

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

BOARD OF DIRECTORS MEETING MINUTES

Monday, June 5, 2023

1. CALL TO ORDER

The Western Riverside County Regional Conservation Authority Board of Directors Meeting was called to order by Vice Chair Kevin Bash at 12:31 p.m., in the Board Room at the County of Riverside Administrative Center, 4080 Lemon Street, First Floor, Riverside, California, 92501.

2. ROLL CALL

Board of Directors/Alternates Present

Kevin Jeffries	Lesa Sobek
Chuck Washington	Elena Baca-Santa Cruz
Colleen Wallace	Lori Stone
Julio Martinez	Kevin Bash
Jeff Cervantez	David Starr Rabb
Joe Males	Crystal Ruiz
Leslie Altamirano	James Stewart
Natasha Johnson *	Joseph Morabito

Board of Directors Absent

Karen Spiegel
V. Manuel Perez
Yxstian Gutierrez
Jennifer Dain
Tony Daddario
Jocelyn Yow
Patricia Lock Dawson

*Arrived after the meeting was called to order.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Board Member Rabb.

4. PUBLIC COMMENTS

There were no requests to speak from the public.

5. ADDITIONS / REVISIONS

There were no additions or revisions to the agenda.

6. CONSENT CALENDAR - All matters on the Consent Calendar will be approved in a single motion unless a Board Member(s) requests separate action on specific item(s).

M/S/C (Jeffries/Morabito) to approve the following Consent Calendar items.

6A. APPROVAL OF MINUTES – MAY 1, 2023

6B. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN FEE COLLECTION REPORT FOR MARCH 2023

This item is for the Board of Directors to receive and file the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP) Fee Collection report for March 2023.

6C. JOINT PROJECT REVIEW STATUS REPORT

This item is for the Board of Directors to receive and file the Joint Project Review (JPR) monthly status report as of April 30, 2023.

6D. ACQUISITIONS STATUS REPORT

This item is for the Board of Directors to receive and file the acquisition status report as of March 31, 2023.

6E. MONTHLY INVESTMENT REPORT FOR MARCH 2023

This item is for the Board of Directors to receive and file the Monthly Investment Report for the month ended March 31, 2023.

6F. RECURRING CONTRACTS FOR FISCAL YEAR 2023/24

- 1) Approve the single-year recurring contracts in an amount not to exceed \$3,791,708, for FY 2023/24; and
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreements on behalf of RCA.

6G. QUARTERLY FINANCIAL STATEMENTS

- 1) Receive and file the Quarterly Financial Statements for the nine months ended March 31, 2023, and
- 2) Approve the Fiscal Year 2022/23 budget adjustment in Attachment 2.

6H. CONSULTANT REPORTS – FISCAL YEAR 2023 THIRD QUARTER

This item is for the Board of Directors to receive and file the consultant reports for Fiscal Year 2023 Third Quarter.

7. ADOPTION OF FISCAL YEAR 2023/24 BUDGET AND APPROVAL OF THE BIOLOGICAL MONITORING PROGRAM WORKPLANS

Jennifer Fuller, Financial Administration Manager, provided a presentation on the RCA Fiscal Year 2023/24 Budget. RCA's budget preparation began in January with Finance and Program staff working to compile budget data and revenue estimates.

Staff prepared an Executive Summary with all budget related information included. The document includes budget policies, budget goals and objectives, budget overview with discussion on the sources and uses of funding, program initiatives, fund balances, budget summary and schedules, and three appendices. The first appendix is a glossary of terms and acronyms. The other two appendices are FY 2024 workplans that describe the monitoring activities planned and the schedule for field work including a cost estimate for personnel and operating costs. The MSHCP requires a biological monitoring program to collect data on the MSHCP 146 covered species and their associated habitats and the MSHCP's effectiveness in conservation objectives. The Monitoring Program Administrator submits an annual workplan and cost estimate to be approved by the RCA Board of Directors. The other workplan relates to the Clinton Keith Road Overcrossing Mitigation Monitoring reimbursable program in which the Riverside County Transportation Department reimburses RCA using banked fee credits. The FY 2024 Budget and related workplans include the routine annual monitoring task and survey coverage support for a full-time Quino-Checkerspot Butterfly biologist, as well as the task to perform the final year of monitoring for the 5-year Clinton Keith Road Overcrossing Mitigation Monitoring program.

The Executive Summary codifies budget policies related to endowment, habitat acquisition, program administration, and the Legacy Home Rebate Program. The 2020 Nexus Study recommended that 15% of Local Development Monitoring Fees (LDMF) revenue be allocated to the endowment for future preservation and 10% of participating special entities revenue. Yearly, the Board must set the Non-Development HANS funding level, staff recommends allocating 5% of the LDMF collections for the acquisition of Non-Development HANS properties in FY 2024.

The economic stability policy requires a minimum cash level of \$9 million be maintained to continue operations for at least 18 months. LDMF revenues will be allocated to program needs related to habitat acquisition, reserve management and monitoring, program administration, and endowment funding in accordance with the 2020 Nexus Study. Costs are charged to the appropriate program, and LDMF revenue will be used to the extent that other funding sources are not sufficient to fund the programs. The fund balance policy requires RCA to maintain at least a year of general fund expenditures in reserve, this policy is separate from the economic stability policy. Together, these policies require RCA to maintain approximately \$18 million in reserves. RCTC incurs costs on behalf of RCA, for which RCA fully reimburses RCTC. RCA has deposited an amount equal to estimated 2 months of invoices with RCTC to allow for payment before reimbursement occurs.

Staff anticipates RCA will begin the fiscal year with an \$88 million balance. Nearly 74% of this amount is restricted in how it can be spent or is for non-spendable endowments. The restricted funds are primarily an accumulation of prior years' LDMF revenues. Another nearly 10% must be maintained in accordance with the fund balance policy. Currently, there is more demand for

RCA to purchase property than supply of funds. Fiscal Year 2024 estimated sources are budgeted at \$54.5 million and estimated uses are budgeted at \$96.6 million, uses are estimated to exceed sources by nearly \$42.1 million related to land acquisition. The projected ending fund balance on June 30, 2024, is \$46 million. Reserves are being used for a one-time purchase of land and will continue to be compliant with both the fund balance and economic stability policies.

Revenues for the upcoming fiscal year are anticipated to be almost \$54.5 million, which is an increase of nearly \$19 million from the prior year projected actuals. The increase is primarily attributable to continued gains in LDMF and receipt of restricted funding in the form of federal and state grants for land acquisition, offset by decreases in contributions and donations. Major funding sources include LDMF, state and federal grants, land donations, tipping fees from Riverside County, and Transportation Uniform Mitigation Fees (TUMF). State and federal grant revenue will increase significantly the next fiscal year including the possible purchase of multiple properties using the Jurupa Mountains Grant, 5 properties using the 2022 Non-Traditional Section 6 grant, and a local assistance grant for evaluating the Quino-Checkerspot Butterfly habitat.

Staff has been actively pursuing other grant opportunities, when grants are secured, staff will come to the Board with a budget adjustment for appropriate funding. Staff anticipates the acquisition of 6 land donations with an estimated value of \$2.2 million, for over 330 acres during the fiscal year. Out of county tonnage is expected to remain at the current fiscal year levels of \$3.5 million for 2.1 million tons. TUMF revenues approximate WRCOG projections for FY 2024, at \$750,000. Other revenue sources include reimbursements for services, civic and infrastructure contributions, and interest. Operating transfers in relates to reserve management and monitoring and program administration that are covered by LDMF revenues. An identical amount is included in the habitat acquisition budget as an operating transfer out. To help ensure adequate funding for reserves, unrestricted fund balance from the general fund will be transferred to the capital projects fund in the amount of \$5 million, the operating transfer in be set by an equal transfer out of the general fund.

Staff anticipates that FY 2024 LDMF revenues will grow slightly to \$20.8 million. The increase is due to the CPI increase for the next fiscal year and continued resiliency of building activity in Western Riverside County. The LDMF fluctuates with the economy, so this is likely a conservative projection and staff will monitor LDMF revenues throughout the fiscal year and will bring forward a budget adjustment if necessary.

Expenses are expected to increase by approximately \$55 million in the upcoming fiscal year. This is largely due to land purchases and rising contracts offset by savings and other expenditures. The spending for RCA's 4 programs is consistent with responsibilities under the MSHCP and the 2020 Nexus Study. Habitat acquisition is projected to increase significantly from the previous fiscal year. This is mostly related to land purchases using reserves and state and federal grant funds. Reserve management and monitoring is also increasing mainly relating to rising contract costs from vendors. Program administration expenditures are projected to increase due to the transfer from the general fund to the capital projects fund offset by a

decreased projected administrative charge from RCTC. All costs incurred by RCTC are fully reimbursed by RCA.

At this time, Chair Johnson arrived.

General administration expenditures are nearly flat when compared to FY 2023 Budget, the only increase relates to projected general and liability insurance costs. Contract expenditures will increase slightly from the previous year. Major contracts include the management services agreement with RCTC, which will increase from the FY 2023 Amended Budget. The projected administrative allocation has decreased for FY 2024, which is offset by an increase in other contracts. The contract for biological monitoring services with the Santa Ana Watershed Association is estimated at \$2.1 million which includes increases in salary and purchase of a new vehicle. Also, \$800,000 was included in the projected contract cost for strategic improvement assessment and action plan regarding the MSHCP as directed at the May Board meeting. Land Management Services with the Riverside County Parks is budgeted at nearly \$1.7 million a negligible increase from FY 2023. Parks will provide day-to-day land management activities, and additional reimbursable activities related to deposit agreements, fee credits, fire abatement, and endowment related work.

Assessment and fee expenditures of \$80,000 represents special assessments and Homeowners Association Fees for RCA owned land. Habitat acquisition and maintenance budgeted expenditures of \$75.1 million reflect the largest increase from the FY 2023 Amended Budget. Habitat acquisition and maintenance includes the value of land acquired and the cost to acquire the land. The FY 2024 Proposed Budget anticipates more state and federal land acquisitions as well as acquisitions funded using reserves. The 2020 Nexus Study permits the use of LDMF revenues for all functions of the RCA. Operating transfers out include \$4.3 million of LDMF revenues transferred from the capital projects fund to meet budget needs for reserve management and monitoring and program administration. It also includes a transfer of \$5 million from general fund unrestricted fund balance to the capital fund balance to ensure adequate funding and reserves for purchases.

Habitat acquisition and maintenance budgeted expenditures of \$75 million reflect three different types of acquisitions. The majority of acquisitions in FY 2024 will be funded primarily through LDMF, TUMF, and reserves to purchase HANS, willing seller, and Non-Development HANS properties. Staff anticipates acquiring 9 properties for over 1,700 acres and providing funding for state and federal grants where updated appraisals have valued the properties at greater than grant amounts. LDMF funds also support all other costs of acquisition including appraisals, title reports, legal services, environmental reviews, surveying, and other costs associated with acquisition of habitat.

Federal and state grants will account for over half the number of projects in FY 2024. Funding is derived from the 2022 Non-Traditional Section 6 Grant for 5 properties for over 700 acres, as well as the state Jurupa Mountains Grant for 9 properties for over 500 acres. RCA staff also expect to receive 6 donations during FY 2024, with a projected value of \$2.2 million, and around 330 acres of additional reserve lands.

Overall, the management services contract includes RCTC staff salaries and benefits of \$3.7 million. General administration costs of \$3 million related to an estimated administrative cost allocation, Board stipends, facility maintenance, legal, audit, public outreach, legislative advocacy services, and miscellaneous costs. Other habitat acquisition costs of \$1.7 million are related to appraisals, environmental costs, and outreach efforts. There is \$3.3 million for managing and monitoring contracts as well as \$70,000 for the Legacy Home Rebate Program.

Board Member Jeffries noted that on the Board of Supervisor's agenda for tomorrow, there is a resolution authorizing the RCA to borrow funds going forward but there is no mention of this in the RCA budget.

Anne Mayer, Executive Director, stated that there is an action item on the Board of Supervisors' agenda for tomorrow related to RCA's purchase of a specific property. There is a property that RCA will be purchasing and as part of the purchase and sale agreement, RCA will be paying a lump sum and then payments for 4 years. Technically, even though RCA is paying that with its' own funds, it is considered debt and a note payable. There is a law that requires for a Joint Powers Authority (JPA) to issue debt that the Board of Supervisors agrees to the JPA's debt. This does not mean that the JPA is borrowing money or that the County is financing the purchase. Staff reviewed the agenda item and both Aaron Hake, Deputy Executive Director, and Sergio Vidal, Chief Financial Officer, will be at the meeting.

Steve DeBaun, legal counsel, added that this action item places no obligation on the County in any respect if the RCA does not pay the debt.

M/S/C (Jeffries/Washington) to:

- 1) Adopt the FY 2023/24 Budget and related Resolution No. 2023-002 "Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2023/24 Operating and Capital Budget Including Budget Policies";**
- 2) Approve the Biological Monitoring Program Work Plan and Cost Estimate included as Appendix B in the FY 2023/24 Budget; and**
- 3) Approve the Clinton Keith Road Overcrossing Mitigation Monitoring Reimbursable Program Work Plan and Cost Estimate included as Appendix C in the FY 2023/24 Budget.**

8. QUARTERLY PUBLIC ENGAGEMENT METRICS REPORT, JANUARY – MARCH 2023

Ariel Alcon Tapia, Public Affairs Manager, provided a presentation on the Public Engagement Metrics. The public engagement efforts goals are to increase public awareness, promote benefits of the MSHCP's habitat protection, streamlining infrastructure projects, and generate diverse public support across communities. Since the last quarterly report, staff has made significant progress in educating the public about the MSHCP. When RCTC became the

managing agency of the RCA, the External Affairs department prioritized getting critical, relevant information and educating the public about the RCA.

The metrics presented use a data-driven approach for digital engagement activities using Facebook, Twitter, Instagram, RCA website, and The Vista newsletter. The data tells staff how the outreach goals are doing and how certain campaigns, especially those that are paid, are doing. The data can tell RCA to a certain extent who is accessing the content. Seeing mobile phone usage for the RCA website, notes that it is a more casual user accessing the information. It should be noted that partner agencies and other agencies in general are also looking at the content and responding. The goal is to create content for everyone, both casual and more technical users. The data also helps RCA plan and adjust resources, so information presented is relevant, also increasing engagement.

There are three data sets that are regularly reporting include the website audience and behaviors, social media platforms, and The Vista newsletter. These channels are interconnected, if one performs well, staff may see an up-tick in performance of another one.

In the last quarter, there was a single issue driving digital communications engagement, the poppy bloom at Walker Canyon. Our partners at the City of Lake Elsinore led the closure messaging as well as Riverside County Sheriff's, Emergency Management Services, Riverside County Parks, California Highway Patrol, Caltrans, and RCA all worked together to make the closure have a singular message. All agencies stood with one voice, that the closures were done for public safety and habitat protection. The closure information was posted on RCA's digital communication platforms, and it created a mixture of reactions from the public. On one hand, there was disappointment from community members who couldn't access the trails. On the other hand, the public ultimately understood the closures were for public safety reasons. RCA did hear from Lake Elsinore residents and surrounding communities who supported the closure. From a digital engagement perspective, the Walker Canyon closure spurred conversations on the social media channels and drove traffic to the website. Last Tuesday, Walker Canyon officially reopened after weeks of closure.

The earned media engagement from various news outlets headlines drove people to visit RCA's website and social media platforms. Both state and national organizations published articles about the closures and Chair Johnson's announcement about the rationale behind them at a press conference on February 7th. With the help of the Sheriff's Department, CHP, Code Enforcement, Riverside Parks, and Caltrans the issues that occurred during the 2019 Super Bloom were avoided.

RCA's website saw a significant increase during the first quarter of 2023. The percentage of new users stands out as it was 90%, meaning that during this quarter, 90% of the users that accessed the website were first-time visitors. Most users accessed the website via the mobile web.

Social media followers, engagement, and reach were up across the board. On Facebook, RCA crossed the 2,000 follower's threshold, on Twitter, the 100 followers threshold, and on Instagram the 500 followers threshold was crossed. In terms of engagement, when someone

reacts, comments, or views a video for more than 3 seconds, and reach, how many times a post is shown, all saw increases. The Walker Canyon closure information was posted on all three channels with paid advertisements, and RCA saw a significant increase in engagement and reach. This was not all paid increases as there was an increase in organic traffic to the social media channels. Audiences were also driven to other social media posts such as the species of the month and posts about the agency partners.

In mid-January, a paid campaign was launched to encourage users to sign up for the e-newsletter, The Vista. The intended goal was to increase email sign-ups, and that goal was realized. There was an increase of 31% in subscribers to the newsletter database. Typically, when there are increases in subscribers the average open and click numbers will often decrease, although, that did not happen this time. Meaning people who are signing up are actually reading the newsletter.

Overall, public engagement was up, and the Walker Canyon closure did cause the significant increase. However, staff is always looking to boost ads appropriately and find ways to refresh the content on the newsletter and social media.

Board Member Sobek noted that the poppies created good news in the first quarter for public engagement. Riverside County is now experiencing stinknet all over and have had to remove some in severe areas. Perhaps that is something that RCA could highlight to let people know what the stinknet weed is, and educating the public on why it is invasive and important to remove. RCA could also try to highlight some of the positive things to come out the rain experienced this season. Mr. Alcon Tapia stated that last year, RCA posted a story about the monitoring group going out and removing the stinknet from RCA owned land and that was also shared on other agencies posts. Staff will look into adding that on the calendar for social media posts. Staff can also include information about how the winter storms have benefitted the MSHCP.

This item is for the Board of Directors to receive and file report summarizing the Quarterly Public Engagement Metrics.

9. STATE AND FEDERAL LEGISLATIVE UPDATE

Tyler Madary, Legislative Affairs Manager, provided an update on state and federal legislative actions. Last month, Governor Newsom released his May revision to the budget for Fiscal Year 2023-24, which estimates a deficit of \$31.5 billion, higher than his initial estimates of \$22.5 billion in the January proposal. To address this shortage, the May Revision calls for a \$98 million reduction in General Fund spending for the Wildlife Conservation Board (WCB) and a \$20 million reduction in spending for the Department of Fish and Wildlife compared to the January Proposal. To backfill these proposed cuts and others, the Governor has proposed a shift of more than \$1.1 billion in funding for programs from the budget to a prospective natural resources bond. While such a bond proposal has not yet been developed by the Governor, he has stated that his intent is to work with the legislature.

Assembly Bill (AB) 1567, the Natural Resources Bond Measure, proposed by Assemblymember Eduardo Garcia is a potential vehicle for that effort as well as Senate Bill (SB) 867 by Senator Ben Allen which is a parallel but varying effort. Specifically, AB 1567 proposes issuing \$15.9 billion in bonds that would allocate \$750 million to the WCB for projects such as land acquisition in support of habitat conservation. Whereas SB 867 would issue \$15.5 billion and allocate \$1 billion to WCB for similar projects. Following the Board's vote to support AB 1567, the RCA submitted a letter of support to Assemblymember Garcia. AB 1567 has now passed the assembly and is now waiting committee referral in the Senate. Additionally, staff moves to support SB 867 via the Board approved Legislative Platform, allowing for RCA to submit a letter of support ahead of the bill passing the Senate to the Assembly. This proactive action allows for the RCA to quickly act in support of preserving previous state funding increases for nature-based solutions to climate change such as habitat conservation land acquisition.

Last month, Chair Johnson, Vice Chair Bash, and staff traveled to Washington, D.C. to meet with leaders of the administration and Congress to discuss the potential legislation to establish a wildlife refuge in Western Riverside County, as well as increase funding for habitat conservation plans, including the MSHCP. The group met with Representative Ken Calvert, Representative Mark Takano, Representative Young Kim, as well as staff from the Offices of Senator Dianne Feinstein, Senator Alex Padilla, and Representative Darrell Issa. Additionally, meetings were held with Wendi Weber, Deputy of Director of Operations at the U.S. Fish and Wildlife Service, and professional staff from the White House Office of Management and Budget and the White House Council on Environmental Quality.

The trip was an overwhelming success. Based on positive feedback from these discussions, staff are hopeful that legislation establishing a wildlife refuge will be introduced in the coming months. Staff will continue to engage community stakeholders including tribes, environmental organizations, utilities, property owners, and municipalities to bolster support for this effort.

Vice Chair Bash stated that it was an honor to be able to go to Washington, and was kept busy during the trip. Unequivocally, staff did RCA proud with the planning and preparation that was done. When entering a meeting, all the issues were already laid out. Due to the groundwork that was laid, the reception received was extraordinary. If the working for laying out and preparing is like the follow-up, there is no doubt that RCA will be raising money and getting what is asked for.

Chair Johnson stated that they were asked to really advocate for the Wildlife Refuge bill and getting the outreach piece done that was missing from the original proposed bill that failed. While that may not have been the role, that was the charge. The second ask was to explain the funding shortfalls. Between Feinstein and Calvert's office, there is now an understanding of what both want, desire, and bottom line what the stakeholders need.

There was a brochure that was created that will be given to the Board, it is a great one-pager that tells RCA's story. It also tells the most important part, that with all of RCA's 18 cities and 5 Board of Supervisors that agreed to come into this JPA, RCA is one of the only Habitat Conservation Plans with state and federal commitments. Out of the \$500 million RCA has had

so far, \$400 million has come from the local level, and RCA has yet to see the partners come in and contribute.

While meeting with U.S. Fish and Wildlife, it was mentioned that RCA is considering an amendment to the MSHCP, and the HANS process and predicament was explained. Once the process was explained, a local meeting was offered to help combat any local level issues, which is a huge win for RCA.

Anne Mayer, Executive Director, agreed that this was a terrific trip and thanked the Chair and Vice Chair for going and participation. Staff understands this is important work on behalf of the RCA Board. If any Board Members receive questions about a possible wildlife refuge or map, please do not hesitate to direct them to RCA staff. Staff is more than equipped to discuss the potential bill and map and what it would all mean for Western Riverside County. RCA has been taking on a lot of outreach, but the original map was not created based on local feedback, including RCA. Staff has been putting a lot of work into a recommended map that will then be presented to Senator Feinstein and Representative Calvert in hopes that it will demonstrate local stakeholder support and consensus.

This item is for the Board of Directors to receive and file an update on state and federal legislative affairs.

10. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORT

There were no updates from the Executive Director or Board Members.

11. CLOSED SESSION

At this time, Steve DeBaun, legal counsel, announced the Board will be going in to Closed Session to discuss the property items on the agenda.

11A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Agency Negotiator: Executive Director or Designee

Item	Property Description	Property Owner	Buyer(s)
1	422-160-008, 422-160-009, & 422-160-010	The Conservation Fund, a Maryland Non-Profit Corporation	RCA
2	371-100-003	Ruy Tsun Lee and Siu Pi Lee	RCA
3	430-220-003, 430-220-011, & 433-020-017	Valley Wide Recreation and Park District, An Independent Special District	RCA
4	900-050-034	Nancy Dorian Ruhlman and Sheryl Ann Rasmussen, as Co-Trustees of the Ruhlman Family Trust,	RCA

11B. REPORT OUT FROM CLOSED SESSION

There were no announcements from Closed Session.

12. ADJOURNMENT

There being no further business for consideration by the Western Riverside County Regional Conservation Authority Board of Directors, Chair Johnson adjourned the meeting at 1:36 p.m. The next meeting of the Board of Directors is scheduled to be held on **Monday, July 10, 2023.**

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Lisa Mobley".

Lisa Mobley
Administrative Services Manager/
Clerk of the Board