



MEETING MINUTES

June 7, 2010

1. CALL TO ORDER

The meeting of the Board of Directors of the Western Riverside County Regional Conservation Authority was called to order by Chairman Gary Thomasian at 1:04 p.m. in the Board Room of the County Administrative Center, 4080 Lemon Street, First Floor, Riverside, California, 92501.

2. ROLL CALL

Board Members/Alternates Present

Marion Ashley
Bob Buster
Kevin Bash
Steve Di Memmo
Maryann Edwards
Jordan Ehrenkranz
Bonnie Flickinger
Mike Gardner
Jim Hyatt
Darci Kuenzi
Robin Lowe
John Machisic
Melissa Melendez
Eugene Montanez
Jeff Stone
John Tavaglione
Gary Thomasian
Mark Yarbrough

Board Members Absent

John Benoit
Larry Dressel
Bob Cashman
Mark Yarbrough

3. PUBLIC COMMENTS

There were no public comments.

4. BOARD MEMBER ANNOUNCEMENTS

There were no Board Member announcements.

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5. ADDITIONS/REVISIONS

There were no additions/revisions to the agenda.

6. APPROVAL OF MINUTES

M/S/C (HYATT/LOWE) to approve the minutes of the May 3, 2010 meeting of the RCA Board of Directors.

7. CONSENT CALENDAR

M/S/C (STONE/MONTANEZ) to approve the following Consent Calendar items:

7.1 FISCAL YEAR 2009-10 THIRD QUARTER FINANCIAL REPORT

Receive and file the Fiscal Year 2009-10 Third Quarter Financial Report.

7.2 MEMORANDUM OF UNDERSTANDING (MOU) BY AND BETWEEN THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AND THE RIVERSIDE-CORONA RESOURCE CONSERVATION DISTRICT (RCRCD) COORDINATING HABITAT MANAGEMENT FOR RCRCD LANDS AND POTENTIAL RESTORATION FOR RCA LANDS

Approve the MOU between the Western Riverside County Regional Conservation Authority and the RCRCD.

7.3 SECOND SEMI-ANNUAL REPORT OF MSHCP MANAGEMENT ACTIVITIES FOR FISCAL YEAR 2008-09

Receive and file the second Semi-Annual Report of the MSHCP Management Activities for FY 2008-09.

7.4 RESOLUTION NO. 10-006, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AUTHORIZING THE ACCEPTANCE OF GRANT FUNDS FROM THE WILDLIFE CONSERVATION BOARD FOR MULTIPLE PROPERTY ACQUISITIONS

Adopt Resolution No. 10-006, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Authorizing the Acceptance of Grant Funds from the Wildlife Conservation Board for Multiple Property Acquisitions.*

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7.5 PROFESSIONAL SERVICES AGREEMENT BETWEEN THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AND THE SANTA ANA WATERSHED ASSOCIATION

Approve the Professional Services Agreement between the Western Riverside County Regional Conservation Authority and the Santa Ana Watershed Association.

8. RESOLUTION NO. 10-005, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING AN ECONOMIC STABILIZATION POLICY

Charlie Landry, Executive Director, said that as directed by the RCA Board, staff developed a policy establishing a minimum cash level to ensure that the RCA is able to continue its operations. The proposed policy establishes \$9 million as the amount necessary to maintain minimum RCA operations for approximately eighteen (18) months. In addition, the proposed policy provides operating guidelines when the cash account falls below the minimum level.

Robin Lowe stated that she was glad that RCA is moving in this direction to make sure that it has sustainable income and funding to maintain the permits. She then asked if voting requirements for the Exceptions is by simple majority or by super majority of the RCA Board.

Charlie Landry said that the purchase and sale agreements that RCA has entered into this year starting in July 2010 will continue to be fulfilled. In addition, any extension of closing dates will comply with the time constraints outlined in Section 6.1.1(B) of the MSHCP for HANS acquisitions.

Steve DeBaun, Legal Counsel, noted that approval requires a simple majority of the RCA Board. Policies requiring super majority vote necessitates an amendment of the joint powers agreement.

Jeff Stone stated that he raised this item a few months ago to staff. The minimum cash level at \$9 million allows the RCA to continue its operations for eighteen months and it looks as though, without a dramatic change in the developmental economy, the threshold will be upon the RCA and it may have to forego land purchases until such time as the economy improves.

Jim Hyatt asked about application of the policy with regards to a willing seller consenting to forego immediate payment. Charlie Landry said that exceptions would include negotiations with a willing seller or a 100% acquisition. However, close of escrow will have to be extended to a future date when RCA can adequately fund the purchase while it preserves the adopted minimum cash balance.

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M/S/C (ASHLEY/HYATT) to adopt Resolution No. 10-005, Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting an Economic Stabilization Policy.

9. RETAINER AGREEMENT BETWEEN THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AND HOGAN LOVELLS US LLP (DOUG WHEELER)

Charlie Landry said that the proposed agreement with Doug Wheeler is to retain his services for planning and execution of a loan program development through Congress and the Administration. Doug Wheeler has been providing “pro bono” work to the RCA for the past three years. He iterated the significant importance and benefits of a loan program to the RCA. There is an anticipated increase in workload to process the loan program legislation, including developing language of the legislation that is amenable to legislators, the Administration and conservation organizations, and, therefore, staff is proposing to retain Doug Wheeler continue with the loan program efforts. The proposed agreement is for one year and funds to cover the cost of the agreement are included in RCA’s FY 2010-2011 budget. A written quarterly report on the status of the loan program will be provided by the consultant. The agreement can be terminated at any time with 30 days written notice. He continued and said that while the RCA also has Dave Kennett under contract, he functions as a government relations officer but is not a specialist in environmental regulations law. He monitors legislation(s) and other issues that might affect the RCA. Under the proposed contract, Doug Wheeler will focus his efforts on the loan program legislation.

Melissa Melendez commented that she worked in Washington, D.C., for four years and she is well versed in the fact it is a matter of who you know in order to get things accomplished. However, she is not able to grasp why RCA needs to hire another consultant for work that should be done or able to be done by the other two consultants. It is not that Doug Wheeler is not well worth the money or not very capable of doing the work. She then asked what Doug Wheeler has accomplished in the three years that he was providing “pro bono” work to the RCA.

Charlie Landry responded that Doug Wheeler has been working with staff on the strategy to formulate the loan program, looking at existing programs, the manner in which to set up a program that is passable, and who should be included. He worked with staff on identifying programs that RCA may be able to tap into. Because of his experience and knowledge in the environmental field, he understands the Congress and what will pass for environmental legislation through the different environmental and appropriation committees. He has name recognition with ability for not just opening doors, but also understanding the process.

Melissa Melendez said that with Doug Wheeler providing “pro bono” work over the past three years and now requesting compensation to proceed with the loan program gives the impression that there was discussion that a contract would be entered into in the future.

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Charlie Landry answered that staff did not discuss a future contract with Doug Wheeler while he was assisting RCA “pro bono”. However, when it was found that the level of work and the time and effort required to advance the loan program will have to be increased, Doug Wheeler and his firm indicated that he is not able to provide “pro bono” service with the intensity and increased level of commitment to the effort.

At this time, Robin Lowe provided a history of Riverside’s association with Doug Wheeler starting with him as a speaker at a Riverside County Habitat Conservation Agency (RCHCA) symposium held in Hemet. At that time, he was California’s Secretary of Natural Resources and was very supportive of Riverside County’s effort. Years later, he joined the firm of Hogan & Hartson, considered as one of the top firms in Washington, D.C., and internationally. Chief Justice John Roberts worked for Hogan & Hartson before being sworn in as the Chief Justice on the Supreme Court. RCA Executive Committee had discussed funding availability and options for additional funding for Habitat Conservation Programs (HCPs) and about three years ago, a meeting with Secretary Dirk Kempthorne, U.S. Secretary of Interior, was held and she arranged for Doug Wheeler to join the meeting. It was at that time that Doug Wheeler offered his “pro bono” services to open doors for RCA and across the country with environmental and regulatory agencies. Since this effort is going to enter into federal legislation, RCA now needs to establish a professional relationship. She iterated that she has not been involved with current negotiations with Doug Wheeler.

In response to Darcy Kuenzi’s question on potential returns to RCA and other States’ contribution that would benefit RCA’s effort, Charlie Landry said that potential returns could be substantial funding that could be borrowed to assemble the reserves much quicker. Staff plans to request reimbursement from others who may benefit from RCA’s efforts.

Jim Hyatt, with regards to the possibility of other agencies participating and contributing to the effort, asked who will be monitoring participation and contributions, and whether the RCA will receive a report on this matter.

Charlie Landry said that, at this time, they are trying to develop legislation that will have nationwide support and are in the process of identifying participants. Staff will report to the RCA Board on any funding contributions to the effort once the participants are identified.

Jeff Stone acknowledged that this is an important facet of RCA’s fundraising effort to achieve its goal to meet the reserves acquisition requirements and that Doug Wheeler is most qualified to assist the RCA. However, the contract is very vague and it does not include the minimum hours per month to perform the work, description of the services that they will provide, or any performance standards. He stressed the need for RCA to seek and engage partnerships now rather than when the legislation is passed as those benefitting in this effort will not be susceptible to contribute when it is already in place.

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Charlie Landry noted that this is a pilot program and that Riverside County's HCP is unique in that it was established in conjunction with its infrastructure efforts. It is not determined at this time if there are other HCPs with an infrastructure component and, therefore, there may not be any partners to this effort.

A lengthy discussion among the RCA Board Members followed on: 1) the role of RCA's consultants; 2) the pros and cons to awarding the consultant contract, and Mr. Wheeler's qualifications/experience; 3) provisions to be included in the contract; 4) the need to work with other Riverside County agencies and their lobbyists to advocate RCA's efforts in Washington, D.C.

M/S (STONE/MELENDEZ) to:

- 1) Continue the item for 30 days;***
- 2) Staff provide a report on other partners to the loan program effort; and***
- 3) Include specific details on timeline, scope of services, goals and expectations within the twelve months from Hogan & Lovells (Wheeler).***

The motion failed.

M/S/C (TAVAGLIONE/MONTANEZ):

- 1) To approve a retainer agreement between the Western Riverside County Regional Conservation Authority and Hogan & Lovells US LLP (Wheeler) which includes details on timeline, scope of services, goals and expectations within the twelve months;***
- 2) That the Executive Committee review the agreement;***
- 3) Staff report to the Executive Committee identified HCP partners to the loan program effort;***
- 4) Authorize the Chairman, pursuant to legal counsel review and approval, to execute said agreement, as amended, on behalf of the Authority.***

10. EXECUTIVE DIRECTOR'S REPORT

10.1 Section 6 and Funding Update

Section 6 is currently on two tracks: 1) Senator Dianne Feinstein's office has placed the Section 6 requirement amendment on to an Appropriations bill; and, 2) Working with the Department of Interior, who has expressed an interest of resolving the matter.

10.2 RCA/CAL FIRE Cooperative Project Update

Presentation on the update was rescheduled to the next RCA Board meeting.

11. LAND ACQUISITION UPDATE

Ken Graff, Director of Land Acquisition, informed the RCA Board of Directors that the total reserve land stands at 41,932 acres.

At this time, Chairman Thomasian, on behalf of the RCA Board, presented Ken Graff, who will be retiring the end of June, with a plaque in recognition of his years of service as RCA's Director of Land Acquisition

Chairman Thomasian announced that Larry Dressell has stepped down as a member of Beaumont City Council. Beaumont will notify RCA on his replacement to the RCA Board.

12. ITEMS FOR NEXT MEETING

Jeff Stone requested that staff provide a flow diagram of RCA's legislative consultants, identifying inter-working relationship with each other, the scope of their services, and expected task and accomplishments. Such report will greatly assist members of the RCA Board.

Due to time constraints, discussion of the closed session item was postponed until the next RCA Board meeting.

13. CLOSED SESSION ITEM:

- 13.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Subdivision (a) of Government Code Section 54956.9
- **RIC 530137**

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14. ADJOURNMENT

With no other items before the RCA Board of Directors, Chairman Thomasian adjourned the meeting. The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, July 19, 2010, at 1:00 p.m., at the County Administrative Center, Board Room, First Floor, 4080 Lemon Street, Riverside, California.

Respectfully submitted,



Honey Bernas
Clerk of the Board