



The Western Riverside County Regional Conservation Authority was established in 2004 as a joint powers authority to administer the 2003 Western Riverside County Multiple Species Habitat Conservation Plan. Currently, the Authority consists of eighteen (18) cities and the county.

MEETING

**Monday May 7, 2018
12:30 p.m.
Riverside County Administrative Center
Board Room, First Floor, 4080 Lemon Street, Riverside, CA 92501**

OFFICERS

Jonathan Ingram, Chairperson
City of Murrieta

Maryann Edwards, Vice-Chairperson
City of Temecula

BOARD MEMBERS

Daniela Andrade
City of Banning

Kevin Bash
City of Norco

Julio Martinez
City of Beaumont

David Starr Rabb
City of Perris

Jeffrey Hewitt
City of Calimesa

Andy Melendrez
City of Riverside

Larry Greene
City of Canyon Lake

Crystal Ruiz
City of San Jacinto

Eugene Montanez
City of Corona

Timothy Walker
City of Wildomar

Clint Lorimore
City of Eastvale

Kevin Jeffries
County of Riverside, District 1

Michael Perciful
City of Hemet

John Tavaglione
County of Riverside, District 2

Verne Lauritzen
City of Jurupa Valley

Chuck Washington
County of Riverside, District 3

Natasha Johnson
City of Lake Elsinore

V. Manuel Perez
County of Riverside, District 4

Matt Liesemeyer
City of Menifee

Marion Ashley
County of Riverside, District 5

Jeffrey Giba
City of Moreno Valley

Charles Landry, Executive Director



MEETING AGENDA*

**Actions may be taken on any item listed on the agenda. Non-exempt materials related to an item on this agenda submitted to the RCA Board after distribution of the agenda packet are available for public inspection at the RCA Offices, 3403 Tenth Street, Suite 320, Riverside, California, during normal business hours. Such documents are also available on the Western Riverside County Regional Conservation Authority website at www.wrc-rca.org subject to staff's ability to post the documents before the meeting. Alternative formats are available upon request by contacting the Clerk of the Board at (951) 955-9700. Notification of at least 72 hours prior to meeting time will assist staff in accommodating such requests.*

Monday, May 7, 2018

12:30 p.m.

**Riverside County Administrative Center
First Floor Annex – Board Hearing Room
4080 Lemon Street
Riverside, CA 92501**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 955-9700. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. PUBLIC COMMENT**

At this time members of the public can address the RCA Board of Directors regarding any items within the subject matter jurisdiction of the Board that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Each individual speaker is limited to speak three (3) continuous minutes or less. Any person wishing to address the Board on any matter, whether or not it appears on this agenda, is requested to complete a "Request to Speak" form from the Clerk of the Board. The completed form is to be submitted to the Clerk of the Board prior to an individual being heard. Whenever possible, lengthy testimony should be presented to the Board in writing and only pertinent points presented orally. Any written documents to be distributed or presented to the RCA Board of Directors shall be submitted to the Clerk of the Board.

- 5. BOARD MEMBER ANNOUNCEMENTS** *(This item provides the opportunity for the Board Members to report on attended meetings/conferences and any other items related to RCA activities.)*

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

7. **APPROVAL OF MINUTES — April 2, 2018**

8. **CONSENT CALENDAR** *(All matters listed under the Consent Calendar will be approved in a single motion unless a Board Member requests separate action on specific Consent Calendar item. The item will be pulled from the Consent Calendar and placed for discussion.)*

8.1 **WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTION REPORT FOR MARCH 2018**

Overview — **STAFF REPORT**

This item is for the RCA Board of Directors to receive and file the Western Riverside County MSHCP Fee Collection Report for March.

9. **RESOLUTION NO. 2018-004, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING THE FISCAL YEAR 2019 OPERATING AND CAPITAL BUDGET**

Overview — **STAFF REPORT**

This item is for the RCA Board of Directors to adopt Resolution No. 2018-004, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2019 Operating and Capital Budget.*

10. **RECURRING CONTRACTS FOR FISCAL YEAR 2019**

Overview — **STAFF REPORT**

This item is for the RCA Board of Directors to:

- 1) Approve the Recurring Contracts for Fiscal Year 2019; and
- 2) Authorize the RCA Executive Director, upon legal counsel review and approval, to execute said agreements on behalf of the RCA.

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11. THIRD AMENDMENT TO REVENUE LEASE AGREEMENT BETWEEN THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AND THE COUNTY OF RIVERSIDE

Overview — **STAFF REPORT**

This item is for the RCA Board of Directors to authorize the Chairman to execute, pursuant to legal counsel review and approval, the Third Amendment to the Revenue Lease Agreement between the Western Riverside County Regional Conservation Authority and the County of Riverside.

12. EXECUTIVE DIRECTOR'S REPORT

12.1 Washington, D.C., Trip

13. LAND ACQUISITION UPDATE

14. FEATURED SPECIES OF THE MONTH

15. ITEMS FOR NEXT MEETING

Board Members are invited to suggest additional items to be brought forward for future discussion.

16. CLOSED SESSION

16.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Pursuant to Government Code Section 54956.8

Agency Negotiator: RCA – Executive Director or Designee

Under Negotiation: Price/Terms

Item	Assessor Parcel No(s).	Negotiating Party(ies)/Agent
1	407-080-008	Pa Lang Lin, Yu Chiung H. Lin, Leana Yang, Hsi Chuan Lin, Yueh Tang Lin, Tai-Dy Wang
2	255-230-031, 255-230-032 257-180-003	Patricia Diane Chandlee, Patricia Diane Vaccaro Chandlee, Betty L. Vaccaro, Cindy Palmer, Sue Ann Vail
3	935-140-008	Shaun Jackson
4	Portion of 900-020-018 and Portion of 900-020-019	Jeffrey R. Cleveland, Nancy E. Cleveland
5	583-170-040	Jeffrey S. Burum, Christopher M. Leggio/ Brian Bush

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17. ADJOURNMENT

The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, June 4, 2018, at 12:30 p.m., at the County of Riverside Administrative Center, Board Room, 4080 Lemon Street, Riverside, California.

ACRONYMS

AGENDA ITEM NO. 7

MINUTES

APRIL 2, 2018



www.wrc-rca.org

MEETING MINUTES

1. CALL TO ORDER

The meeting of the Western Riverside County Regional Conservation Authority was called to order by Chairman Ingram at 12:34 p.m., Monday, April 2, 2018, in the Board Room of the Riverside County Administrative Center, 4080 Lemon Street, Riverside, California, 92501.

2. PLEDGE OF ALLEGIANCE

Board Member Ashley led the RCA Board Members and meeting attendees in a flag salute.

3. ROLL CALL

Member Agency	Board Member Name	Status
City of Banning	Daniela Andrade	Absent
City of Beaumont	Julio Martinez	Present
City of Calimesa	Jeffrey Hewitt	Present
City of Canyon Lake	Larry Greene	Present
City of Corona	Eugene Montanez	Present
City of Eastvale	Clint Lorimore	Present
City of Hemet	Michael Perciful	Present
City of Jurupa Valley	Verne Lauritzen	Present
City of Lake Elsinore	Bob Magee, Alternate	Present
City of Menifee	Matt Liesemeyer	Absent
City of Moreno Valley	Jeffrey Giba	Present
City of Murrieta	Jonathan Ingram, Chairman	Present
City of Norco	Kevin Bash	Present
City of Perris	David Starr Rabb	Present
City of Riverside	Andy Melendrez	Present
City of San Jacinto	Crystal Ruiz	Present
*City of Temecula	Maryann Edwards	Present
City of Wildomar	Timothy Walker	Present
County District 1	Kevin Jeffries	Present
County District 2	John Tavaglione	Absent
County District 3	Chuck Washington	Present
County District 4	V. Manuel Perez	Absent
County District 5	Marion Ashley	Present

**City of Temecula representative arrived at 12:36 p.m. after roll call.*

4. PUBLIC COMMENT

There were no public comments.

5. BOARD MEMBER ANNOUNCEMENTS (This item provides the opportunity for the Board Members to report on attended meetings/conferences and any other items related to RCA activities.)

Board Member Ruiz announced that the City of San Jacinto is the oldest city in Riverside County. The City of San Jacinto will be celebrating their 130th Anniversary on Wednesday, April 4, 2018, at the Soboba Country Club from 5:00 p.m. to 7:00 p.m. She invited all that are interested to attend.

Board Member Hewitt announced that the City of Calimesa is having a Grand Opening for the new Fire Department on April 14, 2018, from 10:00 a.m. to 2:00 p.m. He invited all to come out and enjoy a barbeque.

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

There were no additions/revisions.

7. APPROVAL OF MINUTES — February 5, 2018 meeting of the RCA Board of Directors.

RESULT:	APPROVED AS RECOMMENDED [18 TO 0]
MOVER:	City of San Jacinto
SECONDER:	County District 5
AYES:	Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, County District 1, County District 3, County District 5
ABSTAIN:	City of Lake Elsinore
ABSENT:	City of Banning, City of Menifee, County District 2, County District 4

8. **CONSENT CALENDAR (All matters listed under the Consent Calendar will be approved in a single motion unless a Board Member requests separate action on specific Consent Calendar item. The item will be pulled from the Consent Calendar and placed for discussion.)**

RESULT:	APPROVED AS RECOMMENDED [UNANIMOUS]
MOVER:	City of Eastvale
SECONDER:	City of Calimesa
AYES:	Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, County District 1, County District 3, County District 5
ABSENT:	City of Banning, City of Menifee, County District 2, County District 4

8.1 WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTION REPORTS FOR JANUARY AND FEBRUARY 2018

Overview

This item is for the RCA Board of Directors to receive and file the Western Riverside County MSHCP Fee Collection Reports for January and February 2018.

8.2 FISCAL YEAR 2018 SECOND QUARTER FINANCIAL REPORT AND BUDGET ADJUSTMENTS

Overview

This item is for the RCA Board of Directors to:

- 1) Receive and file the Fiscal Year 2018 Second Quarter Financial Report;
- 2) Approve the budget adjustment contained in the attached Exhibit A; and
- 3) Authorize the Chairman to direct the Auditor-Controller to make the budget adjustments as contain in the attached Exhibit A.

8.3 NON-DEVELOPMENT HANS FUNDING LEVEL FOR FISCAL YEAR 2019

Overview

Recommend that the RCA Board of Directors direct staff to set aside no more than one percent (1%) of Western Riverside County Multiple Species Habitat Conservation Plan Local Development Mitigation Fees received, effective July 1, 2018, to purchase Non-Development HANS properties under Section 1.13 of the Land Acquisition Policies.

8.4 RESOLUTION NO. 2018-001 RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AUTHORIZING THE SALE OF RIGHT OF WAY TO THE STATE OF CALIFORNIA

Overview

Recommend that the RCA Board of Directors Approve Resolution No. 2018-001, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Authorizing the Sale of Right of Way to the State of California.*

8.5 RESOLUTION NO. 2018-002 RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY AUTHORIZING THE ACCEPTANCE OF GRANT FUNDS FOR ACQUISITION OF REAL PROPERTY

Overview

Recommend that the Board of Directors Approve Resolution No. 2018-002, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Authorizing the Acceptance of Grant Funds for Acquisition of Real Property.*

8.6 RESOLUTION NO. 2018-003, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY APPROVING THE PURCHASE OF TAX DEFAULTED PROPERTY FROM THE RIVERSIDE COUNTY TREASURER-TAX COLLECTOR'S OFFICE

Overview

Recommend that the RCA Board of Directors Approve Resolution No. 2018-003, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Approving the Purchase of Tax Defaulted Property from the Riverside County Treasurer-Tax Collector's Office.*

9. EXECUTIVE DIRECTOR'S REPORT

9.1 Update regarding Section 6 Grant Funds Award for 2017

Charles Landry, Executive Director, reported that typically by August or September RCA is notified if it was awarded Section 6 federal grant funds. Fiscal Year 2017 Section 6 grant funds were appropriated by Congress and signed into law. This federal funding can be up to \$2 million per year, and the State of California usually provides match funds in the amount of \$1 million, for a total of \$3 million in grant funds. RCA is confident that these funds will be released soon. Department of Interior is reviewing all of the grants at this time. For Fiscal Year 2018, approximately \$19 million is budgeted for Section 6 land acquisition grant funds. RCA is a great competitor for these grant funds and has received the maximum award in the past. He further stated that he would keep the Board of Directors apprised as information is made available.

10. LAND ACQUISITION UPDATE

Charles Landry, Executive Director, stated that at the last RCA Board of Directors' meeting, it was reported that RCA had acquired 58,601 acres. Escrow has closed on six additional properties totaling approximately 491 acres, bringing the reserve total to approximately 59,092 acres.

11. FEATURED SPECIES OF THE MONTH

Elizabeth "Betsy" Dionne, Ecological Resources Specialist, stated that the featured species for the month of April is the Ferruginous Hawk. She then gave an overview of the hawk's characteristics, life history, migration, and how RCA manages for the species.

After her presentation, Betsy Dionne invited and responded to questions from the Board Members.

Chairman Ingram and Board Members thanked Betsy Dionne for a well-informed presentation.

Representative from County District 1 departed the meeting at the start of this item.

12. ITEMS FOR NEXT MEETING

There were no requested items.

13. CLOSED SESSION ITEMS:**13.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

Pursuant to Government Code Section 54956.8

Agency Negotiator: RCA – Executive Director or Designee

Under Negotiation: Price/Terms

Item	Assessor Parcel No(s).	Negotiating Party(ies)/Agent
1	963-060-001, 963-060-004	Emerald Aliso, Jim Kelly
2	963-060-069	Martin Arthur Rindahl/ Jim Kelly

After Closed Session, the meeting was reconvened. There were no announcements from Closed Session.

14. ADJOURNMENT

There being no other items before the RCA Board, Chairman Ingram adjourned the meeting at 12:55 p.m. The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, May 7, 2018, at 12:30 p.m. at the County of Riverside Administrative Center, Board Room, 4080 Lemon Street, Riverside, California.

Prepared by:



Rose Haro
RCA Administrative Manager

Respectfully submitted:



Honey Bernas
Director of Administrative Services

AGENDA ITEM NO. 8.1

WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTION REPORT FOR MARCH 2018

Regional Conservation Authority

**WESTERN RIVERSIDE COUNTY
MSHCP FEE COLLECTION REPORT FOR
MARCH 2018**

Staff Contact:

**Honey Bernas
Director of Administrative Services
(951) 955-9700**

Background:

The RCA Executive Committee directed staff to report on Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP) Local Development Mitigation Fee (LDMF) Collection and Civic/Infrastructure Contribution on a monthly basis.

Attached is the report for March 2018. The report was prepared on a cash basis and, therefore, reflects the cash received by RCA during that month.

Executive Committee and Staff Recommendation:

That the RCA Board of Directors receive and file the Western Riverside County MSHCP Fee Collection Report for March 2018.

Attachment

- 1) Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for March 2018

AGENDA ITEM NO. 8.1
Attachment

**WESTERN RIVERSIDE
COUNTY MSHCP LDMF
COLLECTION and
CIVIC/INFRASTRUCTURE
CONTRIBUTION REPORT
FOR MARCH 2018**

**WESTERN RIVERSIDE COUNTY MSHCP LDMF COLLECTION AND
CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT FOR MARCH 2018
CASH BASIS**

LOCAL DEVELOPMENT MITIGATION FEE COLLECTIONS						
		REMITTED			EXEMPTIONS & FEE CREDITS	
		Residential Permits	Commercial/Industrial Acres	Amount Remitted	Residential Permits	Amount
City/County	Month					
City of Banning	February-No Activity					
City of Beaumont	February	3	2.9	\$26,420		
City of Calimesa	February-No Activity					
City of Canyon Lake	February	4		\$8,124		
City of Corona	February-No Activity					
City of Eastvale	February	4		\$5,200		
City of Hemet	February-No Activity					
City of Jurupa Valley	February	66		\$134,007		
City of Lake Elsinore	February Summerly Project ¹				23	\$46,713
City of Menifee	February	53	6.7	\$153,759		
City of Moreno Valley	February	18	80.2	\$590,923		
City of Murrieta	January	1	5.1	\$37,292		
	February-No Activity					
City of Norco	February-No Activity					
City of Perris	February		23.1	\$161,708		
City of Riverside	February	12		\$24,372		
City of San Jacinto	February	16		\$32,496		
City of Temecula	February-No Activity					
City of Wildomar	February	6		\$12,186		
County of Riverside	March	67		\$136,077		
	Total LDMF Collections	250	118.0	\$1,322,565	23	\$46,713

CIVIC AND INFRASTRUCTURE CONTRIBUTIONS	
No Activity	
Total Civic/Infrastructure Contributions	\$0

TOTAL MARCH 2018 \$1,322,565

1) Summerly Project - Development agreement dated 8/24/04. Expiration date 9/23/14. Settlement Agreement with RCA per MOA dated 11/6/17.

AGENDA ITEM NO. 9

**RESOLUTION NO. 2018-004,
RESOLUTION OF THE BOARD
OF DIRECTORS OF THE WESTERN
RIVERSIDE COUNTY REGIONAL
CONSERVATION AUTHORITY ADOPTING
THE FISCAL YEAR 2019 OPERATING AND
CAPITAL BUDGET**

Regional Conservation Authority**RESOLUTION NO. 2018-004, RESOLUTION OF THE BOARD
OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL
CONSERVATION AUTHORITY ADOPTING THE FISCAL YEAR 2019
OPERATING AND CAPITAL BUDGET****Staff Contact:****Honey Bernas
Director of Administrative Services
(951) 955-2842****Background:**

The Proposed Budget Fiscal Year 2019 and Resolution No. 2018-004 are attached for the Board's review and approval. Following is an overview of the major sources of revenues, appropriations, and fund balances.

Staff is pleased to present a balanced budget with no anticipated draws on fund balance during Fiscal Year 2019. Following is an overview of the major sources of revenues, appropriations, and fund balances.

Revenues

Total projected revenues for FY2019 are \$31.0 million, which represents a 13%, or \$3.5 million, increase over the FY2018 Adopted Budget. Significant revenue sources for Proposed Budget FY2019 are as follows:

Developer Mitigation – Development mitigation fee revenues are the RCA's largest revenue source, representing 39% of the total projected revenues. The RCA's Approved Budget FY2018 estimated mitigation fees at \$10.5 million. However, based on current contributions, RCA staff anticipates \$11.4 million in mitigation fees collected by June 30, 2018. Based on the current economy, economic forecasts and projected housing starts, staff conservatively estimates \$12.1 million of budgeted mitigation fees for FY2019. This is an increase of \$700 thousand, or 6%, over the FY2018 estimate.

Federal and State Grants – Proposed federal and state grant revenues of \$2 million and \$1.1 million, respectively, represent approximately 10% of the total FY2019 revenues. In November 2016, the U.S. Department of the Interior awarded \$2 million in 2016 non-traditional Section 6 federal funding to the RCA's land acquisition program. The funds are to be passed through the Wildlife Conservation Board (WCB) into escrow for RCA acquisitions. The grants require a 35%, or \$1.1 million, match from non-federal funds. The RCA previously budgeted those funds for FY2018, anticipating the purchase of a grant funded property. Unfortunately, no property was eligible for WCB funding by June 30, 2018. Therefore, the budget has been shifted to the FY2019 proposed budget for a potential grant funded land acquisition. The RCA has a three year period to spend the grant funds. RCA staff has also applied for the 2017 non-traditional Section 6 federal grant program

and is awaiting notification of an award. If the RCA receives an award, up to an additional \$2 million in federal funds could be available for spending in FY2019 or FY2020 depending upon when the grant funds are made available. To date the grant has not been awarded; therefore, those funds were not included in the proposed budget.

Measure A – In accordance with the MOU between the RCA and the Riverside County Transportation Commission (RCTC) dated April 11, 2012, RCA is scheduled to receive \$3 million in Measure A funds during FY2019 for land purchases. Measure A funds of \$3 million will be applied toward the purchase of a property approved by the Board at its April 2, 2018 meeting.

Land Donations and Contributions – Staff anticipates receiving 192 acres of Additional Reserve Land valued at approximately \$5.6 million from private developers and local governments during FY2019.

Participating Special Entity – During FY2017, the RCA issued a Certificate of Inclusion (COI) to Participating Special Entity (PSE) Southern California Edison for the West of Devers Upgrade Project. The agreement requires the payment of a fee of \$6.4 million, payable in three annual installments of \$2.1 million each. The FY2019 Proposed Budget includes the third installment of \$1.9 million (net of a 10% endowment set-aside) as budgeted revenues. During FY2018, the RCA also issued three additional COIs which increased the FY2018 budgeted revenues by \$695 thousand. Those were one-time payments, and accordingly, the FY2019 proposed budget reflects a decrease of said amount in proposed PSE revenues.

Tipping Fees – Another significant revenue source includes Tipping Fees from Riverside County of \$2.8 million, which is a 12% increase over FY2018 Budgeted Revenues. During FY2017, the County contributed \$3.7 million in tipping fees, which was the highest contribution to RCA since its inception. Although FY2019 tipping fees could be higher, RCA staff recommends a more conservative estimate of \$2.8 million.

Interest – Interest revenues have gradually increased over the past three years. The RCA invests all of its funds with the Riverside County Treasurer's Pooled Investment Fund. The current budget reflects about \$403 thousand in budgeted interest revenues, which represents an approximate 1.5% interest rate on investments.

Appropriations

Total Proposed Appropriations for FY2019 are \$31.0 million, which represents an increase of \$3.7 million, or 13%, from FY2018 budgeted appropriations of \$27.3 million. Appropriations are summarized by the objects of Salaries and Benefits, Services and Supplies, Other Charges, and Capital Outlay. A summary of each object is summarized as follows:

Salaries and Benefits – Salaries and Benefits reflect an overall increase of \$3 thousand from FY2018 budgeted appropriations. The FY2018 budget included estimated appropriations for a new position budgeted at the higher end of the pay range. The FY2019 proposed budget contains the actual position's rate, which is less than previously budgeted. The savings generated from that position were offset by a small increase in salaries as a result of scheduled anniversary merit

step increases for current staff not at the top of their pay range. The net result was a reduction of \$10 thousand to budgeted salaries from the FY2018 to FY2019 budget. Budgeted benefits increased by \$10 thousand as a result of 1.1% increase in the employer pension contribution cost increasing from 20.5% to 21.6% in FY2019.

Services and Supplies – Services and Supplies reflect an overall decrease of \$274.5 thousand, or 5%, from FY2018 appropriations. Services and supplies include the following:

- *General Office* – Proposed General Office expenditures of \$554 thousand include auditing services, insurance, communications, automobile costs, supplies, equipment, repairs and maintenance, board expenditures, travel, and other office costs. Savings of \$12 thousand from prior year include a reclassification of certain charges from general office expense to contractual costs of about \$42 thousand, offset by a net increase of about \$29 thousand for RCA Board related expenditures for stipends, HR costs, and travel related expenditures.
- *Legal Expenditures* – Legal Expenditures consist of payments to RCA legal counsel, plus a contingency. In prior years, the RCA has budgeted \$770 thousand for legal services, plus a \$500 thousand contingency under this line item for a total of \$1.3 million. Approximately \$200 thousand of the legal services are capitalized every year for costs directly attributable to land acquired and thus reclassified to *capital outlay* for financial statement purposes. This year, RCA staff recommends maintaining \$770 thousand in appropriations for legal services, but allocating \$570 to *Services and Supplies* and \$200 thousand as *Capital Outlay*. The contingency has been reduced from \$500 thousand to \$300 thousand in the proposed FY2019 budget. Thus, the proposed budget indicates a reduction of \$400 thousand in the “Legal Expenditures” line item.
- *Contracts* – Contracts within Services and Supplies are detailed in Exhibit A-3. This shows proposed contracted costs of \$5.1 million, which represent an overall increase of \$100.5 thousand from prior year. The major changes from last year’s contracts include the following:
 - Staff proposes a decrease of \$50 thousand for Real Property Services to the Riverside County Economic Development Agency (EDA). Their contract includes real estate services and payments to various third party consultants who provide real estate appraisals, environmental reviews, survey work and other costs associated with the negotiation and acquisition of land. During FY2018, EDA paid a third party consultant approximately \$45 thousand for asbestos removal on RCA property. That was a one-time payment and should not be incurred in the future, therefore, a reduction in appropriations for FY2019 is prudent.
 - On March 6, 2017, the RCA Board approved a contract for an Updated Fee Nexus Study and Fee Implementation Handbook. The overall contract price is \$198.5 thousand, which covers multiple fiscal years. The \$70 thousand proposed for FY2019 appropriations is the potential remaining balance of the current contract to

be charged during FY2019. Substantial progress has been made on the update and the work effort is ongoing. Additional time is necessary to ensure that appropriate outreach and stakeholder discussions are conducted, and to ensure that a fully vetted study is provided to the Board.

- An increase of \$13 thousand for Land Management is strictly to pay for a habitat restoration project which will be funded by a third party developer in the amount of \$35 thousand over a three-year management period. Proposed miscellaneous budgeted revenues for FY2019 also include \$12 thousand for reimbursement of these costs.
- The proposed budget for biological monitoring is \$1.2 million. The RCA issued a request for proposals (RFP) for biological monitoring services in February 2018, and received a proposal from one responsive bidder. Staff is currently negotiating the cost and terms of the agreement and anticipates bringing the matter before the Board for consideration at its June 2018 meeting. In prior years, the biological monitoring program was paid through a contract for the services rendered and the RCA separately paid for certain direct costs such as rent for the monitoring crew, field equipment, supplies, communications and vehicle costs. The RFP instructed respondents to include all of these services and materials in their proposal. Accordingly, staff anticipates the contract cost to increase from prior year, but also anticipates savings in other areas previously paid directly by RCA. Savings in General Office and Rent-Lease Buildings are reflected in the proposed FY2019 budget.
- The RCA's Executive Committee has directed RCA staff to increase RCA's public outreach efforts, including, but not limited to, establishing a social media campaign, improving RCA's website, developing an education program for youth, designing an informative, uniform and inviting sign program for public use on RCA lands, publishing and distribution of RCA newsletters, and on-call media relations services. Once the budget is approved, RCA staff will initiate the RFP process. Upon completion of process and consultant selection, a contract will be brought to the RCA Board for consideration
- The line item associated with Rent-Lease Building includes the operating lease for RCA's administration offices. In prior years, the RCA paid for the rental costs of housing the contracted monitoring team. Since the new proposed contract will include all overhead costs, the previous rental agreement of \$84 thousand has been removed from the FY2019 proposed budget.

Other Charges – Other Charges include principal payments, interest payments, special assessments and HOA fees. In December 2011, the RCA and the County of Riverside entered into a \$5 million loan agreement for the acquisition of 226 acres of reserve land valued at \$8.9 million. The loan is payable in annual installments of \$1 million beginning in FY2018 and ending FY2022. Accordingly, the Proposed Budget includes the second principal payment and an estimated interest payment of \$83 thousand for this loan. Interest expense is variable dependent

upon the County Treasurer's Pooled Investment Fund average interest rate. The interest rate has been estimated at about 2%. Special assessments and HOA fees are projected at approximately \$65 thousand for land currently owned by the RCA and subject to these fees.

Capital Outlay – Capital Outlay is the largest appropriation in the RCA's Budget at \$22.6 million for FY2019. Land Purchase and Improvements of \$22.6 million include the purchase price of property, appraisals, title reports, real estate services, legal services, environmental reviews, survey work, and other costs associated with the acquisition of land. The RCA's Board has committed \$5.2 million to acquire 165 acres of conserved land for properties which are to close escrow during FY2019, and RCA staff is negotiating the purchase of approximately 513 additional acres. The budget also includes 192 acres of potential land donations, a \$3.1 million potential grant funded land purchase, and a \$1.4 million RCA funded contingency for potential land acquisitions not currently being negotiated.

Fund Balance

The RCA's Fund Balance Policy is to maintain a minimum of 12 months (100%) of the next year's General Fund annual budgeted expenditures in unrestricted fund balance. The ending Fund Balance for the General Fund is estimated to be \$22.1 million by June 30, 2018, which surpasses the proposed FY2018 General Fund appropriations of \$3.7 million. In addition, the Capital Project Fund is projected to have a fund balance of \$12.5 million at June 30, 2018, which is restricted for land acquisition related expenditures.

Staff Recommendation:

That the RCA Board of Directors adopt Resolution No. 2018-004, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2019 Operating and Capital Budget.*

Attachments:

1. Resolution No. 2018-004
2. Exhibit A-1: Proposed Budget FY2019 Overall Summary
Exhibit A-2: Proposed Budget FY2019 by Fund – Operating and Capital Budget by Program
Exhibit A-3: Contracts Detail by Appropriations Category

AGENDA ITEM NO. 9
Attachment 1

RESOLUTION NO. 2018-004

RESOLUTION NO. 2018-004

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING THE FISCAL YEAR 2019 OPERATING AND CAPITAL BUDGET

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”;

WHEREAS, the proposed budget for Fiscal Year 2019 was prepared for submission and adoption by the RCA Board of Directors;

WHEREAS, the proposed budget for Fiscal Year 2019 was presented to the RCA Board of Directors for review and adoption in a regular session assembled on May 7, 2018, at the County Administrative Center Board Room, 4080 Lemon Street, First Floor, Riverside, California;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the RCA Board of Directors as follows:

1. That the budget documents, on file with the Clerk of the Board and attached hereto as Exhibits A-1, A-2, and A-3, are approved and adopted as the operating and capital budget for the Western Riverside County Regional Conservation Authority for Fiscal Year 2019. The budget consists of Appropriations by objects of expenditures within each Budget Program (Operations, Land Management and Monitoring, and Land Acquisition). The details within the objects of Salaries and Benefits, 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.

2. That the amounts designated in the final Fiscal Year 2019 operating and capital budget are hereby appropriated and may be expended as designated on Exhibits A-1, A-2 and A-3, and the total appropriations for each Budget Program shall neither be increased nor decreased without further action of the RCA Board of Directors.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Western Riverside County Regional Conservation Authority held the 7th day of May, 2018.

BY: _____
Jonathan Ingram, Chairman
Western Riverside County
Regional Conservation Authority

ATTEST:

BY: _____
Honey Bernas, Clerk of the Board
Western Riverside County
Regional Conservation Authority

AGENDA ITEM NO. 9

Attachment 2

**Exhibit A-1: Proposed Budget
FY2019 Overall Summary**

**Exhibit A-2: Proposed Budget FY2019
by Fund Operating and
Capital Budget by Program**

**Exhibit A-3: Contracts Detail by
Appropriations Category**



**WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
PROPOSED BUDGET FISCAL YEAR 2019
OVERALL SUMMARY**

REVENUES	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	DOLLAR CHANGE	% CHANGE
	FY2017	BUDGET FY2018	FY2018	BUDGET FY2019		
Measure A Contributions	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 0	0%
Participating Special Entities	1,957,766	2,628,745	2,629,704	1,933,745	(695,000)	-26%
Interest	187,565	284,195	395,474	403,005	118,810	42%
Rents	75,691	72,610	78,090	82,120	9,510	13%
State Grants and Contributions	2,598,750	1,077,000	0	1,077,000	0	0%
Federal Grants and Contributions	3,408,450	2,000,000	0	2,000,000	0	0%
Governmental Infrastructure	251,375	80,000	219,105	100,000	20,000	25%
Governmental Civic Projects	105,876	80,000	90,032	146,800	66,800	84%
Flood Control District	345,971	400,000	208,820	490,000	90,000	23%
Developer Mitigation	14,024,055	10,500,000	11,400,000	12,100,000	1,600,000	15%
TUMF Revenue	850,000	700,000	1,000,000	1,000,000	300,000	43%
Joint Project Review	114,268	80,000	124,874	100,000	20,000	25%
Capital Contributions and Donations	1,090,720	3,764,000	4,163,300	5,662,000	1,898,000	50%
Other Miscellaneous Revenue	328,302	30,000	88,145	102,000	72,000	240%
Tipping Fees	3,746,320	2,500,000	2,700,253	2,800,000	300,000	12%
Other Grants Non Governmental	0	301,333	301,333	0	(301,333)	-100%
TOTAL REVENUES	\$ 32,085,109	\$ 27,497,883	\$ 26,399,130	\$ 30,996,670	\$ 3,498,787	13%
APPROPRIATIONS						
Salaries and Benefits						
Salaries	\$ 1,397,867	\$ 1,673,500	\$ 1,603,950	\$ 1,664,000	\$ (9,500)	-1%
Benefits	529,615	665,900	634,804	675,550	9,650	1%
Retirement/Annual Leave Buydown	70,173	77,980	77,248	80,900	2,920	4%
Total Salaries and Benefits	1,997,655	2,417,380	2,316,002	2,420,450	3,070	0%
Services and Supplies						
General Office	438,531	565,685	537,625	554,010	(11,675)	-2%
Legal Expenditures	474,082	1,270,000	435,450	870,000	(400,000)	-31%
Rent-Lease Building	282,375	286,360	286,346	193,200	(93,160)	-33%
Contracts	2,430,219	3,003,880	2,959,410	3,234,210	230,330	8%
Total Services and Supplies	3,625,207	5,125,925	4,218,831	4,851,420	(274,505)	-5%
Other Charges						
Principal-Notes Payable	0	1,000,000	1,000,000	1,000,000	0	N/A
Interest-Notes Payable	133,752	75,000	56,166	83,000	8,000	11%
Assessments and HOA	40,138	46,000	45,000	65,000	19,000	41%
Total Other Charges	173,890	1,121,000	1,101,166	1,148,000	27,000	2%
Capital Outlay						
Land Purchase and Improvements	25,562,302	18,560,578	17,912,261	22,576,800	4,016,222	22%
Vehicles & Equipment	67,547	86,000	80,000	0	(86,000)	-100%
Total Capital Outlay	25,629,849	18,646,578	17,992,261	22,576,800	3,930,222	21%
TOTAL APPROPRIATIONS	\$ 31,426,601	\$ 27,310,883	\$ 25,628,260	\$ 30,996,670	\$ 3,685,787	13%
EXCESS (DEFICIENCY)	658,508	187,000	770,870	0		
BEGINNING FUND BALANCE	33,170,536	33,829,044	33,829,044	34,599,914		
ENDING FUND BALANCE	\$ 33,829,044	\$ 34,016,044	\$ 34,599,914	\$ 34,599,914		



**WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
PROPOSED BUDGET FISCAL YEAR 2019 BY FUND
OPERATING AND CAPITAL BUDGET BY PROGRAM**

	General Fund				Capital Project Fund		TOTAL PROPOSED BUDGET FY2019	
	Operations		Land Management & Monitoring		Total General Fund	Land Acquisition		
	%	Amount	%	Amount		%		Amount
REVENUES								
Measure A Contributions					\$ 0	100% \$ 3,000,000	\$ 3,000,000	
Participating Special Entities	4%	\$ 73,685	5%	\$ 104,600	178,285	91% 1,755,460	1,933,745	
Interest	29%	116,100	29%	117,100	233,200	42% 169,805	403,005	
Rents			100%	82,120	82,120		82,120	
State Grants and Contributions					0	100% 1,077,000	1,077,000	
Federal Grants and Contributions					0	100% 2,000,000	2,000,000	
Governmental Infrastructure	65%	65,300			65,300	35% 34,700	100,000	
Governmental Civic Projects	17%	25,000	17%	25,000	50,000	66% 96,800	146,800	
Flood Control District	20%	100,000	20%	100,000	200,000	59% 290,000	490,000	
Developer Mitigation					0	100% 12,100,000	12,100,000	
TUMF Revenue					0	100% 1,000,000	1,000,000	
Joint Project Review	100%	100,000			100,000		100,000	
Capital Contributions and Donations					0	100% 5,662,000	5,662,000	
Other Miscellaneous Revenue			31%	32,000	32,000	69% 70,000	102,000	
Tipping Fees			100%	2,800,000	2,800,000		2,800,000	
Other Grants Non Governmental					0		0	
TOTAL REVENUES	2%	\$ 480,085	11%	\$ 3,260,820	\$ 3,740,905	88%	\$ 27,255,765	\$ 30,996,670
APPROPRIATIONS								
Salaries and Benefits								
Salaries	6%	\$ 98,665	22%	\$ 364,320	\$ 462,985	72% \$ 1,201,015	\$ 1,664,000	
Benefits	6%	40,830	22%	146,030	186,860	72% 488,690	675,550	
Retirement/Annual Leave Buydown	5%	3,780	25%	19,985	23,765	70% 57,135	80,900	
Total Salaries and Benefits	6%	143,275	22%	530,335	673,610	72%	1,746,840	2,420,450
Services and Supplies								
General Office	4%	24,865	17%	96,560	121,425	79% 432,585	554,010	
Legal Expenditures	10%	90,000	12%	100,000	190,000	78% 680,000	870,000	
Rent-Lease Building	3%	5,795	16%	30,915	36,710	81% 156,490	193,200	
Contracts	7%	216,150	75%	2,438,010	2,654,160	18% 580,050	3,234,210	
Total Services and Supplies	7%	336,810	55%	2,665,485	3,002,295	38%	1,849,125	4,851,420
Other Charges								
Principal-Notes Payable					0	100% 1,000,000	1,000,000	
Interest-Notes Payable					0	100% 83,000	83,000	
Assessments and HOA			100%	65,000	65,000		65,000	
Total Other Charges	0%	0	6%	65,000	65,000	94%	1,083,000	1,148,000
Capital Outlay								
Land Purchase and Improvements					0	100% 22,576,800	22,576,800	
Vehicles & Equipment					0		0	
Total Capital Outlay	0%	0	0%	0	0	100%	22,576,800	22,576,800
TOTAL APPROPRIATIONS	1%	\$ 480,085	11%	\$ 3,260,820	\$ 3,740,905	88%	\$ 27,255,765	\$ 30,996,670
EXCESS (DEFICIENCY)		0		0	0		0	0
BEGINNING FUND BALANCE					22,058,865	12,541,049	34,599,914	
ENDING FUND BALANCE					\$ 22,058,865	\$ 12,541,049	\$ 34,599,914	



**CONTRACTS DETAIL
BY APPROPRIATIONS CATEGORY**

Description	ADOPTED	PROPOSED	DOLLAR CHAGE	% CHANGE	General Office	Legal Services	Rent-Lease Building	Contract Services	Capital Outlay
	BUDGET FY2018	BUDGET FY2019							
Legal Services	\$ 770,000	\$ 770,000	\$ 0	0%		\$ 570,000			\$ 200,000
Information Technology	40,000	\$ 40,000	0	0%	40,000				
Governmental Affairs	70,000	75,000	5,000	7%				75,000	
Plan Implementation	350,000	350,000	0	0%				350,000	
Real Property Services	700,000	650,000	(50,000)	-7%				90,000	560,000
RCA Office Space-Lease	202,579	193,200	(9,379)	-5%			193,200		
Public Outreach	30,440	100,000	69,560	229%				100,000	
Federal Funding & Policy Efforts	150,000	150,000	0	0%				150,000	
Funding Efforts Expense Reimb.	20,000	20,000	0	0%				20,000	
Nexus Study Update	150,000	70,000	(80,000)	-53%				70,000	
Other Professional Services	175,000	185,000	10,000	6%				35,000	150,000
Land Management	1,126,100	1,139,210	13,110	1%				1,119,210	20,000
Monitoring Program Office-Lease	83,781	0	(83,781)	-100%					
Biological Monitoring Program	995,340	1,225,000	229,660	23%				1,225,000	
External Auditors	99,800	99,800	0	0%	99,800				
Total Contracts	\$ 4,963,040	\$ 5,067,210	\$ 104,170	2%	\$ 139,800	\$ 570,000	\$ 193,200	\$ 3,234,210	\$ 930,000

AGENDA ITEM NO. 10

RECURRING CONTRACTS FOR FISCAL YEAR 2019

Regional Conservation Authority**RECURRING CONTRACTS FOR FISCAL YEAR 2019****Staff Contact:****Honey Bernas
Director of Administrative Services
(951) 955-2842****Background:**

Since its inception in 2004, the Western Riverside County Regional Conservation Authority (RCA) has maintained a small staff and contracted with agencies and consultants with expertise in various specialized fields to provide support services to implement and manage the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP).

The RCA annually evaluates existing contracts for professional services that are due to expire. These contracts may be placed on the calendar for a new procurement solicitation, allowed to expire because they are no longer required, or included in the annual recurring contracts list that is subject to Board approval.

This year's list of recurring contracts includes consultants that are providing unique or specialized services and working closely with staff and the Board on long-term projects. Staff desires to retain a limited number of consultants on the recurring contract list because of their historical knowledge, unique experience, and understanding of the RCA, its mission and goals. Under limited circumstances, staff believes it is more cost-effective to retain the consultants on a recurring contracts list.

Pursuant to the Board's direction, staff solicited proposals for monitoring services for Fiscal Year 2019 and received a proposal from one responsive bidder. Staff is in the process of negotiating the cost and terms of the agreement and anticipates bringing the matter before the Executive Committee for consideration at its May 2018 meeting. In addition, staff is in the process of seeking proposals for public relations and on-call media services for Fiscal Year 2019.

Staff is recommending the approval of five recurring contracts for Fiscal Year 2019. Following is a list of the proposed recurring contracts for Fiscal Year 2019, followed by a summary of the services provided. The contract amounts are included in the proposed Fiscal Year 2019 budget. Most recurring contracts contain quarterly reporting requirements and a cancellation term between seven (7) and 30 days.

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Consultant Name	Type of Service	FY 2018 Contract Amount	FY 2019 Proposed Contract Amount	Dollar Change FY18 – FY19
Blink IT Solutions	Desktop and server support	\$ 40,000	\$ 40,000	\$ 0
Economic & Planning Systems, Inc.	Nexus Study Update	\$ 150,000	\$ 70,000	\$ (80,000)
Kadesh & Associates	Governmental affairs	\$ 70,000	\$ 75,000	\$ 5,000
Thomas B. Mullen	Obtain funding and other special projects (Reimbursable expenses only)	\$ 20,000	\$ 20,000	\$ 0
Douglas P. Wheeler	Federal funding and policy efforts	\$ 150,000	\$ 150,000	\$ 0
Total		\$ 430,000	\$ 355,000	\$ (75,000)

Blink IT Solutions

After a competitive selection process, in April 2017, the RCA engaged Blink IT Solutions to provide desktop and server support and maintenance. Staff is pleased with the services provided by Blink IT Solutions and proposes entering into a five year engagement. Blink IT solutions has agreed to continue to provide services at a Not to Exceed amount of \$40,000 (monthly retainer amount of \$3,333.33) per year for the next three fiscal years, with a five percent increase (\$42,000 and a monthly retainer amount of \$3,500) effective July 1, 2021.

Economic & Planning Systems, Inc.

After a competitive selection process, in March 2017, the RCA engaged Economic & Planning Systems, Inc., to prepare an Updated Fee Nexus Study and Fee Implementation Handbook. Substantial progress has been made on the update and the work effort is ongoing. Additional time is necessary to ensure appropriate outreach and stakeholder discussions are conducted and to ensure a complete and fully vetted study is provided to the Board. As a result, it is necessary to extend the contract for a period of one year in order to complete the project. No increase in the contract amount is being requested.

Kadesh & Associates

Dave Ramey and Kadesh & Associates have represented RCA since November 1, 2017, when the previous contractor, David Kennett of Capital Alliance Consulting, left the private sector to

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work as Chief of Staff for Congressman Calvert. RCA has contracted with Kadesh & Associates since that date.

Kadesh & Associates' job is to ensure that the federal and state governments live up to the promises they made when they signed the MSHCP's Implementing Agreement. In doing so, Kadesh & Associates:

- Advocates for government funding for Habitat Conservation Plan (HCP) land acquisition through existing accounts;
- Seeks legislation to create new funding streams for HCP land acquisition;
- Identifies and addresses regulatory overreach by the U.S. Fish and Wildlife Service (USFWS) and other governmental agencies that threaten the MSHCP.

In the coming year, Kadesh & Associates will continue to pursue its primary objectives by advocating for more robust Section 6 funding and guarding against new rules that threaten the RCA's ability to use the program. Kadesh & Associates will work toward securing additional appropriations to augment the new loan program included in the Water Resources Development Act (WRDA) law, renew efforts to include similar language for transportation projects, and push RCA's stand-alone loan legislation. On the regulatory front, Kadesh & Associates will ensure that USFWS maintains its commitment to the MSHCP, particularly in any actions they take related to Critical Habitat Designations. Finally, staff expects Kadesh & Associates to undertake unforeseen projects/initiatives on behalf of RCA. This work will include contacts with our House and Senate representatives, the appropriations and authorizations Committees in each body, the Department of Interior, White House Office of Management and Budget, and others. Kadesh will also assist RCA staff on work related to the state government as requested.

Kadesh & Associates has agreed to continue to provide services to RCA in Fiscal Years 2019 and 2020, but requires an increase of \$5,000.00 in their annual contract amount. The monthly retainer amount would be \$6,250.00, which is still a substantial discount from Kadesh's standard rates for public agencies.

Thomas B. Mullen

Mr. Mullen has been assisting the RCA in its efforts to increase funding and the loan program pro bono, with the RCA reimbursing expenses only, since July 2010. Substantial progress on the loan program and other funding opportunities has been made and staff appreciates Mr. Mullen's willingness to continue his efforts to assist the RCA in attaining its goals. No changes to the budgeted amount for expense reimbursements is being recommended.

Douglas P. Wheeler

Wheeler's involvement with the Riverside County Integrated Project (RCIP) and MSHCP began at their inception, while he was serving as California's Secretary for Natural Resources in the cabinet of Gov. Pete Wilson. Then and now, his familiarity with applicable state and federal statutes, including the Endangered Species Act (ESA), have enabled him to speak effectively, and credibly, about the significance of RCA's pioneering programs. Owing to his long

experience and national reputation as an ESA expert, Wheeler contributed to the American Bar Association's 2010 "Endangered Species Act: Law, Policy and Perspectives." In his chapter on Habitat Conservation Plans, Wheeler describes the Western Riverside County Multiple Species Habitat Conservation Plan as "the most comprehensive application yet of habitat conservation planning." In Washington, Wheeler has represented the RCA in its quest for effective implementation and adequate funding of the MSHCP. The initial focus on "stand alone" legislation to authorize loans and loan guarantees for habitat acquisition has been broadened to include the identification of legislative opportunities wherever they occur, now including the Water Resources Development Act of 2014 (WRDA) and its subsequent amendment in 2016 and re-authorization of the Fixing America's Surface Transportation (FAST) Act, to provide for transportation infrastructure. Wheeler's extensive network of contacts with Members of the Congress and their staffs, agency officials and allied stakeholder groups, has given the RCA a strong, effective voice in Washington. Immediate priorities for Fiscal Year 2019 include seeking ample appropriations for the Section 6 grant program and to propose administrative reforms, including removal of the \$2 million cap on annual grants, and establishment of criteria which reflect the funding requirements of larger, more comprehensive programs such as the Western Riverside County MSHCP. Mr. Wheeler will also assist the RCA in its efforts to establish a National Wildlife Refuge on designated lands within the Plan Area to provide another means by which the U.S. Fish and Wildlife Service can contribute to the cost of habitat acquisition. At the invitation of the Senate Committee on Environment and Public Works, Wheeler will work with its staff to further expand the Water Infrastructure Finance and Innovation Act (WIFIA) program during consideration of the WRDA bill in 2018. In addition, Wheeler has been active in the continued development of the National HCP Coalition, which was established in November of 2015 to provide additional broad-based support for the Authority's legislative and agency objectives in Washington, including multiple meetings with agency officials and Congressional staff during the Coalition's annual "fly-in." He is also a participant in the Western Governors' Association (WGA) ESA Initiative, whose recommendations for expanded state involvement with ESA implementation under Section 6 is now the framework for draft legislation to "modernize" the ESA. To assure close coordination of his efforts with those of the Board, staff, and its other consultants, Wheeler is in frequent contact on matters of importance to the RCA, including visits to Washington and Sacramento. No increase in Wheeler's contract amount for Fiscal Year 2019 is being proposed.

Executive Committee and Staff Recommendations:

That the RCA Board of Directors:

- 1) Approve the Recurring Contracts for Fiscal Year 2019; and
- 2) Authorize the RCA Executive Director, pursuant to legal counsel review and approval, to execute said agreements on behalf of the RCA.

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FINANCIAL INFORMATION	
In Proposed Fiscal Year 2019 Budget: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	FY2019 Cost: \$ 430,000 Future Cost: \$ 239,000
Source of Funds: Various RCA Funds	Budget Adjustment: N/A From To
Approved by: <i>Honey Bernas</i>	Date: May 3, 2018

Attachments:

FY2019 Proposed Recurring Contracts:

- 1) Blink IT Solutions
- 2) Economic & Planning Systems, Inc.
- 3) Kadesh & Associates
- 4) Thomas B. Mullen
- 5) Douglas P. Wheeler

AGENDA ITEM NO. 10
Attachment 1

BLINK IT SOLUTIONS

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
AND BLINK IT SOLUTIONS FOR INFORMATION TECHNOLOGY SUPPORT
SERVICES**

1. PARTIES AND DATE.

This Agreement is made and entered into this 1st day of July 2018, by and between the Western Riverside County Regional Conservation Authority, a Joint Powers Authority organized under the laws of the State of California with its principal place of business at 3403 Tenth Street, Suite 320 Riverside, California, 92501 (“RCA”) and Blink IT Solutions, Inc., a California corporation with its principal place of business at 1395 S. Vineyard Avenue, Ontario, California, 91761 (“Consultant”). RCA and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant. Consultant desires to perform and assume responsibility for the provision of certain professional services required by RCA on the terms and conditions set forth in this Agreement. Consultant represents that it is a professional consultant, experienced in providing information technology support services to public clients, is licensed in the State of California, and is familiar with the plans of RCA.

2.2 Project. RCA desires to engage Consultant to render such services for the information technology support services for the RCA (“Project”) as set forth herein.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to RCA all labor, materials, tools, equipment, services and incidental and customary work necessary to fully and adequately supply the information technology support services necessary for the Project (“Services”). Services shall include, but not be limited to, desktop and server support and management and any duties and responsibilities assigned by the RCA Executive Director, or his designee. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the date first specified above to June 30, 2023, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. RCA retains Consultant on an independent contractor basis and Consultant is not an employee of RCA. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall not be employees of RCA and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall provide the Services expeditiously, within the term of this Agreement. Consultant represents that it has the professional and technical expertise and personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the schedule, RCA shall respond to Consultant's submittals in a timely manner. Upon request of RCA, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of RCA.

3.2.4 RCA's Representatives. RCA hereby designates its Executive Director, or his or her designee, to act as its representative for the performance of this Agreement. All invoices for Consultant shall be submitted to the Executive Director. The Executive Director shall be responsible for directing Consultant's activities pursuant to this Agreement. The Executive Director shall have the power to act on behalf of RCA for all purposes under this Agreement. Consultant shall not accept direction or orders from any person other than the Executive Director or his or her designee.

3.2.5 Substitution of Key Personnel. Consultant has represented to RCA that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence and experience upon written approval of RCA. In the event that RCA and Consultant cannot agree as to the substitution of key personnel, RCA shall be entitled to terminate this Agreement for cause, pursuant to provisions of Section 3.5.1 of this Agreement. The key personnel for performance of this Agreement are as follows: Wissam Alsayed.

3.2.6 Consultant's Representative. Consultant hereby designates Wissam Alsayed, or Michael Costello, to act as its Representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement. Consultant shall work closely and cooperate fully with RCA's Representative and any other agencies which may

have jurisdiction over, or an interest in, the Services. Consultant's Representative shall be available to the RCA staff at all reasonable times.

3.2.7 Coordination of Services. Consultant agrees to work closely with RCA staff in the performance of Services and shall be available to RCA's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform the Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from RCA, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein and shall be fully responsible to RCA for all damages and other liabilities arising from the Consultant's errors and omissions. Any employee of the Consultant or its sub-consultants who is determined by RCA to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to RCA, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to RCA, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold RCA, its officials, directors, officers, employees, consultants, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to RCA that it has secured all insurance required under this section, in a form and with insurance companies acceptable to RCA. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to RCA that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of

the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *If Consultant has employees, Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *If Consultant has employees, Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 per claim, and shall be endorsed to include contractual liability. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements to add the following provisions to the insurance policies:

(A) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) Bodily Injury and Property Damage; (2) Personal Injury/Advertising Injury; (3) Premises/Operations Liability; (4) Products/Completed Operations Liability; (5) Aggregate Limits that Apply per Project; (6) Explosion, Collapse and Underground (UCX)

exclusion deleted; (7) Contractual Liability with respect to this Agreement; (8) Broad Form Property Damage; and (9) Independent Consultants Coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

(iii) The policy shall give RCA, its directors, officials, officers, employees, and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be "primary and non-contributory" and will not seek contribution from RCA's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(B) Automobile Liability (if applicable).

(i) The automobile liability policy shall be endorsed to state that: (1) RCA, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects RCA, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by RCA, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against RCA, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

(ii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement,

or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to RCA, its directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named insured; whichever is greater.

(iii) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of RCA (if agreed to in a written contract or agreement) before RCA's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(iv) Consultant shall provide RCA at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to RCA at least ten (10) days prior to the effective date of cancellation or expiration.

(v) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(vi) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by RCA, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(vii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, RCA has the right but not the duty to obtain the insurance it deems necessary and any premium paid by RCA will be promptly reimbursed by Consultant or RCA will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, RCA may cancel this Agreement. RCA may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(viii) Neither RCA nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to RCA, its directors, officials, officers, employees, agents and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by RCA. If RCA does not approve the deductibles or self-insured retentions as presented, Consultant shall guarantee that, at the option of RCA, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects RCA, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to RCA.

3.2.10.8 Verification of Coverage. Consultant shall furnish RCA with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to RCA. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by RCA before work commences. RCA reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.9 Reporting of Claims. Consultant shall report to RCA, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with Services under this Agreement.

3.2.10.10 Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to RCA that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name RCA as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, RCA may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement. Services will be provided under a monthly retainer of \$3,333.33 per month for the fiscal years ending June 30, 2019 through June 30, 2021, and \$3,500.00 per month for the fiscal years ending June 30, 2022 and June 30, 2023. The Total Compensation shall not exceed Two Hundred Four Thousand and no/100 \$204,000.00 for the term of this Agreement without written approval of RCA's Executive Director. Extra Work may be authorized, as described below, and, if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to RCA a monthly statement for the retainer indicated in Section 3.3.1. The statement shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. Said compensation shall be paid in accordance with an invoice submitted to RCA by Consultant within fifteen (15) days from the last day of each calendar month, and RCA shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by RCA.

Extra Work. At any time during the term of this Agreement, RCA may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by RCA to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from RCA's Representative.

3.3.5 Prevailing Wages. By execution of this Agreement, Consultant certified that it is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. RCA shall provide Consultant with a copy of the prevailing rate of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold RCA, its directors, officials, officers, consultants, employees, volunteers and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.3.6 Employment of Apprentices. This Agreement shall not prevent the employment of properly indentured apprentices in accordance with the California Labor Code, and no employer or labor union shall refuse to accept otherwise qualified employees as indentured apprentices on the work performed hereunder solely on the ground of race, creed, national origin, ancestry, color or sex. Every qualified apprentice shall be paid the standard wage paid to

apprentices under the regulations of the craft or trade in which he or she is employed and shall be employed only in the craft or trade to which he or she is registered.

If California Labor Code Section 1777.5 applies to the Services, Consultant and any subcontractor hereunder who employs workers in any apprenticeable craft or trade shall apply to the joint apprenticeship council administering applicable standards for a certificate approving Consultant or any sub-consultant for the employment and training of apprentices. Upon issuance of this certificate, Consultant and any sub-consultant shall employ the number of apprentices provided for therein, as well as contribute to the fund to administer the apprenticeship program in each craft or trade in the area of the work hereunder.

The parties expressly understand that the responsibility for compliance with provisions of this Section and with Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code in regard to all apprenticeable occupations lies with Consultant.

3.3.7 No Waiver. Failure of RCA to insist on any one occasion upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

3.3.8 Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"), unless Consultant or the Services are not subject to the Eight-Hour Law. Consultant shall forfeit to RCA as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him or her, or by any sub-consultant under him or her, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Consultant or the Services are not subject to the Eight-Hour Law.

3.3.9 Contractor Registration. Effective March 1, 2015, if the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such Services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred and fees charged under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of RCA during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow

inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. RCA may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been fully and adequately rendered to RCA through the effective date of the termination, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, RCA may require Consultant to provide all finished or unfinished Documents and Data, as defined below, and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, RCA may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant: Wissam Alsayed
Blink IT Solutions
1395 S. Vineyard Avenue
Ontario, CA 91761
(909) 912-9292

RCA: Western Riverside County Regional
Conservation Authority
Attention: Executive Director
3403 Tenth Street, Suite 320
Riverside, CA 92501

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials/Confidentiality.

3.5.3.1 Documents & Data. This Agreement creates an exclusive and perpetual license for RCA to copy, use, modify, reuse, or sub-license any and all copyrights

and designs embodied in plans, specifications, studies, drawings, estimates, materials, data and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement (“Documents & Data”).

Consultant shall require all subcontractors to agree in writing that RCA is granted an exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement.

Consultant represents and warrants that Consultant has the legal right to grant the exclusive and perpetual license for all such Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by RCA.

RCA shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at RCA’s sole risk.

3.5.3.2 Intellectual Property. In addition, RCA shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media (“Intellectual Property”) prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

RCA shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether paid for wholly or in part by RCA, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of RCA.

Consultant shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of RCA.

All materials and documents which were developed or prepared by Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

RCA further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property otherwise

owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

3.5.3.3 Infringement Indemnification. Consultant shall defend, indemnify and hold RCA, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by RCA of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.5.4 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of RCA, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use RCA's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of RCA.

3.5.5 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.6 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of such actions.

3.5.7 Indemnification. Consultant shall defend, indemnify and hold RCA, its directors, officials, officers, agents, consultants, employees, and volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or in equity, to property or persons, including wrongful death, in any manner arising out of or incident to alleged negligent acts, omissions or willful misconduct of the Consultant, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages, attorneys' fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against RCA, its directors, officials, officers, agents, consultants, employees, and volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against RCA or its directors, officials, officers, agents, consultants, employees, and volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse RCA and its directors, officials, officers, employees, agents, consultants, and volunteers, for any and all legal expenses and costs, including reasonable attorney's fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by RCA, its directors, officials, officers, agents, consultants, employees, and volunteers. Notwithstanding the foregoing, to the extent Consultant's Services are

subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant. This Section 3.5.7 shall survive any expiration or termination of this Agreement.

3.5.8 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.9 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.10 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.11 RCA's Right to Employ Other Consultants. RCA reserves the right to employ other consultants in connection with this Project.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of RCA. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Successor and Assigns. This Agreement shall be binding on the successors and assigns of the Parties, and shall not be assigned by Consultant without the prior written consent of RCA.

3.5.14 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all directors, officials, officers, agents, consultants, employees, and volunteers of Consultant, except as otherwise specified in this Agreement. All references to RCA include its directors, officials, officers, agents, consultants, employees, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.15 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.16 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.17 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.18 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.19 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, RCA shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of RCA, during the term of his or her service with RCA, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.20 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of any RCA programs or guidelines concerning equal opportunity employment currently in effect or hereinafter enacted.

3.5.21 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.22 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.23 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.24 Subpoenas or Court Orders. Should Consultant receive a subpoena or court order related to this Agreement, the Services or the Project, Consultant shall immediately provide written notice of the subpoena or court order to RCA. Consultant shall not respond to any such subpoena or court order until notice to RCA is provided as required herein, and shall cooperate with RCA in responding to the subpoena or court order.

3.5.25 Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated into this Agreement as though fully set forth herein.

3.5.26 Survival. All rights and obligations hereunder that by their nature are to be performed after any expiration or termination of this Agreement shall survive any such expiration or termination.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work or Services required by this Agreement, except as expressly stated herein, without prior written approval of RCA. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

RCA

CONSULTANT

By: _____
Charles V. Landry
Executive Director

By: _____
Name: Wissam Alsayed
Title: _____

Approved as to form:

RCA General Counsel
Best Best & Krieger LLP

AGENDA ITEM NO. 10
Attachment 2

**Economic & Planning
Systems, Inc.**

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT BETWEEN
WESTERN RIVERSIDE COUNTY REGIONAL
CONSERVATION AUTHORITY AND ECONOMIC &
PLANNING SYSTEMS, INC.**

1. PARTIES AND DATE.

This Amendment No. 1 ("Amendment No. 1") to the Professional Services Agreement is entered into this 1st day of July 2018 by and between the WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ("RCA"), a joint powers authority, and ECONOMIC & PLANNING SYSTEMS, INC. ("Consultant"). The RCA and Consultant are sometimes referred to individually as "Party" and collectively as "Parties."

2. RECITALS.

2.1 On or about March 6, 2017, the Parties entered into an agreement for the preparation of an Updated Fee Nexus Study and Fee Implementation Handbook ("Agreement").

2.2 The Parties desire to amend the Agreement with this Amendment No. 1 to amend the scope, extend the term to June 30, 2019, and revise Total Compensation to provide for a "Not to Exceed" amount of \$70,000.00 for the fiscal year ending June 30, 2019 ("Amendment No. 1").

2.3 This Amendment No. 1 is authorized pursuant to Section 3.5.15 of the Agreement.

3. TERMS.

3.1 Section 3.1.1 The services described in Exhibit A of the Agreement are hereby replaced with Exhibit A of this Amendment No. 1.

3.2 Section 3.1.2 of the Agreement is amended to extend the term for a period of eleven (11) months until June 30, 2019.

3.3 Section 3.3.1 of the Agreement is amended to read that Total Compensation shall not exceed \$70,000.00 for the fiscal year ending June 30, 2019.

3.4 Except as set forth herein, all provisions of the Agreement shall remain in full force and effect, and shall govern the actions of the Parties hereto and the amended provisions set forth in this Amendment No. 1.

Signature Page for Amendment No. 1 to the Professional Services Agreement No. 17009-1 between the Western Riverside County Regional Conservation Authority and Economic & Planning Systems, Inc.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 on the date first written above.

**WESTERN RIVERSIDE COUNTY
REGIONAL CONSERVATION AUTHORITY**

By _____
Charles V. Landry
Executive Director

CONSULTANT

By _____
Walter F. Kieser
Managing Principal

By _____
Teifion Rice-Evans
Managing Principal

ATTEST:

By _____
Honey Bernas
Clerk of the Board

Approved as to Form:

By _____
Best Best & Krieger LLP
RCA General Counsel

Work Program

2018 Nexus Study Update, Review and Adoption, and Handbook

The Economics of Land Use



Prepared for:

Western Riverside County Regional Conservation Authority

Prepared by:

Economic & Planning Systems, Inc.

Original: February 28, 2017

Updated: April 10, 2018

EPS #171034

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WORK PROGRAM: 2018 UPDATED FEE NEXUS STUDY

The proposed work program for the 2018 Updated Fee Nexus Study, Public Review and Adoption Process, and Fee Implementation Handbook for the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP) is provided below. The work program envisions an iterative and collaborative process between Economic & Planning Systems, Inc. (EPS) and Western Riverside County Regional Conservation Authority (RCA) staff that will build on the substantive experience of the RCA since plan adoption as well as the significant body of data, GIS analysis, and expertise in-house at the RCA. The Updated Fee Nexus Study will be designed to ensure appropriate funding is raised from mitigation fees for the RCA to continue its successful implementation of the MSHCP.

This work program is intended to support the development and adoption of an updated 2018 Nexus Study and Mitigation Fee Program. This includes a technical update to the original 2003 MSHCP Nexus Study (original Nexus Study), support in the outreach and discussion with stakeholders and policymakers, support with the approval of the revised Nexus Study/Mitigation Fee and associated Ordinances/Resolutions, and the development of a corresponding Fee Implementation Fee Handbook.

This Work Program will build off two recent efforts. Most importantly, it will build on the detailed analysis conducted by RCA Staff and EPS in 2012/2013 that undertook an initial fee program review (2012/2013 Fee Program Review). While the data used in that report (generally from the implementation period from 2004 to 2011/12 is now somewhat out-of-date), many of the methodologies developed can be re-applied and much of the prior data can be re-used in combination with more current data from MSHCP implementation for the 2012 to 2017 period. In addition, the recent work discussing and reviewing current fee program implementation challenges and uncertainties can help inform the 2018 Nexus Update as well as the ultimate development of a new Fee Implementation Handbook.

The sections below provide a detailed work program by phase, task, and sub-task. Phases include:

- **Phase 1:** Nexus Study Technical Update.
- **Phase 2:** Stakeholder Review and Nexus Study Refinement.
- **Phase 3:** RCA Board Consideration and Adoption Support.
- **Phase 4:** Fee Implementation Handbook.

As of April 2018, a substantial portion of the Phase 1 work has been completed, though the full scope of work is still shown below. Attachment A shows a revised timeline that reflects the remaining tasks to be completed as of April 2018 and ***Attachment B*** shows the revised budget that shows the remaining budget associated with the remaining tasks. The final timeline for **Phases 2 and 3** for review and adoption, in particular, will be dependent on the feedback received during the course of engagement with stakeholders and policymakers.

Phase 1: Nexus Study Technical Update

Phase 1 of the 2018 Nexus Study Update is designed to conduct the necessary technical work to provide an updated estimate of the Local Development Mitigation Fees (LDMP) required to support MSHCP implementation. It will include substantial work with RCA staff on program and GIS data, will indicate the potential changes (and reasons for changes) in the mitigation fee schedule, and will allow for sensitivity runs as the potential outcomes are considered. One set of sensitivity runs, for example, will consider the effects on implementation costs and fee levels of extensions to the time frame allowed for the required habitat acquisitions. It also includes several in-person meetings with RCA to review progress and to discuss analytical outcomes. The technical work will also likely require additional refinements as we move into **Phases 2** and **3** in response to feedback from stakeholders and policymakers.

Task 1: Meetings and Conference Calls

Phase 1 will require substantial communication and data-sharing between EPS and RCA staff. As a result, biweekly conference calls are envisioned along with a total of six (6) in-person meetings over the course of this phase. The biweekly conference calls will be used to ensure strong, ongoing communication and progress throughout **Phase 1**. The in-person meetings will include an initial meeting to provide an overview of data needs from RCA staff, a series of progress reports/presentations indicating technical work to date and key points for discussion, and, once potential mitigation fee schedules are developed, meetings with RCA, other consultants, and advisors to obtain feedback and direction.

Task 2: Habitat Protection to Date/Remaining Conservation Requirements

The remaining habitat needs and their characteristics are a critical component to the Nexus Study update. EPS and RCA staff will work together to determine: (1) the specific lands preserved since plan adoption to both inform the identification of the remaining habitat and quantify and learn from the experience to date, and (2) a clear expression of the remaining habitat areas required that will underpin the land valuation and other cost estimating analyses. This is expected to include, but not be limited to, the following subtasks developed by querying the RCA GIS system and working with RCA staff:

- **Habitat Preserved.** Acres and locations of habitat land acquired/preserved between 2012 and 2016 to combine with the 2000 to 2011/2012 data previously researched, including "Local" and "State/Federal" land conservation. This will also include preservation by Area Plan and associated proportion of goals achieved. Acres dedicated through the JPR/HANS process will also be identified, though will be addressed in more detail in **Task 3**.
- **Habitat Remaining.** Based on the habitat preserved through 2016, the habitat conservation goals of the MSHCP by Area Plan, and RCA's system of land use designation groupings and parcel size distributions (developed for the 2012/2013 Fee Program Review), RCA staff and EPS will develop an expression of the remaining potential habitat reserve lands required and their characteristics. Key characteristics will include acres by Area Plan, parcel size distribution, land use designation, location in or outside cities, and locations along habitat corridors or in larger contiguous areas.

This data analysis will inform: (1) the estimation of the remaining land acquisition/conservation needs; and, (2) the remaining land acquisition/conservation responsibility of the local permittees.

Task 3: Historic and Forecast Patterns of Development (and Dedication)

The forecast pace, type, and level of new development is a critical input into the Nexus Study update. EPS will work with RCA staff and use other available data sources to determine the following key sets of data/information:

- **Development to Date.** EPS and RCA staff will work together to quantify and characterize covered development and associated fee payment from 2004 through 2016. This will include reliance on RCA data on the level, pace, and location of residential, nonresidential, and public development required to mitigate between 2004 and 2016. It will also incorporate public data sources on development in Western Riverside County since 2004. Research will also be conducted into the development densities of recent residential, commercial, and industrial development. This information will be compared to the development (and dedication) assumptions used in the 2003 Nexus Study. RCA staff will also provide details on the level of land dedication obtained from new development through the JPR/HANS process. RCA staff will also indicate any use of the density bonus program and associated fee revenues.
- **Future Development.** EPS will also work with RCA staff to characterize and forecast potential future development patterns and associated land dedication through the JPR/HANS process. These forecasts will be informed by: (1) the historical patterns of development and use of the HANS process since MSHCP adoption and the proportion of development required to mitigate; (2) published regional forecasts for population, housing, and employment growth; (3) indications from policy documents and local/regional forecast concerning any expected changes in the characteristics and locations of future development; (4) input from developers active in the region; and (5) discussions with RCA staff concerning their expectations for the future use of the JPR/HANS process.

This data analysis will inform future development forecasts scenarios for discussion and use in the updated Nexus Study. It will also help RCA staff and EPS determine appropriate estimate of land dedication through the JPR/HANS process going forward.

Task 4: Cost Estimates

Task 4.1: Land Value Analysis

EPS will develop planning-level land value estimates for the remaining habitat reserve requirements identified in **Task 2**. This land value analysis will include a number of components as described below. This analysis will build off the methodology used in the 2012/2013 Fee Update Review conducted by RCA staff and EPS that also built on data and insights from the 2007 RAND report and original Nexus Study.

Task 4.1.1: Value Typology by Habitat Land by Value Drivers

EPS will define the land value typology to be used when providing conclusions on land values and for application to the future habitat acquisition requirements identified in **Task 2**. It is expected

that the typology will follow the same approach identified in the 2012/2013 Fee Update Review, where land values were directly tied to parcel size and land use designation.

Task 4.1.2: Land Value Data

EPS will expand on the land valuation data and information previously compiled to develop an expanded data set of land value information to inform the land value estimates. The key components of data collection will include:

- Land transaction data from RCA acquisitions through 2016.
- Comparables used in appraisals conducted as part of RCA transactions between 2012 and 2016.
- Data on land acquisitions from other public sources, including County Assessor Information (through EPS subscription to First American Real Estates Solutions).
- Interviews with local real estate/land brokers.
- Data on historical home values and potential land values to provide an indication of speculative value for land in the development path.

Task 4.1.3: Average per Acre Land Value Estimates

Based on the data compiled in **Tasks 4.1.1** and **4.1.2**, EPS will develop average per-acre planning level land value estimates. The land value estimates will be distinguished, consistent with the land value typology, by key characteristics (e.g., land use designations, parcel size).

Task 4.1.4: Estimation of Land Values/Costs

The per-acre land value estimates will be combined with the habitat reserve requirements from **Task 2** in a "land value calculator" that will estimate the total land value costs of habitat preservation. The calculator will also act as a flexible tool allowing for sensitivity analysis of plan land acquisition costs if assumptions concerning habitat locations or per acre land value are refined.

Task 4.1.5: Land Value Appreciation Considerations

Task 4.1.4 will provide estimates of land values under current/recent market conditions. Data from **Task 2** will also be used to indicate areas where habitat requirements are high relative to the level of land available and/or the level of competition with future development for land. While nexus requirements do not allow fee-setting for prospective cost increases, **Task 4.1.5's** focus on understanding the potential drivers and types of land value increases will highlight areas for particular focus in future updates and may inform RCA decisions concerning its land acquisition area focus in the short term.

Task 4.2: Other Cost Analysis

EPS will work closely with RCA to develop estimates of the other plan costs. It is understood that, while some forms of existing in-kind support for monitoring and management may no longer be available, RCA staff has a clear sense of and good data on many of the non-land acquisition cost categories, including monitoring, reserve management, and RCA administrative costs. EPS will build from the work conducted in the 2012/2013 Fee Update Review and also

identify any useful data and insights from the 2007 RAND report and original Nexus Study for incorporation into the estimation of these other costs. EPS will also provide estimates of other costs from other California HCP/NCCPs if appropriate.

- **Reserve Management Costs.** EPS will work with RCA staff to determine the appropriate annual reserve management cost for RCA's responsibility to manage local Additional Reserve Land acres (ARL). It is expected that RCA staff and EPS will use information from prior RCA studies and recent data on reserve management costs to estimate an average per acre reserve management cost that can be applied to the additional habitat preservation acres through time. In subsequent tasks, EPS will convert the annual cost into a one-time cost to support mitigation fee estimation. RCA staff will indicate any financial/in-kind assistance they receive that defrays these costs if this assistance is expected to continue through time.
- **Biological Monitoring Cost.** EPS will work with RCA staff to determine the appropriate annual monitoring cost. Biological monitoring provides reserve managers with information and data to inform the reserve management decisions and is required for the full reserve system. It is expected that RCA staff and EPS will use information from prior RCA studies and recent data on reserve management costs to develop a per acre reserve management cost that can be applied to the additional habitat preservation acres through time. In subsequent tasks, EPS will convert the annual cost into a one-time cost to support mitigation fee estimation. RCA staff will indicate any financial/in-kind assistance they receive that defrays these costs if this assistance is expected to continue through time.
- **Administration Costs.** RCA will provide estimates of administrative costs, both staffing and other costs, that are not included in the monitoring or reserve management costs estimates for the period 2014 to 2016. These will be compared to the prior data reviewed in the 2012/2013 Fee Update Review and revised annual program administration cost estimates will be developed. Cost subcategories are expected to include RCA staff costs, professional service providers (environmental, legal etc.), and building and equipment costs.
- **Endowment Costs.** EPS will seek guidance from RCA staff concerning endowment policies/requirements. EPS will work with RCA staff to identify ongoing costs remaining once the habitat reserve has been established. Some level of ongoing monitoring, management, and administrative costs would typically remain. To the extent these functions and associated costs cannot be directly transferred to another entity at zero cost, EPS will determine the cost/investment required to establish an endowment to fund these ongoing costs. EPS will work with RCA to determine whether an endowment should be included in the mitigation fee calculation at this point or whether those costs would be incorporated once reserve acquisition is complete.
- **Contingencies/Other Costs.** EPS will work with RCA to determine whether an additional contingency cost is warranted to cover uncertainties associated with adaptive management costs or any other cost components.

Task 4.3: Integrated Cost Model/Calculator

The unit, annual, and aggregate cost estimates developed in the preceding subtasks will be integrated into an overall cost model. The integrated cost model will provide total and subcomponent cost estimates for MSHCP implementation. The model will also support cost

model runs to determine overall costs and cost distributions under different scenarios/sensitivities. Sensitivities might include different per unit cost estimates, different time periods for habitat acquisitions (e.g., extensions of five, ten, and twenty years), as well as other refinements.

Task 5: Other Revenues Sources

In addition to the local development mitigation fees (LDMF) that are charged on new private residential and nonresidential development, there are several other funding sources that were envisioned and incorporated into the original Nexus Study. RCA staff will provide historical data on funding from these other sources to allow for comparisons with the expectations under the original Nexus Study. EPS and RCA staff will then work together to determine the future levels of funding from these other funding sources (that act to reduce the level of funding required from mitigation fees.)

- **Transportation Mitigation Funding.** RCA staff will indicate the role of Measure A in providing future funding or funding for ongoing land dedication. RCA staff and EPS will also work together to identify the appropriate annual assumptions for Transportation Uniform Mitigation Fee (TUMF) revenues based on historical data and any other pertinent program developments.
- **Other Public Project Mitigation Funding.** The current Fee Program requires payments from flood control projects, local road projects, and other civic projects, according to specific formulae. RCA staff will provide information on recent historical annual averages for these sources and RCA staff and EPS will determine reasonable funding estimates for future years.
- **Other Funding Sources.** RCA staff will provide recent historical information on funding through Participating Special Entities and other sources, such as interest revenues from reserves, to support estimates of average annual funding from these sources where appropriate.

Task 6: Fee Model and Estimates

Task 6.1: Preliminary Fee Mitigation Model and Fee Calculation

EPS will develop a preliminary mitigation fee calculation based on a direct and comprehensive nexus. Under this approach, all mitigation costs (net of applicable non-fee funding) will be considered and fee estimation and payment will be tied directly to gross acreage of development (excluding redevelopment of lands already developed). The mitigation fee will be expressed on a per-gross-acre-of-development basis.

EPS will expand the cost model developed in **Task 4** to include the fee calculator. The fee calculation will be based on the outputs of the cost model (from **Task 4**), adjustments for any offsetting non-fee funding (from **Task 5**), and the distribution of net costs to new development. The resulting estimates of the per gross acre mitigation fee will be converted, where appropriate, into fee by other units of measurement. For example, the per-acre fee could be converted into different per unit fees for the existing residential density categories. Different potential fee schedules under different sensitivity runs will also be provided.

Task 6.2: Mitigation Fee Review and Refinements

EPS and RCA will review the preliminary results of the fee model/fee schedule. The review will identify significant changes/particular issues, including (but not limited to): (1) overall change in fee levels from existing fee, (2) balance of revenue generation between residential and nonresidential uses, (3) overall funding from fee-paying infrastructure projects, (4) implications for ease-of-calculation for different types of projects, and (5) any other consequences of changing the approach to fee calculation.

Based on a comprehensive review with RCA staff, EPS and RCA will identify refinements for consideration. Refinements might include adjustments in cost assumptions, the timeframe for habitat acquisitions, nexus methodology, or cost allocation by land use, consistent with the goals of the update and guidance from RCA legal counsel. Refinements could also include consideration of different approaches for addressing the mitigation payments required from public projects. A process of up to two major fee calculation refinements is envisioned to determine the appropriate approach.

Task 6.3: Revenue Forecasts

Simultaneous with the mitigation fee calculations and refinements, EPS will develop forecasts of potential mitigation funding over time. These estimates will combine the potential mitigation fee schedule with potential development forecasts informed by **Task 3**. The forecast will show the potential annual revenues associated with different forecasts of development as well as the availability and timing of non-fee funding. These revenue forecasts will support RCA efforts to plan for the future.

Task 7: Draft Technical Report/Nexus Study

Once RCA staff and advisors and EPS have determined a preferred preliminary approach to Mitigation Fee Program revision, EPS will prepare an administrative draft of the Updated Nexus Study. The nexus study will provide the technical analysis and findings required to support the adoption of the updated fee schedule. The nexus study will provide a clear and transparent understanding of the fee calculations and the underlying assumptions. The study will include a succinct executive summary, a core technical section, and detailed technical appendices as needed. If appropriate, a set of potential fee scenarios could be included.

The nexus study will be consistent with applicable legal statutes (as advised by legal counsel); it will refer to prior determinations/findings in the HCP/NCCP and the original nexus study approach where appropriate and provide updated nexus language as appropriate where changes are being proposed. Subsequent to a detailed review by RCA staff, EPS will refine the Administrative Draft Nexus Study and prepare a Draft Nexus Study for use in the discussions in **Phase 2**. EPS will also prepare a PowerPoint presentation summarizing the results and assumptions in the Draft Nexus Study.

Phase 2: Stakeholder Review and Nexus Study Refinement

At the end of **Phase 1**, EPS and RCA will have developed a Draft Nexus Study report and associated PowerPoint. RCA will lead a series of discussions and briefings with stakeholders, Board members, and others. The purpose of these meetings will be to obtain additional feedback and input on the updated Nexus Study and determine any revisions prior to taking it forward for RCA Board discussion/consideration in **Phase 3**. EPS's roles are described below.

Task 8: Support for Stakeholder Discussions

EPS will attend, present, and/or participate in the meetings with policymakers and stakeholders as considered appropriate by RCA. For the purposes of this work program, it is assumed that EPS will attend four (4) meetings in-person and participate in three conference calls.

Task 9: Nexus Study Refinements

To the extent that RCA and EPS receive feedback that can be appropriately incorporated into the Nexus Study, EPS will first conduct the technical refinements to indicate any changes in outcomes. After further discussion with RCA staff and, if appropriate, EPS will then produce a Revised Draft Nexus Study reflecting these changes.

Phase 3: Fee Consideration and Adoption Support

By the end of **Phase 2**, RCA will have a Revised Draft Nexus Study that could be taken forward for consideration by the RCA Board. EPS will provide support to RCA staff, counsel, and others during the public review, comment, and potential adoption process. EPS's roles are described below.

Task 10: Revised PowerPoint Presentation

Based on the revisions in the Nexus Study from **Phase 2** and based on input from RCA on the appropriate presentation for the RCA Board, EPS will refine the PowerPoint presentation of the Nexus Study.

Task 11: Board Meetings

EPS will attend, present, and/or participate in the Board presentations as considered appropriate by RCA. For the purposes of this work program, it is assumed that EPS will attend four (4) Board meetings.

Task 12: Additional Adoption Support

EPS will provide additional support for the adoption of the revised Nexus Study/Mitigation Fee Schedule, as appropriate. This could include refinements to the Nexus Study based on Board direction, support to the RCA Counsel in developing a Model Ordinance for adoption of new/revised fees by Local Permittees, and the attendance of additional meetings.

Phase 4: Fee Implementation Handbook

EPS will work with RCA staff to develop a Fee Implementation Handbook for Board review and approval. This will include the following tasks.

Task 13: Administrative Draft of Fee Implementation Handbook

EPS will prepare an Administrative Draft of the Fee Implementation Handbook for Plan Permittees consistent with the Updated Nexus Study. The Implementation Handbook will summarize and address the key issues associated with Permittee fee implementation, collection, and accounting, including, but not limited to, the following:

- Mitigation fee schedule by land use type and by project types (i.e., public/private)
- Development activities subject to the fee and appropriate area/unit affected
- Timing and process for fee collection
- Appropriate application of fee credits (if available)
- Opportunities for add-on fee collection charges
- Fee calculation worksheets for each type of fee, including sample cases/examples on how each fee is calculated
- Process for remitting fees to RCA
- Best practices for tracking fee collection
- Process for fee adjustments/updates by RCA and implications for Plan Permittees

The Fee Implementation Handbook will make clear those actions required as a condition of plan participation and those areas (such as add-on fee collection charges) where there is discretion on the part of the member agencies.

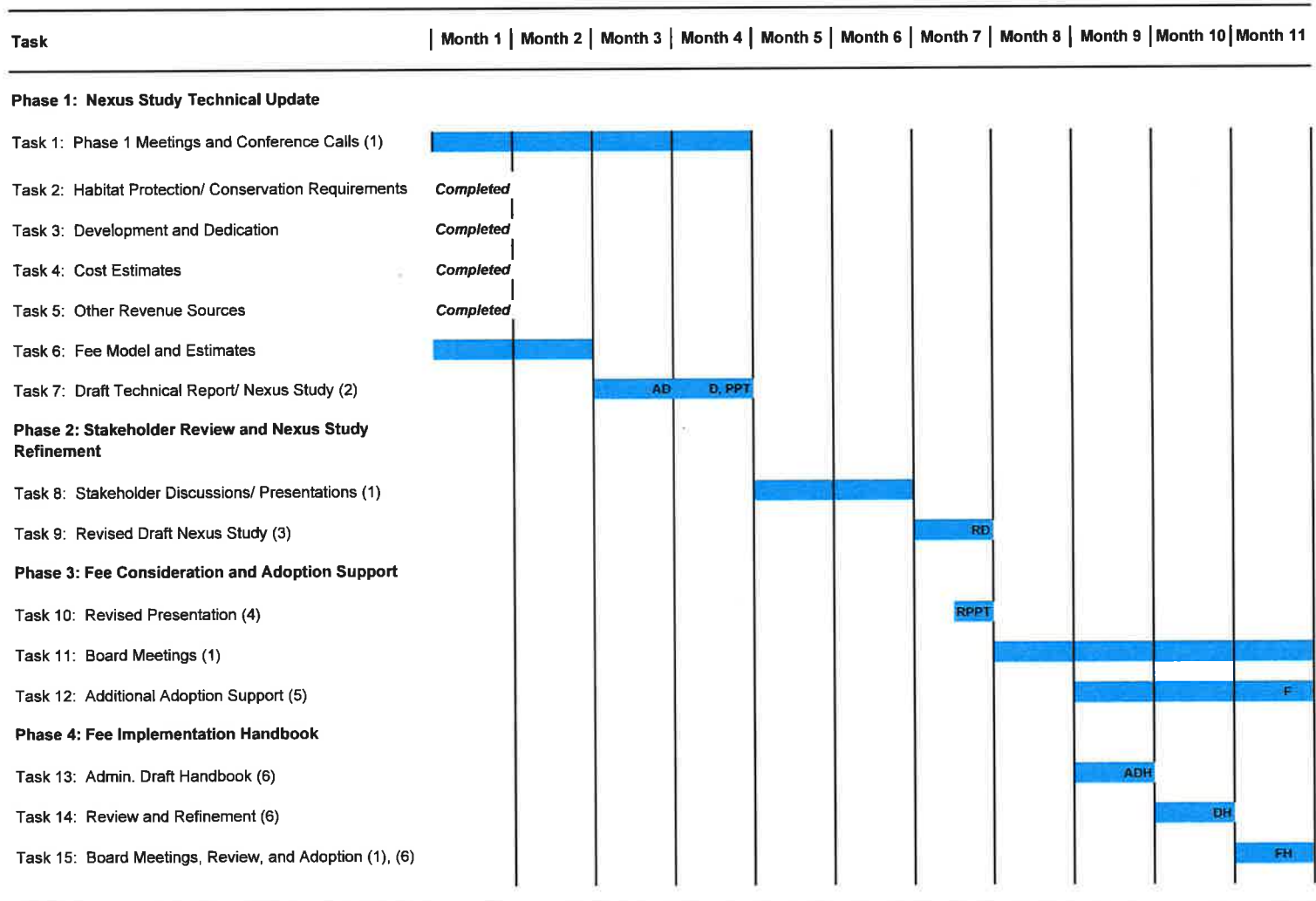
Task 14: Review and Refinement

EPS will meet with RCA staff to present the Administrative Draft Handbook. After RCA staff review and further discussion, EPS will refine the Administrative Draft and produce a Draft Handbook for broader distribution.

Task 15: Board Discussion, Review, and Adoption

The Draft Handbook will be provided to the RCA Board. EPS and RCA staff will present the Handbook to the Board. After feedback from the Board, RCA staff will provide direction to EPS on the appropriate adjustments to the Handbook. EPS will then prepare the Final Implementation Administrative Handbook based on the refinements. It is assumed that EPS will attend two (2) Board meetings.

**Attachment A
Updated Schedule (as of April 2018)
Updated 2018 Nexus Study**



- (1) Number of meetings/ calls specified in the scope of work.
- (2) AD = Administrative Draft Nexus Study; Draft Nexus Study; PPT = PowerPoint Summary of Nexus Study.
- (3) RD = Revised Draft Nexus Study.
- (4) PPT = Revised PowerPoint Presentation.
- (5) F = Final Nexus Study.
- (6) ADH = Administrative Draft Handbook; DH = Draft Handbook; FH = Final Handbook.

Attachment B
Updated Budget Estimate (as of April 2018)
Updated 2018 Nexus Study

Task/ Description	EPS Staff					Staff Cost Subtotal	Direct Costs [1]	Total Base Budget
	Principal-in-Charge/ Project Manager T. Rice-Evans	Senior Project Advisor W. Kieser	Associate	Research Analyst	Production Staff			
Phase 1: Nexus Study Technical Update								
Task 1: Meetings and Conference Calls (2)	15	6	2	2	1	\$6,653	\$2,845	\$9,498
Task 6: Fee Model and Estimates	26	14	10	29	2	\$17,060	\$100	\$17,160
Task 7: Draft Technical Report/ Nexus Study	<u>25</u>	<u>12</u>	<u>6</u>	<u>25</u>	<u>12</u>	<u>\$15,915</u>	<u>\$210</u>	<u>\$16,125</u>
Phase 1 Totals	66	32	18	56	15	\$39,628	\$3,155	\$42,783
Phase 2: Stakeholder Review and Nexus Study Refinement								
Task 8: Support for Stakeholder Discussions (3)	10	4	0	0	2	\$4,190	\$3,000	\$7,190
Task 9: Nexus Study Refinements	<u>7</u>	<u>2</u>	<u>5</u>	<u>8</u>	<u>3</u>	<u>\$4,640</u>	<u>\$150</u>	<u>\$4,790</u>
Phase 2 Totals	17	6	5	8	5	\$8,830	\$3,150	\$11,980
Phase 3: Fee Consideration and Adoption Support								
Task 10: Revised Presentation	6	1	3	3	1	\$2,910	\$100	\$3,010
Task 11: Board Meetings (4)	16	12	0	0	2	\$8,360	\$3,000	\$11,360
Task 12: Additional Adoption Support	<u>14</u>	<u>12</u>	<u>6</u>	<u>10</u>	<u>3</u>	<u>\$10,130</u>	<u>\$150</u>	<u>\$10,280</u>
Phase 3 Totals	36	25	9	13	6	\$21,400	\$3,250	\$24,650
Phase 4: Fee Implementation Handbook								
Task 13: Admin. Draft Fee Handbook	12	6	0	10	2	\$6,670	\$100	\$6,770
Task 14: Review and Refinement	8	2	0	8	1	\$3,960	\$100	\$4,060
Task 15: Board Discussion, Review, and Adoption (5)	<u>12</u>	<u>2</u>	<u>0</u>	<u>12</u>	<u>2</u>	<u>\$5,670</u>	<u>\$1,000</u>	<u>\$6,670</u>
Phase 4 Totals	32	10	0	30	5	\$16,300	\$1,200	\$17,500
TOTAL ALL PHASES	151	73	32	107	31	\$86,158	\$10,755	\$96,913
Billing Rates [6]	\$275	\$315	\$155	\$130	\$90			

[1] Direct costs are billed at cost and include expenses associated with travel (e.g., mileage, parking), conference calls, report production, shipping, etc.

[2] Includes two (2) in-person meetings and biweekly conference calls.

[3] Includes two (2) in-person meetings and three conference calls with policymakers/ stakeholders.

[4] Includes four (4) in-person meetings with the RCA Board/ Board Committees.

[5] Includes two (2) in-person meetings with the RCA Board/ Board Committees.

[6] Billing rates shown reflect 2017 rates.

AGENDA ITEM NO. 10
Attachment 3

Kadesh & Associates

**AMENDMENT NO. 2
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE
WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
AND KADESH & ASSOCIATES
TO PROVIDE GOVERNMENT RELATIONS SERVICES**

1. PARTIES AND DATE.

This Amendment No. 2 to the Professional Services Agreement is entered into this 1st day of July, 2018 by and between the WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ("RCA") and KADESH & ASSOCIATES, LLC ("CONSULTANT"). The RCA and the CONSULTANT are sometimes referred to individually as "Party" and collectively as "Parties."

2. RECITALS.

2.1 On or about November 1, 2016, the Parties entered an agreement for the purpose of providing government relations services required by RCA ("Agreement").

2.2 On or about July 1, 2017, the Parties amended the Agreement to extend the term to June 30, 2018, and revise the Total Compensation to provide for a "Not to Exceed" amount of \$70,000 for the fiscal year ending June 30, 2018 for a monthly retainer amount of \$5,833.33 ("Amendment No. 1").

2.3 The Parties desire to further amend the Agreement with this Amendment No. 2 to amend the scope, extend the term to June 30, 2020, and revise the Total Compensation to provide for a "Not to Exceed" amount of One Hundred Fifty Thousand and no/100 (\$150,000.00) for a monthly retainer amount of \$6,250.00 ("Amendment No. 2").

2.3 This Amendment is authorized pursuant to Section 3.5.15 of the Agreement.

3. TERMS.

3.1 Section 3.1.1 The services described in Exhibit A of the Agreement are hereby replaced with Exhibit A of this Amendment No. 1.

3.2 Section 3.1.2 of the Agreement is amended to extend the term until June 30, 2020.

3.3. Section 3.3.1 of the Agreement is amended to provide that Total Compensation shall not exceed \$75,000.00 per fiscal year. Payments shall be made in 12 monthly installments of \$6,250.00.

3.4 Except as set forth herein, all provisions of the Agreement shall remain in full force and effect, and shall govern the actions of the Parties hereto and the amended provisions set forth in this Amendment No. 2.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 on the date first written above.

**WESTERN RIVERSIDE COUNTY
REGIONAL CONSERVATION AUTHORITY**

CONSULTANT

By _____
Charles V. Landry
Executive Director

By _____
Mark Kadesh
President

ATTEST:

By _____
Honey Bernas
Clerk of the Board

Approved as to Form:

By _____
Best Best & Krieger LLP
RCA General Counsel

EXHIBIT A

Scope of Services Fiscal Years 2019-2020

The Scope of Services outlines ongoing and anticipated work related to counsel on all issues associated with the federal government with additional consultation on state government issues. Specifically, Kadesh & Associates will:

- Continue to build and present the case for federal and state support of habitat conservation plans.
- Ensure that the United States Fish and Wildlife Service adheres to their Biological Opinion for the MSHCP. That Biological Opinion states that Critical Habitat Designations for all species other than the Santa Ana sucker will have no effect on the MSHCP.
- At the same time, seek removal of Critical Habitat Designations on MSHCP land for all covered species.
- Protect and augment federal and state funding for Habitat Conservation Planning and Land Acquisition.
- Support RCA on issues related to obtaining and utilizing Endangered Species Act Section 6 grant funding, including removal of the \$2 million cap on annual grants and establishment of criteria which reflect the funding requirements of larger, more comprehensive programs like the Western Riverside County MSHCP.
- Assist in the establishment of a National Wildlife Refuge on RCA lands, providing another means by which the U.S. Fish and Wildlife Service can contribute to the cost of habitat acquisition.
- Support the RCA's appropriations requests related to habitat acquisition.
- Work with Congress, the Department of Interior, Department of Treasury and other agencies on issues related to species conservation, including pursuing the enactment of "stand-alone" legislation so that low-cost financing would be available when needed for habitat acquisition.
- Upon identification of an applicable project, put RCA in a strong position to compete for loans and loan guarantees under the new WRRDA law;
- Undertake other projects as may be developed from time to time.

A. Scope of Work. The scope of work outlines activities necessary to achieve your objectives for Fiscal Years 2019 and 2020 (July 1, 2018 through June 30, 2020).

Task 1: Review, Research, and Identify Funding Opportunities as well as Opportunities/Obstacles for Regulatory Relief. Kadesh & Associates reviews and identifies funding and partnership opportunities associated with our projects as well as potential obstacles installed by government decisions.

- Work product: Research and develop funding and partnership opportunity information for meetings with our clients, initial communications with government contacts regarding funding opportunities, obstacles and trends.

Task 2: Develop Project Agenda. Kadesh & Associates meets with our clients to refine projects and strategies related to the federal and state governments. Kadesh & Associates briefs our clients on our proposed strategies for projects. Kadesh & Associates also communicates with legislative staff and agencies regarding strategies.

- Work product: Communications with our client regarding the proposed strategies. Communications and coordination with legislative and agency staff regarding projects.

Task 3: Preparation of Materials. Kadesh & Associates works with our clients to develop issue papers, correspondence, legislative language and other materials for use internally and externally.

- Work product: Project descriptions, supporting materials, legislative correspondence and other communications, draft legislative language.

Task 4: Client Advocacy. Kadesh & Associates provides full support to our clients, including, but not limited to, meeting scheduling, briefing materials, and talking points for meetings. Kadesh & Associates staff accompanies our clients to meetings in Washington and California, and follows up on all action items resulting from meetings, including letters of appreciation. Kadesh & Associates advises our clients regarding additional communications at key points throughout the process, and provides draft correspondence, contact information, and talking points to our clients. Kadesh & Associates also advises our clients regarding building and maintaining strong working relationships with legislative offices and Administration officials.

- Work product: Meeting schedules, briefing materials, talking points, draft correspondence, communications with our clients, legislative testimony.

Task 5: Kadesh & Associates Advocacy. Kadesh & Associates will regularly communicate with Members of Congress, their staff, key committee staffers, and agencies in support of our projects. Kadesh & Associates provides support to legislative and administrative offices, including support letters, talking points, memoranda regarding project and budget status, draft legislative testimony, and other communications as requested by government offices. Kadesh & Associates tracks legislation of interest to our clients, including appropriations, authorization legislation, and other legislation, and will report key developments in the legislative process. Kadesh & Associates staff attends relevant committee hearings and markups and provides updates to our clients.

- Work product: Communications with representatives and agencies, draft correspondence, draft proposed legislation, support materials, memoranda for

legislative offices and federal agencies regarding project status, and other support as requested and needed by legislative offices and federal agencies, attend legislative hearings and federal workshops.

Task 6: Client Communications. Kadesh & Associates' presence in Southern California has always promoted open and easy communications between our team and our clients regarding projects and other needs. We will be available for meetings in Riverside County and we will remain available via telephone and email to answer questions and respond to other inquiries and requests from you. In addition to meetings with our clients, Kadesh & Associates is available to attend other meetings in Southern California of interest to you, including joint powers authority meetings, advisory board meetings, and other meetings. Kadesh & Associates personnel are also available at any time to check and track the status of any legislation or regulatory activity at the federal or state level, as well as to advise you regarding any impact on your interests. Kadesh & Associates will provide written quarterly progress reports to the RCA Executive Director and oral reports to the RCA Board of Directors as requested by the RCA Executive Director.

- Work product: Meetings, written status reports, other communications as necessary, meetings with other relevant entities, legislation, respond to information requests from our clients, monitor local and regional news.

Task 7: Outcomes and Project Assessment. Upon final determinations by the federal and/or state governments, Kadesh & Associates reports results to our clients immediately upon information availability, and provides copies of relevant legislation, legislative reports, and other documents when made available to Kadesh & Associates or the public. Kadesh & Associates debriefs legislative offices regarding project results and reports findings to our clients. Kadesh & Associates also provides outcomes assessments, assisting Kadesh & Associates and RCA in formulating our agenda for the next cycle. Kadesh & Associates also provides draft letters of appreciation as appropriate.

- Work product: Communications regarding results and assessment of federal agenda, debriefing our clients and legislative offices regarding outcomes.

Task 8: Secure Funds from the Federal Bureaucracy. Fiscal and political realities have changed in recent years to the degree that, even if Congress appropriates funds for a specific project, federal agencies can delay or even deny the release of these funds. Kadesh & Associates will take an active role in working past, present and future Congressional appropriations through the applicable agencies.

- Work product: Help our clients meet the procedural and political requirements necessary to release appropriated funds. Such assistance may be in the form of legislation or report language, exchanges of letters, facilitating and managing meetings, or other assistance.
-

AGENDA ITEM NO. 10
Attachment 4

Thomas B. Mullen

**AMENDMENT NO. 2
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE
WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
AND THOMAS B. MULLEN FOR ACQUISITION OF
FUNDING AND OTHER SPECIAL PROJECTS**

1. PARTIES AND DATE.

This Amendment No. 2 to the Professional Services Agreement is entered into this 1st day of July, 2018 by and between the WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ("RCA") and THOMAS B. MULLEN ("CONSULTANT"). The RCA and the CONSULTANT are sometimes referred to individually as "Party" and collectively as "Parties."

2. RECITALS.

2.1 On or about September 26, 2016, the Parties entered an agreement for the purpose of obtaining funding and other special projects required by RCA ("Agreement").

2.2 On or about July 1, 2017, the Parties amended the Agreement to extend the term to June 30, 2018, and increase Total Compensation for a "Not to Exceed" amount of \$20,000.00 for the fiscal year ending June 30, 2018 ("Amendment No. 1").

2.3 The Parties desire to further amend the Agreement with this Amendment No. 2 to extend the term to June 30, 2019, and revise Total Compensation to provide for reimbursable expenses in an amount "Not to Exceed" \$20,000.00 for the fiscal year ending June 30, 2019 ("Amendment No. 2").

2.4 This Amendment is authorized pursuant to Sections 3.4.5 and 3.4.11 of the Agreement.

3. TERMS.

3.1 Section 3.1.2 of the Agreement is amended to extend the term until June 30, 2019.

3.2 Section 3.2.1 of the Agreement is amended to provide that reimbursable expenses shall not exceed \$20,000.00 for the fiscal year ending June 30, 2019.

3.3 Except as set forth herein, all provisions of the Agreement shall remain in full force and effect, and shall govern the actions of the Parties hereto and the amended provisions set forth in this Amendment No. 2.

Signature Page for Amendment No. 2 to Professional Services Agreement
No. 17006-2 between the Western Riverside County Regional Conservation
Authority and Thomas B. Mullen

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment
No. 2 on the date first written above.

**WESTERN RIVERSIDE COUNTY
REGIONAL CONSERVATION AUTHORITY**

CONSULTANT

By _____
Charles V. Landry
Executive Director

By _____
Thomas B. Mullen
Consultant

ATTEST:

By _____
Honey Bernas
Clerk of the Board

Approved as to Form:

By _____
Best Best & Krieger LLP
RCA General Counsel

AGENDA ITEM NO. 10
Attachment 5

Douglas P. Wheeler

**AMENDMENT NO. 1
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE
WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY
AND HOGAN LOVELLS US, LLP**

1. PARTIES AND DATE.

This Amendment No. 1 to the Professional Services Agreement is entered into this 1st day of July, 2018 by and between the WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ("RCA") and HOGAN LOVELLS US, LLP ("CONSULTANT"). The RCA and the CONSULTANT are sometimes referred to individually as "Party" and collectively as "Parties."

2. RECITALS.

2.1 On or about March 24, 2017, the Parties entered an agreement for the purpose of obtaining funding and other special projects required by RCA ("Agreement").

2.2 The Parties desire to amend the Agreement with this Amendment No. 1 to extend the term to June 30, 2019, amend the scope, and revise Total Compensation to provide for a "Not to Exceed" amount of \$150,000.00 for the fiscal year ending June 30, 2019 ("Amendment No. 1").

2.3 This Amendment is authorized pursuant to Sections 3.4.5 and 3.4.11 of the Agreement.

3. TERMS.

3.1 Section 3.1.1 Exhibit A of the Agreement is hereby deleted and replaced with Exhibit A attached hereto.

3.2 Section 3.1.2 of the Agreement is amended to extend the term until June 30, 2019.

3.2 Section 3.2.1 of the Agreement is amended to provide that Total Compensation shall not exceed \$150,000.00 for the fiscal year ending June 30, 2019. Payments shall be made in 12 monthly installments of \$12,500.00.

3.3 Except as set forth herein, all provisions of the Agreement shall remain in full force and effect, and shall govern the actions of the Parties hereto and the amended provisions set forth in this Amendment No. 1.

Signature Page for Amendment No. 1 to Professional Services Agreement
No. 18002-1 between the Western Riverside County Regional Conservation
Authority and Hogan Lovells US, LLP

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No.
1 on the date first written above.

**WESTERN RIVERSIDE COUNTY
REGIONAL CONSERVATION
AUTHORITY**

CONSULTANT

By _____
Charles V. Landry
Executive Director

By _____
Douglas P. Wheeler
Consultant

ATTEST:

By _____
Honey Bernas
Clerk of the Board

Approved as to Form:

By _____
Best Best & Krieger LLP
RCA General Counsel

EXHIBIT A

Proposed Representation of WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

Background.

Since adoption of its path-breaking Multiple Species Habitat Conservation Plan (MSHCP) in 2004, the Authority and its staff have worked diligently to implement the Plan, perhaps the most ambitious of its kind in the Nation. Owing to this leadership, and despite a sometimes difficult economic environment, the Plan has served—as intended—to guide conservation and infrastructure development across a 1.26 million-acre swath of western Riverside County. The development of much-needed infrastructure continues apace, with a \$2 billion investment in more than 25 projects, employing 30,000 skilled and semi-skilled workers. At the same time, the Authority has acquired for permanent protection more than 50,000 acres of essential habitat, towards its ultimate goal of 153,000 acres. Due to this progress, environmental litigation is rarely an impediment to progress in Riverside County, and permit streamlining is a reality. By any measure, the MSHCP is among the most successful in the United States.

Challenges.

Despite this early success, effective implementation of the MSHCP over the 75-year life of its Incidental Take Permit will continue to require perseverance, foresight and innovation by its Board, staff and consultants. No challenge is more daunting than the high cost of habitat acquisition. Although the Implementation Agreement assumes that this cost will be shared in equal parts by the Member Agencies, state and federal governments, and the private sector, the cost of Plan implementation has so far has been borne largely by Riverside County and the Authority. The lack of readily-available funds for habitat acquisition became especially acute during the recent Recession, when reduced real estate values would have allowed the Authority to purchase habitat acreage at lower cost than had been projected. In order to ameliorate this lack of affordable financing, the Authority won bipartisan support from its Congressional delegation, notably including Senator Feinstein and Representative Calvert, for legislation to authorize a new program of federally-supported loans and loan guarantees. Authorizing legislation was introduced in the 112th Congress, but it failed to see enactment at a time of increased gridlock and polarization. Instead, the Authority won adoption of a provision in the new WIFIA (Water Infrastructure and Finance Innovation Act of 2014) that authorizes subsidized loans for habitat acquisition in conjunction with otherwise eligible water infrastructure projects. Subsequently, the Authority also won approval of an amendment which authorizes the use of WIFIA funds for the acquisition of drought-resilient habitat.

The Authority will continue to pursue the enactment of “stand-alone” legislation, so that low-cost financing would be available whenever needed for habitat acquisition under the MSHCP.

At the same time, the Authority will also continue to seek ample appropriations for the so-called “section 6” grant program, administered by the U.S. Fish and Wildlife Service, and to propose administrative reforms, including removal of a \$2 million cap on annual grants, and establishment of criteria which reflect the funding requirements of larger, more comprehensive programs like the Western Riverside MSHCP. In addition, the Authority will seek the establishment of a new

National Wildlife Refuge on designated lands within the Plan Area, providing another means by which the U.S. Fish and Wildlife Service can contribute to the cost of habitat acquisition.

Scope of Work.

As the Authority’s principal legal and policy representative in Washington, Doug Wheeler will represent its interests in frequent interaction with the Executive branch, including the Department of the Interior and its U.S. Fish and Wildlife Service, the Office of Management and Budget, the Environmental Protection Agency and the Council on Environmental Quality; and the Legislative branch. On Capitol Hill, Wheeler interacts frequently with Members and staff of the California delegation, especially the offices of Senators Feinstein and Boxer and Representative Calvert. These Members are critical to the success of the Authority’s legislative agenda, including the authorization of new and amended programs and the appropriation of funds which are essential to support of the Authority’s initiatives. As noted, specific objectives in 2018-2019 are (1) authorization of a new western Riverside national wildlife refuge; (2) implementation of new programs which encourage reliance on HCPs for mitigation of impacts caused by infrastructure development; (3) introduction and enactment of “stand alone” legislation to authorize a new, more comprehensive program of loans and loan guarantees for habitat acquisition; (4) representation of the Authority’s interests in the national coalition of HCP sponsors, including interaction with other plan sponsors and allied non-governmental organizations; (5) implementation of recommendations for state-based ESA initiatives adopted by the Western Governors Association; and (6) participation in efforts by the new Administration to effect permit streamlining.

Owing to long experience in the public, private and non-profit sectors with matters pertaining to the Endangered Species Act and resource management generally, Wheeler is a well-recognized and credible spokesman on issues of concern to the Authority. He serves on the boards of non-profit organizations with interests in these areas, including Duke’s Nicholas Institute for Environmental Policy Solutions, Stanford’s Woods Institute on the Environment; the Conservation Lands Foundation, and the Chesapeake Conservancy. His clients—in addition to the Authority—include public, private and non-profit organizations which share the Authority’s commitment to innovative strategies by which to balance economic development with environmental protection. He is co-author of the chapter on habitat conservation planning for the forthcoming third edition of the American Bar Association’s ESA handbook.

As a partner in the Washington office of a global law firm, with 2,500 lawyers in more than 40 offices worldwide, Wheeler has access to expertise in virtually every legal specialty. When needed, he has access to this expertise in addressing issues of concern to the Authority while may lie outside of his areas of expertise, assuring prompt attention and professional service in any event. After 49 years as a practitioner in his field—in the public, private and non-profit sectors—Wheeler brings to his work for the Authority an unparalleled record of service and achievement.

Engagement.

Hogan Lovells US LLP proposes to represent the Authority through its partner, Doug Wheeler, and other attorneys as needed, now including Hilary Tompkins, former Solicitor of the Department of the Interior. Its monthly fee for this engagement will remain unchanged for Fiscal Year 2018-19 at \$12,500.00.

AGENDA ITEM NO. 11

**THIRD AMENDMENT TO
THE REVENUE LEASE
BETWEEN THE WESTERN RIVERSIDE
COUNTY REGIONAL CONSERVATION
AUTHORITY AND THE
COUNTY OF RIVERSIDE**

Regional Conservation Authority**THIRD AMENDMENT TO THE REVENUE LEASE
BETWEEN THE WESTERN RIVERSIDE COUNTY REGIONAL
CONSERVATION AUTHORITY AND THE COUNTY OF RIVERSIDE****Staff Contact:****Honey Bernas
Director of Administrative Services
(951) 955-9700****Background:**

The RCA leases 6662 square feet of office space from the County of Riverside. In June 2008, the RCA Board of Directors approved a lease agreement for a period of 10 years, with two options to extend for five year periods, commencing when RCA took occupancy. RCA took occupancy of the lease space on August 8, 2008, and the original 10-year term is set to expire on August 7, 2018. The agreement requires that RCA provide the County written notice of its intent to exercise the option no later than 90 days prior to the expiration of the original term of the lease agreement. The monthly rent under any extended option period is to increase by 3% annually.

Staff advised the County of RCA's desire to exercise its option to extend the agreement subject to agreed-upon terms which will be executed via a Third Amendment to the Lease upon the approval of the RCA Board of Directors and County Board of Supervisors. The terms negotiated by Facilities Management and RCA staffs are as follows:

- Annual increase rate during the option periods reduced from 3% to 2%;
- Rent rate at the start of the option period shall be decreased from to \$2.53 per square foot to \$2.40 per square foot;
- Tenant improvements to be performed by the County prior to June 30, 2018, at a cost of not to exceed \$34,000.00, which shall be reimbursed by lessee upon completion; and
- Option periods are changed from 5 to 10 years.

The reduction in the annual rent results in savings of approximately \$291,000.00 over the next 10 years, which exceeds the \$34,000.00 cost of the tenant improvements. These tenant improvements were not included in the FY2018 budget; however, there are sufficient savings in the Operations Program to pay for these improvements.

Agenda Item No. 11 Staff Report
Page 2
May 7, 2018

Executive Committee and Staff Recommendations:

That the RCA Board of Directors:

- 1) Authorize the Chairman to execute, pursuant to legal counsel review and approval, a Third Amendment to the Revenue Lease Agreement between Western Riverside County Regional Conservation Authority and the County of Riverside.

FINANCIAL INFORMATION	
In Fiscal Year 2018 Budget: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	FY 2018 Cost: \$34,000 FY 2019 Cost: \$191,866 Future Cost: \$1,909,009
Source of Funds: Various	Budget Adjustment: No
Approved by: <i>Honey Bernas</i>	Date: May 3, 2018

2018 RCA - Commonly Used Acronyms

ARL	Additional Reserve Lands
BUOW	Burrowing Owl
CALFIRE	California Department of Forestry and Fire Protection
CALTRANS	California Department of Transportation
CD	Consistency Determination
CDFG	California Department of Fish and Game
CDFW	California Department of Fish and Wildlife (<i>formerly CDFG</i>)
CEQA	California Environmental Quality Act
CETAP	Community and Environmental Transportation Acceptability Process
CHD	Critical Habitat Designation
CIP	Capital Improvement Program
CNLM	Center for Natural Lands Management
DBESP	Determination of Biologically Equivalent or Superior Preservation
EMWD	Eastern Municipal Water District
EPD	Environmental Programs Department (<i>Riverside County</i>)
ERP	Expedited Review Process
ESA	Endangered Species Act
FAST	Fixing America's Surface Transportation
FY	Fiscal Year
HANS	Habitat Evaluation and Acquisition Negotiation Strategy
HCP	Habitat Conservation Plan
HMU	Habitat Management Unit
IC	Interchange
JPR	Joint Project Review
LDMF	Local Development Mitigation Fee
MOU	Memorandum of Understanding
MSHCP	Multiple Species Habitat Conservation Plan
OHV	Off-Highway Vehicle
PCL	Proposed Constrained Linkage
PQP	Public/Quasi-Public
PSE	Participating Special Entities
RCA	Regional Conservation Authority
RCD	Resource Conservation Districts
RCOE	Riverside County Office of Education
RCRCD	Riverside-Corona Resource Conservation District
RCTC	Riverside County Transportation Commission
RCTD	Riverside County Transportation Department
RMOC	Reserve Management Oversight Committee
ROVE	Recreation Off-Highway Vehicle Enforcement
SAWA	Santa Ana Watershed Association
SB	San Bernardino
SR	State Route
SWG	State Wildlife Grant
TAC	Technical Advisory Committee
TIFIA	Transportation Infrastructure Finance and Innovation Act
TUMF	Transportation Uniform Mitigation Fee
USFWS	United States Fish and Wildlife Service
UTM Nad 83 Zone 11	Meter Coordinate System for Maps
WA	Wildlife Agencies (<i>USFWS & CDFW</i>)
WCB	Wildlife Conservation Board
WIFIA	Water Infrastructure Finance and Innovation Act
WIIN	Water Infrastructure Improvements for the Nation
WPT	Western Pond Turtle
WRDA	Water Resources Development Act