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*The Western Riverside County Regional Conservation Authority was established in 2004 as a joint powers authority to administer the 2003 Western Riverside County Multiple Species Habitat Conservation Plan. Currently, the Authority consists of eighteen (18) cities and the county.*

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## **MEETING**

**Monday March 6, 2017**

**12:30 p.m.**

**Riverside County Administrative Center**

**Board Room, First Floor, 4080 Lemon Street, Riverside, CA 92501**

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## **OFFICERS**

**Marion Ashley, Chairman**  
*County of Riverside, District 5*

**Jonathan Ingram, Vice-Chairman**  
*City of Murrieta*

## **BOARD MEMBERS**

**George Moyer**  
*City of Banning*

**Kevin Bash**  
*City of Norco*

**Julio Martinez**  
*City of Beaumont*

**David Starr Rabb**  
*City of Perris*

**Jeffrey Hewitt**  
*City of Calimesa*

**Andy Melendez**  
*City of Riverside*

**Vicki Warren**  
*City of Canyon Lake*

**Crystal Ruiz**  
*City of San Jacinto*

**Eugene Montanez**  
*City of Corona*

**Maryann Edwards**  
*City of Temecula*

**Clint Lorimore**  
*City of Eastvale*

**Timothy Walker**  
*City of Wildomar*

**Michael Perciful**  
*City of Hemet*

**Kevin Jeffries**  
*County of Riverside, District 1*

**Verne Lauritzen**  
*City of Jurupa Valley*

**John Tavaglione**  
*County of Riverside, District 2*

**Natasha Johnson**  
*City of Lake Elsinore*

**Chuck Washington**  
*County of Riverside, District 3*

**Matt Liesemeyer**  
*City of Menifee*

**Vacant**  
*County of Riverside, District 4*

**Jeffrey Giba**  
*City of Moreno Valley*

**Charles Landry, Executive Director**



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## MEETING AGENDA

\* Actions may be taken on any item listed on the agenda. Non-exempt materials related to an item on this agenda submitted to the RCA Board after distribution of the agenda packet are available for public inspection at the RCA Offices, 3403 Tenth Street, Suite 320, Riverside, California, during normal business hours. Such documents are also available on the Western Riverside County Regional Conservation Authority website at [www.wrc-rca.org](http://www.wrc-rca.org) subject to staff's ability to post the documents before the meeting. Alternative formats are available upon request by contacting the Clerk of the Board at (951) 955-9700. Notification of at least 72 hours prior to meeting time will assist staff in accommodating such requests.

**Monday, March 6, 2017**

**12:30 p.m.**

**Riverside County Administrative Center  
First Floor Annex - Board Hearing Room  
4080 Lemon Street, 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 a Board meeting, please contact the Clerk of the Board at (951) 955-9700. 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.

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PUBLIC COMMENTS**

At this time members of the public can address the RCA Board of Directors regarding any items within the subject matter jurisdiction of the Board 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. Each individual speaker is limited to speak three (3)

continuous minutes or less. Any person wishing to address the Board on any matter, whether or not it appears on this agenda, is requested to complete a Request to Speak form from the Clerk of the Board. The completed form is to be submitted to the Clerk of the Board prior to an individual being heard. Whenever possible, lengthy testimony should be presented to the Board in writing and only pertinent points presented orally. Any written documents to be distributed or presented to the RCA Board of Directors shall be submitted to the Clerk of the Board.

## **5. BOARD MEMBER ANNOUNCEMENTS**

(This item provides the opportunity for the Board Members to report on attended meetings/conferences and any other items related to RCA activities.)

## **6. ADDITIONS/REVISIONS**

(The Board may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Board subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Board. If there are less than 2/3 of the Board Members present, adding an item requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.)

## **7. APPROVAL OF MINUTES**

RCA Board Meeting - [February 6, 2017](#)

## **8. CONSENT CALENDAR**

(All matters listed under the Consent Calendar will be approved in a single motion unless a Board member requests separate action on specific Consent Calendar item. The item will be pulled from the Consent Calendar and placed for discussion.)

### **8.1 WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTIONS REPORT FOR JANUARY 2017**

*Overview* - [Staff Report](#)

This item is for the RCA Board of Directors to receive and file the Western Riverside County MSHCP Fee Collections Report for January 2017.

### **8.2 WESTERN RIVERSIDE COUNTY MSHCP LOCAL DEVELOPMENT MITIGATION FEE AUTOMATIC ANNUAL CPI ADJUSTMENT**

*Overview* - [Staff Report](#)

This item is for the RCA Board of Directors to adopt Resolution Nos. 2016-004 and 2016-005, Resolutions of the Western Riverside County Regional Conservation Authority Approving the Purchase of Tax Defaulted Property from the Riverside County Treasurer-Tax Collector's Office.

## **9. FISCAL YEAR 2017 SECOND QUARTER FINANCIAL REPORT**

**Overview - Staff Report**

This item is for the RCA Board of Directors to:

- 1.) Receive and file the Fiscal Year 2017 Second Quarter Financial Report;
- 2.) Approve the budget adjustment contained in the attached Exhibit A; and
- 3.) Authorize the Chairman to direct the Auditor-Controller to make the budget adjustments contained in Exhibit A.

**10. PROFESSIONAL SERVICES AGREEMENT BETWEEN THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AND ECONOMIC & PLANNING SYSTEMS, INC., FOR A NEXUS STUDY UPDATE AND DEVELOPMENT OF A FEE IMPLEMENTATION HANDBOOK**

**Overview - Staff Report**

This item is for the RCA Board of Directors to:

- 1) Approve the Professional Services Agreement between the RCA and Economic & Planning Systems, Inc., for a Nexus Study Update and development of a fee implementation handbook; and
- 2) Authorize the Executive Director, upon legal counsel review and approval, to execute said agreement on behalf of the RCA.

**11. EXECUTIVE DIRECTOR'S REPORT**

**11.1 Section 6 Update**

**12. LAND ACQUISITION UPDATE**

**13. ITEMS FOR NEXT MEETING**

Board members are invited to suggest additional items to be brought forward for future discussion.

**14. CLOSED SESSION ITEMS:**

**14.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

**Pursuant to Paragraph 1 of Subdivision (d) of Government Code Section 54956.9**

**◆ Case No. MCC1300351 JPR, Inc., dba Silverado Ranch Estates vs. California Department of Fish and Game; County of Riverside; Western Riverside County Regional Conservation Authority**

## 15. ADJOURNMENT

The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, April 3, 2017, at 12:30 p.m., at the County of Riverside Administrative Center, Board Room, 4080 Lemon Street, Riverside, California.

[2017 RCA Commonly Used Acronyms](#)

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# **AGENDA ITEM NO. 7**

## **MINUTES**

**February 6, 2017**



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## MEETING MINUTES

### 1. CALL TO ORDER

The meeting of the Western Riverside County Regional Conservation Authority was called to order by Vice Chairman Ingram at 12:33 p.m. on February 6, 2017, in the Board Room of the Riverside County Administrative Center, 4080 Lemon Street, Riverside, California, 92501.

### 2. PLEDGE OF ALLEGIANCE

Board Member Montanez led the RCA Board Members and meeting attendees in a flag salute.

### 3. ROLL CALL – Roll call was noted by Rose Haro, RCA Administrative Manager.

Member Agency	Board Member	Status	Arrived
City of Banning	George Moyer	Present	12:28 PM
City of Beaumont	Julio Martinez	Present	12:13 PM
City of Calimesa	Jeffrey Hewitt	Present	12:27 PM
City of Canyon Lake	Vicki Warren	Present	12:10 PM
City of Corona	Eugene Montanez	Present	12:13 PM
City of Eastvale	Clint Lorimore	Present	12:29 PM
City of Hemet	Michael Perciful	Present	12:18 PM
City of Jurupa Valley	Verne Lauritzen	Present	12:29 PM
City of Lake Elsinore	Natasha Johnson	Present	12:09 PM
City of Menifee	Matt Liesemeyer	Present	12:31 PM
City of Moreno Valley	Jeffrey Giba	Present	11:58 AM
City of Murrieta	Jonathan Ingram, Vice Chairman	Present	12:07 PM
City of Norco	Kevin Bash	Present	12:34 PM
City of Perris	Malcolm Corona, Alternate	Present	12:23 PM
City of Riverside	Andy Melendrez	Absent	
City of San Jacinto	Crystal Ruiz	Present	12:15 PM
City of Temecula	Maryann Edwards	Present	12:30 PM
City of Wildomar	Timothy Walker	Present	12:10 PM
District 1	Kevin Jeffries	Present	12:33 PM
District 2	John Tavaglione	Present	12:33 PM
District 3	Chuck Washington	Present	12:29 PM
District 4	Vacant	Absent	
District 5	Marion Ashley, Chairman	Absent	

#### 4. PUBLIC COMMENTS

Vice Chairman Ingram called for public comments regarding items not listed on the agenda. There were no public comments.

#### 5. BOARD MEMBER ANNOUNCEMENTS (This item provides the opportunity for the Board Members to report on attended meetings/conferences and any other items related to RCA activities.)

Vice Chairman Ingram welcomed the following new RCA Board Members: Julio Martinez, City of Beaumont; Vicki Warren, City of Canyon Lake; Michael Perciful, City of Hemet; Jeffrey Giba, City of Moreno Valley; Malcolm Corona, City of Perris (alternate) and Timothy Walker, City of Wildomar.

#### 6. ADDITIONS/REVISIONS (The Board may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Board subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Board. If there are less than 2/3 of the Board Members present, adding an item requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.)

Rose Haro, RCA Administrative Manager, announced that Agenda Item No. 14.1.A was pulled from the agenda.

#### 7. APPROVAL OF MINUTES — December 5, 2016 meeting of the RCA Board of Directors.

<b>RESULT:</b>	<b>APPROVED AS RECOMMENDED [UNANIMOUS]</b>
<b>MOVER:</b>	City of Moreno Valley
<b>SECONDER:</b>	City of San Jacinto
<b>AYES:</b>	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3
<b>ABSTAIN:</b>	Hemet
<b>ABSENT:</b>	City of Riverside, District 4, District 5

#### 8. PRESENTATION BY DON KENT, TREASURER-TAX COLLECTOR, TREASURER'S POOLED INVESTMENT FUND UPDATE

Don Kent, County Treasurer-Tax Collector gave an update on the Treasurer's Pooled Investment Fund (TPIF). (A copy of the presentation is on file with the RCA.) Highlights included the following:

- Current balance of \$7 billion
- Rated AAA by two rating agencies
- Over 65% invested in U.S. Treasuries and Agencies
- 66%+ of portfolio matures less than a year (14% overnight)
- Yield to maturity 0.85% and Weighted Average Maturity (WAM) of 1.24



Funds are comprised of County of Riverside, 23 school districts, 3 community college districts, special districts, and other discretionary depositors.  
\$15+ billion in annual receipts and disbursements

The primary objective of the Treasurer is to safeguard the principal of the funds under his control, meet the liquidity needs of depositors, and achieve a reasonable rate of return.

The Statement of Investment Policy is designed to meet objectives by defining the following:

Safety of Principal  
Liquidity  
Return

The Treasurer summed up presentation with the following:

- Continue funding key cash flow dates: county payroll, school payroll, tax apportionments, vendor payments, debt service, etc.
- Continue to maintain a strong liquidity profile to meet unexpected cash needs in the current environment.
- Selectively invest in the 1 to 5 year area. Explore defensive bond structures to combat reinvestment rate risk.

Upon concluding his presentation, Mr. Kent invited questions from the Board Members. There were no questions. Vice Chairman Ingram thanked Don Kent for taking the time to update the Board of Directors and expressed his appreciation for the fiscal responsibility shown on how the funds are invested and managed.

**9. CONSENT CALENDAR (All matters listed under the Consent Calendar will be approved in a single motion unless a Board Member requests separate action on specific Consent Calendar item. The item will be pulled from the Consent Calendar and placed for discussion.)**

Board Member Johnson stated that she did not wish to pull any item from the consent calendar, but wanted to make a brief comment on Agenda Item No. 9.4. She suggested that future staff reports include the per acre cost for each parcel, rather than the average for all parcels, because not all parcels are in the same geographical location. Charles Landry, Executive Director, stated that information would be included in future staff reports.

<b>RESULT:</b>	<b>APPROVED AS RECOMMENDED [UNANIMOUS]</b>
<b>MOVER:</b>	City of San Jacinto
<b>SECONDER:</b>	City of Calimesa
<b>AYES:</b>	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3
<b>ABSENT:</b>	City of Riverside, District 4, District 5

**9.1 RESOLUTION NO. 2017-001 RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING A STATEMENT OF INVESTMENT POLICY**

Overview

This item is for the RCA Board of Directors to approve Resolution No. 2017-001, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting a Statement of Investment Policy.*

**9.2 WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE (LDMF) COLLECTION AND CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT FOR NOVEMBER AND DECEMBER 2016**

Overview

This item is for the RCA Board of Directors to receive and file the MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for November and December 2016.

**9.3 FISCAL YEAR 2017 SECOND QUARTER CONSULTANT REPORTS**

Overview

This item is for the RCA Board of Directors to receive and file the Fiscal Year 2017 Second Quarter Consultant Reports.

**9.4 RESOLUTION NO. 2017-002, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY APPROVING THE PURCHASE OF THE TAX DEFAULTED PROPERTY FROM THE RIVERSIDE COUNTY TREASURER-TAX COLLECTOR'S OFFICE**

Overview

This item is for the RCA Board of Directors to approve Resolution No. 2017-002, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Approving the Purchase of Tax Defaulted Property from the Riverside County Treasurer-Tax Collector's Office.*

**9.5 RESOLUTION NO. 2017-003 RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AUTHORIZING THE ACCEPTANCE OF GRANT FUNDS FOR ACQUISITION OF REAL PROPERTY**

Overview

This item is for the RCA Board of Directors to approve Resolution No. 2017-002, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Authorizing the Acceptance of Grant Funds for Acquisition of Real Property.*

## 10. RATIFICATION OF THE CHAIRPERSON'S APPOINTMENT OF THE 2017 RCA EXECUTIVE COMMITTEE

Vice Chairman Ingram stated that Chairman Ashley asked that, in his absence, Vice Chairman Ingram announce Chairman Ashley's two appointments to the 2017 RCA Executive Committee: John Tavaglione and Natasha Johnson.

**Motion To: Ratify the Chairman's appointment of John Tavaglione, County of Riverside District II, and Natasha Johnson, City of Lake Elsinore, to the 2017 RCA Executive Committee.**

<b>RESULT:</b>	<b>APPROVED AS RECOMMENDED [UNANIMOUS]</b>
<b>MOVER:</b>	City of Moreno Valley
<b>SECONDER:</b>	City of Corona
<b>AYES:</b>	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3
<b>ABSENT:</b>	City of Riverside, District 4, District 5

### Overview

This item is for the RCA Board of Directors to ratify the Chairperson's appointments of John Tavaglione, County of Riverside District II, and Natasha Johnson, City of Lake Elsinore, to the 2017 RCA Executive Committee.

## 11. EXECUTIVE DIRECTOR'S REPORT

### 11.1 West of Devers Project Update

Charles Landry, Executive Director, gave an update regarding West of Devers, which is a Southern California Edison (Edison) project. He advised that Edison is entering into a Participating Special Entity (PSE) agreement with the RCA. The project consists of a major upgrade of transmission lines and includes new right-of-way which transverses through the northern portion of the MSHCP Plan Area. He reminded those present that this project was also discussed at the December 5, 2016 Board of Directors' Meeting. The Regional Conservation Authority had approximately one month to complete their review of this project. Given the late notice of the project and the urgency of the required review, this project was made a priority by RCA staff and was concluded and processed in a timely manner. Charlie Landry thanked staff, especially Laurie Correa, for their efforts and a great job done in pushing this project through and meeting the deadline. He advised that Edison chose to buy into the MSHCP and will receive their take for endangered species through Plan. The Wildlife Agencies signed off on the project on Christmas Eve. RCA benefits from this project in that RCA will receive revenue of \$6 million, payable in increments of \$2 million per year for the next three years. He further stated that if Edison had chosen the conventional process, it would have taken years to complete the project. This exemplifies the benefit of the MSHCP, as PSE's have the choice whether to use the plan or not. A check in the amount of \$2 million has been received by RCA from Edison.

## 12. LAND ACQUISITION UPDATE

Charles Landry, Executive Director, stated that since the last report, RCA acquired five properties totaling approximately 451 acres, bringing the reserve total to approximately 54,791 acres.

## 13. ITEMS FOR NEXT MEETING

Vice Chairman Ingram asked if any Board Member had items for the next meeting. There were no requested items.

## 14. CLOSED SESSION ITEMS:

Agenda Item No. 14.1.A was pulled during the Additions/Revisions to agenda.

### 14.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to paragraph 1 of Subdivision (d) of Government Code Section 54956.9

A. Case No. MCC1300351 JPR, Inc., dba Silverado Ranch Estates vs. California Department of Fish and Game; County of Riverside; Western Riverside County Regional Conservation Authority

### 14.2 CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Pursuant to Government Code Section 54956.8

Negotiating Parties: RCA – Executive Director of Designee

Under Negotiation: Price/Terms

Item	Assessor Parcel No.	Property Owner(s)/Agent
1	555-230-007 555-230-012 555-240-003 555-240-002	Margaret McLaughlin
2	915-570-011 915-570-012 915-570-013 915-570-014	John Hong, Susan Hong, James Song, Jane Song
3	935-350-010	John Hong, Susan Hong, James Song, Jane Song

There were no announcements from Closed Session.

**15. ADJOURNMENT**

There being no other items before the RCA Board, Vice Chairman Ingram adjourned the meeting at 1:05 p.m. The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, March 6, 2017, at 12:30 p.m. at the County of Riverside Administrative Center, Board Room, 4080 Lemon Street, Riverside, California.

Prepared by:



Rose Haro  
RCA Administrative Manager

Respectfully submitted:



Honey Bernas  
Director of Administrative Services

# **AGENDA ITEM NO. 8.1**

## **WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTIONS REPORT FOR JANUARY 2017**

*Regional Conservation Authority*

**WESTERN RIVERSIDE COUNTY  
MSHCP FEE COLLECTIONS REPORT FOR  
JANUARY 2017**

**Staff Contact:**

**Honey Bernas  
Director of Administrative Services  
(951) 955-9700**

**Background:**

The RCA Executive Committee directed staff to report on Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP) Local Development Mitigation Fee (LDMF) Collection and Civic/Infrastructure Contribution on a monthly basis.

Attached is the report for January 2017. The report was prepared on a cash basis and, therefore, reflects the cash received by RCA during that month.

**Executive Committee and Staff Recommendation:**

Recommend that the RCA Board of Directors receive and file the Western Riverside County MSHCP Fee Collections Report for January 2017.

**Attachment**

Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for January 2017

**AGENDA ITEM NO. 8.1**  
**Attachment**

**WESTERN RIVERSIDE COUNTY  
MSHCP LDMF COLLECTION AND  
CIVIC/INFRASTRUCTURE  
CONTRIBUTION REPORT FOR  
JANUARY 2017**



**WESTERN RIVERSIDE COUNTY MSHCP LDMF COLLECTION AND CIVIC/INFRASTRUCTURE  
CONTRIBUTION REPORT FOR JANUARY 2017  
CASH BASIS**

LOCAL DEVELOPMENT MITIGATION FEE COLLECTIONS						
		REMITTED			EXEMPTIONS & FEE CREDITS	
		Residential Permits	Commercial/Industrial Acres	Amount Remitted	Residential Permits	Amount
City/County	Month					
City of Banning	December - No Activity					
City of Beaumont	December	41		\$81,672		
City of Calimesa	December	13		\$25,896		
City of Canyon Lake	December	1		\$1,992		
City of Corona	November		4.2	\$28,137		
	December	1		\$1,992		
City of Eastvale	December	85	39.4	\$355,124		
City of Hemet	December - No Activity					
City of Jurupa Valley	December	26		\$51,792		
City of Lake Elsinore	December	45	1.2	\$97,505		
	Summerly Project <sup>1</sup>				1	\$1,992
City of Menifee	December	5		\$9,920		
City of Moreno Valley	December - No Activity					
City of Murrieta	December - No Activity					
City of Norco	December - No Activity					
City of Perris	December - No Activity					
City of Riverside	December Received in February					
City of San Jacinto	December	33		\$65,736		
City of Temecula	December	1		\$1,992		
City of Wildomar	December	25		\$49,800		
County of Riverside	January	94	34.9	\$420,363		
	Starfield Sycamore Investors <sup>2</sup>				5	\$9,690
	Rancho Bella Vista <sup>3</sup>				16	\$31,008
<b>Total LDMF Collections</b>		<b>370</b>	<b>79.6</b>	<b>\$1,191,921</b>	<b>22</b>	<b>\$42,690</b>

CIVIC AND INFRASTRUCTURE CONTRIBUTIONS		
City of Beaumont	Potrero Boulevard Bridge Project	\$232,670
Riverside County Economic Development Agency	Solar Photovoltaic Facility 9.63 Acres	\$65,291
<b>Total Civic/Infrastructure Contributions</b>		<b>\$297,962</b>

**TOTAL JANUARY 2017    \$1,489,883**

- 1) Summerly Project - Development Agreement dated 8/24/04. Expiration date 9/23/14. Under review.  
2) Starfield Sycamore Investors - Fee Credit Agreement with County of Riverside. Properly exempted at \$1,938 rate.  
3) Rancho Bella Vista - Fee Credit Agreement with County of Riverside. Properly exempted at \$1,938 rate.

# **AGENDA ITEM NO. 8.2**

**WESTERN RIVERSIDE  
COUNTY MSHCP  
LOCAL DEVELOPMENT  
MITIGATION FEE  
AUTOMATIC ANNUAL  
CPI ADJUSTMENT**

*Regional Conservation Authority*

**WESTERN RIVERSIDE COUNTY MSHCP  
LOCAL DEVELOPMENT MITIGATION FEE  
AUTOMATIC ANNUAL CPI ADJUSTMENT**

**Staff Contact:**

**Honey Bernas  
Director of Administrative Services  
(951) 955-9700**

**Background:**

The MSHCP calls for an annual automatic CPI adjustment to local development mitigation fees collected to fund the implementation of the Plan. Fee ordinances adopted by the County and Cities reflect this requirement. Each year, the RCA staff informs the County and Cities of the CPI adjustment and the Board's action.

Based on the CPI increase from December 2015 to December 2016, MSHCP fees would increase 1.97% effective July 1, 2017. The attached spreadsheet shows the current fees and the fees effective July 1, 2017 if the RCA were to implement the increase.

Due to the recession, the RCA Board elected to not implement the automatic CPI adjustment for six years, from Fiscal Year 2010 to Fiscal Year 2015, with a cumulative 8.54% increase waived. Effective FY2016 and FY2017 fees were increased by 0.73% and 2.03%, respectively, which is less than a 3% increase over an eight year period.

If approved, staff estimates the rate increase of 1.97% would generate approximately \$216,600 in additional development mitigation fees to the RCA for the Fiscal Year 2018. The estimate is based on \$11 million in potential development mitigation fees for the year.

**Executive Committee and Staff Recommendation:**

Recommend that the RCA Board of Directors approve implementing the automatic annual CPI adjustment for Western Riverside County MSHCP Local Development Mitigation Fees effective July 1, 2017.

**Attachment:**

Proposed Western Riverside County MSHCP Local Development Mitigation Fees Effective July 1, 2017

**AGENDA ITEM NO. 8.2**  
**Attachment**

**Proposed Western Riverside  
County MSHCP Local  
Development Mitigation Fees  
Effective July 1, 2017**

**REGIONAL CONSERVATION AUTHORITY (RCA)**  
**PROPOSED WESTERN RIVERSIDE COUNTY MSHCP LOCAL DEVELOPMENT MITIGATION FEES EFFECTIVE JULY 1, 2017**  
 Based on Consumer Price Index (CPI)

Source for CPI: U.S Bureau of Labor Statistics for "Los Angeles-Riverside-Orange County"

<b>Proposed Fees for July 1, 2017</b>							<b>Potential FY 2018 Adjusted Fee</b>
<b>Fee Category</b>	<b>FY 2017 Current Fee</b>	<b>Fee per</b>	<b>CPI Factor Dec 2015</b>	<b>CPI Factor Dec 2016</b>	<b>Note 1 CPI Factor</b>	<b>Potential Fee Increase (7/1/17 to 6/30/18)</b>	
Residential, density less than 8.0 dwelling units per acre	\$1,992	dwelling unit	245.357	250.189	1.969%	\$39	\$2,031
Residential, density between 8.0 and 14.0 dwelling units per acre	\$1,275	dwelling unit	245.357	250.189	1.969%	\$25	\$1,300
Residential, density greater than 14.0 dwelling units per acre	\$1,036	dwelling unit	245.357	250.189	1.969%	\$20	\$1,056
Commercial	\$6,780	acre	245.357	250.189	1.969%	\$134	\$6,914
Industrial	\$6,780	acre	245.357	250.189	1.969%	\$134	\$6,914

**Note 1: Based on the CPI increase from December 2015 to December 2016.**

**Legal justification based on Western Riverisde County MSHCP Mitigation Fee Ordinance.**

# **AGENDA ITEM NO. 9**

## **FISCAL YEAR 2017 SECOND QUARTER FINANCIAL REPORT**

*Regional Conservation Authority***FISCAL YEAR 2017 SECOND QUARTER  
FINANCIAL REPORT****Staff Contact:****Honey Bernas, Director of  
Administrative Services  
(951) 955-2842****Background:**

Attached is the Fiscal Year 2017 Second Quarter Financial Report, which includes an Executive Summary (cash balance summary and financial statement overview), detailed financial statements, and MSHCP Fee Collection Report.

**Operations Program**

The City of Beaumont remitted an infrastructure contribution in the amount of \$232,670 for the Potrero Bridge project to the RCA. City staff worked with the RCA for several years to ensure that the fees owed for this project were remitted to RCA. The fees were outstanding due to a developer going bankrupt. The contribution for this project exceeded the estimated revenues for FY2017 of \$100,000. As of the end of the second quarter, actual revenues in the Operations Program exceeded expenditures by \$305,253 as a direct result of this significant payment to the Program.

**Land Management and Monitoring Program**

In the Management and Monitoring Program, Tipping fees of \$1,527,379 for the first half of FY2017 were 11% higher in comparison to the same six-month period of FY2016. There has been a slight increase in out-of-county tonnage disposal since FY2014.

Currently, the RCA owns nine trucks which are being operated by ten park rangers under contract with County Park and Open-Space District to manage RCA reserve lands. Since its inception, the RCA's Natural Resources Manager's time has been shared between County Parks and RCA. Effective January 2017, the Natural Resources Manager is fully dedicated to the RCA. The vehicle that was assigned to him is owned by County Parks and is no longer available for use on RCA lands, creating a shortage of one vehicle for RCA's Land Management Program which needs to be replaced. In addition, two of the trucks in RCA's Land Management fleet were acquired in 2006, and although operational, have high mileage and extensive maintenance repairs are often necessary. Therefore, staff recommends the purchase of two new trucks this year; one to fulfill the shortage and one to replace an existing older truck. RCA staff believes that the increase in Tipping Fee proceeds for this year is sufficient to cover the acquisition of the two

new vehicles. Accordingly, a budget adjustment of \$80,000 is hereby attached to increase estimated Tipping Fees and vehicle appropriations by the same amount.

### **Land Acquisition Program**

During the first two quarters of Fiscal Year 2017, the RCA acquired 12 properties totaling approximately 1,062 acres. Of the 12 properties, four were funded with federal and state funds of \$2,610,500 and \$2,016,000, respectively. The remaining properties were acquired with development fees and Measure A funds. In addition, the RCA received two land donations and one conservation easement with a combined acreage of 268 and an estimated value of \$595,720.

Development fees collected for the first half of the year represent 49% of the RCA's revenue projections for the year. Staff anticipates the budgeted amount of \$11,000,000 will be reached by June 30, 2017.

### **Executive Committee and Staff Recommendations:**

Recommend that the RCA Board of Directors:

- 1) Receive and file the Fiscal Year 2017 Second 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;

### **Attachments:**

- 1) Exhibit A – Budget Adjustments
- 2) Executive Summary (Cash Balance Summary and Financial Statement Overview)
- 3) Detailed Financial Statements
- 4) MSHCP Fee Collection Report



**AGENDA ITEM NO. 9  
ATTACHMENT 1**

**Exhibit A  
Budget Adjustments**



<b>DATE</b>	March 6, 2017
<b>TO</b>	Auditor-Controller
<b>FROM</b>	Honey Bernas, Director of Administrative Services (951) 955-2842
<b>SUBJECT</b>	FISCAL YEAR 2017 BUDGET ADJUSTMENTS (FUND 51630)

**Background:**

On March 6, 2017, the RCA Board of Directors approved the Fiscal Year 2017 budget adjustments contained herein.

**Requested Action:**

That the Auditor-Controller make the following budget adjustments:

<b>Land Management and Monitoring (935300)</b>			
<b><u>Increase Estimated Revenue</u></b>			
781520	Tipping Fees		\$ 80,000
			<b><u>\$ 80,000</u></b>
<b><u>Increase Appropriations</u></b>			
546320	Vehicles		\$ 80,000
			<b><u>\$ 80,000</u></b>

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Marion Ashley, Chairman  
 RCA Board of Directors

**AGENDA ITEM NO. 9  
ATTACHMENT 2**

**Executive Summary  
(Cash Balance Summary  
and  
Financial Statement Overview)**

# EXECUTIVE SUMMARY

## **Fiscal Year 2017 Second Quarter Financial Report**

**July 1, 2016 – December 31, 2016**

*Preserving our open space heritage • Protecting our economy • Building our future*



# Cash Balance Summary

## July 1, 2016 – December 31, 2016

<b>Balance as of 07-01-16</b>	<b>\$ 34,742,713</b>
<b>Cash Receipts 07-01-16 through 12-31-16</b>	<b><u>14,920,467</u></b>
<b>Cash Available</b>	<b>49,663,180</b>
<b>Cash Disbursements 07-01-16 through 12-31-16</b>	<b><u>(21,801,829)</u></b>
<b>Cash Balance as of 12-31-16</b>	<b><u>\$ 27,861,351</u></b>

# Budget to Actual and FYE Projections

July 1, 2016 – December 31, 2016

<b>Operations (935100)</b>	<b>Budget</b>	<b>Actual</b>	<b>Year-End Projections</b>
<b>Revenue</b>	<b>\$ 485,660</b>	<b>\$ 467,650</b>	<b>\$ 1,052,364</b>
<b>Appropriations:</b>			
<b>Salaries &amp; Benefits</b>	<b>129,490</b>	<b>47,926</b>	<b>106,852</b>
<b>Supplies &amp; Services</b>	<b><u>356,170</u></b>	<b><u>114,471</u></b>	<b><u>342,941</u></b>
<b>Total Appropriations</b>	<b><u>\$ 485,660</u></b>	<b><u>\$ 162,397</u></b>	<b><u>\$ 449,793</u></b>
<b>Net Operating Position</b>	<b><u>\$ 0</u></b>	<b><u>\$ 305,253</u></b>	<b><u>\$ 602,571</u></b>

# Budget to Actual and FYE Projections

July 1, 2016 – December 31, 2016

<b>Land Management &amp; Monitoring (935300)</b>	<b>Budget</b>	<b>Actual</b>	<b>Year-End Projections</b>
<b><u>Revenue</u></b>	<b>\$ 2,899,840</b>	<b>\$ 1,588,622</b>	<b>\$ 3,683,287</b>
<b><u>Appropriations:</u></b>			
<b>Salaries &amp; Benefits</b>	<b>520,050</b>	<b>211,068</b>	<b>468,635</b>
<b>Supplies and Services</b>	<b>2,341,790</b>	<b>980,573</b>	<b>2,325,477</b>
<b>Other Charges</b>	<b><u>38,000</u></b>	<b><u>18,500</u></b>	<b><u>37,000</u></b>
<b>Total Appropriations</b>	<b>\$ <u>2,899,840</u></b>	<b>\$ <u>1,210,141</u></b>	<b>\$ <u>2,831,112</u></b>
<b>Net Operating Position</b>	<b>\$ <u>0</u></b>	<b>\$ <u>378,481</u></b>	<b>\$ <u>852,175</u></b>

# Budget to Actual and FYE Projections

July 1, 2016 – December 31, 2016

Land Acquisition (935201)	Adjusted Budget	Actual	Year-End Projections
<b>Revenue</b>	<b>\$ 24,652,640</b>	<b>\$ 14,291,538</b>	<b>\$ 25,563,626</b>
<b>Appropriations:</b>			
Salaries & Benefits	1,613,260	719,314	1,518,627
Supplies & Services	2,134,940	602,912	1,852,973
Interest	140,000	116,336	133,754
Capital Assets	<u>29,514,440</u>	<u>19,785,612</u>	<u>29,476,576</u>
<b>Total Appropriations</b>	<b>\$ <u>33,402,640</u></b>	<b>\$ <u>21,224,174</u></b>	<b>\$ <u>32,981,930</u></b>
<b>Net Operating Position</b>	<b>\$ <u>(8,750,000)</u></b>	<b>\$ <u>(6,932,636)</u></b>	<b>\$ <u>(7,418,304)</u></b>



# PROPOSED BUDGET ADJUSTMENTS

		Land Management & Monitoring (935300)
Account	Description	
<b><u>Increase Estimated Revenue:</u></b>		
781520	Tipping Fees	\$ 80,000
<b><u>Increase Appropriations:</u></b>		
546320	Vehicles	\$ 80,000

# Executive Committee and Staff Recommendations

Recommend that the RCA Board of Directors:

- 1) Receive and file the Fiscal Year 2017 Second 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.

**AGENDA ITEM NO. 9  
ATTACHMENT 3**

**Detailed  
Financial Statements**

**Regional Conservation Authority**  
**Budget vs. Actual Comparison as of December 31, 2016**  
**General Fund - 935100 Operations**

**REVENUE**

Account	Account Description	Budget	Actual	% of Actual to Budget	Note No.	Projection through 6/30/17	Positive (Negative) Variance with Budget
722000	Participating Special Entities	\$ 68,750	\$ -	0%		\$ 483,436	\$ 414,686
740020	Interest-Invested Funds	34,125	23,986	70%	1	47,972	13,847
740040	Interest-Other	-	2,621	N/A		5,242	5,242
769240	Other Gov MSHCP Infrastructure	100,000	232,670	233%	5	232,670	132,670
769260	Other Gov MSHCP Civic Projects	50,000	84,316	169%	6	84,316	34,316
771410	Flood Control District	132,785	91,335	69%	7	132,785	-
777860	Joint Project Review	100,000	32,721	33%		65,942	(34,058)
781360	Other Misc Revenue	-	1	N/A		1	1
<b>Total Revenue</b>		<b>\$ 485,660</b>	<b>\$ 467,650</b>	<b>96%</b>		<b>\$1,052,364</b>	<b>\$ 566,704</b>

**EXPENDITURES**

510040	Regular Salaries	\$ 90,345	\$ 34,289	38%		\$ 74,578	\$ 15,767
510440	Annual Leave Buydown	3,310	928	28%		2,856	454
515200	Retiree Health Insurance	230	115	50%		230	-
518100	Budgeted Benefits	35,605	12,594	35%		29,188	6,417
<b>Total Appropriation 1</b>		<b>129,490</b>	<b>47,926</b>	<b>37%</b>		<b>106,852</b>	<b>22,638</b>
520200	Communications	75	42	56%		75	-
520270	County Delivery Services	30	-	0%		30	-
520320	Telephone Service	45	2	4%		45	-
520940	Insurance-Other	1,680	516	31%	11	1,032	648
521360	Maint-Computer Equipment	1,260	-	0%		1,260	-
521540	Maint-Office Equipment	225	70	31%		140	85
521640	Maint-Software	445	103	23%		206	239
523100	Memberships	355	275	77%		355	-
523230	Miscellaneous Expense	2,450	1,178	48%		2,356	94
523620	Books/Publications	15	-	0%		15	-
523640	Computer Equip-Non Fixed Asset	290	6	2%		290	-
523660	Computer Supplies	90	-	0%		90	-
523680	Office Equip Non Fixed Assets	30	-	0%		30	-
523700	Office Supplies	295	60	20%		295	-
523760	Postage-Mailing	170	67	39%		134	36
523800	Printing/Binding	120	-	0%		120	-
523840	Computer Equipment-Software	300	16	5%		300	-
524560	Auditing and Accounting	16,415	3,344	20%	12	16,188	227
524900	GIS Services	325	150	46%	13	300	25
525020	Legal Services	115,000	12,604	11%	14	106,208	8,792
525140	Personnel Services	405	170	42%	15	405	-
525840	RCIT Device Access	1,130	326	29%	16	1,052	78
526700	Rent-Lease Bldgs	5,960	2,979	50%	17	5,958	2
527780	Special Program Expense	600	-	0%		600	-
527840	Training-Education/ Tuition	90	4	4%		90	-
527980	Contracts	206,025	91,704	45%	18	203,408	2,617
528120	Board/Commission Expense	1,245	482	39%		964	281
528140	Conference/Registration Fees	60	9	15%		50	10
528900	Air Transportation	55	8	15%		55	-
528960	Lodging	120	14	12%		100	20
528980	Meals	635	159	25%		435	200
529000	Miscellaneous Travel Expense	15	13	87%		15	-
529040	Private Mileage Reimbursement	215	170	79%		340	(125)
<b>Total Appropriation 2</b>		<b>356,170</b>	<b>114,471</b>	<b>32%</b>		<b>342,941</b>	<b>13,229</b>
<b>Total Expenditures</b>		<b>\$ 485,660</b>	<b>\$ 162,397</b>	<b>33%</b>		<b>\$ 449,793</b>	<b>\$ 35,867</b>
<b>Net Operating Position</b>		<b>\$ -</b>	<b>\$ 305,253</b>			<b>\$ 602,571</b>	<b>\$ 602,571</b>

**Regional Conservation Authority**  
**Budget vs. Actual Comparison as of December 31, 2016**  
**General Fund - 935300 Land Management and Monitoring**

**REVENUE**

Account	Account Description	Budget	Actual	% of Actual to Budget	Note No.	Projection through 06/30/17	Positive (Negative) Variance with Budget
722000	Participating Special Entities	\$ 68,750	\$ -	0%		\$ 483,436	\$ 414,686
740020	Interest-Invested Funds	34,425	23,986	70%	1	47,972	13,547
741000	Rents	76,180	37,257	49%	2	76,636	456
771410	Flood Contrl District	290,485	-	0%		290,485	-
781360	Other Misc. Revenue	30,000	-	0%		30,000	-
781520	Tipping Fees	2,400,000	1,527,379	64%	10	2,754,758	354,758
<b>Total Revenue</b>		<b>\$ 2,899,840</b>	<b>\$ 1,588,622</b>	<b>55%</b>		<b>\$ 3,683,287</b>	<b>\$ 783,447</b>

**EXPENDITURES**

510040	Regular Salaries	\$ 363,200	\$ 152,102	42%		\$ 329,204	\$ 33,996
510440	Annual Leave Buydown	18,650	5,738	31%		17,976	674
515200	Retiree Health Insurance	925	463	50%		925	-
518100	Budgeted Benefits	137,275	52,765	38%		120,530	16,745
<b>Total Appropriation 1</b>		<b>520,050</b>	<b>211,068</b>	<b>41%</b>		<b>468,635</b>	<b>51,415</b>
520200	Communications	7,375	3,795	51%		7,375	-
520270	County Delivery Services	60	-	0%		60	-
520320	Telephone Service	225	12	5%		200	25
520940	Insurance-Other	15,070	5,552	37%	11	14,104	966
521360	Maint-Computer Equipment	16,300	3,900	24%		16,300	-
521500	Maint-Motor Vehicles	7,000	1,970	28%		6,940	60
521540	Maint-Office Equipment	1,125	352	31%		704	421
521640	Maint-Software	3,020	515	17%		1,030	1,990
523100	Memberships	1,765	1,373	78%		1,765	-
523230	Miscellaneous Expense	1,750	821	47%		1,642	108
523620	Books/Publications	75	-	0%		50	25
523640	Computer Equip-Non Fixed Asset	4,120	84	2%		4,068	52
523660	Computer Supplies	450	-	0%		450	-
523680	Office Equip Non Fixed Assets	150	-	0%		150	-
523700	Office Supplies	5,475	1,457	27%		4,914	561
523760	Postage-Mailing	955	236	25%		955	-
523800	Printing/Binding	600	-	0%		600	-
523840	Computer Equipment-Software	2,690	213	8%		2,676	14
524560	Auditing and Accounting	3,700	2,145	58%	12	3,700	-
524900	GIS Services	1,620	750	46%	13	405	1,215
525020	Legal Services	102,000	15,125	15%	14	100,250	1,750
525140	Personnel Services	2,025	851	42%	15	1,702	323
525840	RCIT Device Access	5,650	1,632	29%	16	5,564	86
526700	Rent-Lease Bldgs	113,570	56,785	50%	17	113,570	-
526910	Field Equipment-Non Assets	17,500	1,971	11%		16,942	558
527100	Fuel	18,000	3,961	22%		18,000	-
527780	Special Program Expense	3,000	-	0%		3,000	-
527840	Training-Education/ Tuition	450	20	4%		450	-
527880	Training-Other	4,000	636	16%		4,000	-
527980	Contracts	1,991,785	872,451	44%	18	1,984,902	6,883
528120	Board/Commission Expense	6,225	2,409	39%		4,818	1,407
528140	Conference/Registration Fees	300	45	15%		300	-
528900	Air Transportation	270	38	14%		194	76
528960	Lodging	600	68	11%		600	-
528980	Meals	535	79	15%		500	35
529000	Miscellaneous Travel Expense	75	66	88%		75	-
529040	Private Mileage Reimbursement	1,080	512	47%		1,024	56
529500	Electricity	1,200	749	62%		1,498	(298)
<b>Total Appropriation 2</b>		<b>2,341,790</b>	<b>980,573</b>	<b>42%</b>		<b>2,325,477</b>	<b>16,313</b>
535220	Assessments & HOA	38,000	18,500	49%		37,000	1,000
<b>Total Appropriation 3</b>		<b>38,000</b>	<b>18,500</b>	<b>49%</b>		<b>37,000</b>	<b>1,000</b>
<b>Total Expenditures</b>		<b>2,899,840</b>	<b>1,210,141</b>	<b>42%</b>		<b>\$ 2,831,112</b>	<b>\$ 68,728</b>
<b>Net Operating Position</b>		<b>\$ -</b>	<b>\$ 378,481</b>			<b>\$ 852,175</b>	<b>\$ 852,175</b>

**Regional Conservation Authority**  
**Budget vs. Actual Comparison as of December 31, 2016**  
**Capital Projects Fund - 935201 Land Acquisition**

**REVENUE**

Account	Account Description	Adjusted Budget	Actual	% of Actual to Budget	Note No.	Projection through 6/30/17	Positive (Negative) Variance with Budget
711040	Measure A-Local St & Rds	\$ 3,000,000	\$ 3,000,000	100%		\$ 3,000,000	\$ -
722000	Participating Special Entities	137,500	-	0%		966,872	829,372
740020	Interest-Invested Funds	61,450	55,309	90%	1	75,309	13,859
751680	CA-Grant Revenue	2,559,330	2,016,000	79%	3	2,598,750	39,420
766600	Fed-Capital Grants and Contrib	3,480,630	2,610,500	75%	4	3,408,450	(72,180)
771410	Flood Control District	326,730	-	0%		326,730	-
777170	Development Mitigation Fees	11,000,000	5,383,494	49%	8	11,000,000	-
777600	TUMF Revenue-Developer Fees	850,000	500,000	59%		850,000	-
781220	Capital Contributions & Donations	3,207,000	595,720	19%	20	3,207,000	-
781360	Other Miscellaneous Revenue	30,000	130,515	435%	9	130,515	100,515
<b>Total Revenue</b>		<b>\$ 24,652,640</b>	<b>\$ 14,291,538</b>	<b>\$ 1</b>		<b>\$ 25,563,626</b>	<b>\$ 910,986</b>

**EXPENDITURES**

510040	Regular Salaries	\$ 1,120,455	\$ 515,211	46%		\$ 1,070,422	\$ 50,033
510440	Annual Leave Buydown	49,040	14,842	30%		44,684	4,356
515200	Retiree Health Insurance	2,845	1,423	50%		2,845	-
518100	Budgeted Benefits	440,920	187,838	43%		400,676	40,244
<b>Total Appropriation 1</b>		<b>1,613,260</b>	<b>719,314</b>	<b>45%</b>		<b>1,518,627</b>	<b>94,633</b>
520200	Communications	2,050	633	31%		1,266	784
520270	County Delivery Services	30	-	0%		30	-
520320	Telephone Service	1,230	65	5%		1,100	130
520940	Insurance-Other	31,750	14,753	46%	11	31,506	244
521360	Maint-Computer Equip	34,440	-	0%		34,440	-
521540	Maint-Office Equipment	6,150	1,923	31%		5,846	304
521640	Maint-Software	12,135	2,815	23%		12,135	-
523100	Memberships	9,630	7,504	78%		8,500	1,130
523230	Miscellaneous Expense	9,580	3,507	37%		9,014	566
523620	Books/Publications	410	374	91%		410	-
523640	Computer Equip-Non Fixed Asset	7,745	173	2%		7,745	-
523660	Computer Supplies	2,460	-	0%		2,460	-
523680	Office Equip Non Fixed Assets	820	-	0%		820	-
523700	Office Supplies	8,070	1,650	20%		405	7,665
523760	Postage-Mailing	4,675	1,353	29%		4,500	175
523800	Printing/Binding	3,280	-	0%		3,000	280
523840	Computer Equipment-Software	8,200	427	5%		8,200	-
524560	Auditing and Accounting	155,390	40,741	26%	12	154,482	908
524900	GIS Services	8,855	4,100	46%	13	8,200	655
525020	Legal Services	1,053,000	220,120	21%	14	803,000	250,000
525140	Personnel Services	11,070	4,654	42%	15	9,308	1,762
525840	RCIT Device Access	30,895	8,920	29%	16	22,840	8,055
526700	Rent-Lease Bldgs	162,850	81,424	50%	17	162,848	2
527780	Special Program Expense	16,400	-	0%		15,000	1,400
527840	Training-Education/Tuition	2,460	111	5%		2,422	38
527980	Contracts	475,295	185,188	39%	18	470,376	4,919
528120	Board/Commission Expense	34,030	13,168	39%		33,336	694
528140	Conference/Registration Fees	1,640	246	15%		1,492	148
528280	Imaging Supplies	2,500	-	0%		1,800	700
528900	Air Transportation	11,675	2,079	18%		11,658	17
528920	Car Pool Expense	500	161	32%		422	78
528960	Lodging	12,780	2,707	21%		12,780	-
528980	Meals	5,230	703	13%		4,406	824
529000	Miscellaneous Travel Expense	1,110	533	48%		1,066	44
529040	Private Mileage Reimbursement	6,205	2,880	46%		5,760	445
529080	Rental Vehicles	400	-	0%		400	-
<b>Total Appropriation 2</b>		<b>2,134,940</b>	<b>602,912</b>	<b>28%</b>		<b>1,852,973</b>	<b>281,967</b>
534000	Interest Notes-Warrants	140,000	116,336	83%	19	133,754	6,247
<b>Total Appropriation 3</b>		<b>140,000</b>	<b>116,336</b>	<b>83%</b>		<b>133,754</b>	<b>6,247</b>
540040	Land	29,484,440	19,773,164	67%	20	29,451,680	32,760
540060	Improvements-Land	30,000	12,448	41%		24,896	5,104
<b>Total Appropriation 4</b>		<b>29,514,440</b>	<b>19,785,612</b>	<b>67%</b>		<b>29,476,576</b>	<b>37,864</b>
<b>Total Expenditures</b>		<b>\$ 33,402,640</b>	<b>\$ 21,224,174</b>	<b>64%</b>		<b>\$ 32,981,930</b>	<b>\$ 420,711</b>
<b>Net Operating Position</b>		<b>\$ (8,750,000)</b>	<b>\$ (6,932,636)</b>			<b>\$ (7,418,304)</b>	<b>\$ 1,331,697</b>



**Regional Conservation Authority**  
**Notes to Financial Reports**  
**As of December 31, 2016**

	Operations	Land Management & Monitoring	Land Acquisition	Total RCA
<b>REVENUES:</b>				
1) Interest from Riverside County Treasurer Pool:				
1st quarter interest at 0.71%	\$14,459	\$14,459	\$28,900	\$57,817
2nd quarter interest at 0.71%(Estimated)	9,527	9,527	26,409	45,462
Total Interest	<b>\$23,986</b>	<b>\$23,986</b>	<b>\$55,309</b>	<b>\$103,279</b>
2) Rent revenues from the following sources:				
Goodhart		\$2,580		
KCAA Radio		3,000		
Archery Club		1,500		
Cell tower lease		27,237		
Lockheed lease		500		
Beekeepers		2,440		
Total Rent		<b>\$37,257</b>		
3) State revenues were received for the following purposes:				
Live Oak Canyon - RLC			\$486,500	
Live Oak Canyon - Hudson			485,000	
Riverpark			811,500	
Terra Investment			233,000	
Total State			<b>\$2,016,000</b>	
4) Federal funds were received for the following property acquisitions:				
Riverpark			\$1,893,500	
Terra Investment			717,000	
Total Federal			<b>\$2,610,500</b>	
5) Infrastructure contributions from member agencies:				
City of Beaumont - Potrero Blvd Bridge	<b>\$232,670</b>			
6) Civic contributions from member agencies:				
City of Eastvale - Fire Station	\$11,228			
Crestmore Heights Photovoltaic	65,291			
City of San Jacinto-Solar Project Permits	7,797			
Total Civic	<b>\$84,316</b>			
7) Contributions from Riverside County Flood Control:				
University Wash Channel	<b>\$91,335</b>			
8) Mitigation fees through 12/31/16 are as follows:				
City of Banning			\$0	
City of Beaumont			790,851	
City of Calimesa			96,515	
City of Canyon Lake			5,976	
City of Corona			83,684	
City of Eastvale			544,445	
City of Hemet			9,763	
City of Jurupa Valley			496,875	
City of Lake Elsinore			223,765	
City of Menifee			415,062	
City of Moreno Valley			232,259	
City of Murrieta			49,420	
City of Norco			27,824	
City of Perris			528,375	
City of Riverside			521,665	
City of San Jacinto			175,296	
City of Temecula			61,202	
City of Wildomar			252,984	
County of Riverside			867,533	
Total Mitigation			<b>\$5,383,494</b>	

**Regional Conservation Authority**  
**Notes to Financial Reports**  
**As of December 31, 2016**

	Land Management & Monitoring	Land Acquisition	Total RCA
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**REVENUES (Continued):**

9) Miscellaneous Revenues were received as follows:			
Development Agreements		\$12,020	
Arizona Electric Power Cooperative Inc. (Geller Property)		118,495	
Total Miscellaneous Revenues		\$130,515	

10) RCA receives \$1.50 per ton for the out-of-county tonnage. In addition, RCA receives a maximum of \$400,000 annually for the in-county tonnage.

	Out-of-County Tonnage	Revenue at \$1.50 per ton
July 2016	157,604	\$236,405
August 2016	165,795	248,692
September 2016	171,479	257,219
October 2016	161,521	242,282
November 2016	164,368	246,552
December 2016 (Estimated)	164,153	246,230
In-County Contribution		50,000
	984,919	\$1,527,379

**EXPENDITURES:**

11) Insurance provided by SDRMA:				
General & Property	\$516	\$2,486	\$14,753	\$17,755
Vehicle Insurance		3,066		3,066
Total Insurance Six Months	\$516	\$5,552	\$14,753	\$20,821
12) Auditing and Accounting consists of the following:				
Vavrinek, Trine, Day & Co.	\$3,282	\$1,833	\$39,033	\$44,147
County Auditor-Controller's Office	62	312	1,708	2,082
Total Auditing and Accounting	\$3,344	\$2,145	\$40,741	\$46,230
13) GIS Services				
Digital Globe	\$150	\$750	\$4,100	\$5,000
14) Legal Services as follows:				
Best, Best and Krieger	\$12,604	\$15,125	\$220,120	\$247,849
15) Personnel services by County Human Resources:				
Approx. \$1,032 per employee annually	\$170	\$851	\$4,654	\$5,676
16) RCIT Device Charges				
RCIT Monthly \$1,813	\$326	\$1,632	\$8,920	\$10,878
17) Rent & lease building cost:				
RCA office monthly rent \$16,549.	\$2,979	\$14,895	\$81,424	\$99,298
Monitoring office monthly rent \$6,982		41,890		41,890
Total Rent	\$2,979	\$56,785	\$81,424	\$141,188
18) Contract services are as follows:				
Capitol Alliance Consulting			\$23,333	\$23,333
Kadesh & Associates*			11,667	11,667
Dudek	91,348	28,876	36,379	156,602
Economic & Planning Systems*	126	630	3,446	4,203
Facilities Management			22,764	22,764
Geographics	231	1,154	6,308	7,693
Hogan Lovells			75,000	75,000
Parks & Open-Space Dist.-Land Mgmt.		381,497	1,962	383,459
Thomas Mullen (reimbursable expenditures only)*			4,329	4,329
SAWA		460,294		460,294
Total Contracts	\$91,704	\$872,451	\$185,188	\$1,149,343

\* Contracts approved under Executive Director Authority.



**Regional Conservation Authority**

**Notes to Financial Reports**

**As of December 31, 2016**

Operations	Land Management & Monitoring	Land Acquisition	Total RCA
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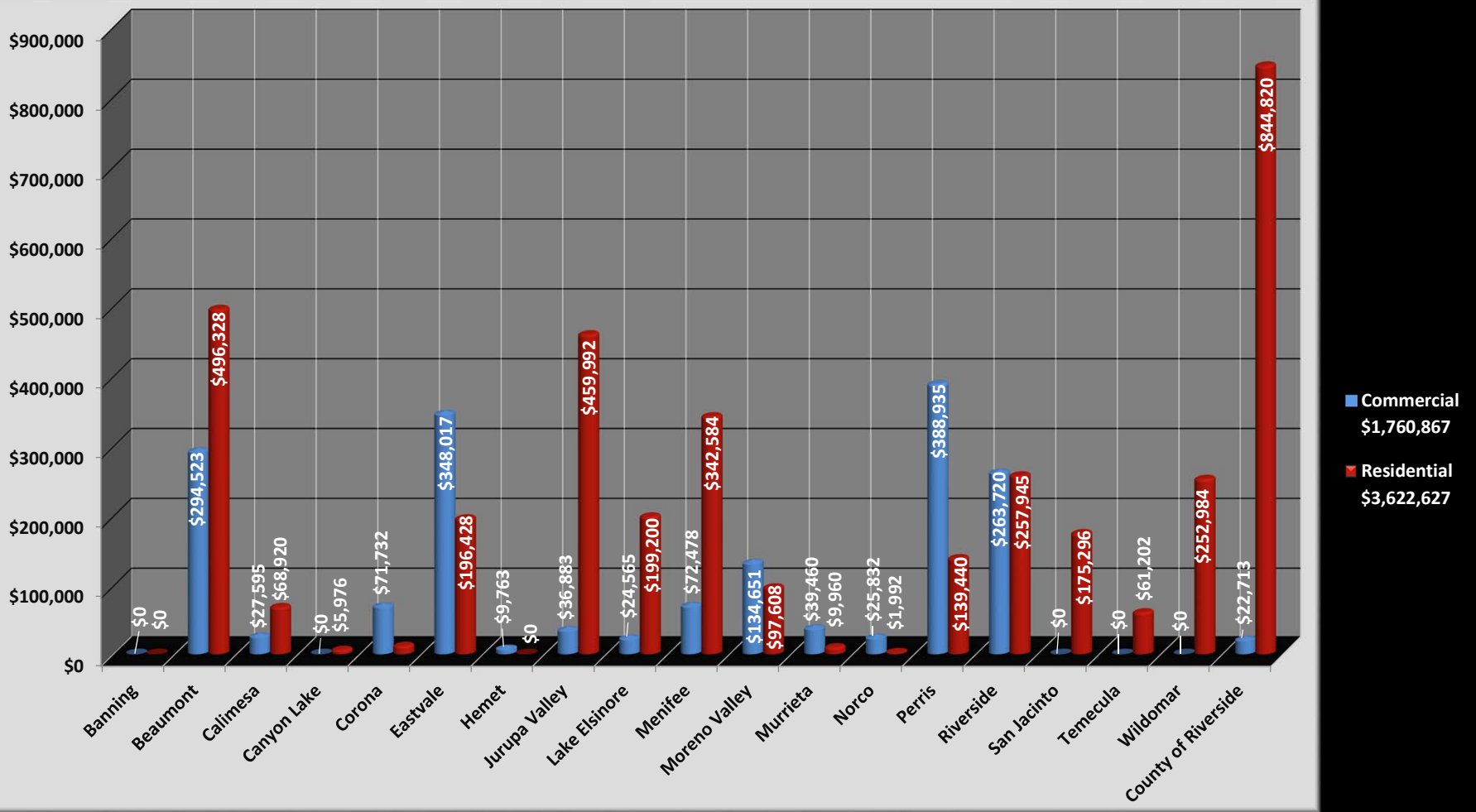
**EXPENDITURES (Continued):**

19) Interest to Riverside County on Loan			
Interest Anheuser Busch Phases 6-8 (Not capitalized)		\$98,918	
Interest rate at average 2016 Treasurer Pool Investment rate of 0.70%		17,418	
		<b>\$116,336</b>	
20) Land acquisition costs are as follows:			
Land Donated to the Authority:			
Jurupa Donation		\$77,220	
Toscana Donation		480,000	
Conatser Conservation Easement		38,500	
Subtotal Donated Properties		<b>\$595,720</b>	
Properties Acquired:			
Live Oak Canyon - RLC		489,269	
Live Oak Canyon - Hudson		838,167	
Ordonez Property		477,837	
Higgins		89,248	
Davis, James & John		266,781	
Riverpark		2,713,004	
Rancho Road Escarpment		629,525	
Jenkins		151,587	
Tax Sale 2015		35,745	
Terra Investment		954,903	
Anheuser Busch - Phs 6-8 (Capitalized)		11,976,205	
O'Connor - Ph 5		352,533	
Consultants Costs:			
Facilities Management		175,483	
Parks & Open-Space Dist.		13,457	
Environmental Equalizers, Inc.*		12,300	
Hess Development*		1,400	
Total Land Acquisition Costs		<b>\$19,773,164</b>	

**AGENDA ITEM NO. 9  
ATTACHMENT 4**

**MSHCP Fee  
Collection Report**

**Fiscal Year 2017  
MSHCP Development Mitigation Fee Revenues  
July 1, 2016 through December 31, 2016**



**REGIONAL CONSERVATION AUTHORITY**  
**MSHCP MITIGATION FEE COLLECTIONS BY MEMBER AGENCY**  
**FISCAL YEAR 2017**

BASED ON ACCRUAL BASIS (Month reported by City)

<b>COUNTY AND CITIES:</b>	<b>JUL 2016</b>	<b>AUG 2016</b>	<b>SEP 2016</b>	<b>OCT 2016</b>	<b>NOV 2016</b>	<b>DEC 2016</b>	<b>TOTALS FY 2017</b>	<b>PERCENT OF TOTAL</b>
CITY OF BANNING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
CITY OF BEAUMONT	387,402	69,720	55,776	101,592	94,689	81,672	790,851	14.7%
CITY OF CALIMESA	41,032	27,595	-	-	1,992	25,896	96,515	1.8%
CITY OF CANYON LAKE	1,992	-	1,992	-	-	1,992	5,976	0.1%
CITY OF CORONA	6,780	26,875	19,901	-	28,137	1,992	83,684	1.6%
CITY OF EASTVALE	-	56,576	120,793	5,976	5,976	355,124	544,445	10.1%
CITY OF HEMET	-	-	9,763	-	-	-	9,763	0.2%
CITY OF JURUPA VALLEY	37,688	97,608	69,720	87,648	152,419	51,792	496,875	9.2%
CITY OF LAKE ELSINORE	81,539	-	17,928	24,760	2,034	97,505	223,765	4.2%
CITY OF MENIFEE	47,808	68,174	148,080	95,264	45,816	9,920	415,062	7.7%
CITY OF MORENO VALLEY	-	181,561	9,731	25,031	15,936	-	232,259	4.3%
CITY OF MURRIETA	-	43,444	3,984	1,992	-	-	49,420	0.9%
CITY OF NORCO	-	27,824	-	-	-	-	27,824	0.5%
CITY OF PERRIS	322,411	80,084	70,104	-	55,776	-	528,375	9.8%
CITY OF RIVERSIDE	34,344	242,636	63,314	31,635	149,735	-	521,665	9.7%
CITY OF SAN JACINTO	7,968	9,960	23,904	31,872	35,856	65,736	175,296	3.3%
CITY OF TEMECULA	31,349	18,219	-	7,650	1,992	1,992	61,202	1.1%
CITY OF WILDOMAR	11,952	17,928	77,688	49,800	45,816	49,800	252,984	4.7%
COUNTY OF RIVERSIDE (LMS)	115,292	221,067	139,077	220,785	59,760	111,552	867,533	16.1%
<b>TOTAL COUNTY AND CITIES</b>	<b>\$ 1,127,557</b>	<b>\$ 1,189,270</b>	<b>\$ 831,755</b>	<b>\$ 684,005</b>	<b>\$ 695,934</b>	<b>\$ 854,973</b>	<b>\$ 5,383,494</b>	<b>100.0%</b>
<b>OTHER</b>								
FLOOD CONTROL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,335	\$ 91,335	22.4%
OTHER GOV MSHCP INFRASTRUCTURE	-	-	-	-	-	232,670	232,670	57.0%
OTH GOV MSHCP CIVIC PROJECTS	-	-	11,228	-	-	73,088	84,316	20.6%
<b>TOTAL OTHER</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,228</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 397,093</b>	<b>\$ 408,321</b>	<b>100.0%</b>
<b>GRAND TOTAL</b>	<b>\$ 1,127,557</b>	<b>\$ 1,189,270</b>	<b>\$ 842,982</b>	<b>\$ 684,005</b>	<b>\$ 695,934</b>	<b>\$ 1,252,066</b>	<b>\$ 5,791,815</b>	

# **AGENDA ITEM NO. 10**

**PROFESSIONAL SERVICES  
AGREEMENT BETWEEN THE  
WESTERN RIVERSIDE COUNTY  
REGIONAL CONSERVATION  
AUTHORITY AND ECONOMIC &  
PLANNING SYSTEMS, INC., FOR  
A NEXUS STUDY UPDATE  
AND DEVELOPMENT OF A FEE  
IMPLEMENTATION HANDBOOK**

*Regional Conservation Authority*

**PROFESSIONAL SERVICES AGREEMENT BETWEEN THE  
WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY  
AND ECONOMIC & PLANNING SYSTEMS, INC., FOR  
A NEXUS STUDY UPDATE AND DEVELOPMENT OF A  
FEE IMPLEMENTATION HANDBOOK**

**Staff Contact:**

**Honey Bernas, Director of  
Administrative Services  
(951) 955-9700**

**Background:**

The current Multiple Species Habitat Conservation Plan (MSHCP) fees are based on the original Nexus Study completed in July 2003. The proposed 2017 Updated Fee Nexus Study ("Nexus Study Update"), required by Section 66000 et. seq. of the California Government Code, is recommended to revise the mitigation fee to reflect current market conditions, values of land needed for conservation, management and monitoring requirements, and the funding of an endowment required by the MSHCP.

Staff is of the opinion that it is important to do a Nexus Study Update at this time in order to develop options for calculating public project/infrastructure contributions, update associated ordinances so that fees can be used for reserve management, and to develop a clear and concise Fee Implementation Handbook for use by all Member Agencies. The information developed may be useful for evaluating the status of the acquisition efforts and possible extension of the acquisition period in the Permit.

After a competitive selection process in 2011, Economic & Planning Systems, Inc., was selected by an RCA Review Committee as the most qualified response to the Requests for Proposal and was retained to complete a Nexus Study Update. EPS and RCA staff worked extensively on the update in 2012 and 2013; however, due to the recession, efforts were discontinued.

In that EPS conducted the initial fee program review, staff recommends re-engaging the firm to complete the Nexus Study Update. The proposed Work Program will build upon the detailed analysis conducted by RCA and EPS in 2012/2013. While the data used in that report is outdated, many of the methodologies developed can be re-applied and much of the prior data can be re-used in combination with more current data from MSHCP implementation for the 2012 to 2016 period, which will save money and considerable staff time.

The agreement contains a detailed work program by phase, task, and sub-task. The phases include a Nexus Study Technical Update, Stakeholder Review and Nexus Study Refinement, RCA Board Consideration and Adoption Support, and Development of a Fee Implementation Handbook.

**Staff Recommendation:**

That the RCA Board of Directors:

1. Approve the Professional Services Agreement between the RCA and Economic & Planning Systems, Inc., for a Nexus Study Update and Development of a Fee Handbook; and
2. Authorize the Executive Director, upon legal counsel review and approval, to execute said agreement on behalf of the RCA.

**Attachments:**

Professional Services Agreement between RCA and EPS for the Updated Nexus Study and Work Program

FINANCIAL INFORMATION	
In Fiscal Year 2017 Budget: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	FY 2017 Budget: \$ 60,000.00 To be included in FY 2018 Budget: \$ 150,000.00
Source of Funds: MSHCP Development Mitigation Fees	Budget Adjustment: No From To
Approved by: <i>Honey Bernas</i>	Date: February 27, 2017

**AGENDA ITEM NO. 10**  
**Attachment**

**PROFESSIONAL SERVICES  
AGREEMENT BETWEEN THE  
WESTERN RIVERSIDE COUNTY  
REGIONAL CONSERVATION  
AUTHORITY AND ECONOMIC &  
PLANNING SYSTEMS, INC.**



**PROFESSIONAL SERVICES AGREEMENT**  
**BETWEEN**  
**WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY**  
**AND ECONOMIC & PLANNING SYSTEMS, INC.**

**1. PARTIES AND DATE.**

This Agreement is made and entered into this 6<sup>th</sup> day of March, 2017, by and between the Western Riverside County Regional Conservation Authority, a Joint Powers Authority organized under the laws of the State of California with its principal place of business at 3403 Tenth Street, Suite 320 Riverside, California 92501 (“RCA”) and Economic & Planning Systems, Inc., a California Corporation with its principal place of business at One Kaiser Plaza, Suite 1410, Oakland, California, 94612 (“Consultant”). RCA and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

**2. RECITALS.**

2.1 Consultant. Consultant desires to perform and assume responsibility for the provision of certain professional services required by RCA on the terms and conditions set forth in this Agreement. Consultant represents that it is a professional consultant, experienced in providing economic modeling services to public clients, is licensed in the State of California, and is familiar with the plans of RCA.

2.2 Project. RCA desires to engage Consultant to render such services for the preparation of an Updated Fee Nexus Study and Fee Implementation Handbook (“Project”) as set forth herein.

**3. TERMS.**

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to RCA all labor, materials, tools, equipment, services and incidental and customary work necessary to fully and adequately supply the economic report services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. Services shall include, but not be limited to, any duties and responsibilities assigned by the RCA Executive Director. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the date first specified above to July 31, 2018, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines.

### 3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. RCA retains Consultant on an independent contractor basis and Consultant is not an employee of RCA. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall not be employees of RCA and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall provide the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical expertise and personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the schedule, RCA shall respond to Consultant's submittals in a timely manner. Upon request of RCA, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of RCA.

3.2.4 RCA's Representatives. RCA hereby designates its Executive Director, or his or her designee, to act as its representative for the performance of this Agreement. All invoices for Consultant shall be submitted to the Executive Director. The Executive Director shall be responsible for directing Consultant's activities pursuant to this Agreement. The Executive Director shall have the power to act on behalf of RCA for all purposes under this Agreement. Consultant shall not accept direction or orders from any person other than the Executive Director or his or her designee.

3.2.5 Substitution of Key Personnel. Consultant has represented to RCA that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence and experience upon written approval of RCA. In the event that RCA and Consultant cannot agree as to the substitution of key personnel, RCA shall be entitled to terminate this Agreement for cause, pursuant to provisions of Section 3.5.1 of this Agreement. The key personnel for performance of this Agreement are as follows: Walter F. Kieser and Teifion Rice-Evans.

3.2.6 Consultant's Representative. Consultant hereby designates Teifion Rice-Evans, or his designee, to act as its Representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to

represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement. Consultant shall work closely and cooperate fully with RCA's Representative and any other agencies which may have jurisdiction over, or an interest in, the Services. Consultant's Representative shall be available to the RCA staff at all reasonable times.

3.2.7 Coordination of Services. Consultant agrees to work closely with RCA staff in the performance of Services and shall be available to RCA's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform the Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from RCA, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein and shall be fully responsible to RCA for all damages and other liabilities arising from the Consultant's errors and omissions. Any employee of the Consultant or its sub-consultants who is determined by RCA to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to RCA, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to RCA, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold RCA, its officials, directors, officers, employees, consultants, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

### 3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to RCA that it has secured all insurance required under this section, in a form and with insurance companies acceptable to RCA. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to RCA that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, Code 8 (hired) and Code 9 (non-owned) or exact equivalent); and (3) *If Consultant has employees, Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *If Consultant has employees, Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 per claim, and shall be endorsed to include contractual liability. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements to add the following provisions to the insurance policies:

(A) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) Bodily Injury and Property Damage; (2) Personal Injury/Advertising Injury; (3) Premises/Operations Liability; (4) Products/Completed Operations Liability; (5) Aggregate Limits that Apply per Project; (6) Explosion, Collapse and Underground (UCX) exclusion deleted; (7) Contractual Liability with respect to this Agreement; (8) Broad Form Property Damage; and (9) Independent Consultants Coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

(iii) The policy shall give RCA, its directors, officials, officers, employees, and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be “primary and non-contributory” and will not seek contribution from RCA’s insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(B) Automobile Liability.

(i) The automobile liability policy shall be endorsed to state that: (1) RCA, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects RCA, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant’s scheduled underlying coverage. Any insurance or self-insurance maintained by RCA, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant’s insurance and shall not be called upon to contribute with it in any way.

(C) Workers’ Compensation and Employers Liability Coverage.

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance

with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against RCA, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

(ii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to RCA, its directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named insured; whichever is greater.

(iii) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of RCA (if agreed to in a written contract or agreement) before RCA's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(iv) Consultant shall provide RCA at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to RCA at least ten (10) days prior to the effective date of cancellation or expiration.

(v) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a

retroactive date subsequent to the effective date of this Agreement.

(vi) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by RCA, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(vii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, RCA has the right but not the duty to obtain the insurance it deems necessary and any premium paid by RCA will be promptly reimbursed by Consultant or RCA will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, RCA may cancel this Agreement. RCA may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(viii) Neither RCA nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to RCA, its directors, officials, officers, employees, agents and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by RCA. If RCA does not approve the deductibles or self-insured retentions as presented, Consultant shall guarantee that, at the option of RCA, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects RCA, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to RCA.

3.2.10.8 Verification of Coverage. Consultant shall furnish RCA with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to RCA. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by RCA before work commences. RCA reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.9 Reporting of Claims. Consultant shall report to RCA, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with Services under this Agreement.

3.2.10.10 Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to RCA that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name RCA as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, RCA may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

### 3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "B" attached hereto and incorporated herein by reference. The Total Compensation shall not exceed One Hundred Ninety-eight Thousand Five Hundred Dollars (\$198,500.00), without written approval of RCA's Executive Director. Reimbursable expenses shall include those expenses contained in Exhibit B attached hereto. Extra Work may be authorized, as described below, and, if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to RCA a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. Said compensation shall be paid in accordance with an invoice submitted to RCA by Consultant within fifteen (15) days from the last day of each calendar month, and RCA shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by RCA.

3.3.4 Extra Work. At any time during the term of this Agreement, RCA may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work



which is determined by RCA to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from RCA's Representative.

3.3.5 Prevailing Wages. By execution of this Agreement, Consultant certified that it is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. RCA shall provide Consultant with a copy of the prevailing rate of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold RCA, its directors, officials, officers, consultants, employees, volunteers and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.3.6 Employment of Apprentices. This Agreement shall not prevent the employment of properly indentured apprentices in accordance with the California Labor Code, and no employer or labor union shall refuse to accept otherwise qualified employees as indentured apprentices on the work performed hereunder solely on the ground of race, creed, national origin, ancestry, color or sex. Every qualified apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade in which he or she is employed and shall be employed only in the craft or trade to which he or she is registered.

If California Labor Code Section 1777.5 applies to the Services, Consultant and any subcontractor hereunder who employs workers in any apprenticeable craft or trade shall apply to the joint apprenticeship council administering applicable standards for a certificate approving Consultant or any sub-consultant for the employment and training of apprentices. Upon issuance of this certificate, Consultant and any sub-consultant shall employ the number of apprentices provided for therein, as well as contribute to the fund to administer the apprenticeship program in each craft or trade in the area of the work hereunder.

The parties expressly understand that the responsibility for compliance with provisions of this Section and with Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code in regard to all apprenticeable occupations lies with Consultant.

3.3.7 No Waiver. Failure of RCA to insist on any one occasion upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

3.3.8 Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"), unless Consultant or the Services are not subject to the Eight-Hour Law. Consultant shall forfeit to RCA as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him or her, or by any sub-consultant under him or her, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Consultant or the Services are not subject to the Eight-Hour Law.

### 3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred and fees charged under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of RCA during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

### 3.5 General Provisions.

#### 3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. RCA may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been fully and adequately rendered to RCA through the effective date of the termination, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, RCA may require Consultant to provide all finished or unfinished Documents and Data, as defined below, and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, RCA may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Consultant:** Economic & Planning Systems, Inc.  
Attn: Walter F. Kieser/ Teifion Rice-Evans  
One Kaiser Plaza, Suite 1410  
Oakland, CA 94612  
Telephone: (510) 841-9190  
Fax: (510) 841-9208

**RCA:** Western Riverside County Regional  
Conservation Authority  
Attention: Executive Director  
3403 Tenth Street, Suite 320  
Riverside, CA 92501  
Telephone: (951) 955-9700  
Fax: (951) 955-8873

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

### 3.5.3 Ownership of Materials/Confidentiality.

3.5.3.1 Documents & Data. This Agreement creates an exclusive and perpetual license for RCA to copy, use, modify, reuse, or sub-license any and all copyrights and designs embodied in plans, specifications, studies, drawings, estimates, materials, data and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement (“Documents & Data”).

Consultant shall require all subcontractors to agree in writing that RCA is granted an exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement.

Consultant represents and warrants that Consultant has the legal right to grant the exclusive and perpetual license for all such Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by RCA.

RCA shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at RCA’s sole risk.

3.5.3.2 Intellectual Property. In addition, RCA shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer

programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media (“Intellectual Property”) prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

RCA shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether paid for wholly or in part by RCA, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of RCA.

Consultant shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of RCA.

All materials and documents which were developed or prepared by Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

RCA further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property otherwise owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

3.5.3.3 Infringement Indemnification. Consultant shall defend, indemnify and hold RCA, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by RCA of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.5.4 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of RCA, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use RCA’s

name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of RCA.

3.5.5 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.6 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of such actions.

3.5.7 Indemnification. Consultant shall defend, indemnify and hold RCA, its directors, officials, officers, agents, consultants, employees, and volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or in equity, to property or persons, including wrongful death, in any manner arising out of or incident to alleged negligent acts, omissions or willful misconduct of the Consultant, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages, attorneys' fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against RCA, its directors, officials, officers, agents, consultants, employees, and volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against RCA or its directors, officials, officers, agents, consultants, employees, and volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse RCA and its directors, officials, officers, employees, agents, consultants, and volunteers, for any and all legal expenses and costs, including reasonable attorney's fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by RCA, its directors, officials, officers, agents, consultants, employees, and volunteers. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant. This Section 3.5.7 shall survive any expiration or termination of this Agreement.

3.5.8 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.9 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

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

3.5.11 RCA's Right to Employ Other Consultants. RCA reserves the right to employ other consultants in connection with this Project.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of RCA. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Successor and Assigns. This Agreement shall be binding on the successors and assigns of the Parties, and shall not be assigned by Consultant without the prior written consent of RCA.

3.5.14 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all directors, officials, officers, agents, consultants, employees, and volunteers of Consultant, except as otherwise specified in this Agreement. All references to RCA include its directors, officials, officers, agents, consultants, employees, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.15 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.16 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

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

3.5.18 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.19 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, RCA shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of RCA, during the term of his

or her service with RCA, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.20 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of any RCA programs or guidelines concerning equal opportunity employment currently in effect or hereinafter enacted.

3.5.21 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.22 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.23 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.24 Subpoenas or Court Orders. Should Consultant receive a subpoena or court order related to this Agreement, the Services or the Project, Consultant shall immediately provide written notice of the subpoena or court order to RCA. Consultant shall not respond to any such subpoena or court order until notice to RCA is provided as required herein, and shall cooperate with RCA in responding to the subpoena or court order.

3.5.25 Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated into this Agreement as though fully set forth herein.

3.5.26 Survival. All rights and obligations hereunder that by their nature are to be performed after any expiration or termination of this Agreement shall survive any such expiration or termination.

### 3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work or Services required by this Agreement, except as expressly stated herein, without prior written approval of RCA. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**[Signatures on following page]**

**SIGNATURE PAGE  
TO  
PROFESSIONAL SERVICES AGREEMENT**

**RCA**

**CONSULTANT**

By: \_\_\_\_\_  
Charles V. Landry  
Executive Director  
\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*Approved as to form:*

\_\_\_\_\_  
RCA General Counsel  
Best Best & Krieger LLP



## Work Program

# 2017 Nexus Study Update, Review and Adoption, and Handbook

*The Economics of Land Use*



Prepared for:

Western Riverside County Regional Conservation Authority

Prepared by:

Economic & Planning Systems, Inc.

*Economic & Planning Systems, Inc.  
One Kaiser Plaza, Suite 1410  
Oakland, CA 94612-3604  
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February 28, 2017

EPS #151156

*Oakland  
Sacramento  
Denver  
Los Angeles*

**[www.epsys.com](http://www.epsys.com)**

## *WORK PROGRAM: 2017 UPDATED FEE NEXUS STUDY*

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The proposed work program for the 2017 Updated Fee Nexus Study, Public Review and Adoption Process, and Fee Implementation Handbook for the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP) is provided below. The work program envisions an iterative and collaborative process between Economic & Planning Systems, Inc. (EPS) and Western Riverside County Regional Conservation Authority (RCA) staff that will build on the substantive experience of the RCA since plan adoption as well as the significant body of data, GIS analysis, and expertise in-house at the RCA. The Updated Fee Nexus Study will be designed to ensure appropriate funding is raised from mitigation fees for the RCA to continue its successful implementation of the MSHCP.

This work program is intended to support the development and adoption of an updated 2017 Nexus Study and Mitigation Fee Program. This includes a technical update to the original 2003 MSHCP Nexus Study (original Nexus Study), support in the outreach and discussion with stakeholders and policymakers, support with the approval of the revised Nexus Study/Mitigation Fee and associated Ordinances/Resolutions, and the development of a corresponding Fee Implementation Fee Handbook.

This Work Program will build off two recent efforts. Most importantly, it will build on the detailed analysis conducted by RCA Staff and EPS in 2012/2013 that undertook an initial fee program review (2012/2013 Fee Program Review). While the data used in that report (generally from the implementation period from 2004 to 2011/12 is now somewhat out-of-date), many of the methodologies developed can be re-applied and much of the prior data can be re-used in combination with more current data from MSHCP implementation for the 2012 to 2016 period. In addition, the recent work discussing and reviewing current fee program implementation challenges and uncertainties can help inform the 2017 Nexus Update as well as the ultimate development of a new Fee Implementation Handbook.

The sections below provide a detailed work program by phase, task, and sub-task. Phases include:

- **Phase 1:** Nexus Study Technical Update.
- **Phase 2:** Stakeholder Review and Nexus Study Refinement.
- **Phase 3:** RCA Board Consideration and Adoption Support.
- **Phase 4:** Fee Implementation Handbook.

The phases occur in sequential order so decisions as to whether to continue to the next phase can be made by RCA. **Attachment A** shows a preliminary timeline and **Attachment B** shows the proposed budget. Based on the outcomes of **Phase 1**, RCA may require refinements to the work programs for **Phases 2, 3, and 4**. The timeline for **Phases 2 and 3** for review and adoption, in particular, will be dependent on the feedback received during the course of engagement with stakeholders and policymakers.

## Phase 1: Nexus Study Technical Update

**Phase 1** of the 2017 Nexus Study Update is designed to conduct the necessary technical work to provide an updated estimate of the Local Development Mitigation Fees (LDMP) required to support MSHCP implementation. It will include substantial work with RCA staff on program and GIS data, will indicate the potential changes (and reasons for changes) in the mitigation fee schedule, and will allow for sensitivity runs as the potential outcomes are considered. One set of sensitivity runs, for example, will consider the effects on implementation costs and fee levels of extensions to the time frame allowed for the required habitat acquisitions. It also includes several in-person meetings with RCA to review progress and to discuss analytical outcomes. The technical work will also likely require additional refinements as we move into **Phases 2** and **3** in response to feedback from stakeholders and policymakers.

### Task 1: Meetings and Conference Calls

**Phase 1** will require substantial communication and data-sharing between EPS and RCA staff. As a result, biweekly conference calls are envisioned along with a total of six (6) in-person meetings over the course of this phase. The biweekly conference calls will be used to ensure strong, ongoing communication and progress throughout **Phase 1**. The in-person meetings will include an initial meeting to provide an overview of data needs from RCA staff, a series of progress reports/presentations indicating technical work to date and key points for discussion, and, once potential mitigation fee schedules are developed, meetings with RCA, other consultants, and advisors to obtain feedback and direction.

### Task 2: Habitat Protection to Date/Remaining Conservation Requirements

The remaining habitat needs and their characteristics are a critical component to the Nexus Study update. EPS and RCA staff will work together to determine: (1) the specific lands preserved since plan adoption to both inform the identification of the remaining habitat and quantify and learn from the experience to date, and (2) a clear expression of the remaining habitat areas required that will underpin the land valuation and other cost estimating analyses. This is expected to include, but not be limited to, the following subtasks developed by querying the RCA GIS system and working with RCA staff:

- **Habitat Preserved.** Acres and locations of habitat land acquired/preserved between 2012 and 2016 to combine with the 2000 to 2011/2012 data previously researched, including “Local” and “State/Federal” land conservation. This will also include preservation by Area Plan and associated proportion of goals achieved. Acres dedicated through the JPR/HANS process will also be identified, though will be addressed in more detail in **Task 3**.
- **Habitat Remaining.** Based on the habitat preserved through 2016, the habitat conservation goals of the MSHCP by Area Plan, and RCA’s system of land use designation groupings and parcel size distributions (developed for the 2012/2013 Fee Program Review), RCA staff and EPS will develop an expression of the remaining potential habitat reserve lands required and their characteristics. Key characteristics will include acres by Area Plan, parcel size distribution, land use designation, location in or outside cities, and locations along habitat corridors or in larger contiguous areas.

This data analysis will inform: (1) the estimation of the remaining land acquisition/conservation needs; and, (2) the remaining land acquisition/conservation responsibility of the local permittees.

### **Task 3: Historic and Forecast Patterns of Development (and Dedication)**

The forecast pace, type, and level of new development is a critical input into the Nexus Study update. EPS will work with RCA staff and use other available data sources to determine the following key sets of data/information:

- **Development to Date.** EPS and RCA staff will work together to quantify and characterize covered development and associated fee payment from 2004 through 2016. This will include reliance on RCA data on the level, pace, and location of residential, nonresidential, and public development required to mitigate between 2004 and 2016. It will also incorporate public data sources on development in Western Riverside County since 2004. Research will also be conducted into the development densities of recent residential, commercial, and industrial development. This information will be compared to the development (and dedication) assumptions used in the 2003 Nexus Study. RCA staff will also provide details on the level of land dedication obtained from new development through the JPR/HANS process. RCA staff will also indicate any use of the density bonus program and associated fee revenues.
- **Future Development.** EPS will also work with RCA staff to characterize and forecast potential future development patterns and associated land dedication through the JPR/HANS process. These forecasts will be informed by: (1) the historical patterns of development and use of the HANS process since MSHCP adoption and the proportion of development required to mitigate; (2) published regional forecasts for population, housing, and employment growth; (3) indications from policy documents and local/regional forecast concerning any expected changes in the characteristics and locations of future development; (4) input from developers active in the region; and (5) discussions with RCA staff concerning their expectations for the future use of the JPR/HANS process.

This data analysis will inform future development forecasts scenarios for discussion and use in the updated Nexus Study. It will also help RCA staff and EPS determine appropriate estimate of land dedication through the JPR/HANS process going forward.

### **Task 4: Cost Estimates**

#### ***Task 4.1: Land Value Analysis***

EPS will develop planning-level land value estimates for the remaining habitat reserve requirements identified in **Task 2**. This land value analysis will include a number of components as described below. This analysis will build off the methodology used in the 2012/2013 Fee Update Review conducted by RCA staff and EPS that also built on data and insights from the 2007 RAND report and original Nexus Study.

##### Task 4.1.1: Value Typology by Habitat Land by Value Drivers

EPS will define the land value typology to be used when providing conclusions on land values and for application to the future habitat acquisition requirements identified in **Task 2**. It is expected

that the typology will follow the same approach identified in the 2012/2013 Fee Update Review, where land values were directly tied to parcel size and land use designation.

#### Task 4.1.2: Land Value Data

EPS will expand on the land valuation data and information previously compiled to develop an expanded data set of land value information to inform the land value estimates. The key components of data collection will include:

- Land transaction data from RCA acquisitions through 2016.
- Comparables used in appraisals conducted as part of RCA transactions between 2012 and 2016.
- Data on land acquisitions from other public sources, including County Assessor Information (through EPS subscription to First American Real Estates Solutions).
- Interviews with local real estate/land brokers.
- Data on historical home values and potential land values to provide an indication of speculative value for land in the development path.

#### Task 4.1.3: Average per Acre Land Value Estimates

Based on the data compiled in **Tasks 4.1.1** and **4.1.2**, EPS will develop average per-acre planning level land value estimates. The land value estimates will be distinguished, consistent with the land value typology, by key characteristics (e.g., land use designations, parcel size).

#### Task 4.1.4: Estimation of Land Values/Costs

The per-acre land value estimates will be combined with the habitat reserve requirements from **Task 2** in a "land value calculator" that will estimate the total land value costs of habitat preservation. The calculator will also act as a flexible tool allowing for sensitivity analysis of plan land acquisition costs if assumptions concerning habitat locations or per acre land value are refined.

#### Task 4.1.5: Land Value Appreciation Considerations

**Task 4.1.4** will provide estimates of land values under current/recent market conditions. Data from **Task 2** will also be used to indicate areas where habitat requirements are high relative to the level of land available and/or the level of competition with future development for land. While nexus requirements do not allow fee-setting for prospective cost increases, **Task 4.1.5's** focus on understanding the potential drivers and types of land value increases will highlight areas for particular focus in future updates and may inform RCA decisions concerning its land acquisition area focus in the short term.

#### **Task 4.2: Other Cost Analysis**

EPS will work closely with RCA to develop estimates of the other plan costs. It is understood that, while some forms of existing in-kind support for monitoring and management may no longer be available, RCA staff has a clear sense of and good data on many of the non-land acquisition cost categories, including monitoring, reserve management, and RCA administrative costs. EPS will build from the work conducted in the 2012/2013 Fee Update Review and also

identify any useful data and insights from the 2007 RAND report and original Nexus Study for incorporation into the estimation of these other costs. EPS will also provide estimates of other costs from other California HCP/NCCPs if appropriate.

- **Reserve Management Costs.** EPS will work with RCA staff to determine the appropriate annual reserve management cost for RCA's responsibility to manage local Additional Reserve Land acres (ARL). It is expected that RCA staff and EPS will use information from prior RCA studies and recent data on reserve management costs to estimate an average per acre reserve management cost that can be applied to the additional habitat preservation acres through time. In subsequent tasks, EPS will convert the annual cost into a one-time cost to support mitigation fee estimation. RCA staff will indicate any financial/in-kind assistance they receive that defrays these costs if this assistance is expected to continue through time.
- **Biological Monitoring Cost.** EPS will work with RCA staff to determine the appropriate annual monitoring cost. Biological monitoring provides reserve managers with information and data to inform the reserve management decisions and is required for the full reserve system. It is expected that RCA staff and EPS will use information from prior RCA studies and recent data on reserve management costs to develop a per acre reserve management cost that can be applied to the additional habitat preservation acres through time. In subsequent tasks, EPS will convert the annual cost into a one-time cost to support mitigation fee estimation. RCA staff will indicate any financial/in-kind assistance they receive that defrays these costs if this assistance is expected to continue through time.
- **Administration Costs.** RCA will provide estimates of administrative costs, both staffing and other costs, that are not included in the monitoring or reserve management costs estimates for the period 2014 to 2016. These will be compared to the prior data reviewed in the 2012/2013 Fee Update Review and revised annual program administration cost estimates will be developed. Cost subcategories are expected to include RCA staff costs, professional service providers (environmental, legal etc.), and building and equipment costs.
- **Endowment Costs.** EPS will seek guidance from RCA staff concerning endowment policies/requirements. EPS will work with RCA staff to identify ongoing costs remaining once the habitat reserve has been established. Some level of ongoing monitoring, management, and administrative costs would typically remain. To the extent these functions and associated costs cannot be directly transferred to another entity at zero cost, EPS will determine the cost/investment required to establish an endowment to fund these ongoing costs. EPS will work with RCA to determine whether an endowment should be included in the mitigation fee calculation at this point or whether those costs would be incorporated once reserve acquisition is complete.
- **Contingencies/Other Costs.** EPS will work with RCA to determine whether an additional contingency cost is warranted to cover uncertainties associated with adaptive management costs or any other cost components.

#### ***Task 4.3: Integrated Cost Model/Calculator***

The unit, annual, and aggregate cost estimates developed in the preceding subtasks will be integrated into an overall cost model. The integrated cost model will provide total and subcomponent cost estimates for MSHCP implementation. The model will also support cost

model runs to determine overall costs and cost distributions under different scenarios/sensitivities. Sensitivities might include different per unit cost estimates, different time periods for habitat acquisitions (e.g., extensions of five, ten, and twenty years), as well as other refinements.

## **Task 5: Other Revenues Sources**

In addition to the local development mitigation fees (LDMF) that are charged on new private residential and nonresidential development, there are several other funding sources that were envisioned and incorporated into the original Nexus Study. RCA staff will provide historical data on funding from these other sources to allow for comparisons with the expectations under the original Nexus Study. EPS and RCA staff will then work together to determine the future levels of funding from these other funding sources (that act to reduce the level of funding required from mitigation fees.)

- **Transportation Mitigation Funding.** RCA staff will indicate the role of Measure A in providing future funding or funding for ongoing land dedication. RCA staff and EPS will also work together to identify the appropriate annual assumptions for Transportation Uniform Mitigation Fee (TUMF) revenues based on historical data and any other pertinent program developments.
- **Other Public Project Mitigation Funding.** The current Fee Program requires payments from flood control projects, local road projects, and other civic projects, according to specific formulae. RCA staff will provide information on recent historical annual averages for these sources and RCA staff and EPS will determine reasonable funding estimates for future years.
- **Other Funding Sources.** RCA staff will provide recent historical information on funding through Participating Special Entities and other sources, such as interest revenues from reserves, to support estimates of average annual funding from these sources where appropriate.

## **Task 6: Fee Model and Estimates**

### ***Task 6.1: Preliminary Fee Mitigation Model and Fee Calculation***

EPS will develop a preliminary mitigation fee calculation based on a direct and comprehensive nexus. Under this approach, all mitigation costs (net of applicable non-fee funding) will be considered and fee estimation and payment will be tied directly to gross acreage of development (excluding redevelopment of lands already developed). The mitigation fee will be expressed on a per-gross-acre-of-development basis.

EPS will expand the cost model developed in **Task 4** to include the fee calculator. The fee calculation will be based on the outputs of the cost model (from **Task 4**), adjustments for any offsetting non-fee funding (from **Task 5**), and the distribution of net costs to new development. The resulting estimates of the per gross acre mitigation fee will be converted, where appropriate, into fee by other units of measurement. For example, the per-acre fee could be converted into different per unit fees for the existing residential density categories. Different potential fee schedules under different sensitivity runs will also be provided.

### **Task 6.2: Mitigation Fee Review and Refinements**

EPS and RCA will review the preliminary results of the fee model/fee schedule. The review will identify significant changes/particular issues, including (but not limited to): (1) overall change in fee levels from existing fee, (2) balance of revenue generation between residential and nonresidential uses, (3) overall funding from fee-paying infrastructure projects, (4) implications for ease-of-calculation for different types of projects, and (5) any other consequences of changing the approach to fee calculation.

Based on a comprehensive review with RCA staff, EPS and RCA will identify refinements for consideration. Refinements might include adjustments in cost assumptions, the timeframe for habitat acquisitions, nexus methodology, or cost allocation by land use, consistent with the goals of the update and guidance from RCA legal counsel. Refinements could also include consideration of different approaches for addressing the mitigation payments required from public projects. A process of up to two major fee calculation refinements is envisioned to determine the appropriate approach.

### **Task 6.3: Revenue Forecasts**

Simultaneous with the mitigation fee calculations and refinements, EPS will develop forecasts of potential mitigation funding over time. These estimates will combine the potential mitigation fee schedule with potential development forecasts informed by **Task 3**. The forecast will show the potential annual revenues associated with different forecasts of development as well as the availability and timing of non-fee funding. These revenue forecasts will support RCA efforts to plan for the future.

### **Task 7: Draft Technical Report/Nexus Study**

Once RCA staff and advisors and EPS have determined a preferred preliminary approach to Mitigation Fee Program revision, EPS will prepare an administrative draft of the Updated Nexus Study. The nexus study will provide the technical analysis and findings required to support the adoption of the updated fee schedule. The nexus study will provide a clear and transparent understanding of the fee calculations and the underlying assumptions. The study will include a succinct executive summary, a core technical section, and detailed technical appendices as needed. If appropriate, a set of potential fee scenarios could be included.

The nexus study will be consistent with applicable legal statutes (as advised by legal counsel); it will refer to prior determinations/findings in the HCP/NCCP and the original nexus study approach where appropriate and provide updated nexus language as appropriate where changes are being proposed. Subsequent to a detailed review by RCA staff, EPS will refine the Administrative Draft Nexus Study and prepare a Draft Nexus Study for use in the discussions in **Phase 2**. EPS will also prepare a PowerPoint presentation summarizing the results and assumptions in the Draft Nexus Study.



## **Phase 2: Stakeholder Review and Nexus Study Refinement**

At the end of **Phase 1**, EPS and RCA will have developed a Draft Nexus Study report and associated PowerPoint. RCA will lead a series of discussions and briefings with stakeholders, Board members, and others. The purpose of these meetings will be to obtain additional feedback and input on the updated Nexus Study and determine any revisions prior to taking it forward for RCA Board discussion/consideration in **Phase 3**. EPS's roles are described below.

### **Task 8: Support for Stakeholder Discussions**

EPS will attend, present, and/or participate in the meetings with policymakers and stakeholders as considered appropriate by RCA. For the purposes of this work program, it is assumed that EPS will attend four (4) meetings in-person and participate in three conference calls.

### **Task 9: Nexus Study Refinements**

To the extent that RCA and EPS receive feedback that can be appropriately incorporated into the Nexus Study, EPS will first conduct the technical refinements to indicate any changes in outcomes. After further discussion with RCA staff and, if appropriate, EPS will then produce a Revised Draft Nexus Study reflecting these changes.

## **Phase 3: Fee Consideration and Adoption Support**

By the end of **Phase 2**, RCA will have a Revised Draft Nexus Study that could be taken forward for consideration by the RCA Board. EPS will provide support to RCA staff, counsel, and others during the public review, comment, and potential adoption process. EPS's roles are described below.

### **Task 10: Revised PowerPoint Presentation**

Based on the revisions in the Nexus Study from **Phase 2** and based on input from RCA on the appropriate presentation for the RCA Board, EPS will refine the PowerPoint presentation of the Nexus Study.

### **Task 11: Board Meetings**

EPS will attend, present, and/or participate in the Board presentations as considered appropriate by RCA. For the purposes of this work program, it is assumed that EPS will attend four (4) Board meetings.

### **Task 12: Additional Adoption Support**

EPS will provide additional support for the adoption of the revised Nexus Study/Mitigation Fee Schedule, as appropriate. This could include refinements to the Nexus Study based on Board direction, support to the RCA Counsel in developing a Model Ordinance for adoption of new/revised fees by Local Permittees, and the attendance of additional meetings.

## **Phase 4: Fee Implementation Handbook**

EPS will work with RCA staff to develop a Fee Implementation Handbook for Board review and approval. This will include the following tasks.

### **Task 13: Administrative Draft of Fee Implementation Handbook**

EPS will prepare an Administrative Draft of the Fee Implementation Handbook for Plan Permittees consistent with the Updated Nexus Study. The Implementation Handbook will summarize and address the key issues associated with Permittee fee implementation, collection, and accounting, including, but not limited to, the following:

- Mitigation fee schedule by land use type and by project types (i.e., public/private)
- Development activities subject to the fee and appropriate area/unit affected
- Timing and process for fee collection
- Appropriate application of fee credits (if available)
- Opportunities for add-on fee collection charges
- Fee calculation worksheets for each type of fee, including sample cases/examples on how each fee is calculated
- Process for remitting fees to RCA
- Best practices for tracking fee collection
- Process for fee adjustments/updates by RCA and implications for Plan Permittees

The Fee Implementation Handbook will make clear those actions required as a condition of plan participation and those areas (such as add-on fee collection charges) where there is discretion on the part of the member agencies.

### **Task 14: Review and Refinement**

EPS will meet with RCA staff to present the Administrative Draft Handbook. After RCA staff review and further discussion, EPS will refine the Administrative Draft and produce a Draft Handbook for broader distribution.

### **Task 15: Board Discussion, Review, and Adoption**

The Draft Handbook will be provided to the RCA Board. EPS and RCA staff will present the Handbook to the Board. After feedback from the Board, RCA staff will provide direction to EPS on the appropriate adjustments to the Handbook. EPS will then prepare the Final Implementation Administrative Handbook based on the refinements. It is assumed that EPS will attend two (2) Board meetings.

**Attachment A  
Proposed Schedule  
Updated 2017 Nexus Study**

Task	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16
<b>Phase 1: Nexus Study Technical Update</b>																
Task 1: Phase 1 Meetings and Conference Calls (1)																
Task 2: Habitat Protection/ Conservation Requirements																
Task 3: Development and Dedication																
Task 4: Cost Estimates																
Task 5: Other Revenue Sources																
Task 6: Fee Model and Estimates																
Task 7: Draft Technical Report/ Nexus Study (2)																
<b>Phase 2: Stakeholder Review and Nexus Study Refinement</b>																
Task 8: Stakeholder Discussions/ Presentations (1)																
Task 9: Revised Draft Nexus Study (3)																
<b>Phase 3: Fee Consideration and Adoption Support</b>																
Task 10: Revised Presentation (4)																
Task 11: Board Meetings (1)																
Task 12: Additional Adoption Support (5)																
<b>Phase 4: Fee Implementation Handbook</b>																
Task 13: Admin. Draft Handbook (6)																
Task 14: Review and Refinement (6)																
Task 15: Board Meetings, Review, and Adoption (1), (6)																

(1) Number of meetings/ calls specified in the scope of work.  
 (2) AD = Administrative Draft Nexus Study; Draft Nexus Study; PPT = PowerPoint Summary of Nexus Study.  
 (3) RD = Revised Draft Nexus Study.  
 (4) PPT = Revised PowerPoint Presentation.  
 (5) F = Final Nexus Study.  
 (6) ADH = Administrative Draft Handbook; DH = Draft Handbook; FH = Final Handbook.

**Attachment B  
Budget Estimate  
Updated 2017 Nexus Study**

Task/ Description	EPS Staff					Staff Cost Subtotal	Direct Costs [1]	Total Base Budget
	Principal-in-Charge/ Project Manager	Senior Project Advisor	Associate	Research Analyst	Production Staff			
	T. Rice-Evans	W. Kieser						
<b>Phase 1: Nexus Study Technical Update</b>								
Task 1: Meetings and Conference Calls (2)	42	24	8	8	3	\$21,660	\$4,000	\$25,660
Task 2: Habitat Protection/ Conservation Requirements	24	10	7	30	2	\$14,915	\$100	\$15,015
Task 3: Development and Dedication	12	5	3	15	2	\$7,470	\$100	\$7,570
Task 4: Cost Estimates	90	25	32	85	2	\$48,815	\$100	\$48,915
Task 5: Other Revenue Sources	12	5	5	12	2	\$7,390	\$100	\$7,490
Task 6: Fee Model and Estimates	26	14	10	32	2	\$17,450	\$100	\$17,550
Task 7: Draft Technical Report/ Nexus Study	<u>25</u>	<u>12</u>	<u>6</u>	<u>25</u>	<u>12</u>	<u>\$15,915</u>	<u>\$210</u>	<u>\$16,125</u>
<b>Phase 1 Totals</b>	<b>231</b>	<b>95</b>	<b>71</b>	<b>207</b>	<b>25</b>	<b>\$133,615</b>	<b>\$4,710</b>	<b>\$138,325</b>
<b>Phase 2: Stakeholder Review and Nexus Study Refinement</b>								
Task 8: Support for Stakeholder Discussions (3)	22	12	0	0	2	\$10,010	\$3,000	\$13,010
Task 9: Nexus Study Refinements	<u>8</u>	<u>2</u>	<u>5</u>	<u>8</u>	<u>3</u>	<u>\$4,915</u>	<u>\$100</u>	<u>\$5,015</u>
<b>Phase 2 Totals</b>	<b>30</b>	<b>14</b>	<b>5</b>	<b>8</b>	<b>5</b>	<b>\$14,925</b>	<b>\$3,100</b>	<b>\$18,025</b>
<b>Phase 3: Fee Consideration and Adoption Support</b>								
Task 10: Revised Presentation	6	1	3	3	1	\$2,910	\$100	\$3,010
Task 11: Board Meetings (4)	16	12	0	0	2	\$8,360	\$3,000	\$11,360
Task 12: Additional Adoption Support	<u>14</u>	<u>12</u>	<u>6</u>	<u>10</u>	<u>3</u>	<u>\$10,130</u>	<u>\$150</u>	<u>\$10,280</u>
<b>Phase 3 Totals</b>	<b>36</b>	<b>25</b>	<b>9</b>	<b>13</b>	<b>6</b>	<b>\$21,400</b>	<b>\$3,250</b>	<b>\$24,650</b>
<b>Phase 4: Fee Implementation Handbook</b>								
Task 13: Admin. Draft Fee Handbook	12	6	0	10	2	\$6,670	\$100	\$6,770
Task 14: Review and Refinement	8	2	0	8	1	\$3,960	\$100	\$4,060
Task 15: Board Discussion, Review, and Adoption (5)	<u>12</u>	<u>2</u>	<u>0</u>	<u>12</u>	<u>2</u>	<u>\$5,670</u>	<u>\$1,000</u>	<u>\$6,670</u>
<b>Phase 4 Totals</b>	<b>32</b>	<b>10</b>	<b>0</b>	<b>30</b>	<b>5</b>	<b>\$16,300</b>	<b>\$1,200</b>	<b>\$17,500</b>
<b>TOTAL ALL PHASES</b>	<b>329</b>	<b>144</b>	<b>85</b>	<b>258</b>	<b>41</b>	<b>\$186,240</b>	<b>\$12,260</b>	<b>\$198,500</b>
Billing Rates [6]	\$275	\$315	\$155	\$130	\$90			

[1] Direct costs are billed at cost and include expenses associated with travel (e.g., mileage, parking), conference calls, report production, shipping, etc.

[2] Includes six (6) in-person meetings and biweekly conference calls.

[3] Includes four (4) in-person meetings and three conference calls with policymakers/ stakeholders.

[4] Includes four (4) in-person meetings with the RCA Board/ Board Committees.

[5] Includes two (2) in-person meetings with the RCA Board/ Board Committees.

[6] Billing rates shown reflect 2017 rates.

**2017 RCA  
Commonly Used Acronyms**

ARL	Additional Reserve Lands
BUOW	Burrowing Owl
CALFIRE	California Department of Forestry and Fire Protection
CALTRANS	California Department of Transportation
CD	Consistency Determination
CDFG	California Department of Fish and Game
CDFW	California Department of Fish and Wildlife ( <i>formerly CDFG</i> )
CEQA	California Environmental Quality Act
CETAP	Community and Environmental Transportation Acceptability Process
CHD	Critical Habitat Designation
CIP	Capital Improvement Program
CNLM	Center for Natural Lands Management
EMWD	Eastern Municipal Water District
EPD	Environmental Programs Department ( <i>Riverside County</i> )
ERP	Expedited Review Process
FY	Fiscal Year
HANS	Habitat Evaluation and Acquisition Negotiation Strategy
HMU	Habitat Management Unit
IC	Interchange
JPR	Joint Project Review
LDMF	Local Development Mitigation Fee
MOU	Memorandum of Understanding
MSHCP	Multiple Species Habitat Conservation Plan
OHV	Off-Highway Vehicle
PCL	Proposed Constrained Linkage
PQP	Public/Quasi-Public
PSE	Participating Special Entities
RCA	Regional Conservation Authority
RCD	Resource Conservation Districts
RCRCD	Riverside-Corona Resource Conservation District
RCOE	Riverside County Office of Education
RCTC	Riverside County Transportation Commission
RCTD	Riverside County Transportation Department
RMOC	Reserve Management Oversight Committee
ROVE	Recreation Off-Highway Vehicle Enforcement
SAWA	Santa Ana Watershed Association
SB	San Bernardino
SR	State Route
SWG	State Wildlife Grant
TAC	Technical Advisory Committee
TIFIA	Transportation Infrastructure Finance and Innovation Act
TUMF	Transportation Uniform Mitigation Fee
USFWS	United States Fish and Wildlife Service
UTM Nad 83 Zone 11	Meter Coordinate System for Maps
WIFIA	Water Infrastructure Finance and Innovation Act
WIIN	Water Infrastructure Improvements for the Nation
WA	Wildlife Agencies ( <i>USFWS &amp; CDFW</i> )
WCB	Wildlife Conservation Board
WPT	Western Pond Turtle
WRDA	Water Resources Development Act