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EXECUTIVE COMMITTEE MEETING MINUTES Wednesday, August 19, 2020

1. CALL TO ORDER

The meeting of the Western Riverside County Regional Conservation Authority Executive Committee was called to order by Chairman Ingram at 12:01 p.m., Wednesday, August 19, 2020, at the RCA Conference Room, 3403 Tenth Street, Suite 320, Riverside, California, 92501 and via Zoom.

2. ROLL CALL – was taken by April Boydd.

COMMITTEE MEMBERS PRESENT	COMMITTEE MEMBERS ABSENT
Jonathan Ingram, Chair – City of Murrieta***	Crystal Ruiz – City of San Jacinto Kevin Jeffries – County of Riverside, District 1
Natasha Johnson, Vice Chair – City of Lake Elsinore***	
Larry Greene – City of Canyon Lake***	
Lesa Sobek – City of Menifee***	
Jeff Hewitt – County of Riverside, District 5***	

*Arrived after roll call was taken ** Departed before meeting adjourned ***via teleconference

3. PUBLIC COMMENTS

There were no public comments.

4. CLOSED SESSION

4.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to paragraph 1 of subdivision (d) of Government Code Section 54956.9

EHOFF II LAKESIDE, LLC, vs. Riverside County Transportation Commission; County of Riverside; and Western Riverside County Regional Conservation Authority (Case No. 5:19-cv-01693)

EHOFF II Lakeside, LLC, a Delaware limited liability corporation, vs. Western Riverside County Regional Conservation Authority (Case No. RIC1901547)

After closed session, the meeting was reconvened. There were no announcements from General Counsel on closed session.

5. COMMITTEE MEMBER ANNOUNCEMENTS

There were no Committee Member announcements.

6. ADDITIONS/REVISIONS

There were no additions or revisions.

7. APPROVAL OF MINUTES – June 17, 2020 and August 5, 2020

M/S/C (City of Menifee/City of Canyon Lake) to approve the minutes of the June 17, 2020 and August 5, 2020, meetings of the Executive Committee as submitted.

(5 Ayes, 0 Nays, 0 Abstain)

8. WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTION REPORTS FOR JUNE AND JULY 2020

Jennifer Fuller, Director of Administrative Services, reported that for the months of June and July 2020, the total MSHCP fee collection receipts was \$2,972,341.

M/S/C (City of Canyon Lake/County District 5) to approve this item as recommended:

- 1) Recommend that the RCA Board of Directors receive and file the Western Riverside County MSHCP Fee Collection Reports for June and July 2020; and
- 2) Authorize staff to agendize this matter for the September 14, 2020, meeting of the RCA Board of Directors.

(5 Ayes, 0 Nays, 0 Abstain)

9. FISCAL YEAR 2020 FOURTH QUARTER CONSULTANT REPORTS

Honey Bernas, Interim Executive Director, stated that the reports for activities and services provided by Dudek; Kadesh & Associates, LLP; Riverside County Regional Parks and Open-Space District; the Santa Ana Watershed Association; and Douglas P. Wheeler, Hogan Lovells, US LLP, during the fourth quarter of Fiscal Year 2020 are for receive and file. She further stated that the lobbyists will give a detailed presentation at the Board of Directors meeting in regard to what they have been working on.

- 1) Recommend that the RCA Board of Directors receive and file the Fiscal Year 2020 Fourth Quarter Consultant Reports; and
- 2) Authorize staff to agendize this matter for the September 14, 2020, meeting of the RCA Board of Directors.

M/S/C (City of Lake Elsinore/City of Canyon Lake) to approve this item as recommended:

(5 Ayes, 0 Nays, 0 Abstain)

10. FISCAL YEAR 2020 PRELIMINARY FOURTH QUARTER FINANCIAL REPORT (UNAUDITED)

Jennifer Fuller, Director of Administrative Services, presented the Fiscal Year 2020 Preliminary Fourth Quarter Financial Report (Unaudited), which included an Executive Summary (cash balance summary and financial statement overview), detailed financial statements, and MSHCP Fee Collections Report. She stated the books for June would not close until next week. Therefore, some numbers are based on projections and will could change slightly when we present the audited financial statements. She continued on to say that as of June 30, 2020, the cash balance was \$51.8 million, which represents a \$9.7 million increase from the prior fiscal year ending cash balance. Cash receipts were \$28.0 million and cash disbursements were \$18.4 million. The cash balance as of August 18, 2020, was \$52.9 million, and an additional \$6.8 million has been set aside as restricted for the endowments, for a total of \$59.7 million.

She further stated that in the Operations Program, revenues of \$946 thousand exceeded expenditures of \$594 thousand by \$352 thousand. The excess revenue was primarily attributable to tipping fees being consistent with budgeted revenues for the year while expenditures were lower than expected. The operations program incurred a net savings of \$150 thousand in permanent leave payouts, as the payout was postponed until FY2021. RCA also had savings of \$55 thousand in legal services for contingency.

In the Land Management and Monitoring Program, revenues of \$3.7 million exceeded expenditures of \$3.1 million by \$670 thousand. Tipping fees were estimated at \$3.7 million overall, with \$3.2 million allocated to Land Management and Monitoring Program and \$474 thousand allocated to Operations Program. The RCA's FY2020

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budget included only \$3.3 million in tipping fees for both programs. While the tipping fees in the land management budget did exceed expectations, the tipping fees declined by 12% from prior year's tipping fees of \$4.2 million.

Chair Ingram asked for clarification on what tipping fees are.

Jennifer Fuller, Director of Administrative Services, stated that RCA receives a \$1.50 per ton on out of County tonnage collected at the landfills.

Ms. Fuller continued on with her presentation stating that in the Land Acquisition Program, total revenues of \$25.9 million exceeded expenditures of \$17.9 million by \$8.0 million. Development Mitigation Fees of \$16.1 million exceeded budgeted revenues by \$14.6 million. RCA was unable to complete the Agua Mansa DSF Bank Credits purchase, which was budgeted in FY2020. The transaction would have generated \$3.5 million in additional revenue as well as \$7.0 million in additional costs. The transaction is now budgeted for FY2021. She further stated that staff was unable to reach an agreement with some of the property owners to acquire land with federal and state grant funds, resulting in unrealized revenue of \$2.4 million as well as savings in expenditures of the same amount. Staff will continue to work at expending grant funds in this fiscal year.

For Fiscal Year 2020, the RCA acquired approximately 1,088 acres of ARL, including 703 acres of purchased land, 109 acres of donated land, and 276 acres of conservation easements.

- 1) Recommend that the RCA Board of Directors receive and file the Fiscal Year 2020 Preliminary Fourth Quarter Financial Report; and
- 2) Authorize staff to agendize this matter for the September 14, 2020, meeting of the RCA Board of Directors.

M/S/C (County District 5/City of Canyon Lake) to approve this item as recommended:

(5 Ayes, 0 Nays, 0 Abstain)

11. AMENDMENT TO LAND ACQUISITION POLICIES

Brian Beck, Land Acquisition Analyst, reported that on June 11, 2020, the RCA Board of Directors adopted Resolution No. 2020-003, revising its policy for delegating authority to sign instruments in the absence of the Executive Director. Said policy allows the Executive Director or Chairperson of the Board to delegate the authority to sign any type of document that the Executive Director normally signs to the Director of Administrative Services, the Director of Reserve Management and Monitoring, or the Director of Land Acquisitions. The Land Acquisition Policy currently only allows the Chairperson, Vice Chairperson, or Executive Director to sign purchase and conveyance documents. The amendment to Land Acquisition Policies clarifies that the documents may be signed by

others, in the absence of the Executive Director, in accordance with an approved resolution of the Board of Directors.

- 1) Recommend that the RCA Board of Directors approve the amendment to the Land Acquisition Policies;
- 2) Authorize staff to agendize this matter for the September 14, 2020, meeting of the RCA Board of Directors.

M/S/C (City of Lake Elsinore/City of Canyon Lake) to approve this item as recommended:

(5 Ayes, 0 Nays, 0 Abstain)

12. DISCUSSION AND POSSIBLE ACTION ON PROPOSED RCA'S MANAGEMENT AGENCY CHANGE

Honey Bernas, Interim Executive Director, reported that the RCTC Executive Committee took action to approve RCTC entering into a due diligence period of 60 days to review the proposed change to RCA's management agency and report back with recommendations. RCA will bring a report to the Board of Directors in September on the current actions.

13. EXECUTIVE DIRECTOR'S REPORT

13.1 DISCUSSION OF COVID-19 RELATED EXPENDITURES

Jennifer Fuller, Director of Administrative Services, reported that RCA staff is seeking reimbursement for approximately \$25 thousand in expenditures related to COVID-19. About \$21 thousand is from prior year expenditures and is in the process of being reimbursed by the County. She further reported that the County has stated that future reimbursements may not be possible to special districts.

13.2 DISCUSSION OF COVID-19 EFFECTS ON REVENUE

Jennifer Fuller, Director of Administrative Services, reported that RCA staff reviewed the collection of fees this fiscal year versus prior years back to FY2014. Staff noticed that the collections slowed in the beginning of the stay at home orders but improved once everyone got used to the new way of working. Collections again dipped in May compared to the prior years but the month of May does not have a discernable pattern of collections so staff cannot say if it was related to COVID-19. Collections improved in June and overall exceeded the budget by \$1.5 million. Collections were lower than FY2019 but were higher than the fiscal years before that. Staff will continue to monitor revenues and will report back if budget adjustments are needed.

13.3 UPCOMING ELECTION OF OFFICERS

Honey Bernas, Interim Executive Director, reminded the Executive Committee that the Election of Officers for Chair and Vice Chair will take place in December. She further

stated that under the Bylaws one of the County Board of Supervisors will need to be Chair or Vice Chair.

13.4 DISCUSSION ON THE NEXUS STUDY UPDATE

Honey Bernas, Interim Executive Director, stated that she had planned on bringing the Nexus Study to the Board of Directors in September at the request of the Executive Committee, but RCA has not received any feedback from the BIA. Ms. Bernas is concerned that RCA staff may not have time to address all of the BIA's concerns in time for the September Board of Directors meeting so she may need to bring the update to the Executive Committee in September instead.

14. FUTURE AGENDA ITEMS: (Committee members are invited to suggest additional items to be brought forward for future discussion.)

There were no future agenda items recommended.

15. UNFINISHED BUSINESS

15.1 UPDATE REGARDING FIRE MANAGEMENT PLAN

Tricia Campbell, Director of Reserve Management and Monitoring, stated that she has located an entity that has created a fire management plan and has requested if the entity would share the plan with RCA and possibly assist RCA in creating a plan. She further stated that Riverside County Regional Park and Open-Space District is hiring TAP employees to perform field abatement under their contract with the RCA.

15.2 UPDATE CONCERNING THE CALIFORNIA POPPIES ON RCA RESERVE LAND IN THE WALKER CANYON AREA

Tricia Campbell, Director of Reserve Management and Monitoring, stated that RCA will be working on a policy in regard to the RCA's responsibility for the poppies in the Reynolds property area.

Chair Ingram asked that the allocated funds for the poppies on the reserve land for FY2020 be carried over to FY2021.

15.3 DISCUSSION AND POSSIBLE ACTION CONCERNING MOUNTAIN BIKING IN THE MURRIETA HILLS AREA

Tricia Campbell, Director of Reserve Management and Monitoring, stated that the meeting RCA had scheduled with key parties involving the mountain biking issues was rescheduled for the first week in September.

Chair Ingram stated that he met with California Conservation Core to discuss possible fuel modification work for defensible space. He further stated that he

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reached out to Pulte and Lennar in regard to all of the environmental easements associated with the Murrieta Hills Specific Plan project and is waiting on their response.

13. ADJOURNMENT

There being no more items before the Executive Committee, Chairman Ingram adjourned the meeting at 1:26 p.m. The next meeting of the Western Riverside County Regional Conservation Authority Executive Committee will be held on Wednesday, September 16, 2020, at 12:00 p.m., at the Riverside Centre, 3403 Tenth Street, Suite 320, Third Floor, RCA Conference Room, Riverside, California, 92501.

Prepared by:



April Boydd

Administrative Manager/Clerk of the Board

Respectfully submitted:



Jennifer Fuller

Director of Administrative Services