



EXECUTIVE COMMITTEE MINUTES

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1. CALL TO ORDER

The meeting of the Western Riverside County Regional Conservation Authority Executive Committee was called to order by Chairman Ingram at 12:13 p.m., Wednesday, August 21, 2019, at the RCA Conference Room, 3403 Tenth Street, Suite 320, Riverside, California, 92501.

2. ROLL CALL – was taken by April Boydd

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

**Arrived after start of meeting ** Departed before meeting adjourned*

3. PUBLIC COMMENTS

There were no public comments.

4. COMMITTEE MEMBER ANNOUNCEMENTS

There were no Committee Member announcements.

5. ADDITIONS/REVISIONS

There were no additions or revisions to the agenda.

6. APPROVAL OF MINUTES – May 15, 2019

M/S/C (City of Lake Elsinore/City of San Jacinto) to approve the minutes of the May 15, 2019, meeting of the Executive Committee as submitted.

(4 Ayes, 0 Nays, 0 Abstain)

7. WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTION REPORTS FOR MAY, JUNE AND JULY 2019

Honey Bernas, Deputy Executive Director, reported that for the months of May, June and July 2019, the total of fee collection receipts was \$5,138,495.

M/S/C (City of San Jacinto/ City of Menifee) to approve this item as recommended:

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors receive and file the Western Riverside County MSHCP Fee Collection Reports for May, June and July 2019; and
- 2) Authorize staff to agendize this matter for the September 9, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

8. FISCAL YEAR 2019 PRELIMINARY FOURTH QUARTER FINANCIAL REPORT (UNAUDITED)

Honey Bernas, Deputy Executive Director, presented the Fiscal Year 2019 Fourth Quarter Financial Report, which included an Executive Summary (cash balance summary and financial statement overview), detailed financial statements, and MSHCP Fee Collections Report. She reported that as of June 30, 2019, the cash balance was \$42.1 million, which represents an \$813 thousand increase from the prior fiscal year ending cash balance. Cash receipts totaled approximately \$38.4 million, and cash disbursements totaled approximately \$37.6 million. The cash balance as of August 16, 2019, was \$42.1 million, and an additional \$6.4 million is set aside as restricted for the endowment for a total of \$48.5 million. In the Operations Program, revenue of \$717 thousand exceeded expenditures of \$345 thousand by \$372 thousand. The excess revenue is primarily attributable to interest earnings being higher than projected. Additionally, the Operations Program met its budget for flood, civic and infrastructure projects for the year. The RCA also had savings in legal services for the Operations Program. In the Land Management and Monitoring Program, revenues of \$4.3 million exceeded expenditures of \$2.9 million by \$1.4 million. For Fiscal Year 2019, Tipping

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tonnage of 2.5 tons of out-of-county waste was approximately 2.5% higher than the prior year's tonnage. She further stated that with the excess in Tipping Fees, RCA was able to set aside \$500 thousand into RCA's Endowment Fund for the year. This increases the balance in the Endowment Fund to \$6.4 million. RCA also had savings in contract costs of \$175 thousand for County Parks, \$137 thousand for SAWA, and \$30 thousand for other miscellaneous contracts. In the Land Acquisition Program, expenditures of \$38.2 million exceeded revenues of \$32.6 million by \$5.6 million due to the acceleration of the Anheuser Bush acquisition. Total Developer Mitigation fees for the year of \$17.8 million exceeded the budget of \$16.7 million by \$1.1 million. This represents an increase of \$3.1 million, or 21%, over the prior year mitigation fees. The highest contributors were the County of Riverside, City of Beaumont, and the City of Menifee. During the 2019 Fiscal Year, RCA acquired 26 properties totaling approximately 1,767 acres, including four land donations. In addition to the mitigation fees, funding for the properties was received from Measure A, Federal, State, TUMF, and Land Conservation funds.

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

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors receive and file the Fiscal Year 2019 Preliminary Fourth Quarter Financial Report; and
- 2) Authorize staff to agendize this matter for the September 9, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

9. RESOLUTION NO. 2019-00X, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AMENDING AND ADOPTING THE TICKET DISTRIBUTION POLICY TO CONFORM WITH SECTION 18944.1 OF TITLE 2, CALIFORNIA CODE OF REGULATIONS

Steve DeBaun, General Counsel, presented the Ticket Distribution Policy which conforms with Section 18944.1 of Title 2, California Code of Regulations. He gave a brief overview of the Ticket Distribution Policy.

Chairman Ingram requested that General Counsel explain what tickets are being referred to in the policy.

Steve DeBaun, General Counsel, explained that tickets could be for sporting events and recreational events related or not related to agency business. He stated that the FPCC has rules on how Board Members acquire tickets to events. The Executive Director is required to implement the Ticket Policy. The policy allows for the Executive Director to

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buy tickets for his/herself and states that the Executive Director is prohibited from providing tickets to upper management such as Board Members. He further stated that the recommendation is for the Executive Committee to recommend that the Board adopt the revised Ticket Policy.

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

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors adopt Resolution No. 2019-00X, Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Amending and Adopting the Ticket Distribution Policy to Conform with Section 18944.1 of Title 2, California Code of Regulations; and
- 2) Authorize staff to agendize this matter for the September 9, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

10. FISCAL YEAR 2019 FOURTH QUARTER CONSULTANT REPORTS

Charlie Landry, Executive Director, reported on the activities and services provided by Dudek, Geographics, 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 2019.

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

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors to receive and file the Fiscal Year 2019 Fourth Quarter Consultant Reports; and
- 2) Authorize staff to agendize this matter for the September 9, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

11. EXECUTIVE DIRECTOR'S REPORT

11.1 Upcoming Election of Officers

Charlie Landry, Executive Director, reminded the Executive Committee that the Election of Officers for Chair and Vice Chair will take place in December.

11.2 Status of Response to Grand Jury Report

Charlie Landry, Executive Director, reported that RCA is in the process of completing the responses to the Grand Jury Report and will provide the responses to the Board on September 9, 2019. He stated that there are no findings of malfeasance or budget irregularities. The findings are mostly about long-term funding and management of the reserve. He further stated that the Grand Jury believes that duplicated efforts are taking place and recommended that RCA be consolidated under another agency. He disagrees with the recommendation and stated that consolidating RCA would create another layer of bureaucracy.

Chairman Ingram stated that he disagrees with several of the findings in the Grand Jury report. He explained the function of the Grand Jury and stated that much of the information in the report is incorrect.

Vice Chair Johnson stated that she agreed with the Chairman. She suggested that the RCA concur with and act upon the recommendations in areas that need improvement, such as education. She disagreed with the findings on RCA spending too much money on outsourcing contracts, stating that it would cost much more to hire staff in-house to perform the work that is contracted out.

Chairman Ingram stated that he agreed with Vice Chair Johnson. RCA deals with multiple disciplines that require multiple engineers and biologists. RCA would have to hire multiple staff to accomplish the work it outsources. Using contractors eliminates PERS liability and all the peripheral expenses associated with in-house employees. There are years that development fee revenue that RCA receives is low and other sources of revenue would need to be used to fund positions rather than implementing the Plan. He also stated that all of the projects have different facets.

Vice Chair Johnson stated that the Board that is committed to the Plan. She stated that she is not in favor of RCA being put under another level of bureaucracy. She recommended that the Board thank the Grand Jury for their feedback and recommendations, that RCA implement suggestions such as education, and advise that the RCA looks forward to providing more information in the future. She further stated that she did inform the Grand Jury that all Board Members are offered orientation when being appointed to the RCA Board.

Chairman Ingram stated that RCA has allocated funding for education and sends out information. Some of what RCA is being held accountable for is out of its sphere of

influence. He further stated that it is important to understand what the Plan has achieved. He requested Charles Landry give a brief review of RCA's accomplishments over the last four years.

Charles Landry gave a brief review of RCA's accomplishments over the last four years.

Board Member Ruiz stated that she concurs with the Chairman and asked Charles Landry to read the Grand Jury responses.

Charles Landry gave a brief overview of the Grand Jury responses.

Chairman Ingram stated that the RCA has already been implementing most of the Grand Jury recommendations over the last two years.

11.3 Status of Member Agency Agreed-upon Procedures

Honey Bernas, Deputy Executive Director, reported back on the status of Agreed-upon Procedures for the following Member Agencies:

City of Calimesa

The RCA and the City of Calimesa have been working cooperatively and diligently to resolve outstanding fees for the JB Ranch project since 2012. Initially, the RCA was going to accept property in lieu of fees. However, after several meetings, it was decided that it was not in the best interest of RCA to assume the liability and management costs associated with the property.

Tricia Campbell, Director of Reserve Management and Monitoring, advised that all of the land is in a wildlife corridor that was involved in a lawsuit which would result in RCA having overlapping management issues. The city does not want to pay another entity to manage the land and RCA would not be able to manage the lands as ordered in the settlement agreement which are over and above what is required by the MSHCP. Managing the lands would cost RCA more than the fees owed. The City of Calimesa is working to collect the fees from the developer.

Chairman Ingram asked if RCA will be acquiring the wildlife corridor or if the city will get the property.

Tricia Campbell stated that per the settlement agreement, the land is to be natural open space managed by a special district.

City of Riverside

Honey Bernas reported that the RCA and the City of Riverside have been working to resolve outstanding issues for several years, but have been unable to reach agreement. A meeting with the City is scheduled for September, and Chair Ingram and Board Member Melendrez will be in attendance.

Michelle Ouellette, Legal Counsel, explained that the reason for the meeting has to do with two issues. The first issue having to do with the way the City of Riverside assesses fees. The second issue is regarding outstanding fees for a city projects that staff negotiated to accept property in lieu of fees.

11.4 Status of State Listing of San Bernardino Kangaroo Rat

Charlie Landry, Executive Director, reported that the State Fish and Wildlife Commission held a hearing to start the one year process to emergency list the San Bernardino Kangaroo Rat. The San Bernardino Kangaroo Rat is a Federally Listed species and covered under the MSHCP. The State is moving forward with the listing. The RCA has one of the two major populations. The other population is near the confluence of the I-15/I-215 area. There is a major development project in that area, which is what generated the emergency listing. The MSHCP provides take for the San Bernardino Kangaroo Rat so the listing has no impact on RCA on RCA or its Member Agencies, which is a benefit of the Plan. The listing will impact San Bernardino. The RCA was not consulted by the State regarding the action, which concerned the RCA due to the fact one of the major populations is within our Plan Area. Therefore, the RCA wrote a letter to the State expressing concern that RCA was not consulted and requested the opportunity to coordinate. RCA coordinated its response with the BIA who requested RCA's input.

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

Chairman Ingram instructed the Executive Director and staff to give an update on the conversations with the State Lobbyist to discuss peripheral funding for wildfire risk. He also requested a discussion regarding subcontracting private non-entity agencies and funding options for wildfire management programs from a State level.

13. CLOSED SESSION ITEMS:

**13.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of
Section 54956.9**

Number of Cases: 1

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

Case No. RIC1720190 *Jorge Godinez vs. Western Riverside County Regional Conservation Authority; Robert Holmes; Holmes Investments, L.P.; United Pacific Rail Road; Mills Road Holdings*

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

14. ADJOURNMENT

There being no other items before the Executive Committee, Chairman Ingram adjourned the meeting at 1:20 p.m. The next meeting of the Western Riverside County Regional Conservation Authority Executive Committee will be held on Wednesday, September 18, 2019, 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

Respectfully submitted:



Honey Bernas
Clerk of the Board