



MEETING MINUTES

1. CALL TO ORDER

The meeting of the Western Riverside County Regional Conservation Authority was called to order by Chairman Marion Ashley at 12:32 p.m. Monday, June 3, 2013, in the Board Room of the Riverside County Administrative Center, 4080 Lemon Street, Riverside, California, 92501.

2. PLEDGE OF ALLEGIANCE

Chairman Ashley led the RCA Board Members and meeting attendees in a flag salute.

3. ROLL CALL

Board Members Present

Marion Ashley, *Riverside County District 5*
Kevin Bash, *City of Norco*
Ben Benoit, *City of Wildomar*
Tim Brown, *City of Canyon Lake*
Maryann Edwards, *City of Temecula**
Debbie Franklin, *City of Banning*
Mike Gardner, *City of Riverside*
Tom Fuhrman, *City of Menifee*
Jim Hyatt, *City of Calimesa*
Kevin Jeffries, *Riverside County District 1*
Bob Magee, *City of Lake Elsinore Alternate*
Scott Miller, *City of San Jacinto*
Shellie Milne, *City of Hemet**
Verne Lauritzen, *City of Jurupa Valley**
Eugene Montanez, *City of Corona*
Harry Ramos, *City of Murrieta**
Adam Rush, *City of Eastvale*
Jeff Stone, *Riverside County District 3**
Mark Yarbrough, *City of Perris*

Board Members Absent

John Benoit, *Riverside County District 4*
Roger Berg, *City of Beaumont*
Jesse Molina, *City of Moreno Valley*
John Tavaglione, *Riverside County District 2*

**Arrived after start of the meeting.*

4. PUBLIC COMMENTS

Chairman Ashley granted Max Miller's request to yield his time to MaryAnn Shushan Miller.

RCA BOARD OF DIRECTORS MEETING MINUTES

Page 2 of 6

June 3, 2013

MaryAnn Shushan Miller of Murrieta presented oral and written testimony detailing the IRS' legal responsibility to taxpayers and the RCA's legal responsibility to private property owners. In addition, she submitted additional questions regarding RCA's response to her previously submitted queries. *(A copy of Ms. Miller's comments, as well as the June 3, 2013 letter, is on file at the RCA Office.)*

5. BOARD MEMBER ANNOUNCEMENTS

There were no Board Member announcements.

6. ADDITIONS/REVISIONS

There were no additions/revisions to the agenda.

7. APPROVAL OF MINUTES

Shellie Milne noted a correction to show her attendance as the City of Hemet's representative at the meeting.

M/S/C (GARDNER/STONE) to approve the minutes of the May 6, 2013, as corrected.

Abstain: Magee, Rush, Miller

8. CONSENT CALENDAR

M/S/C (HYATT/MILLER) to approve the following Consent Calendar items:

8.1 WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE COLLECTION AND CIVIC/INFRASTRUCTURE REPORT FOR APRIL 2013

Receive and file the Western Riverside County MSHCP Local Development Mitigation Fee Collection and Civic/Infrastructure Report for April 2013.

8.2 FISCAL YEAR 2012-13 APPROPRIATION TRANSFERS REPORT

Receive and file the Fiscal Year 2012-13 Appropriation Transfers Report.

9. RATIFICATION OF THE CHAIRMAN'S APPOINTMENT OF THE 2013 STAKEHOLDERS COMMITTEE

Charlie Landry, Executive Director, reported that the RCA Bylaws state that the Stakeholders Committee shall be comprised of up to 16 members, of whom the appointed members shall represent the one of the following groups: 1) Property owners affected by the MSHCP; 2) Environmental interests implicated by the MSHCP; and, 3)

RCA BOARD OF DIRECTORS MEETING MINUTES

Page 3 of 6

June 3, 2013

Building industry within the area affected by the MSHCP. Ratification by the RCA Board of the Chairman's appointment, as shown on the staff report, is required. The first meeting of the Committee will be in July. The following tentative goals of the Committee were set by the Chairman: 1) Nine-year review of MSHCP implementation; 2) Streamline the MSHCP review process; 3) Review Funding Plan and recommend new funding sources; and, 4) Review survey process to facilitate MSHCP objectives and seek to eliminate survey requirements.

Chairman Ashley stated that the appointment included property owners affected by the MSHCP. At this time, only 12 of the sixteen members are being proposed for appointment. However, if a Board Member knows of others that meet the requirements and wish to participate to bring them to the Executive Director's attention.

Shellie Milne commented that two of the proposed appointees are property owners and she shares the Chairman's point of view that property owners are well represented.

M/S/C (STONE/GARDNER) to ratify the Chairman's appointment of the 2013 Stakeholders Committee, as listed on the Chair's report.

Abstain: Brown

10. FISCAL YEAR 2012-13 THIRD QUARTER FINANCIAL REPORT AND BUDGET ADJUSTMENTS

Honey Bernas, Director of Administrative Services, presented highlights of the Fiscal Year 2012-13 Third Quarter Financial Report, including the proposed budget adjustments:

- 1) Cash Balance Summary as of March 31, 2013 was \$18.7 million
 - \$12.0 million Cash Receipts
 - \$6.6 million Mitigation Fees
 - \$3.0 million RCTC Measure A
 - \$1.0 million Infrastructure/Civic TUMF
 - \$890,000 Tipping Fees
 - \$480,000 Other Miscellaneous Revenues
 - \$7.8 million Cash Disbursements
 - \$4.1 million Capital Acquisitions
 - \$2.5 million General Expenditures (incl. rent, legal, contracts)
 - \$1.2 million Salaries and Benefits

Cash Balance, as of June 2, 2013, was \$19.8 million with additional set aside of \$2.8 million for the restricted endowment. Year-end cash balance is projected to be at least \$18 million.

- 2) Operations Revenues of \$681 thousand exceeded expenditures of \$368 thousand by \$313 thousand.

RCA BOARD OF DIRECTORS MEETING MINUTES

Page 4 of 6

June 3, 2013

- Legal services (\$144,000), included under Other Supplies and Services, have exceeded budgeted appropriations of \$86 thousand by \$58 thousand due to criteria refinement litigation cost, which is being funded 100% by the Operations Department. Therefore, a budget adjustment to increase appropriations under Legal Services is proposed. There are sufficient funds in Operations Department from infrastructure contributions to cover the transfer as infrastructure contributions exceeded the budgeted revenue.
- 3) Management and Monitoring Revenues of \$1.54 million exceeded expenditures of \$1.52 by approximately \$24 thousand.
- Tipping Fees have been significantly lower than projected. Out-of-County tonnage was slightly over 1 million for FY2012 compared to 892 thousand for FY2013 year-to-date. This represents a 15% decline from last year. Staff anticipates savings in legal services and contracts will absorb the loss of Tipping Fees in Management and Monitoring.
 - The approved budget authorized the allocation of \$278 thousand in Tipping Fees to the Land Acquisition Program. With the shortfall in revenue, there are not sufficient Tipping Fees to allocate; therefore, a proposed budget reduction of \$278 thousand in Tipping Fees to Land Acquisition has been submitted for the Board's consideration.
- 4) Land Acquisition Revenues of \$11.6 million exceeded expenditures of \$6.6 million by \$5 million. Staff is projecting approximately \$8.1 million in MSHCP Development Mitigation Fee Revenues. Since this is significantly higher than anticipated, staff proposed increasing the budgeted revenue by \$2.1 million.
- Ten (10) properties were acquired and funded as follows: (RCTC – 1 property; The Nature Conservancy – 2 properties; City of Temecula – 2 properties; RCA – 3 properties; and 2 donations)
- 5) Proposed Budget Adjustments
- Operations
 - Increase Estimated Revenues (Other Gov. MSHCP Infrastructure) \$150,000
 - Increase Appropriations (Legal Services) \$150,000
 - Land Acquisition
 - Increase Estimated Revenue (Developer Mitigation) \$2,141,645
 - Decrease Estimated Revenue (Flood Control District) \$228,000
 - Decrease Estimated Revenue (Tipping Fees) \$278,457
 - Increase Appropriations (Land Acquisition) \$440,000
 - Decrease Appropriations (Legal Services) \$150,000

Adam Rush asked, if the proposed budget adjustments would leave sufficient budgeted appropriations in legal to cover the Authority's costs for the remainder of the fiscal year. Honey Bernas responded that staff believes there are sufficient funds remaining.

RCA BOARD OF DIRECTORS MEETING MINUTES

Page 5 of 6

June 3, 2013

Kevin Jeffries requested staff to provide him with RCA's budgets for the past five years.

M/S/C (HYATT/STONE) to:

- 1) Receive and file the Fiscal Year 2012-13 Third Quarter Financial Report;***
- 2) Approve the budget adjustments contained in Exhibit A; and***
- 3) Authorize the Chairman to direct the Auditor-Controller to make the budget adjustments contained in Exhibit A of the staff report.***

11. EXECUTIVE DIRECTOR'S REPORT

11.1 Loan Program Update

Charlie Landry reported that the Senate has passed the Water Resources Development Act bill, which included the provision on Water Infrastructure Finance Innovation Act (WIFIA) that included the MSHCP language to be able to use loan/loan guarantee. The House has just started the process on this bill. This week, RCA Consultants Doug Wheeler and Tom Mullen are in Washington, D.C., for the purposes of meeting with staff and senior legislators of various House committees. Staff will continue to update the RCA Board on the progress of the proposed loan program.

12. LAND ACQUISITION UPDATE

Brian Beck stated that since the last RCA Board meeting, 323 acres were added to the reserves, bringing the reserve total to 46,261 acres.

13. ITEMS FOR NEXT MEETING

- A) Harry Ramos requested review and discussion at a future RCA Board meeting the following items: 1) Cell criteria requirements/changes; and, 2) Distinction between major and minor amendments.

At this time, Harry Ramos made comments on the importance of decorum and attention by Board Members during Public Comments.

- B) Mark Yarbrough thanked the Board of Supervisors and appropriate cities for their support and involvement to secure funds to retrofit Lake Perris. It appears that approval for funding is in motion.
- C) Jim Hyatt raised the cell criteria issue in Calimesa that has been ongoing for six years. He requested RCA staff to provide cities with guidelines and steps for the Criteria Refinement process.

RCA BOARD OF DIRECTORS MEETING MINUTES

Page 6 of 6

June 3, 2013

In response to Jim Hyatt's question if RCA has gone through a cell Criteria Refinement, Charlie Landry said that generally with a cell criteria change, it is a matter of control of both properties being swapped. There have been two Criteria Refinements – County of Riverside and Anheuser Busch properties.

14. ADJOURNMENT

With no other items before the RCA Board, Chairman Ashley adjourned the meeting. The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, August 5, 2013, 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