



**EXECUTIVE COMMITTEE
MEETING AGENDA**

TIME: 11:30 a.m.

DATE: Monday, April 1, 2024

**LOCATION: March Field Conference Room
County of Riverside Administrative Center
4080 Lemon Street, Third Floor, Riverside, CA**

🌀 COMMITTEE MEMBERS 🌀

Kevin Bash, City of Norco – Chair
Karen Spiegel, County of Riverside, District 2 – Vice Chair
Natasha Johnson, City of Lake Elsinore
Crystal Ruiz, City of San Jacinto
James Stewart, City of Temecula
Joseph Morabito, City of Wildomar
Chuck Washington, County of Riverside, District 3



WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

www.wrc-rca.org

EXECUTIVE COMMITTEE MEETING AGENDA

**11:30 a.m.
Monday, April 1, 2024**

**March Field Conference Room
County of Riverside Administrative Center
4080 Lemon Street, Third Floor, Riverside, CA**

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting on the RCA's website, www.wrc-rca.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, Executive Order N-29-20, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (951) 787-7141 if special assistance is needed to participate in a Committee meeting, including accessibility and translation services. Assistance is provided free of charge. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS – *Each individual speaker is limited to speak three (3) continuous minutes or less. The Board may, either at the direction of the Chair or by majority vote of the Board, waive this three-minute time limitation. Depending on the number of items on the agenda and the number of speakers, the Chair may, at his/her discretion, reduce the time of each speaker to two (2) continuous minutes. In addition, the maximum time for public comment for any individual item or topic is thirty (30) minutes. Also, the Board may terminate public comments if such comments become repetitious. Speakers may not yield their time to others without the consent of the Chair. Any written documents to be distributed or presented to the Board shall be submitted to the Clerk of the Board. This policy applies to Public Comments and comments on Agenda Items.*

Under the Brown Act, the Board should not take action on or discuss matters raised during public comment portion of the agenda that are not listed on the agenda. The Board Members may refer such matters to staff for factual information or to be placed on the subsequent agenda for consideration.

5. 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 to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of 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).*

6A. APPROVAL OF MINUTES – SEPTEMBER 11, 2023

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6B. RECURRING CONTRACT FOR FISCAL YEAR 2024/25

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Overview

This item is for the Committee to:

- 1) Approve the single-year recurring contract with the Santa Ana Watershed Association (SAWA) for biological monitoring services in an amount not to exceed \$2,114,900, for FY 2024/25; and
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of RCA.

7. ADOPTION OF FISCAL YEAR 2024/25 BUDGET

Page 12

Overview

This item is for the Committee to recommend the Board of Directors take the following action(s):

- 1) Adopt the FY 2024/25 Budget and related Resolution No. 2024-005 “*Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2024/25 Operating and Capital Budget Including Budget Policies.*”

8. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORT

Overview

This item provides the opportunity for the Board of Directors and the Executive Director to report on attended meetings/conferences and any other items related to Board activities.

9. ADJOURNMENT

The next Executive Committee is scheduled to be held on **Monday, May 6, 2024.**

AGENDA ITEM 6A

MINUTES

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

EXECUTIVE COMMITTEE MINUTES

Monday, September 11, 2023

1. CALL TO ORDER

The meeting of the Executive Committee was called to order by Vice Chair Kevin Bash at 11:36 a.m., in the March Field Conference Room at the County of Riverside Administrative Center, 4080 Lemon Street, Third Floor, Riverside, California, 92501.

2. ROLL CALL

Members/Alternates Present

Kevin Jeffries
Karen Spiegel*
Kevin Bash
Patricia Lock-Dawson
Crystal Ruiz

Members Absent

Natasha Johnson
James Stewart

*Arrived after the meeting was called to order.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Vice Chair Bash.

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 (Ruiz/Lock Dawson) to approve the following Consent Calendar items.

6A. APPROVAL OF MINUTES – MAY 1, 2023

7. PRESENTATION – RABBIT AND BONNY FIRE UPDATE

Zackry West, Manager of Reserve Management and Monitoring, provided a presentation on the Rabbit and Bonny fires and their effect on RCA owned lands.

The Rabbit Fire burned approximately 8,283 acres, including roughly 850 acres of RCA owned reserve lands. The impacted RCA owned lands consist of the Wolfskill-Driscoll and Tax Sale Parcels 2019 Detail 3 properties, and less than a 2-acre portion of the RCA CalMat property. Based on communication from the California Department of Fish and Wildlife, who is the adjacent landowner to the ignition source, the fire started on private property south of the intersection of Gilman Springs Road and Jackrabbit Trail near Mystic Lake, the cause remains under investigation by Cal Fire.

The Bonny Fire burned 2,322 acres, including roughly 459 acres of RCA owned reserve lands. In addition, 1,087 acres of ferally owned MSHCP conserved lands were also affected. Impacted RCA-owned lands consist of the Santos, Reden, JPR Inc, Tax Properties 2009 Detail 6, and the Jennings properties. The fire started on private property near the intersection of Bonny Lane and Short Street in Aguanga and the cause remains under investigation by Cal Fire.

Vegetation was cleared on the RCA Reden Property to create a fuel break for the Bonny Fire. The RCA actively coordinated with Cal Fire during both fires. During the Rabbit Fire, the RCA MSHCP Parks Unit opened gates for responders and coordinated access with Incident Command. Similarly, during the Bonny Fire, the RCA MSHCP Parks Unit was present at Incident Command daily and supported by providing information on access to RCA lands.

MSHCP Parks staff has performed an assessment of the affected properties. There will be more information to follow, but to date, RCA knows the following:

- The affected RCA lands associated with both fires support several rare species and their continued presence is needed to meet the MSHCP species objectives.
- For plants this includes Jaeger's milk vetch and Coulter's goldfields in the Rabbit Fire burn scar; and peninsular spineflower and Payson's jewelflower in the Bonny Fire burn scar. Some of these species may benefit from the fire in that they are "fire following species".
- There are several areas that burned during the Rabbit Fire where coastal California gnatcatcher, loggerhead shrike, and northwestern San Diego pocket mouse have been documented. The Rabbit Fire appears to have burned quickly and with lower intensity over RCA lands, and many cactus patches and riparian areas are expected to recover.
- There are several areas where Quino checkerspot butterfly (Quino) and Stephens' kangaroo rat (SKR) habitat is documented in the Bonny Fire burn scar, which burned with greater intensity. Fortunately, the areas containing the greatest quality Quino and Stephens' kangaroo rat habitat were spared.

It will be important to support the repopulation of native plants in the burn areas so that non-native plant species do not invade. RCA will be reaching out to burn and restoration ecologists to determine best steps and what grant opportunities may support the rehabilitation needed.

Aaron Hake, Deputy Executive Director, noted that as a result of these fires, staff reviewed current policies and practices to improve management of fires. It was discovered that while there is an efficient response system with the Parks Department, there is a Board policy that was adopted in 2009 on fuel management suppression that hasn't been updated since. Now is the time for RCA to take a fresh look at that policy and ensure it is up-to-date, including input from Cal Fire to make sure any new plan would be consistent.

The intent is to obtain a consultant that has the expertise of wildfire and fuel management practices to ensure that RCA has a modern plan that is supported by our partners at Cal Fire and other Fire Departments. It was also discovered that the MSHCP requires the RCA to maintain a Reserve Unit Management Plan, for each of the seven areas of the reserve, or Habitat Management Plans. The management plans are supposed to include a fuel reduction and management plan. RCA has never, since its inception, completed one of those management plans. Staff will start taking a look at the requirements that are in the MSHCP to ensure compliance.

Anne Mayer, Executive Director, added that it was also discovered that at one time, RCA had a retired Deputy Chief from San Bernardino under contact. In the past, RCA has had a fire expert on retainer, though that was a long time ago. This is now a new opportunity to create a different path going forward, so staff will be coming back to the Board for RFPs for contracts and consultants.

At this time, Board Member Spiegel arrived.

Vice Chair Bash wanted to know what the plan would be for RCA going forward. Aaron Hake noted that RCA is looking for a plan that would be pro-active in terms of fuel management and managing the different types of habitats. The plan would also look at how to best give Cal Fire access to RCA lands and how would they need to respond to the incidents when they happen.

Anne Mayer added that one of the things that is included on the policy that is in place is a checklist that includes the kinds of firefighting mechanisms that can be employed in certain areas. From a nonexpert position, it does not seem like RCA should have a policy that says what kind of firefighting mechanisms can or cannot be used by the professionals. RCA should be responsible for the conservation area, and keeping with best practices, RCA should not be responsible for the firefighting components.

8. PRESENTATION – NATIONAL WILDLIFE REFUGE LEGISLATIVE UPDATE

Tyler Madary, Legislative Affairs Manager, provided a presentation on the National Wildlife Refuge update. As with all RCA goals and legislative actions, the goal is to ensure the long-term success of the MSHCP, which is tasked with acquiring 153,000 acres of additional reserve lands. One of the challenges that the MSHCP faces is limited Section 6 funding. That funding is not guaranteed, is competitive, and is what the federal government uses to fulfill its commitment to the MSHCP. As a competitive program, RCA must dedicate a lot of staff time to secure these

limited funds that are not guaranteed. Establishing a National Wildlife Refuge in Western Riverside County was intended to provide a new pot of funding for land acquisitions outside of the competitive process.

Utilizing the wildlife refuge this way was carefully considered by the RCA Board in 2017, resulting in the adoption of a resolution supporting the establishment of one in Western Riverside County. Thereafter, Representative Calvert introduced H.R. 2956 in 2019, which was incorporated into H.R. 2, the Moving Forward Act, in 2020. H.R. 2 passed the House but was not taken up by the Senate and subsequently died. The efforts of the previous Congress in 2021 and 2022 saw the introduction of H.R. 972 by Representative Calvert, and S. 4669 by Senator Feinstein.

RCA was differential to the bill authors and generally supportive of any effort that would result in a refuge. Representative Calvert's bill proposed a process by which the Department of the Interior would establish a refuge within the MSHCP boundary. Senator Feinstein took a narrower approach of proposing an acquisition boundary which in there were three sub-regions in the MSHCP that would limit where the refuge could be established. The publishing of the map with Senator Feinstein's bill promoted a lot of strong and negative comments from stakeholders in the region. Ultimately, the congressional session ended without refuge legislation passing. There are no current efforts to establish a refuge.

The efforts of the last few years have been very instructive for RCA staff. RCA has taken note of stakeholder response through the process and have renewed the discussion in 2023 with a new draft composition map. One of the many takeaways from 2022, was that the U.S. Fish and Wildlife Service (USFWS) requires a refuge acquisition boundary map to determine where the final refuge would be established. To be clear, having a map is a requirement for any future bill and staff took the initiative to create a draft map so that it was not completed for us. This also gave the RCA the strategic advantage of conducting local interviews firsthand.

In May 2023, the Chair and Vice Chair traveled to Washington, D.C. to advocate for a refuge and increased funding for Section 6. While there, Representative Calvert and the office of Senator Feinstein affirmed their support for introducing legislation to establish a refuge. However, for the efforts to be successful, RCA was given the charge by Representative Calvert, offices of Senator Feinstein, Senator Padilla, and Representative Issa to take a leading role in conducting stakeholder outreach to ensure a thorough understanding of the proposal and to incorporate feedback from the map. Thereafter, RCA began engaging permittees and those that engaged in the process last year, as well as those that could have overlapped or adjacent interests.

As staff began the stakeholders outreach effort, there was a set of guiding principles to focus the discussion and ensure the best possible outcome from the RCA, the MSHCP, and the surrounding communities. These principles incorporated feedback as well as lessons learned from previous efforts. They were:

- The focus of the refuge is to meet the federal land commitment to the MSHCP.
- Downsize acquisition boundary to criteria cells for ease of USFWS management, focus on high-value habitat, and maintaining MSHCP compromises.

- Land must be acquired from willing sellers and donors of land.
- Property owners within acquisition boundary experience no change to rights or title.
- Properties incorporated into a refuge maintain existing easements and access rights.

Using these outlined principles there were numerous stakeholders that RCA engaged with over the last two years including municipalities, tribal governments, environmental organizations, utility operators, property owners, and other stakeholders.

There was a great deal of feedback received from the various stakeholders. In summary, local stakeholder feedback on the refuge included:

- Respecting the sovereignty of our tribal partners.
- Ensuring refuge land acquired from willing sellers and donors.
- Refuge land contributes to MSHCP and federal land commitments without moving the goal posts of how much land must be acquired.
- Preserving rights and access for future utilities infrastructure not just existing.
- Allowing wildfire response and suppression.
- Preventing material expansion of refuge acquisition boundary.

RCA staff has been sharing these concepts and draft bill language with Senator Feinstein and Representative Calvert's offices for their review and feedback. Introduction of legislation is not a forgone conclusion, but frankly, RCA does not anticipate it to proceed.

The intent of establishing a National Wildlife Refuge from 2017 to present was to open a new pipeline of federal funding for land acquisition for the MSHCP and to reduce some of the future land management burden from the RCA. RCA's leadership role in the stakeholder process was at the request and requirement of Senator Feinstein and Representative Calvert before they would consider introducing new legislation this year. RCA staff worked very hard to fulfill the requirement and will be sending a final round of feedback to their offices this week.

Anne Mayer, Executive Director, added that RCA staff believes they have completed the assignment of gathering feedback and meeting stakeholders. There are no current bills in place and so RCA recommends that this activity be considered complete and abide by the guiding principles mentioned and whatever the Board directs. There is currently no further action for RCA to take. If a bill does come back, then RCA would reengage at that point.

Board Member Lock Dawson wanted to know why staff thought there was no chance for another bill to come back. Anne Mayer noted that there are a lot of concerns related to private property rights and the potential for the federal government to expand their role in determining private property rights and what can be done for the MSHCP. The bottom line is RCA needs money to complete the plan, and the question becomes would the refuge bring in money, and the answer is it more than likely it would not. At this time, RCA has completed the task that was asked of us, but it isn't clear that at this point it will generate the desired outcome, which is additional funds.

Vice Chair Bash wanted to know what the consensus was from the local park's folks. When RCA made the trip to Washington it seemed like a deal had been struck, and the feedback was positive. Anne Mayer stated there was a lot of varied local resistance for a variety of different reasons.

Tyler Madary added that local U.S. Fish and Wildlife has raised concerns with funding from the Department of the Interior and U.S. Fish and Wildlife headquarters. Looking at this from a management perspective, of much would be needed to operate with the limited funding and questioning if it would be sufficient. The concerns expressed varied from what was discussed in Washington, D.C. This is an example of waiting to see who would act first between congress and the administration.

Anne Mayer added that if congress creates a refuge, that the U.S. Fish and Wildlife is now responsible for, without funding attached, they will find themselves in the same situation as the RCA. A responsibility to implement something but no money to accomplish it. The appropriation of funds is the missing piece to a refuge bill and the MSHCP.

Board Member Jefferies wanted to confirm that the appropriation of funds was not included in either bill. Anne Mayer confirmed that was correct.

Board Member Lock Dawson thought it seemed like the more effective path would be to pursue appropriations funds.

Anne Mayer shared a conversation at the request of Chair Johnson who was not at the meeting. In a conversation with Congressman Calvert, Chair Johnson stated the consistent message that was received was the congressman was very supportive of the RCA and whatever it is that the RCA would like to do. It was recognized that the money was an issue, but the congressman was still willing to be partner in helping to find RCA funding for the MSHCP. The stakeholder challenges were also recognized by the congressman.

Anne Mayer added that RCA will need to provide the last batch of information to Senator Feinstein's office and Representative Calvert as requested. Staff has not spoken to Senator Feinstein's office yet, so it is possible their office could continue with the bill, so staff will continue to monitor the situation.

Board Member Spiegel wanted to know if Anne Mayer or Chair Johnson had passed this information to Representative Calvert and expressed the need of money to continue the goals of the MSHCP. Anne Mayer confirmed that RCA staff has expressed this to Representative Calvert and with the difficult atmosphere in Washington, DC right not, there are not any current leads.

Board Member Lock Dawson thought with all the money coming through the infrastructure bill over the next three years that an argument could be made for the RCA to have access to those funds.

Anne Mayer noted that so many of the programs are over-subscribed, which does not mean RCA won't try for the funds, but it is relatively challenging. There was a joint RCTC/RCA application for a wildlife crossing for Mid-County Parkway, RCTC asked for the crossing project and RCA asked for money to buy the property on either side leading up to the crossing. Another challenge is that there is already \$900 million available in federal funding for habitat conservation plans and state parks, but it is a matter of how it is divided up in Washington, DC. Nationally, there is only \$26 million out of \$900 million is being allocated towards conservation habitat plans.

Board Member Lock Dawson offered up assistance in any way possible.

9. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORTS

Aaron Hake, Deputy Executive Director, noted that in the RCA bylaws it is required for a Stakeholders Committee to exist, consisting of property owners, environmental groups, and developers in the MSHCP. This committee was re-established after RCTC took over the management of RCA. The chair had ratified a group of 15 stakeholders for the committee, and they are to meet twice a year.

It has been two years since their appointments, so RCA is going to start the recruitment process over again, for establishing a new committee for next year. The Stakeholders Committee is there to advise the Board on whatever they feel needs advisement. In the coming months, the RCA will be soliciting to constituents and encouraging them to apply. In the meantime, the current committee will be meeting later this month.

Anne Mayer, Executive Director, added if there is anything the Board would be interested in having the Stakeholders Committee opinion on, let staff know and it can be added to the agenda.

Board Member Spiegel wanted to know how many were on the Stakeholders Committee and what the maximum number of members would be. Aaron Hake noted that there are currently 15 on the committee and the minimum number is 15, so there could be more.

Anne Mayer added that the last time a recruitment was done, the chair accepted and appointed all the applicants. Those that applied on time were accepted. There was only one applicant who did not meet the criteria. There was also another applicant that asked to apply late and was denied.

Vice Chair Bash wanted to know how the Board would be able to convey questions or seek opinions from the Stakeholders Committee. Anne Mayer stated that Board Member could just let staff know, no vote would be required.

10. ADJOURNMENT

There being no further business for consideration by the Executive Committee, Vice Chair Bash adjourned the meeting at 12:13 p.m. The next meeting of the Executive Committee is scheduled to be held on **Monday, October 2, 2023**.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Lisa Mobley", with a long horizontal flourish extending to the right.

Lisa Mobley
Administrative Services Director/
Clerk of the Board

AGENDA ITEM 6B

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY	
DATE:	April 1, 2024
TO:	Executive Committee
FROM:	Alicia Johnson, Senior Procurement Analyst Jose Mendoza, Procurement Manager
THROUGH:	Matthew Wallace, Deputy Director of Financial Administration
SUBJECT:	Recurring Contract for Fiscal Year 2024/25

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Board of Directors take the following action(s):

- 1) Approve the single-year recurring contract with the Santa Ana Watershed Association (SAWA) for biological monitoring services in an amount not to exceed \$2,114,900, for FY 2024/25; and
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of RCA.

BACKGROUND INFORMATION:

RCA annually evaluates existing professional services contracts due to expire within the next fiscal year. These contracts may be placed on the calendar for a new procurement solicitation, allowed to expire if no longer required, or included in the annual recurring contracts list that is subject to Board approval. Most contracts for professional services are subject to a competitive process.

This year’s recurring contract includes SAWA, which provides unique and specialized services and works closely with staff on long-term projects. Staff desires to retain the agency on the recurring contracts list due to SAWA’s historical knowledge, unique experience, and understanding of both the RCA and its projects. Under limited circumstances in accordance with the Procurement Policies Manual adopted in March 2021, staff believes it is more efficient and cost effective to retain consultants on the recurring contracts list rather than rebidding the services. Approval of the recurring contracts list will allow the RCA to continue work on existing projects without interruptions and to maintain consistency.

Below is the proposed recurring contract for FY 2024/25, followed by a summary supporting its inclusion as a recurring contract. Following Board approval, staff will develop an appropriate agreement for these services. Accordingly, staff recommends Board authorization for the Chair or Executive Director to execute the agreement on behalf of the RCA.

RECURRING CONTRACTS FOR FY 2024/25


This is a single-year contract with SAWA. Staff recommends Board approval of this agreement in the amount of \$2,114,900.

Consultant Name	Agreement Number	Type of Service	FY 2023/24 Amount	FY 2024/25 Amount	Dollar Change
Santa Ana Watershed Association	24021	Monitoring program services for the MSHCP	\$2,125,400	\$2,114,900	(\$10,500)
Total			\$ 2,125,400	\$ 2,114,900	(\$10,500)

Santa Ana Watershed Association

Monitoring Program activities are implemented within the MSHCP Conservation Area on lands that are owned and managed by the various MSHCP participants. To ensure consistency in monitoring efforts throughout the Conservation Area, the Monitoring Program is overseen and implemented by a Monitoring Program Administrator. RCA contracts with SAWA as the Monitoring Program Administrator. The duties and responsibilities of the Monitoring Program Administrator are described in Volume 1, (Part 2) Section 6.6.6 of the MSHCP. The Monitoring Program is responsible for monitoring the status and trend of the 146 Covered Species and associated vegetation communities and wildlife habitats over a 500,000-acre Conservation Area. Included in the duties are biological surveys, training, data management, and reporting. While administrative costs have increased by approximately 3 percent primarily related to increased staff salaries, rent fees, and audit costs, the overall FY 2024/25 budget amount reflects a less than 1 percent net decrease from FY 2023/24. This is due to the conclusion of the 5-year Clinton Keith Road Overcrossing monitoring effort, which ended in FY 2023/24 and no longer requires funding under the contract.

FISCAL IMPACT:

Financial Information					
In Fiscal Year Budget:	Yes N/A	Year:	FY 2024/25	Amount:	FY 2024/25 \$2,114,900
Source of Funds:	Tipping Fees, Reimbursement for Services, Local Development Mitigation Fees, Interest		Budget Adjustment:	No	
GL/Project Accounting No.:	51630-9353X0-527980 \$2,114,900				
Fiscal Procedures Approved:				Date:	3/25/24

AGENDA ITEM 7

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY	
DATE:	April 1, 2024
TO:	Executive Committee
FROM:	Jennifer Fuller, Financial Administration Manager Matthew Wallace, Deputy Director of Financial Administration
THROUGH:	Sergio Vidal, Chief Financial Officer
SUBJECT:	Adoption of Fiscal Year 2024/25 Budget

STAFF RECOMMENDATION:

This item is for the Committee to recommend that the Board of Directors take the following action:

- 1) Adopt the FY 2024/25 Budget and related Resolution No. 2024-005 *“Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2024/25 Operating and Capital Budget Including Budget Policies.”*

BACKGROUND INFORMATION:

Staff is continuing the budget preparation process for the proposed FY 2024/25 Budget, and relevant budget schedules are included as Attachment 1. Included in the attachment are an overall summary which contains comparative data to Fiscal Years 2022/23 and 2023/24, the operating and capital budget by program, and estimated fund balances by classification. Staff continue to work with external partners to gather data that should become available before the May Board meeting. The budget numbers for the RCTC contract amount are included as estimates that staff expects will be firmed up when the proposed budget is presented to the Board of Directors in May.

At the May Board meeting, RCA staff will bring forward the full budget document which consists of an Executive Summary including appendices comprised of a glossary of terms and acronyms, the Biological Monitoring Program Work Plan and Cost Estimate for FY 2024/25, and the budget resolution. The resolution includes adoption of the budget policies which will be listed in the Executive Summary. The policies include endowment funding, non-development HANS funding level, economic stability policy, funding allocations, fund balance policy, RCTC deposit, and the Legacy Home Rebates. The inclusion of a summary of policies impacting the budget promotes fiduciary responsibility and organizational excellence.

DISCUSSION:

FY 2024/25 Budget

RCA's budget consists of four primary programs – habitat acquisition, reserve management and monitoring, program administration, and endowments – that are accounted for in the general fund, capital projects funds, and endowment funds. The general fund and endowment funds comprise the operating budget, while the capital projects funds are the capital budget.

The proposed FY 2024/25 budget is an overall balanced budget that anticipates total sources will match total uses. At the individual fund level staff anticipates use of fund balance in the general fund and excess sources over uses in the endowment funds. Within the attachment, presented is a summary of budgeted sources and uses from two different perspectives (comparative and by fund and program).

From an operating perspective, overall, the FY 2024/25 budget anticipates Sources (revenues) at approximately \$60.9 million offset by Uses (expenditures) of \$60.9 million.

Sources

Sources are estimated to be down twenty percent (20%) from the current FY 2023/24 projected actuals. The reduction is primarily due to reductions in Local Developer Mitigation fees (LDMF), Capital Contributions and Donations (Donations), and Interest allocations.

LDMF is estimated at \$22.5 million which is twenty-five percent (25%) reduction from the FY 2023/24 projected actuals largely due to conservative estimating of this unreliable revenue source and potential impacts of an economic slowdown.

Donations are expected to decrease 64% as the current fiscal year includes the Mid-County Parkway settlement funds which were used to purchase a property in January 2024.

Grants revenue estimated to be collected is \$25.8 million which is a seven percent (7%) increase from the prior year. In FY 2024/25 staff estimate receipt of \$15.5 million of state funds and \$10.3 million of federal funds. The grant sources are the FY 2022 and FY 2023 Section 6 grants and the State Jurupa Mountain Grant. It is projected that the agency will be in receipt in the current and upcoming fiscal year approximately \$60 million in grant funding reflecting Staff's efforts in seeking outside funding for land acquisition.

Interest revenue is estimated to be down \$1.4 million due to reduction in its investment portfolio resulting from anticipated land purchases in the upcoming fiscal year.

Uses

Expenditures are estimated for FY 2024/25 to be \$60.9 million which is down approximately \$39.0 million from the prior fiscal year projected actuals. Reduction in expenditures is largely due

to decreases in land acquisition, offset by increases in both service and supplies and other charges.

Land acquisition is estimated at approximately \$39.0 million in the upcoming fiscal year. Specifically, land acquisitions are primarily funded with grants and the remainder is LDMF.

Services and Supplies estimated at \$14.1 million, is anticipated to increase in the upcoming fiscal year largely due to increases in Contracts related to land management and other specialized services.

Other charges include the first year of Debt Service related to the Toscana land acquisition in the amount of \$6.4 million. Debt service is in connection with the note payable approved by the Board in July 2023.

Fund Balance

Overall, the agency is projected to end the upcoming fiscal year (6/30/25) with approximately \$87.1 million in available fund balance, as follows:

Fund	Amount
General Fund	\$21.3 million
Capital Projects Fund (Land Acquisition)	\$39.7 million
<u>Endowments Fund</u>	<u>\$26.1 million</u>
Total	\$87.1 million

Specifically, it is anticipated that both the General and Capital Projects Fund will maintain sufficient fund balance (reserves) in excess of Board approved policies. However, staff will continue to monitor both revenue and expenditure trends along with the economy (national and local) which may impact budgetary assumptions.


A summary of the proposed FY 2024/25 Budget is as follows:

	FY 2024/25 Budget
Revenues and Other Sources:	
Developer Mitigation	\$ 22,500,000
Federal and State Grants and Contributions	25,830,000
Capital Contributions and Donations	3,916,500
Tipping Fees	3,500,000
Transportation Uniform Mitigation Fees	1,000,000
Other Fee Revenues	910,000
Reimbursement for Services	203,900
Other Miscellaneous Revenues	155,900
Interest	1,652,000
Transfers In	1,245,200
Total Revenues and Other Sources	60,913,500
Expenditures and Other Uses	
Services and Supplies	14,133,100
Other Charges	6,447,700
Capital Outlay	39,087,500
Transfers Out	1,245,200
Total Expenditures and Other Financing Uses	60,913,500
Excess of Revenues and Other Sources Over Expenditures and Other Uses	-
Beginning Fund Balance (Projected)	87,070,358
Ending Fund Balance (Projected)	\$ 87,070,358

Staff will present highlights of significant items included in the FY 2024/25 Budget to the Executive Committee.

Staff recommends adoption of the FY 2024/25 Budget and the related resolution (Attachment 2) to adopt the annual operating and capital budget.

FISCAL IMPACT:

Financial Information					
In Fiscal Year Budget:	Yes	Year:	FY 2024/25	Amount:	\$60,913,500 Sources \$60,913,500 Uses
Source of Funds:	Fees; grants; contributions and donations; interest; and other revenues			Budget Adjustment:	No
GL/Project Accounting No.:	Various funds and accounts				
Fiscal Procedures Approved:				Date:	3/25/24

Attachments:

- 1) FY 2024/25 Budget
- 2) Resolution No. 2024-005

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
BUDGET FISCAL YEAR 2024/25
OVERALL SUMMARY

SOURCES	FY 2022/23	FY 2023/24	FY 2023/24	FY 2024/25	DOLLAR	PERCENTAGE
	ACTUAL	AMENDED BUDGET	PROJECTED ACTUALS	PROPOSED BUDGET	CHANGE	CHANGE
Developer Mitigation	\$ 30,642,486	\$ 20,800,000	\$ 30,000,000	\$ 22,500,000	\$ (7,500,000)	-25%
Other Fee Revenue	1,817,228	610,000	1,104,000	910,000	(194,000)	-18%
Interest	2,230,294	1,156,100	3,004,612	1,652,000	(1,352,612)	-45%
Federal & State Grants and Contributions	53,620	30,640,120	24,090,146	25,830,000	1,739,854	7%
TUMF Revenue	1,061,947	750,000	1,140,000	1,000,000	(140,000)	-12%
Capital Contributions and Donations	9,422,300	9,264,217	10,789,217	3,916,500	(6,872,717)	-64%
Tipping Fees	3,665,863	3,525,000	3,525,000	3,500,000	(25,000)	-1%
Reimbursement for Services	216,292	260,399	277,600	203,900	(73,700)	-27%
Other Miscellaneous Revenue	164,090	140,600	194,834	155,900	(38,934)	-20%
Operating Transfers In	1,150,000	9,345,000	2,074,352	1,245,200	(829,152)	-40%
TOTAL SOURCES	\$ 50,424,120	\$ 76,491,436	\$ 76,199,761	\$ 60,913,500	\$ (15,286,261)	-20%
USES						
Services and Supplies						
General Administration	121,820	169,400	142,000	167,600	25,600	18%
Insurance	193,815	268,200	251,200	326,000	74,800	30%
Refunds	-	70,100	-	70,100	70,100	100%
Legal Services	335,925	775,000	480,400	650,000	169,600	35%
Rent-Lease Building	207,141	211,500	211,500	217,000	5,500	3%
Contracts	8,214,453	10,637,099	8,857,800	12,702,400	3,844,600	43%
Total Services and Supplies	9,073,154	12,131,299	9,942,900	14,133,100	4,190,200	42%
Other Charges						
Debt Service	-	-	-	6,367,700	6,367,700	100%
Property Assessment and Fees	65,911	80,000	70,200	80,000	9,800	14%
Total Other Charges	65,911	80,000	70,200	6,447,700	6,377,500	8985%
Capital Outlay						
Habitat Acquisition and Maintenance	18,182,455	97,019,037	88,039,922	39,077,500	(48,962,422)	-56%
Other Capital Charges	-	10,000	-	10,000	10,000	100%
Total Capital Outlay	18,182,455	97,029,037	88,039,922	39,087,500	(48,952,422)	-60%
Other Financing Uses						
Operating Transfers Out	1,150,000	9,345,000	2,074,352	1,245,200	(829,152)	-40%
Total Other Financing Uses	1,150,000	9,345,000	2,074,352	1,245,200	(829,152)	-40%
TOTAL USES	\$ 28,471,520	\$ 118,585,336	\$ 100,127,374	\$ 60,913,500	\$ (39,213,874)	-39%
EXCESS (DEFICIENCY)	21,952,600	(42,093,900)	(23,927,613)	-		
BEGINNING FUND BALANCE	89,045,371	110,997,971	110,997,971	87,070,358		
ENDING FUND BALANCE	\$ 110,997,971	\$ 68,904,071	\$ 87,070,358	\$ 87,070,358		



**WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
 BUDGET FISCAL YEAR 2024/25 BY FUND
 OPERATING AND CAPITAL BUDGET BY PROGRAM**

	General Fund			Capital Projects Fund	Endowments Fund	FY 2024/25 PROPOSED BUDGET
	Program Administration	Reserve Management & Monitoring	Total General Fund	Habitat Acquisition	Endowments	
SOURCES						
Developer Mitigation	\$ -	\$ -	\$ -	\$ 19,125,000	\$ 3,375,000	\$ 22,500,000
Other Fee Revenue	455,000	455,000	910,000	-	-	910,000
Interest	250,000	252,000	502,000	750,000	400,000	1,652,000
Federal & State Grants and Contributions	-	10,100	10,100	25,819,900	-	25,830,000
TUMF Revenue	-	-	-	1,000,000	-	1,000,000
Capital Contributions and Donations	-	-	-	3,916,500	-	3,916,500
Tipping Fees	400,000	3,100,000	3,500,000	-	-	3,500,000
Reimbursement for Services	106,800	97,100	203,900	-	-	203,900
Other Miscellaneous Revenue	-	125,900	125,900	30,000	-	155,900
Operating Transfers In	245,200	1,000,000	1,245,200	-	-	1,245,200
TOTAL SOURCES	\$ 1,457,000	\$ 5,040,100	\$ 6,497,100	\$ 50,641,400	\$ 3,775,000	\$ 60,913,500
USES						
Services and Supplies						
General Administration	\$ 77,600	\$ -	\$ 77,600	\$ 90,000	\$ -	\$ 167,600
Insurance	-	-	-	326,000	-	326,000
Refunds	-	-	-	70,100	-	70,100
Legal Services	85,000	130,000	215,000	435,000	-	650,000
Rent-Lease Building	217,000	-	217,000	-	-	217,000
Contracts	4,021,300	5,616,800	9,638,100	3,019,900	44,400	12,702,400
Total Services and Supplies	4,400,900	5,746,800	10,147,700	3,941,000	44,400	14,133,100
Other Charges						
Debt Service	-	-	-	6,367,700	-	6,367,700
Property Assessment and Fees	-	80,000	80,000	-	-	80,000
Total Other Charges	-	80,000	80,000	6,367,700	-	6,447,700
Capital Outlay						
Habitat Acquisition and Maintenance	-	-	-	39,077,500	-	39,077,500
Other Capital Charges	-	-	-	10,000	-	10,000
Total Capital Outlay	-	-	-	39,087,500	-	39,087,500
Other Financing Uses						
Operating Transfers Out	-	-	-	1,245,200	-	1,245,200
Total Other Financing Uses	-	-	-	1,245,200	-	1,245,200
TOTAL USES	\$ 4,400,900	\$ 5,826,800	\$ 10,227,700	\$ 50,641,400	\$ 44,400	\$ 60,913,500
EXCESS (DEFICIENCY)	(2,943,900)	(786,700)	(3,730,600)	-	3,730,600	-
BEGINNING FUND BALANCE			25,070,195	39,637,623	22,362,540	87,070,358
ENDING FUND BALANCE			\$ 21,339,595	\$ 39,637,623	\$ 26,093,140	\$ 87,070,358



FUND SUMMARY FY 2024/25
ESTIMATED FUND BALANCES BY CLASSIFICATION

Fund Balance	General Fund	Capital Projects Fund	Endowments Fund	Grand Total Agency Wide
Estimated Fund Balance June 30, 2024	\$ 25,070,195	\$ 39,637,623	\$ 22,362,540	\$ 87,070,358
Estimated Sources	6,497,100	50,641,400	3,775,000	60,913,500
Estimated Uses	(10,227,700)	(50,641,400)	(44,400)	(60,913,500)
Excess (Deficiency)	(3,730,600)	-	3,730,600	-
Estimated Ending Fund Balance:				
Nonspendable	-	-	6,302,166	6,302,166
Restricted	83,244	39,637,623	17,706,311	57,427,178
Committed	-	-	2,084,663	2,084,663
Assigned	-	-	-	-
Unassigned	21,256,351	-	-	21,256,351
Estimated Fund Balance June 30, 2025	\$ 21,339,595	\$ 39,637,623	\$ 26,093,140	\$ 87,070,358

**RESOLUTION NO. 2024-005
RESOLUTION OF THE BOARD OF DIRECTORS OF THE
WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
ADOPTING THE FISCAL YEAR 2024/25 OPERATING AND CAPITAL BUDGET
INCLUDING BUDGET POLICIES**

WHEREAS, an annual budget shall be adopted by the Western Riverside County Regional Conservation Authority Board of Directors, heretofore called as “RCA Board of Directors”; and

WHEREAS, the proposed budget for Fiscal Year (FY) 2024/25 was prepared for submission and adoption by the RCA Board of Directors; and

WHEREAS, the proposed budget for FY 2024/25 includes a summary of budget policies that promote fiduciary responsibility and organizational excellence; and

WHEREAS, the proposed budget for FY 2024/25 was presented to the RCA Board of Directors for review and adoption in a regular session assembled on May 6, 2024.

NOW, THEREFORE, the RCA Board of Directors does hereby resolve as follows:

Section 1. That the budget document, on file with the Clerk of the Board and attached hereto as Exhibit A is approved and adopted as the operating and capital budget for the Western Riverside County Regional Conservation Authority for FY 2024/25. The budget consists of Appropriations by objects of expenditures within each Budget Program (Habitat Acquisition, Reserve Management and Monitoring, Program Administration, and Endowments). The details within the objects of Services and Supplies, Other Charges, and Capital Outlay are listed for information only and shall not restrict expenditures within the limits of the total appropriations for the specified Budget Program.

Section 2. That the amounts designated in the final FY 2024/25 operating and capital budget are hereby appropriated and may be expended as designated in the budget document in Exhibit A, and the total appropriations for each Budget Program shall neither be increased nor decreased without further action of the RCA Board of Directors.

Section 3. That the budget policies related to Endowment (Endowment Funding), Habitat Acquisition (Non-Development HANS Funding Level), Program Administration (Economic Stability Policy, Funding Allocations, Fund Balance Policy, and RCTC Deposit), and Legacy Home Rebate Program are hereby adopted.

**SIGNATURE PAGE
TO
RESOLUTION NO. 2024-005**

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Western Riverside County Regional Conservation Authority this 6th day of May, 2024.

Kevin Bash, Chair
Western Riverside County Regional Conservation Authority

ATTEST:

Lisa Mobley, Clerk of the Board
Western Riverside County Regional Conservation Authority