated that this brings the total reserve land to 45,270 acres.

**13. ITEMS FOR NEXT MEETING**

As discussed during a subsequent agenda item, staff will provide an additional report regarding the recurring contracts.

At this time, Steve DeBaun, Legal Counsel, announced the Closed Session items. Chairman Hyatt convened the meeting to Closed Session.

**14. CLOSED SESSION ITEM**

**14.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**  
**Pursuant to Subdivision (a) of Government Code Section 54956.9**

- RIC 1203353 Albert Thomas Paulek
- RIC 1100822 Friends of Riverside's Hills
- RIC 532973 Empire Homes

After the Closed Session, Chairman Hyatt reconvened the meeting. There were no announcements.

**15. ADJOURNMENT**

There being no other items before the RCA Board of Directors, Chairman Hyatt adjourned the meeting. The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, June 4, 2012, at 12:30 p.m., at the County of Riverside Administrative Center, Board Room, 4080 Lemon Street, Riverside, California.

Respectfully submitted,



Honey Bernas  
Clerk of the Board