

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

BOARD OF DIRECTORS MEETING MINUTES

Monday, June 1, 2026

1. CALL TO ORDER

The Western Riverside County Regional Conservation Authority Board of Directors Meeting was called to order by Chair Kevin Bash at 12:30 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
Colleen Wallace
Julio Martinez
Jeff Cervantez
Dale Welty
Tony Daddario
Mike McMinn
Connie Howard-Clark

Bob Magee
Dan Temple
Ulises Cabrera
Ron Holliday
Kevin Bash
David Starr Rabb
Patricia Lock Dawson
Crystal Ruiz
James Stewart
Joseph Morabito

Board of Directors Absent

V. Manuel Perez
Yxstian Gutierrez
Veronica Sanchez

*Arrived after the meeting was called to order.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Board Member Howard-Clark.

4. PUBLIC COMMENTS

There were no requests to speak from the public.

At this time, Vice Chair Spiegel arrived.

5. ADDITIONS / REVISIONS

Lisa Mobley, Administrative Services Director/Clerk of the Board, announced that there was a revision to Agenda Item 7, "*Adoption of Fiscal Year 2026/27 Budget*", there was a portion of the Appendix A attachment that was inadvertently left off 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 4, 2026

6B. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN FEE COLLECTION REPORT FOR MARCH 2026

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 2026.

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, 2026.

6D. ACQUISITIONS STATUS REPORT

This item is for the Board of Directors to receive and file the acquisition status report as of March 31, 2026.

6E. MONTHLY INVESTMENT REPORT FOR MARCH 2026

This item is for the Board of Directors to receive and file the Monthly Investment Report for the month ended March 31, 2026.

6F. QUARTERLY PUBLIC ENGAGEMENT METRICS REPORT, JANUARY – MARCH 2026

This item is for the Board of Directors to receive and file the Quarterly Public Engagement Metrics Report for January – March 2026.

6G. CONSULTANT REPORTS – FISCAL YEAR 2026 THIRD QUARTER

This item is for the Board of Directors to receive and file the consultant reports for Fiscal Year 2026, Third Quarter.

6H. RECURRING CONTRACTS FOR FISCAL YEAR 2026/27

- 1) Approve the single-year recurring contract with the Santa Ana Watershed Association (SAWA) for biological monitoring services in an amount not to exceed \$2,324,595, for FY 2026/27; and

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

6I. 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, 2026.

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 2026/27 BUDGET

Daniel Hernandez, Financial Administration Manager, provided a presentation on the Proposed Budget for Fiscal Year 2026/27. The Executive Summary includes the budget's policies, goals and objectives, an overview of proposed sources and uses, program initiatives, projected fund balances, budget summary schedules, and appendices including the monitoring work plan. The MSHCP requires a Biological Monitoring Program to collect data on the MSHCP's 146 covered species and their associated habitats, and to assess the MSHCP's effectiveness at meeting conservation objectives. The Monitoring Program Administrator submits an annual Work Plan and Cost Estimate for the Monitoring Program to be approved by the RCA Board of Directors.

The Budget Policies provide the framework for budget development and promote fiduciary responsibility and organizational excellence. RCA's budget policies include:

- Funding the endowment with 15 percent of Local Development Mitigation Fee (LDMF) revenues in accordance with the 2020 Nexus Study;
- Annual Review of the non-development HANS funding level, set by the Board of Directors through budget policy. The funding level has varied between 1 and 5 percent and is proposed at 5 percent in FY 27;
- The Economic Stability Policy requiring RCA to maintain at least \$9 million in cash for continued operations;
- Funding Allocations permitting LDMF to be used for all of RCA's program needs in accordance with the 2020 Nexus Study;
- The Fund Balance policy which requires the maintenance of at least equal to the next two years of anticipated funding needs; and
- RCTC Deposit level review to ensure at least two months of RCTC invoices are covered.

In summary, RCA's proposed FY 2027 Budget document complies with the budget policies.

Staff anticipates beginning FY 2027 with approximately \$99 million in total fund balance. FY 2027 estimated sources of \$39.8 million are less than estimated uses of \$56.2 million, resulting in the projected fund balance use of \$16.4 million. The General Fund anticipates use

of \$5.5 million due to conservatively budgeted general fund revenue, a planned reduction in the transfer from the Capital Projects Fund, along with anticipated increases in contracts. The Capital Projects Fund anticipates fund balance use of \$14.8 million, largely attributed to lower than anticipated collection of LDMF when compared to previous fiscal year activity. Finally, the Endowments Fund is anticipated to increase by \$3.9 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 and pay off the Toscana note payable one year ahead while remaining compliant with the budget policies described in the previous slide.

At this time, Board Member Medina arrived.

FY 2027 sources for the upcoming fiscal year are anticipated to be approximately \$39.8 million, which is an increase of approximately \$2.4 million from the FY 2026 projected actuals. The increase is primarily attributed to an increase in Land Donations, offset by a decrease in Miscellaneous Revenue. As part of April's Board Meeting, staff provided a FY 2026 LDMF update, noting lower collections of development-based revenue, including both LDMF and Transportation Uniform Mitigation Fee (TUMF). As a result, the FY 2026 budgets for both LDMF and TUMF were reduced from \$25.6 million to \$18 million, and \$1.1 million to \$700,000, respectively. Based on year-to-date collections, staff are projecting FY 2027 LDMF revenue at \$18 million, in line with both the FY 2026 Amended Budget and Projected Actuals.

The FY 2027 grants amount includes \$1.5 million from a cooperative agreement with Caltrans to purchase Arroyo Toad-inhabited properties totaling approximately 164 acres. Staff are actively pursuing other grant opportunities. If further grants are secured, staff will return to the Board with a budget adjustment to appropriate the funding. The amounts for Land Donations reflect the estimated value of land anticipated to be donated to the RCA and are offset by Habitat Acquisition expenditures. Staff anticipate the acquisition of seven land donations with an estimated value of \$10.6 million and approximately 311 acres during FY 2027. Four of these seven donations, totaling approximately \$4.7 million, were initially anticipated to be donated in FY 2026 but have been re-budgeted for FY 2027 and excluded from the FY 2026 projected actuals.

Tipping Fees anticipated in FY 2027 are \$3.6 million and include collections from the County for 2.13 million tons of out-of-county waste. After coordinating with the Western Riverside Council of Governments (WRCOG), the TUMF budget for FY 2027 is set at \$700,000 reflecting lower than anticipated development-based revenue collections. Other revenue sources include reimbursements for services, civic and infrastructure contributions, interest, and other revenue. The FY 2027 revenue estimates are conservatively budgeted for and are in line with FY 2026 Amended Budget amounts due to the unpredictability of revenues from civic, infrastructure, and participating special entities fees. The FY 2026 projected actuals are significantly higher than the FY 2027 proposed budget largely due to participating special entity revenues of \$2.4 million from the State. Furthermore, FY 2027 budgeted interest revenues reflect a conservative investment yield of 3.5 percent compared to the County's investment yield of 3.8 percent in March and April of 2026. Rounding out Sources are Operating Transfers, providing funding for

Reserve Management and Monitoring and Program Administration to be covered by LDMF revenues.

LDMF revenues are traditionally difficult to predict because of their connection to development. Based on year-to-date collections, staff is projecting FY 2027 LDMF revenue at \$18 million, in line with the FY 2026 Amended Budget and projected actuals. Staff will continue to monitor LDMF revenues and will bring forward a budget adjustment if the collections are markedly different from projections.

Overall proposed expenditures for the FY 2027 Budget are \$56.2 million and reflect an approximate \$5.9 million increase when compared to the FY 2026 projected actuals, largely due to an increase in contract expenditures and the planned early retirement of debt associated with the Toscana land acquisition. Program Administration and Reserve Management and Monitoring make up the RCA's general fund. Habitat Acquisition is the capital projects fund. Endowments are accounted for within the Endowments Fund.

Habitat Acquisition is projected to increase by \$3.2 million from the FY 2026 projected actuals. Approximately 47 percent of the cost of properties will be covered by grant funds and donations. Additionally, debt service payments totaling \$12.6 million represent the third and fourth of four annual payments related to the Toscana acquisition and result in the early retirement of the associated notes payable. Reserve Management and Monitoring and Program Administration are increasing mainly due to contract costs from vendors and the projected increase in the use of those contracts.

General administration expenditures are anticipated to increase by \$381,000 when compared to the FY 2026 projected actuals. The increase is largely due to projected increases in insurance expenses. Remaining general administration expenses are generally aligned with the FY 2026 Amended Budget. RCA pays the majority of its contracts through the RCTC management services agreement. Only payments for County services, including land management services from County Parks, and land acquisitions are not paid through this agreement. The FY 2027 proposed contract expenditures are generally in alignment with the FY 2026 Amended Budget, reflecting a small increase of approximately 5 percent. In comparison to the FY 2026 projected actuals, the FY 2027 contracts budget is anticipated to increase by approximately \$3.9 million, reflecting projected increases in management services provided by RCTC.

Assessments and fees expenditures of \$120,000 represent special assessments and homeowner association fees for RCA-owned land subject to such fees. Debt Service expenditures relate to the early retirement of the notes payable associated with the Toscana purchase. Specifically, FY 27 anticipates the payment of two debt service installments to retire the debt early. Capital outlay expenditures of \$25.9 million reflect a decrease of \$26.8 million from the FY 2026 Amended Budget and a decrease of \$4.1 million from the FY 2026 projected actuals. Capital outlay includes the value of land acquired and the costs to acquire the land. The 2020 Nexus Study permits the use of LDMF revenues for all program functions of the RCA. Operating transfers out relate to the transfer of LDMF revenues from the capital projects fund

to the general fund to assist with funding Reserve Management and Monitoring and Program Administration.

In FY 2024, RCA entered into loan agreements for the purchase of the Toscana property. The total amount of the loans was \$24.1 million. In FY 2027, RCA plans to make the third and fourth of four annual payments, for a total of \$12.6 million leading to the early retirement of the notes payable and interest payment savings of approximately \$140,000.

Habitat Acquisition and Maintenance budgeted expenditures of \$26.0 million reflect three different types of acquisitions for an approximate 1,489 additional acres of reserve land.

Grants provide \$1.5 million of the projected budget for acquisitions in FY 2027. The funding is derived from a cooperative agreement with Caltrans for the purchase of Arroyo Toad-inhabited properties. Mitigation Fees, primarily LDMF and some TUMF funds, along with use of fund balance, are anticipated to fund the acquisition of 14 properties for an estimated 1,014 acres at an approximate total of \$13.9 million. RCA funded acquisition estimates include:

- Willing seller properties totaling \$2.2 million for 335 acres.
- Non-Development HANS properties totaling \$2.1 million for 400 acres.
- The remaining \$9.6 million is anticipated to fund Development HANS properties, tax sale properties, and other acquisition related costs.

RCA staff expect to receive seven donations during FY 2027 with a projected value of \$10.6 million and approximately 311 acres of Additional Reserve Land (ARL).

Vice Chair Spiegel wanted to know why there was such a large change to State and Federal Grants from \$6.7 million to \$1.7 million for FY 2026. Daniel Hernandez shared that grants for FY 2026 would include the Caltrans agreement, and FY 2023 Section 6 funding. The projected actuals reflect the acquisition of the Pellon property. The fund amount for FY 2027 would reflect the re-budgeting of the Arroyo-toad habitat agreement with Caltrans.

Vice Chair Spiegel confirmed that when budgeting grant amounts, the budget is fluid based on usage, not the award amount.

Aaron Hake, Executive Director, stated that what is listed in the budget is what is expended for that fiscal year. If RCA receives a grant and anticipates closing during the current fiscal year but escrow gets extended, it will be amended out of the budget and moved to the next fiscal year.

Vice Chair Spiegel asked if there was an advantage to the early retirement of the Toscano loan.

Daniel Hernandez confirmed there would be interest savings of \$140,000 and would be fiscally prudent to retire the debt.

Vice Chair Spiegel expressed concern that, if opportunities arose to purchase additional properties, paying off the debt early could reduce funds available for those acquisitions.

Aaron Hake shared that paying off this debt early would help the RCA. By clearing the debt, not only would there be interest savings, but staff would also know exactly how much funding was available.

Board Member Daddario asked what interest rate RCA was currently paying on the Toscana property. Daniel Hernandez noted that the interest on the note payable was 2.25 percent.

Aaron Hake shared that this was not a loan through which RCA borrowed money. The interest is paid to the property owner who has not had the benefit of having the cash up front. These are installment payments on the property over four years. The interest rate was based on what RCA was accruing at the time in the County Investment Pool.

Board Member Daddario wanted to know what interest rate would apply if RCA entered into a similar arrangement for another property in the future. There is a concern that retiring the debt is fiscally responsible, some of those funds could instead be used to acquire other properties, since the two remaining payments are already budgeted for the next two fiscal years.

Aaron Hake added that the financing arrangement on the Toscano property was the first time RCA had done something like that. RCA does not typically finance against LDMF, which is volatile and not consistent. RCA would not be going out on the bond market to look for a loan, this was a unique circumstance and has not been considered with any other current or prospective property.

Board Member Daddario stated that he believed the most prudent course of action would be to continue budgeting for the next two payments and retain the funds for any potential acquisitions that may arise.

Regarding Capital Contributions and Donations, Board Member Daddario noted a large discrepancy between the amended budget and actual revenues and questioned why RCA would use a similar amended budget amount for the new fiscal year. Daniel Hernandez explained that Capital Contributions and Donations have a net-zero impact when it comes to donations. The budgeted revenue is offset dollar-for-dollar by the budgeted capital outlay. In the FY 2026 Amended Budget, some planned donations were reprogrammed into FY 2027.

Board Member Daddario wanted to confirm that RCA was projecting \$18 million in LDMF revenue for FY 2027 because, based on the graph presented, revenues are almost never that high. Daniel Hernandez clarified that RCA staff are comfortable with that projection at this time and will continue to monitor LDMF revenues, reporting back if findings are markedly different. Board Member Daddario stated that he believed additional information and discussion should occur before the Toscano debt service is paid off early. There should be more information or a discussion prior to paying the Toscano debt service early.

Daniel Hernandez added that, regarding the \$12.6 million debt service total, RCA is only proposing to prepay \$6.3 million. RCA would still need to pay the remaining \$6.3 million in FY

2027; however, based on the projected interest savings, staff recommended retiring the debt early.

Board Member Washington thought the early retirement of the debt made sense. When there was a discussion about purchasing this property through a payment plan, the Board supported it because it provided an opportunity to spread the payments over several years.

Vice Chair Spiegel thought the difference was that RCA did not borrow this money; instead, a private party was carrying the note.

Board Member Holliday asked what interest rate was currently being earned on the money in this fund. Daniel Hernandez shared that the most recent interest rate earned through the County Investment Pool was 3.8 percent.

Board Member Holliday stated that if the note carries an interest rate of 2.25 percent and RCA is currently earning 3.8 percent, RCA will lose money over the next year and a half by paying the debt off early. The reason for purchasing this property with a note paid overtime was to prevent RCA from depleting its reserves. The rationale for paying off the debt early to gain a clearer picture of RCA's financial position did not make sense. Spending the money now does not provide RCA with additional leverage to acquire other properties because the money is already committed. This debt should not be retired early.

Board Member Magee wanted to know if it would be possible to make the first payment and hold off on the second payment until the fourth quarter of the fiscal year, just in case anything unexpected occurred.

Sergio Vidal, Chief Financial Officer, shared that if RCA delayed the payment by six months, the interest savings would be reduced by approximately half. Assuming interest rates do not change, the County Investment Pool's yield would likely remain in the 3 percent range, and there would still be some savings.

Board Member Holliday clarified that it should not be characterized as interest savings if RCA is earning more interest on its investments than it is paying on the debt.

Sergio Vidal stated that this was correct; however, while RCA knows with certainty the interest cost associated with the debt, it does not know what future investment yields will be. Staff determined that early repayment represented the best option for RCA based on the information available at the beginning of the year.

Board Member Holliday added that RCA is currently benefitting from the difference between the interest rate earned on its investments and the interest rate being paid on the debt. RCA should retain that additional income in its reserves rather than prepaying the debt.

Board Member Howard-Clark wanted to know if the property owner helped facilitate this arrangement and whether they would lose the anticipated \$143,000 in interest if the debt were repaid earlier than expected.

Sergio Vidal shared that there was an expectation regarding the timing of the payments, and staff could verify whether the property owner's approval would be required to repay the debt early.

Steve DeBaun, legal counsel, stated that, without reviewing the note, it could not be determined whether a prepayment penalty would apply.

Aaron Hake recommended to the Board that RCA remove the proposed prepayment from the budget until staff could confirm that early repayment is permitted and determine which option would be most financially advantageous to RCA. Staff could return to the Board with this issue if circumstances changed and early repayment became the more financially beneficial option.

Board Member Morabito shared that while it makes sense to be debt-free, this situation is unique enough that the cost of early repayment outweighs the benefit of eliminating the debt.

M/S/C (Holliday/Daddario) to:

- 1) Adopt the Fiscal Year 2026/27 Budget and related Resolution No. 2026-003 "*Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2026/27 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 FY 2026/27 Budget.**

8. PROFESSIONAL SERVICES FOR MSHCP COMPLIANCE REVIEW

Harry Sandoval, Regional Conservation Deputy Director, provided a presentation on the Professional Services Agreement for MSHCP Compliance Review Services. The RCA is responsible for overseeing and implementing the MSHCP. The MSHCP is one of the largest and most comprehensive habitat conservation plans in the United States. Part of the RCA's responsibilities is reviewing project applications for consistency with pertinent sections of the MSHCP. The RCA review duties can be broken down into two main categories. Joint Project Reviews (JPRs) are carried out for any public or private development projects that occur within the MSHCP criteria area. JPRs make up the bulk of the cases that RCA must review. The second category consists of Participating Special Entities (PSEs) projects, which are submitted from public agencies and regional service providers. Projects submitted as PSEs may occur anywhere in the MSHCP plan area, not necessarily within the criteria area. Each project must be reviewed within the timeline specified in the MSHCP, 14 days for JPRs and 30 days for PSEs.

To understand why consultant support is needed by the RCA, it is important to note the limited staffing levels of the agency and the unpredictable workload. The RCA has two Compliance

Senior Management Analysts who are responsible for the review of technical documents submitted by permittees or PSEs. Technical documents that are generally submitted for review include MSHCP consistency analyses, focus species surveys, and determinations of biologically equivalent or superior preservation. The two GIS Management Analysts assist with compliance reviews by helping with reserve assembly calculations, analyzing submitted GIS data, and carrying out required mapping. Currently, the Deputy Director's responsibility is to review all work completed by the RCA and consultants before transmitting to permittees or applicants. The Deputy Director's MSHCP compliance responsibilities will be shifted to the new Compliance Manager position, which is currently being recruited for, to allow the Deputy Director to more proactively manage the Board's strategic priorities.

The MSHCP requires RCA staff to complete analysis within specified timelines, and the RCA has no control over when documents are received for review. Often, JPR and PSE submittals exceed the RCA's ability to process all applications within the required time frames. Having an on-call consultant allows the RCA to scale its workforce based on the volume of JPR and PSE submittals received. This approach also prevents bottlenecks during periods of high project volume and allows the RCA to maintain compliance with MSHCP-specified timelines and manage costs.

The RCA currently has a contract with Dudek that is ending in June. This contract has been approved and amended by the Board since 2004. This is the first procurement for MSHCP compliance review services since the MSHCP was approved. Staff utilized this opportunity to update the Scope of Work (SOW) associated with this contract and seek an on-call consultant from the open marketplace. The new SOW better reflects the RCA's current needs, while the previous SOW included various administrative tasks and items related to land management, which the RCA can now carry out without assistance. The new SOW focuses on compliance review and reduces the use of contractor-provided services. The new contract also contains an important firewall provision that ensures the consultant cannot utilize its' work on behalf of the RCA to benefit other clients who are seeking MSHCP compliance services.

On March 4, the RCA released a Request for Proposal (RFP) for MSHCP Compliance Review Services, and three firms submitted proposals by the April 1 deadline. Proposals were received from Dudek, Mountainview Biological, and ICF. An evaluation committee comprised of RCA staff and staff from a partner agency evaluated the proposals using a weighted factor method, as it allows RCA to identify the most advantageous proposal with price and other factors considered. Non-price factors include elements such as qualifications of firm and staff, understanding, and approach.

After reviewing the proposals, the evaluation committee held interviews with the two highest-ranked ranking firms. After the interviews, the evaluation committee determined that Dudek provided the most comprehensive proposal. The proposal from Dudek demonstrated that its staff has have a thorough understanding of the services requested and the SOW that was provided in the RFP. The evaluation committee concluded that Dudek's knowledge, experience, and qualifications outweighed the cost and would avoid a steep learning curve that would likely result in additional time and expenses if a new firm were to take on the requested work.

The total cost proposed by Dudek for services requested in the RFP is \$2,564,600. Costs for years one through three would be \$1,477,500, and years four and five would be \$1,087,100. The costs provided are not to exceed amounts and the contractor is not guaranteed this amount; the contractor will only be paid for the services required by the RCA. The previous agreement with Dudek for similar services was amended in 2025 to allow a not to exceed amount of \$430,000 for a one-year period. The current proposal amounts to an increase of approximately \$80,000 per year if divided equally over the term of the agreement. With the changes made to the SOW and the addition of a Compliance Manager, RCA anticipates reducing costs associated with the agreement to levels below the not to exceed amount.

Board Member Holliday wanted to make sure, that looking at the disparity between the bids, RCA staff felt that Dudek's qualifications and expeditious processing of the compliance reviews would be over three times greater than Mountain View.

Harry Sandoval shared that there was a significant gap in the knowledge and understanding based on the information received in the proposals and the interviews. RCA has to meet regulatory guidelines and that could be an issue with lack of knowledge.

Board Member Holliday confirmed that the applicants knew of the regulatory timelines and felt confident that they could meet them. Harry Sandoval assumed that was the case.

Board Member Holliday stated that as this was a not to exceed contract, and there was not an expected amount the consultant would receive, RCA could issue two contracts and try out the least expensive option.

Harry Sandoval shared that was not something RCA had contemplated in this RFP, but perhaps it is something that could be tried in the future.

Aaron Hake added that was a common practice on the RCTC side for services, and it was a great idea.

Board Member Daddario wanted to confirm that Dudek has been providing these services since 2004 continuously and whether they were also involved in writing the policies and procedures. Harry Sandoval confirmed they had been providing services since 2004 and were initially involved in the technical aspect of the MSHCP. This would lead to them having a fair amount of knowledge of the MSHCP.

Board Member Daddario asked who came up with the timing of 14 days for JPRs and 30 days for PSEs. Harry Sandoval shared that was negotiated during the initial establishment of the MSHCP. RCA does not go beyond these established deadlines, but there was one case several years ago where RCA failed to respond within the time frame.

Board Member Daddario asked if the reason for hiring a Compliance Manager was to ensure the RCA did not go over those time frames. Harry Sandoval responded that was part of the reason.

Board Member Daddario wanted to know if a cost analysis was done to determine whether it would be more cost-effective to bring on a Compliance Manager instead of continuing to use on-call assistance. Harry Sandoval stated that the Compliance Manager position was also intended to relieve some of the workload from the Deputy Director based on the priorities of the Board and the MSHCP amendment.

Aaron Hake added that there was a cost to adding the position, but the RCA is trying to make headway on all of the Board's initiatives, especially those that came out of the workshop last year. These initiatives included the amendment to the MSHCP and increased outreach to permittees. The RCA will be creating more staff capacity to complete those priorities while making sure that the day-to-day regulatory requirements of the agency are met. This also could, and RCA hopes will, reduce the amount of support that RCA must rely on from Dudek. This consulting support, which has always been associated with the MSHCP, helps absorb fluctuations and spikes in workload and provides assistance with specialty assignments.

Board Member Howard-Clark wanted to know if RCA had completed the job description for the Compliance Manager and what job duties would be expected of the contractor.

Steve DeBaun interjected that the Board had strayed from the purpose of the agenda item and stated that, although this was a good discussion to have, the agenda item was to discuss the award of the contract, not the staffing of the RCA.

At this time, Board Member Lock Dawson left.

Board Member Holliday made a motion that the contract be extended to both of the top two firms that were interviewed.

Board Member Daddario seconded the motion.

Chair Bash questioned why, if all bidders were provided the same information and opportunities during the solicitation process, there was such a significant disparity between the highest- and lowest-ranked proposals. Harry Sandoval shared that there were details lacking in the proposals and that there was a demonstrated lack of full understanding of the services requested in the RFP by the bidders that came in second and third. Dudek did not provide anything extra; rather, information was simply lacking in the other proposals.

Chair Bash asked how it would work to award the contract to all three bidders. Given the instances when RCA had been taken advantage of, he questioned whether it would truly be in the best interest of RCA to have a consultant that may not understand the agency's needs and expectations.

Harry Sandoval stated that it would be very challenging to have an organization perform the work without a full understanding of the MSHCP. It could lead to delays in projects and could even result in RCA missing deadlines, thereby affecting RCA's ability to implement the Plan as it was intended.

Chair Bash asked if RCA would be able to terminate a consultant during the term of a contract if the consultant caused an error. Harry Sandoval shared that it would be very challenging to terminate a consultant, significant work goes into these reviews, and it would be difficult to switch consultants in the middle of the process.

Board Member Washington found some of the assumptions made on the dais challenging. The staff report stated that, based on the assessment of the written proposals, the evaluation committee shortlisted two firms. As a result of that evaluation, Dudek was chosen. That shows that the evaluation committee saw something in Mountain View's response that gave the impression that the firm was not capable of doing the job described in the SOW. Harry Sandoval confirmed that was correct, stating that it was due to a lack of a complete understanding of what was described in the RFP.

Board Member Washington added that while Dudek may or may not have an advantage due to its familiarity with the work, it could simply be that its proposed cost was appropriately priced because the firm understood what the job entails. Harry Sandoval agreed and stated that this was most likely correct because the responses Dudek provided were comprehensive and addressed all the services required in the RFP.

Board Member Washington stated that while the idea had been suggested to award the contract to both of the two interviewed firms, if Mountain View was not capable of performing the work, it would require additional RCA assistance. Harry Sandoval agreed that doing so would require additional staff time, if available, to take on the responsibilities that the consultant was not able to complete.

Board Member Howard-Clark asked to see the slide that showed the prices proposed by the three different consultants. It was asked whether RCA would be getting what it was paying for at \$2.5 million when ICF had proposed only \$1.6 million. The public is watching how RCA spends public funds and asked what was wrong with the \$1.6 million proposal submitted by ICF.

Board Member Holliday wanted clarification on whether the discrepancy in the bids was due to the RFP being vague.

Chair Bash clarified that it was the proposal responses that were vague, not the RFP.

Harry Sandoval added that Dudek demonstrated a high level of knowledge regarding the services described in the RFP. The two other respondents could not respond at that level and demonstrated a lack of understanding of the services requested in the RFP.

Board Member Holliday asked if the third firm was not interviewed because it was not considered qualified enough to warrant an interview. Harry Sandoval stated that the third firm, ICF, had not met the evaluation threshold and was not on par with the other two responses.

Board Member Holliday explained that under his proposed motion, it would give RCA the opportunity to choose which consultant to use. Mountain View could be used on less complex reviews where a staff person could oversee the work, and if the firm was ultimately deemed not to be a viable option, it would not need to be utilized again. RCA would lose nothing by having the second contract in place.

Board Member Morabito thought the idea presented was feasible and that RCA would not be beholden to a lesser-qualified candidate for the more complex assignments; and stated that it was a good idea.

Vice Chair Spiegel was concerned that the RFP might have been presented as a single-consultant contract. There is a difference when a consultant is dedicated to RCA versus not knowing if they would lose out to a lower-ranked proposer only to be brought back in when that firm is not capable of completing the work.

Steve DeBaun stated that those concerns were shared. This RFP was not released as a bench contract but rather as a procurement for a single consultant. The bidders would have to agree to this change, but there is also the possibility that others did not bid because they could not cover the entire project but could have performed a smaller portion of the work. RCA would not be able to restructure the RFP after the fact and instead would need to reissue the RFP, allowing new bidders an opportunity to participate. If the Board desired a bench contract, RCA would need to abandon this RFP and re-bid the project, allowing the Board the opportunity to award multiple contracts under a bench arrangement.

Aaron Hake stated that this discussion was appreciated and thought that, in the long run, this was a good idea. There is a concern about changing the contract structure after the procurement process has been completed and then determining how to award each JPR that comes in and how to issue associated task orders. Each project that came forward would involve a task order that would take time to issue and would require RCA to determine who was going to do the work. If this is the route the Board would like to pursue, RCA needs to set up an efficient and rational process. Another consideration for setting up a bench is having different specialties or areas of expertise and developing the RFP in such a way as to find consultants that are diverse in their experience.

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

No: Wallace, Daddario

Abstain: Howard-Clark

- 1) **Award Agreement No. 26037 to Dudek to provide MSHCP compliance review services for a five-year term, in an amount not to exceed \$2,564,600; and**
- 2) **Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement, on behalf of the RCA.**

9. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORT

Aaron Hake shared that RCA was awarded a land acquisition grant of \$11,000,000 through the Cooperative Endangered Species Conservation Fund (CESCF) grant programs authorized by Section 6 of the Federal Endangered Species Act. RCA anticipates receiving a state match from the Wildlife Conservation Board for an additional \$6,000,000 for a total of \$17,000,000. The funds will be used to acquire the 959-acre North Peak property, located in Lake Elsinore.

The North Peak property contributes to Proposed Core 1 and is integral to conserving habitat for the federally listed Coastal California Gnatcatcher, Stephen's Kangaroo Rat, Western Spadefoot, and Quino Checkerspot Butterfly. The North Peak property also contributes to a critical wildlife movement corridor that connects regionally important conserved lands in the Estelle Mountain/ Lake Mathews Reserve (Existing Core C) and Santa Ana Mountains/Cleveland National Forest (Existing Core B) to the west with large blocks of conserved land in the San Jacinto River corridor/San Jacinto Wildlife Area/Lake Perris State Recreation Area to the east. The North Peak property supports a wide array of vegetation communities, including coastal sage scrub, riparian scrub/woodland/forest, vernal pools, montane coniferous forest, chaparral, foothill woodland, annual grassland, and desert scrub.

This proposal was developed in partnership with the Oswit Land Trust. The Oswit Land Trust provided support with landowner negotiations, appraisal costs, and other acquisition assistance and will continue to support the RCA with the acquisition process. RCA's and External Affairs' lobbying efforts in Washington D.C. helped to ensure that the federal government continues to contribute toward its land acquisition commitment to the MSHCP and Western Riverside County by funding the CESCF program.

10. CLOSED SESSION

At this time, Steve DeBaun announced the Board will be going in to Closed Session to discuss the existing litigation item on the agenda.

10A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Paragraph (1) of subdivision (d) of Section 54956.9

Case No. 5:25-cv-2008-DTB

10B. REPORT OUT FROM CLOSED SESSION

There were no announcements from Closed Session.

11. 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 1:59 p.m. The next meeting of the Board of Directors is scheduled to be held on **Monday, August 3, 2026.**

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