

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

BOARD OF DIRECTORS MEETING MINUTES

Monday, June 2, 2025

1. CALL TO ORDER

The Western Riverside County Regional Conservation Authority Board of Directors Meeting was called to order by Chair Kevin Bash at 12:34 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

Jose Medina
Karen Spiegel
Chuck Washington
Yxstian Gutierrez*
Colleen Wallace
Julio Martinez
Jeff Cervantez
Dale Welty
Tony Daddario
Jocelyn Yow

Linda Krupa
Dan Temple
Ulises Cabrera
Ron Holliday
Kevin Bash
Patricia Lock Dawson
Crystal Ruiz
Jessica Alexander
Joseph Morabito

Board of Directors Absent

V. Manuel Perez
Guillermo Silva
Natasha Johnson
David Starr Rabb

*Arrived after the meeting was called to order.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Vice Chair Spiegel.

4. PUBLIC COMMENTS

There were no requests to speak from the public.

At this time, Board Member Gutierrez arrived.

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

6A. APPROVAL OF MINUTES – MAY 5, 2025

6B. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN FEE COLLECTION REPORT FOR MARCH 2025

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 2025.

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, 2025.

6D. ACQUISITIONS STATUS REPORT

This item is for the Board of Directors to receive and file the acquisition status report as of March 31, 2025.

6E. MONTHLY INVESTMENT REPORT FOR MARCH 2025

This item is for the Board of Directors to receive and file the Monthly Investment Report for the month ended March 31, 2025.

6F. CONSULTANT REPORTS – FISCAL YEAR 2025 THIRD QUARTER

This item is for the Board of Directors to receive and file the consultant reports for Fiscal Year 2025, Third Quarter.

6G. QUARTERLY FINANCIAL STATEMENTS

This item is for the Board of Directors to receive and file the Quarterly Financial Statements for the nine months ended March 31, 2025.

6H. RECURRING CONTRACTS FOR FISCAL YEAR 2025/26

- 1) Approve the single-year recurring contract with the Santa Ana Watershed Association (SAWA) for biological monitoring services in an amount not to exceed \$2,215,715, for FY 2025/26; and

- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of RCA.

6I. DUDEK CONTRACT AMENDMENT

- 1) Approve Agreement No. 17001-02, Amendment No. 2 to Agreement No. 17001, with Dudek for environmental consulting and Multiple Species Habitat Conservation Plan implementation services for an additional amount of \$430,000, and a total amount not to exceed \$1,680,000; and
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the amendment on behalf of RCA.

6J. STATE AND FEDERAL LEGISLATIVE UPDATE

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

7. ADOPTION OF FISCAL YEAR 2025/26 BUDGET

Jennifer Fuller, Financial Administration Manager, provided a presentation on the Proposed Budget Fiscal Year 2025/26. RCA's budget preparation began in January with finance staff working with program staff to compile budget data and revenue estimates. Staff also monitor fund balance throughout the year to ensure sufficient funding exists to meet operating and capital needs. This year, a budget brief has been provided for the Board Members which presents a snapshot of the RCA budget.

Staff prepared an Executive Summary with all budget related information in one document. The document includes budget policies, goals and objectives, an overview with a discussion on the sources and uses of funding, program initiatives, and a budget summary including the related schedules. The inclusion of a summary of policies impacting the budget promotes fiduciary responsibility and organizational excellence. The policies include:

- Funding the endowment with 15 percent of Local Development Mitigation Fund (LDMF) revenues in accordance with the 2020 Nexus Study.
- The economic stability policy which requires that the capital funds maintain at least \$9 million in cash.
- The fund balance policy requires the general fund to maintain the fund balance at least equal to next year's levels, in this case \$10.9 million.
- Funding allocations stating that LDMF can be used for all types of costs.
- The RCTC deposit.
- Setting the Non-Development HANS funding level at 5 percent of LDMF collections.

The Non-Development HANS level is reviewed by staff annually during the budget process and set by the Board of Directors through budget policy. The funding level can vary between 1-5 percent. The Non-Development HANS properties are put on a priority list in order by the date the sellers sign the purchase and sale agreement and are purchased as funding becomes

available. Unlike Development HANS properties, the plan does not set a timeframe in which these properties must be purchased. To date, 14 properties have been purchased totaling \$7.4 million for nearly 2,100 acres. Due to an increasing number of properties in this category, the funding level has been set for 5 percent of LDMF revenues since 2021. Staff once again recommend the funding level be set at 5 percent.

The Executive Summary also includes two appendices. The first is simply a glossary of terms and acronyms. The second is the 2026 Workplan that describes the monitoring activities planned and the schedule for field work with a cost estimate for personnel and operating costs. The MSHCP requires a biological monitor program to collect data on the MSHCP 146-covered species and their associated habitats to assess the MSHCP effectiveness at meeting conservation objectives. The Monitoring Program Administrator submits an annual workplan and cost estimate for the monitoring program to be approved by the Board of Directors.

Staff anticipate beginning the fiscal year with \$105 million in total balance. Over 78 percent of this amount, or \$82.4 million is restricted in how it can be spent, is for non-spendable endowments or committed by this Board. The other 22 percent or \$22.6 million is unrestricted, however, of that amount, \$10.9 million must be maintained according to the fund balance policy set by the Board. Staff projects the fund balances by fund at the end of FY 2026 will be general fund \$19 million, capital projects fund \$30.5 million, and endowments fund \$33.2 million. Currently, there is more demand for RCA to purchase properties than supply of funds. The FY 2026 estimated uses are budgeted at \$75.9 million and exceed the estimated sources which are budgeted at \$53.7 million. Total use of fund balance is projected at \$22.2 million. Staff anticipate the use of \$3.7 million of fund balance in the general fund to offset anticipated contract costs and the use of \$23.1 million of capital projects fund to purchase planned acquisitions of Additional Reserve Land (ARL) offset by an increase in fund balance in the endowment fund of \$4.6 million. Through the use of prudent budgeting based on sound fiscal planning by this Board, RCA can use fund balance next year to purchase important habitat that has been planned for two years.

On May 5, 2025, RCA staff presented the proposed budget to the Executive Committee. Due to the nature of our work, staff make assumptions on acquisition closing timelines. Since staff met with the Executive Committee, assumptions have changed, and staff have made updates to the budget based on those new assumptions. Some properties were removed from the FY 2026 Budget as they are expected to close on June 30, or others were removed from the FY 2025 projected actuals as they are likely to close next fiscal year. Also, another potential capital donation was added. If the properties do not close as expected, staff will return to the Board with a budget adjustment to add appropriation budget to allow the purchase in FY 2026. The FY 2025 projections were also updated to reflect current expectations for cost at the fiscal year end. The projecting ending fund balance as of June 30, 2025, is now projected at nearly \$105 million, or an increase of \$7.6 million.

Revenues for the upcoming fiscal year are anticipated to be \$53.7 million, a decrease of approximately \$15.6 million from FY 2025 projected actuals. The decrease is primarily attributable to a decrease in projected LDMF and state and federal grants, offset by a projected

increase in capital contributions and donations. RCA's major funding sources include LDMF, state and federal grants, land donations, tipping fees from Riverside County, and Transportation Uniform Mitigation Fee (TUMF).

LDMF revenues are projected to decrease from the FY 2025 projected actuals. State and federal grant revenues will decrease by more than half next year. State and federal funds are acquired through a competitive process, none of the grant funding comes through formula funding. RCA applies for many competitive grants, however, the amount budgeted each year only relates to the funds expected to be used related to acquisitions in the fiscal year and always relates only to awarded funds. The FY 2026 amount includes the 2023 Non-Traditional Section 6 grant for \$5.3 million, and a Caltrans Arroyo Toad cooperative agreement for \$1.5 million. In comparison, the FY 2025 projected revenues included 2022 Non-Traditional Section 6 grant funds for \$1 million, State Jurupa Mountain grant funds for \$6.4 million, and State 30x30 funds of \$13.75 million. The FY 2026 Budget anticipates more Section 6 funding than FY 2025 projected actual usage, but less state funding from other sources. Staff are actively pursuing other grant opportunities and when grants are secured, staff will return to the Board with a budget adjustment to appropriate funding.

Staff anticipate the acquisition of 11 land donations with an estimated value of \$10.9 million, and nearly 500 acres during FY 2026. Out of county tonnage is expected to remain close to current year's levels, at \$3.6 million for approximately 2.1 million tons. TUMF revenue approximates WRCOG's projections of FY 2026 at \$1.1 million. Other revenue sources include reimbursements for services, civic and infrastructure contributions, interest, and other revenue. The large increase from FY 2025 Amended Budget is primarily due to continued strong interest collections. Operating transfers in relate to funding for reserve management and monitoring and program administration that will be covered by LDMF revenues. An identical amount is included in the habitat acquisition budget as operating transfers out. The proposed FY 2026 Budget anticipates \$53.7 million in total sources.

Staff are conservatively projecting LDMF for FY 2026 at FY 2025 budgetary levels, at \$25.6 million. The LDMF fluctuates with the economy, and as such, is a variable revenue source. This is likely a prudent projection, and staff will monitor LDMF revenues through the fiscal year and will bring forward a budget adjustment if collections are markedly higher than the projection.

Expenditures are expected to increase by approximately \$16.3 million for the upcoming fiscal year, when compared to FY 2025 projected actuals, largely due to an increase in land purchases. Program administration and reserve monitoring and management make up RCA's general fund, habitat acquisition is the capital projects fund, and the endowments are in the endowments fund. Habitat acquisition is projected to increase by about \$14.3 million from FY 2025 projected actuals. The FY 2026 Budget includes the purchase of 13 properties and the donation of 11 properties, approximately 33 percent of the cost of properties will be covered by state and federal grant funds or are donations. This is also the second year of the debt service related to the Toscana Property, funding for this year's payment totals \$6.4 million.

Reserve management and monitoring and program administration are increasing mainly due to contract costs from vendors and a projected increase in use of the contracts. Overall, proposed expenditures for FY 2026 are \$75.9 million.

General administration expenditures will decrease by about \$210,000, when compared to FY 2025 Amended Budget and increase by nearly \$250,000, compared to the FY 2025 projected actuals. RCA pays the majority of its contracts through an RCTC Management Services Agreement, only payment for county services is done directly. Contract expenditures will decrease from the FY 2025 Amended Budget. Services paid for through the management services agreement with RCTC will decrease from the FY 2025 Amended Budget by about \$772,000 and will increase \$2.5 million from the FY 2025 actuals. The decrease from the amended budget is due to a decrease in the administrative allocation, lower costs for the Strategic Improvement Assessment and Action Plan (SIAAP) contract, and a decrease in proposed spending for acquisition support. The increase from FY 2025 actuals includes salary and benefits, administrative, and contracted services.

Land Management Services with Riverside County Parks is budgeted for over \$2.3 million, a 3.8 percent increase from the FY 2025 Amended Budget. Parks will provide day-to-day land management services activities plus additional reimbursable activities related to deposit agreements, fire abatement, and endowment related work. Assessment and fee expenditures of \$90,000, represents special assessments and homeowner's association fees for RCA lands subject to such fees. Debt services expenditure refers to the note payable on the Toscana Property, this is the second payment of the four-year note. Habitat acquisition and maintenance budgeted expenditures of \$52.8 million reflect a \$5 million decrease from the FY 2025 Amended Budget. Habitat acquisition and maintenance includes the value of the land acquired and the cost to acquire it. The 2020 Nexus Study permits the use of LDMF revenues for all functions of the RCA. Operating transfers out relates to the transfer of LDMF revenue from the capital projects fund to the general fund to assist in budget needs for reserve monitoring and management, and program administration.

In FY 2024, RCA entered into a loan agreement for the purchase of the Toscana Property. The total amount of the loan was \$24.1 million. In FY 2026, RCA will make the second payment on the note, leaving two payments remaining. The total debt service, including interest payable in FY 2026 is \$6.4 million.

RCA has weathered the storm of high-cost acquisitions, and this budget proposes to purchase the last of those properties. Habitat acquisition and maintenance budgeted expenditures of \$52.8 million reflect three different types of acquisitions. State and federal grants provide \$6.8 million of projected budget for acquisitions in FY 2026. The funding is derived from the 2023 Non-Traditional Section 6 Grants for 2 properties for over 128 acres and a cooperative agreement with Caltrans for the purchase of Arroyo Toad inhabited properties. The remaining acquisitions will be funded using LDMF and some TUMF to purchase Development and Non-Development HANS, and willing seller properties. Staff anticipate acquiring 11 properties for approximately 600 acres. LDMF funds also support all other costs of acquisitions: appraisals, title reports, legal services, environmental reviews, surveying, and any other costs. RCA expects

to receive 11 donations during FY 2026, with a projected value of \$10.9 million for nearly 500 acres of ARL.

Board Member Daddario clarified the \$3 million shortfall that was mentioned would be covered by the general fund, and why that could not be covered by the endowment fund. Jennifer Fuller noted that the endowment funds are either set aside permanently for specific properties or future needs once the acquisition period is over. The general fund does have an excess fund balance right now of the fund balance policy that has been set by this Board, so it is able to be used this year.

Board Member Daddario also wanted to know about the Non-Development HANS threshold was going to be set at 5 percent, roughly \$1.3 million, and what the RCA was spending a year on them.

Jennifer Fuller clarified, since the RCA began, there has been about \$7.4 million, but it really depends on the properties in the queue at any given year. There are three properties currently where the owners have already signed the purchase and sale agreement. RCA is hoping to purchase one this year and two next year. There is a fund balance that rolls over each year, so between the 5 percent and that the properties would mostly be covered. There is no cap for this set aside and the Board can approve any amount up to 85 percent, because 15 percent is set for the endowment fund per the 2020 Nexus Study.

Board Member Daddario wondered if there would be any benefit to the RCA to increase the amount set aside this year. Jennifer Fuller stated that all three properties have been budgeted for purchase in FY 2026, including using a little from the regular fee fund to absorb the cost.

Board Member Daddario asked for further explanation about the capital contributions and donations. Jennifer Fuller stated the amount is simply the value of the land that is being donated and does not represent cash. The current estimate of the expected donations is \$10.9 million, but it could be higher or lower based on the appraisal at the time the donations come into the RCA.

Vice Chair Spiegel noted that the FY 2025 Amended Budget was at \$81.9 million, the FY 2025 projected actuals was at \$69.3 million, and now the FY 2026 Budget is at \$53.7 million. There seems to be a progressive decrease in revenue and sources.

Jennifer Fuller stated that the real trend here is with the state and federal grants. This year, RCA was fortunate to receive a state 30x30 grant for \$13.75 million to buy a Development HANS property. This is making up a large chunk of what the projected actuals are. RCA is not using all the Section 6 funding that is in the FY 25 Amended Budget, some of it will be rolling into the FY 2026 Budget.

RCA is not really seeing a decrease in other revenue sources, the LDMF is stabilizing along with sales tax. Currently, RCA has brought in \$27 million in LDMF for the current fiscal year.

The LDMF is always a prudent budget, because it varies with the economy. Collections have been as high as \$35 million and as low as \$5 million.

M/S/C (Gutierrez/Yow) to:

- 1) Adopt the Fiscal Year 2025/26 Budget and related Resolution No. 2025-010 “Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2025/26 Operating and Capital Budget Including Budget Policies”; and**
- 2) Approve the Biological Monitoring Program Work Plan and Cost Estimate included as Appendix B in the Fiscal Year 2025/26 Budget.**

8. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN 101

Aaron Gabbe, Regional Conservation Director, provided a presentation on the Western Riverside County Multiple Species Habitat Conservation Plan 101. Last month, RCA staff presented on the history, purpose, and need of the MSHCP and provided an overview of some MSHCP basics. Today, staff will provide an overview of the MSHCP’s conservation strategy, rough step measurement, reserve management and monitoring, and funding. Part 3, to be presented in August, will discuss the development process and MSHCP compliance, including the HANS and JPR processes, and the reserve assembly process.

The conservation strategy is the foundation of the MSHCP. The Conservation Strategy was designed to be consistent with the permit issued under the Endangered Species Act (ESA) and the Natural Communities Conservation Plan (NCCP) Act. The Conservation Strategy is defined by the goals and objectives that, if achieved, ensure conservation of the 146 covered species.

The Conservation Strategy includes:

- A 500,000 acres reserve system.
- Policies to protect sensitive covered species and their resources, including:
 - Riparian/Riverine Areas and Vernal Pools;
 - Narrow Endemic Plant Species; and
 - Other particularly sensitive plant and animal species.
- A biological monitoring program.
- An adaptive management program.
- Standard Best Management Practices applied to development projects to avoid or minimize impacts to covered species.

The Conservation Strategy was designed to achieve the biological goals and objectives for the covered species and their habitats as required by the ESA and NCCP Act. For each species, the Conservation Strategy is comprised of four elements: (1) a global conservation goal; (2) global conservation objectives; (3) species-specific conservation objectives that are measurable; and (4) management and monitoring activities.

The RCA is in the process of creating the landscape-level Reserve System. When complete, it will be comprised of contiguous blocks of habitat that are large enough to support sustainable populations of covered species. The primary goal of the reserve system is to expand existing core areas, create new core areas, and connect cores with linkages to ensure interconnected landscapes that enable the movement of wildlife and plants across the landscape. The RCA anticipates it will complete the reserve system by 2044. The backbone of the reserve system is the existing core areas of public land managed by the U.S. Forest Service and Bureau of Land Management (BLM), plus smaller existing core areas owned and managed by state and local entities.

When acquisition is complete, the Reserve System will total 500,000 acres. Approximately 347,000 acres comprise existing public/quasi-public lands such as U.S. Forest Service and BLM land. The MSHCP refers to the remaining 153,000 acres as “additional reserve lands.” These are the lands that the local governments and RCA are acquiring to complete the reserve system. The California NCCP Act requires that an NCCP, such as RCA, provides conservation to aid in the recovery of species. This conservation standard is higher than the federal ESA requirement to mitigate to the maximum extent practicable of the impacts of covered activities. To help achieve this requirement the state and federal governments committed to acquiring or funding the acquisition of 56,000 of the 153,000 acres of additional reserve lands. The RCA applies for competitive grants to help the state and federal governments achieve their commitments.

To date, local sources have contributed approximately 43,850 acres, or 45 percent of their share. State and federal sources have contributed approximately 26,750 acres, or 48 percent of their share. Overall, RCA has protected approximately 70,500 acres of additional reserve lands, or 46 percent of the goal.

Assembly of the reserve system is guided by Criteria described in the MSHCP. The reserve system will be completed within the Criteria Area. Criteria Cells are approximately 160 acres in size. The MSHCP describes the land designated for conservation in each cell or cell group, which are groups of cells treated as a unit for the conservation criteria.

Rough Step is a key metric that the permittees and Wildlife Agencies use to ensure that the pace of conservation does not fall behind the pace of impacts through development. Rough Step is measured in geographic “Rough Step Units” for specified natural communities or habitats. The Wildlife Agencies monitor the status of rough step to ensure permittee compliance with the MSHCP and the terms of the permits. If the pace of conservation falls behind the pace of impacts for a natural community within a rough step unit, further impacts to that natural community within that rough step unit cannot occur until enough of that natural community is conserved.

There are 9 Rough Step Units in the plan area. Status of each of the Rough Step Units can be viewed on RCA’s website via the mapping tool.

RCA has an intensive biological monitoring program, as would be expected for a plan with 146 covered species across almost a half-million-acre reserve system. The purposes of the biological monitoring program are to track progress toward achieving biological goals and objectives and to inform adaptive management of species' habitat and their populations. The RCA contracts the Santa Ana Watershed Association to conduct biological monitoring, which includes 16 dedicated staff. Monitoring is naturally organized by taxa, with monitoring leads for each taxonomic group. Each species is monitored at various frequencies, from annually to once every 8 years. To date, RCA has completed the baseline inventory of 146 Covered Species and survey objectives have been met for 57 species.

The purpose of the adaptive management program is to establish and maintain a self-sustaining reserve system that conserves populations of the covered species and their habitats to achieve biological goals and objectives. The adaptive management program uses data and information provided by the biological monitoring program to adjust management strategies to improve habitat conditions for the covered species. The RCA contracts the Riverside County Regional Park and Open-space District to manage additional reserve lands under RCA's ownership or conservation easement, currently approximately 42,000 acres.

Primary reserve management tasks include property protection and security. A large amount of the reserve lands that the RCA manages are subject to illegal mountain bikes and motorized off-highway vehicle (OHV) use, vandalism, and dumping. While the MSHCP allows for passive recreation on existing trails, staff are constantly discovering new mountain bikes and OHV trails made by private citizens in undisturbed habitats. Reserves are protected with wildlife friendly fencing, where necessary and feasible. Unfortunately, staff are also constantly repairing vandalized fences and gates.

Buying and managing land and administering the MSHCP takes a lot of resources. Funding for land acquisition, the RCA's biggest expense, comes from local, state, and federal entities. The local share comes primarily from development mitigation fees, plus a handful of other sources, such as landfill tipping fees, and contributions from various infrastructure sources. The MSHCP anticipated land acquisition, land management, and implementation to cost close to \$1.5 billion to implement the MSHCP over the life of the plan, approximately 75 years.

Measure A is a voter approved half-cent sales tax that provides funding for major highway projects, passenger rail, public transit, motorist assistance, and local streets and roads throughout Riverside County. The measure includes a requirement that for cities and the county to receive their Measure A funding they must comply with the terms of the MSHCP, including collecting development fees. An annual audit assesses compliance.

Board Member Lock Dawson shared that when they were first working on the plan people were very confused about Rough Step. A quick illustration or example on how Rough Step relates to the pace of implementing the plan and conservation goals would be helpful.

Aaron Gabbe stated the function of Rough Step is to ensure that conservation and mitigation occurs before the impact. Historically, it has been challenging to get the mitigation first rather

than after the impact. Rough Step is a function to help protect the resources and ensure they are protected before the impact occurs. There are 9 Rough Step Units and in each there are a handful of natural communities. There are so many acres that need to be protected at any given time and the MSHCP provides an equation where numbers can be input each quarter to see if more impacts have occurred versus conservation. If that is the case, future impacts to that natural community are not permitted until the unit is back in Rough Step.

Aaron Hake, Executive Director, added that the conservation needs to remain roughly in step with the impacts.

Board Member Ruiz wanted to know how many years it was estimated it would take to complete the MSHCP. Aaron Gabbe stated that completing the plan, or acquiring the full reserve system, was originally estimated at 25 years, which was overly ambitious. The Board extended that expectation for another 15 years at the 2020 Nexus Study. While the full reserve system is expected to take 40 years, the permit terms are 75 years.

Board Member Ruiz also asked how many acres were needed prior to RCTC taking over as managing agency for the RCA and how many acres RCA had now.

Aaron Gabbe noted that currently the RCA has a little over 70,000 acres conserved, and a little less than 80,000 is still needed. The amount of land needed, 153,000 acres, and the local, state, and federal share, has always been the same, since the plan was approved.

Aaron Hake added that the goal for 153,000 acres has been in place since the beginning of the MSHCP. There were a few good years where competitive grants were concerned where RCA was able to acquire more land. There was a legislative proposal that RCA developed jointly with Representative Ken Calvert to designate Western Riverside County as eligible for a federal wildlife refuge. That proposal is no longer active. The thought process behind the proposal was creating a new wildlife refuge would create a mechanism to receive more federal money to invest in the plan.

Board Member Ruiz clarified that once all the required land had been acquired, the MSHCP would move into maintenance and fees charged to developers would be greatly reduced. Aaron Gabbe confirmed that was correct and was what the endowment was intended to cover.

Aaron Hake expanded that the endowment was not regularly funded until the Board adopted the 2020 Nexus Study, in which 15 percent of new revenue was set aside to start going into the endowment fund. The permits have stated that all habitat was supposed to be acquired by 2029, which was the 25-year mark. With the 2020 Nexus Study the Board has extended out the acquisition by 15 years.

Aaron Gabbe added that the 75-year permits allow the development during that time under the MSHCP, most other plans are considerably shorter.

Vice Chair Spiegel asked for additional information on the jurisdictions that have to comply with every effort to collect funding in order to receive their Measure A.

Aaron Gabbe explained that the plan provides huge benefits in permitting. Every development is a discretionary project and goes through the MSHCP compliance process. Without the MSHCP, developers would need to go through their own ESA permitting process with the state and federal governments. The MSHCP converts that project by project permitting process into a programmatic process. The jurisdictions on their Board are required to collect fees that have been approved by the Board through the Nexus Study. Those fees are sent to the RCA, which in turn uses them for all the things described in the budget. In order to ensure that the RCA receives those fees, Measure A includes the requirement that cities and the county have to implement the terms of the MSHCP.

Aaron Hake added that every year, RCA finance staff oversees an audit, or an agreed upon procedures review, of each jurisdiction's finance and planning departments to make sure that the fees have all been paid. RCA will then certify to RCTC that the requirements of the MSHCP have been met thereby triggering the release of Measure A Local Streets and Roads funding.

Board Member Welty wanted to know how the MSHCP fee structure adjusted for inflation and at the end if the acquisition cost would balance with the fee cost. Aaron Gabbe stated that the Mitigation Fee Act requires a Nexus Study every eight years. The next Nexus Study will be in the next few years, and that is where all costs are estimated to integrate changes, increases, or decreases. Essentially the fees are calculated on what is needed to implement the MSHCP, based on current costs and projections. With the 2020 Nexus Study, the Board also approved an automatic increase according to the Consumer Price Index (CPI), so that the fees would increase to match the rate of inflation.

This item is for the Board of Directors to receive a presentation on the Western Riverside Multiple Species Habitat Conservation Plan (MSHCP) "101".

9. PRESENTATION – RESERVE OF THE MONTH

Zack West, Manager of Reserve Management and Monitoring, provided a presentation on the Reserve of the Month, San Timoteo Canyon. San Timoteo Canyon is situated within the northeastern portion of the Plan Area, north of State Route 60 and southwest of Interstate 10 and is home to the Oak Valley Partners Reserve and the Cienega Canyon Preserve. These properties were acquired for a total of approximately \$17 million, funded by a combination of MSHCP fees and state Wildlife Conservation Board grant funding. The Oak Valley Partners Preserve was acquired in 2006 and is owned and managed by the RCA. The Cienega Canyon Preserve was acquired in 2003 and added to the MSHCP reserve system after its adoption and is owned and managed by the Rivers & Lands Conservancy (RLC). These properties are both Additional Reserve Land (ARL) under the MSHCP and total roughly 1,090 acres.

The Oak Valley Partners Reserve and the Cienega Canyon Reserve support a variety of habitats, including riparian scrub, oak woodland, coastal sage scrub, chaparral, and grassland.

Several MSHCP Covered Species have been documented at these reserves in San Timoteo Canyon, including Least Bell's Vireo, bobcat, Long-tailed Weasel, and the Northern Harrier, as well as others. Notably, the reserves in San Timoteo Canyon also support the White-tailed Kite.

The White-tailed Kite is a small to medium-sized raptor, recognized by its pale gray and white plumage, bold black shoulders, and pointed wings. Facing into the wind, they flap their wings to steadily fly in place, in relation to the ground, as they scan the ground for prey, in a behavior known as "kiting", lending to their name. This may appear as though the kite is hovering, but a quick fun fact, only hummingbirds can truly hover in still air. Kites actually fly at the precise speed of the oncoming headwind, counteracting their would-be forward movement and remain in place. Their diet is varied and consists of small mammals, small birds, snakes, lizards, frogs, and insects. Once they spot prey, they swiftly drop down to capture their unsuspecting target. White-tailed Kites hunt over landscapes with low, sparse vegetation, such as grasslands, open-canopy chaparral and coastal sage scrub, and marshlands. For nesting, they select prominent trees at the edges of riparian, woodland, and forest habitats, where they can safely raise young from vantage points with good visibility and access to food.

The White-tailed Kite is found throughout parts of North, Central, and South America, with its range including the western and southern United States, Mexico, and further south through the Americas. Its distribution in the United States is limited to the western seaboard, Texas, and Florida. They are permanent residents in much of California and come from the coast to the inland valleys. Numbers have been declining in recent years within MSHCP conserved lands and Western Riverside County as a whole. Excitingly, successful nesting was documented in 2023 on MSHCP conserved land near to the Oak Vally Partners and Cienega Reserves. White-tailed Kites face pressure from habitat loss due to urban development, habitat degradation often due to invasive species, agriculture practices that reduce prey abundance, and pesticide use impacting prey populations.

The San Timoteo Canyon reserves have suffered from habitat degradation that has limited oak tree regeneration and reduced the quality of White-tailed Kite nesting and foraging habitat by removal of the native understory by historic grazing practices and competition from invading non-native plant species. Ongoing restoration projects at these reserves will directly benefit the White-tailed Kite. These programs offer a great opportunity for community volunteer events such as our recent oak woodland and riparian volunteer habitat restoration day. Through the MSHCP, over 19,000 acres of breeding habitat and over 281,000 acres of suitable foraging habitat are targeted for conservation to support the White-tailed Kite.

On Saturday, May 17, the RCA and the RLC held a volunteer oak woodland and riparian habitat restoration event in San Timoteo Canyon to improve these habitats, which are home to the White-tailed Kite and many other MSHCP covered and non-covered plant and animal species. At a time of year when graduation celebrations and summer travel plans prevail, eight members of the community and several staff members from the RCA, Riverside County Park and

Open-space District, and the RLC came out to make the day a success. Restoration activities included watering seedling oak trees to expand the oak woodland at the Cienega Canyon Preserve and removing the highly invasive stinknet plants adjacent to and within the riparian habitat at the Oak Valley Partners Preserve.

At the time of the event, the Riverside County Flood Control and Water Conservation District Rain Gauge located in neighboring Beaumont had recorded only 7.8 inches of rainfall for the 2024/25 rainy season, less than half of the annual average of 16 inches. This meant that oak tree seedlings, planted at the Cienega Canyon Preserve as a part of oak woodland restoration efforts by RLC, were thirsty and in need of life-sustaining water. Volunteers and staff from RLC hand-carried one-gallon jugs of water to 80 oak seedlings planted throughout the preserve. A small area around each oak seedling was also weeded by hand pulling and string trimming to remove competition from non-native plants and maximize the amount of water available to each oak seedling.

Stinknet is a non-native annual plant species rated as highly invasive by the California Invasive Plant Council. It was first discovered on the Oak Valley Partners Reserve earlier this season along an access road adjacent to riparian habitat. Based on many of its natural properties, it's very important to remove stinknet as soon as possible to prevent it from spreading further and naturalize within the property. A native to South Africa, stinknet is a member of the sunflower family and is named for its strong, resinous odor. It can range from only a few inches to over three feet in height. It is believed that stinknet is unpalatable to herbivores present within the United States; therefore, its numbers are not naturally controlled by wildlife. Each plant produces numerous flower heads, with each flower head potentially producing hundreds of tiny seeds less than one millimeter in size. That gives each plant the potential to produce thousands of seeds in a single season, with multiple generations of plants often occurring within a season.

The seeds readily disperse and can be transported on the fur and feathers of animals, on clothes and footwear, and on vehicles and heavy equipment. The seeds, and even entire plants carrying their seed load, can be transported significant distances once they have dried out by being blown by the wind or washed downstream. For these reasons, stinknet can easily outcompete native plant species and form vast stands. To add to its invasive potential, it often takes multiple rounds of control within a single season to effectively remove stinknet from a subject area, making control resource-intensive and difficult.

Hand-pulling, along with containing and removing the flower heads, is a highly effective way of removing stinknet plants. The challenge lies in preventing the flower heads from separating off of the plants while pulling them. When this occurs, significant time is spent collecting each individual disjointed flowerhead, which is important to remove to prevent seeds from being left behind. The result is resource-intensive, but important work. A team of volunteers and staff removed the invading stinknet from an approximately quarter-acre area along the access road and where stinknet began invading riparian habitat during the three-hour event. The equivalent of 15 trash barrels of stinknet were removed during the morning's work. The hard work of the volunteers put a sizeable dent in the stinknet population, but more work lies ahead this season for the Reserve Management Unit to prevent further invasion.

Board Member Daddario wanted to confirm that one of the properties was owned by the RLC but was partially paid for by the MSHCP. Zack West noted that both properties, including the one owned and managed by the RLC, are part of the MSHCP as ARL. The RCA manages RCA owned properties through MSHCP fees, the Cienega Canyon Preserve owned and managed by RLC was acquired through grant funding and is now managed through endowment funding from RLC. While the properties are essentially only neighbors, their property benefits the MSHCP and is included as ARL.

Aaron Hake, Executive Director, stated that to put it directly, their acreage counts towards the MSHCP goal.

10. RATIFICATION OF CHAIR’S APPOINTMENT FOR EXECUTIVE COMMITTEE VACANCY

Chair Bash appointed Board Member Morabito to the Executive Committee vacancy.

M/S/C (Wallace/Ruiz) to:

This item is for the Board of Directors to ratify the RCA Chair’s appointment of Joseph Morabito to the Executive Committee to fill the current vacancy.

11. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORT

There was nothing to report.

12. 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.

12A. 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	429-120-001	Hadley Holdings, LLC	RCA
2	363-190-012	Charles M. Matter, Trustee of The Penelope Wendel Matter Trust established under The Wendel Family Trust established July 16, 1963, by Carroll H. Wendel and Katharine D. Wendel, Trustors, as to an undivided one-quarter interest, and Lyle K. Schroeder and Lois J. Schroeder, Co-Trustees of the Schroeder Family Trust dated November 30, 1989, as to an undivided three-quarter interest	RCA

12B. REPORT OUT FROM CLOSED SESSION

Mr. DeBaun announced the Board considered and approved the following closed session item:

Item 1: Acquisition of the property was approved for \$300,000

13. ADJOURNMENT

There being no further business for consideration by the Western Riverside County Regional Conservation Authority Board of Directors, Chair Bash adjourned the meeting at 2:11 p.m. The next meeting of the Board of Directors is scheduled to be held on **Monday, August 4, 2025.**

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