



EXECUTIVE COMMITTEE MINUTES

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1. CALL TO ORDER

The meeting of the Western Riverside County Regional Conservation Authority Executive Committee was called to order by Chairman Ingram at 12:04 p.m., Wednesday, May 15, 2019, at the RCA Conference Room, 3403 Tenth Street, Suite 320, Riverside, California, 92501.

2. ROLL CALL – was taken by Kristin Staudenmaier

COMMITTEE MEMBERS PRESENT	COMMITTEE MEMBERS ABSENT
Jonathan Ingram, Chairman – City of Murrieta	Natasha Johnson, Vice Chair – City of Lake Elsinore
Lesa Sobek – City of Menifee	Larry Greene – City of Canyon Lake
Kevin Jeffries – County of Riverside, District 1	Crystal Ruiz – City of San Jacinto
Jeff Hewitt – County of Riverside, District 5	

**Arrived after start of meeting ** Departed before meeting adjourned*

3. PUBLIC COMMENTS

There were no public comments.

4. COMMITTEE MEMBER ANNOUNCEMENTS

There were no Committee Member announcements.

5. ADDITIONS/REVISIONS

There were no additions or revisions to the agenda.

6. APPROVAL OF MINUTES – April 17, 2019

M/S/C (County District 5/City of Menifee) to approve the minutes of the April 17, 2019, meeting of the Executive Committee as submitted.

(4 Ayes, 0 Nays, 0 Abstain)

7. WESTERN RIVERSIDE COUNTY MSHCP FEE COLLECTION REPORT FOR APRIL 2019

Honey Bernas, Deputy Executive Director, reported that for the month of April 2019, the total of fee collection receipts was \$1,112,070.

M/S/C (County District 1/County District 5) to approve this item as recommended:

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors receive and file the Western Riverside County MSHCP Fee Collection Report for April; and
- 2) Authorize staff to agendize this matter for the June 3, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

8. FISCAL YEAR 2019 THIRD QUARTER FINANCIAL REPORT AND RESOLUTION NO. 2019-00x, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY APPROVING THE COMMITMENT OF TIPPING FEES TO THE ENDOWMENT FUND FOR FISCAL YEAR 2019

Honey Bernas, Deputy Executive Director, presented the Fiscal Year 2019 Third Quarter Financial Report, which included an Executive Summary (cash balance summary and financial statement overview), detailed financial statements, and MSHCP Fee Collections Report. She reported that as of March 31, 2019, the cash balance was \$44.6 million, which represents a \$3.3 million increase from the prior fiscal year ending cash balance. The cash balance as of May 13, 2019, was \$46.9 million, and an additional \$5.9 million is set aside as restricted for the endowment. She stated that revenue exceeded expenditures in all RCA programs, and staff projects an increase in fund balance at year end. In the Operations Program, revenue of \$603 thousand exceeded expenditures of \$257 thousand by \$346 thousand. The excess revenue is primarily attributable to interest earnings being higher than projected. Additionally, the Operations Program budget for flood, civic and infrastructure projects for the year was met in the third quarter. In the Land Management and Monitoring Program, revenues of \$3.5 million exceeded expenditures of \$2.1 million by \$1.4 million. For the first three quarters of the fiscal year, Tipping tonnage of 1.89 million tons was approximately 1.6% higher than the same prior year period. She further advised that staff anticipated that

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Tipping Fees would exceed budgeted revenue by at least \$724 thousand. Therefore, in an effort to increase the Endowment Fund, staff recommended that the RCA Board adopt the Resolution committing \$500 thousand in Tipping Fees from Fiscal Year 2019 to the RCA Endowment Fund. In the Land Acquisition Program, expenditures of \$24.7 million exceeded revenues of \$21.2 million by \$3.5 million. During the first nine months of the fiscal year, RCA acquired 15 properties totaling 1,212 acres, valued at approximately \$21.2 million. Additionally, RCA received two land donations. One donation of 33.4 acres from RCTC valued at approximately \$1.16 million, and another donation of 19 acres from a developer valued at approximately \$392 thousand.

Chairman Ingram stated that RCA has been exploring ways to increase the Endowment Fund. He suggested that RCA consider, as a matter of policy, committing excess discretionary revenue to the Endowment in an effort to build that fund. He further advised that staff and legal counsel are working to address the color of money issue so that additional funds can be set aside to increase the endowment fund.

Board Member Jeffries asked if land acquisition funding should be more of a priority than land management in that RCA is so far behind in land acquisitions according what was anticipated in the MSHCP. Charles Landry, Executive Director, responded stating that the majority of the funding goes to land acquisitions. He further stated that the mitigation fees can only be used for land acquisitions. RCA staff is recommending committing excess non-mitigation funding to the endowment so the endowment can become self-sustaining and RCA can meet its obligations.

Board Member Jeffries asked how many years the JPA is good for.

Michelle Ouellette, General Counsel, stated that the MSHCP is a 75-year plan and the JPA does not have an end date.

Chairman Ingram stated that this is a first step in addressing the issue. Staff will continue to explore options to increase the endowment fund.

M/S/C (County District 1/City of Menifee) to approve this item as recommended:

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors:
 - A) Receive and file the Fiscal Year 2019 Third Quarter Financial Report;
 - B) Adopt Resolution No. 2019-00x, Approving the Commitment of Tipping Fees to the Endowment Fund for Fiscal Year 2019;

and

- 2) Authorize staff to agendize this matter for the June 3, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

9. BIOLOGICAL MONITORING PROGRAM WORK PLAN AND COST ESTIMATE FOR FISCAL YEAR 2020

Tricia Campbell, Director of Reserve Management & Monitoring, presented the Biological Monitoring Program Work Plan and Cost Estimate for Fiscal Year 2020. She stated that the MSHCP requires that Monitoring Program Administrator submit an annual Work Plan and Cost Estimate for implementation of the Monitoring Program. The work plan describes the monitoring activities planned, schedule of fieldwork, and the estimate of cost for personnel and operations. The work plan is to be approved by the RCA Board and becomes part of the annual RCA budget. She explained that one of the key components of the MSHCP is the Biological Monitoring Program, which collects data on the MSHCP's 146 Covered Species and their associated habitats. She explained that monitoring results are used to assess the MSHCP's effectiveness at meeting conservation objectives and to provide information to the management team. She described the different species surveys that are planned for Fiscal Year 2020. The estimated cost for biological monitoring services for a not to exceed amount of \$1,266,720 was included in the Fiscal Year 2020 budget adopted by the Board on May 6, 2019. She further stated that for Fiscal Year 2020, the Santa Ana Watershed Association (SAWA) proposes to provide staff and all direct expenses for the program, including supplies, field equipment, computers, computer support, and building rent. She further stated that this is a rate increase of \$41,720 from Fiscal Year 2019. The MSHCP estimated the Biological Monitoring budget in Year 10 would be \$1.4 million.

M/S/C (City of Menifee/County District 5) to approve this item as recommended:

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors approve the Biological Monitoring Program Work Plan and Cost Estimate for Fiscal Year 2020; and
- 2) Authorize staff to agendize this matter for the June 3, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

10. CLINTON KEITH ROAD OVERCROSSING BIOLOGICAL MONITORING REIMBURSABLE WORK PLAN AND COST ESTIMATE FOR FISCAL YEAR 2020

Tricia Campbell, Director of Reserve Management & Monitoring, presented the Clinton Keith Road Overcrossing Biological Monitoring Reimbursable Work Plan and Cost Estimate for Fiscal Year 2020. She stated that the Riverside County Transportation Department (RCTD) agreed to perform mitigation monitoring at the wildlife overcrossing facility for five years. The monitoring work will occur through the RCA Biological Monitoring Program, with all work reimbursed to the RCA through the use of banked RCTD fee credits. She further stated that the monitoring crew will survey for the Quino checkerspot butterfly and monitor the usage of the overcrossing by other wildlife species. All results from the monitoring work will be provided in the MSHCP annual report.

Board Member Sobek asked how long they will monitor the wildlife overcrossing.

Tricia Campbell stated that they will monitor over the next five years starting in July. She said there is a sequence in the work plan that includes quarterly visits and some things will be more frequent than others. She also said they will take advantage of people out there and monitor other wildlife species. They will use camera checks and do weekly checks. The most cost-effective approach is through SAWA who will also monitor the undercrossing.

Board Member Sobek asked if they will be reporting back to the Board with pictures.

Chairman Ingram directed RCA staff to report back to the RCA Board of Directors once the monitoring is established.

Board Member Hewitt asked if nets are used to capture the species.

Tricia Campbell stated that the monitoring crew does not use nets to capture the species. She said that cameras and foot tracks are used for monitoring.

M/S/C (County District 5/County District 1) to approve this item as recommended:

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors approve the Clinton Keith Road Overcrossing Biological Monitoring Program Work Plan and Cost Estimate for Fiscal Year 2020; and
- 2) Authorize staff to agendize this matter for the June 3, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

11. FISCAL YEAR 2019 THIRD QUARTER CONSULTANT REPORTS

Charlie Landry, Executive Director, reported on the activities and services provided by Dudek, Geographics, Kadesh & Associates, LLP, Riverside County Regional Parks and Open-Space District, the Santa Ana Watershed Association and Douglas P. Wheeler, Hogan Lovells, US LLP, during the third quarter of Fiscal Year 2019.

M/S/C (City of Menifee/County District 1) to approve this item as recommended:

Overview

This item is for the RCA Executive Committee to:

- 1) Recommend that the RCA Board of Directors to receive and file the Fiscal Year 2019 Third Quarter Consultant Reports; and
- 2) Authorize staff to agendaize this matter for the June 3, 2019, meeting of the RCA Board of Directors.

(4 Ayes, 0 Nays, 0 Abstain)

12. EXECUTIVE DIRECTOR'S REPORT

12.1 Update Concerning Status of Member Agency Agreed-Upon Procedures

Charles Landry, Executive Director, stated that at the next RCA Board of Directors meeting, staff would be presenting the new Dashboard created for the website to give public access on acreage goals and dollars spent. He also stated that an update would be given concerning the status of Member Agency Agreed-Upon Procedures.

Honey Bernas, Deputy Executive Director, reported that the Auditors are currently performing testing for the 2018 permits and RCA staff is still working with three Member Agencies regarding outstanding fees.

Chairman Ingram explained that staff has been working with Member Agencies who received findings as a result of the agreed-upon procedures performed by the auditors. These Member Agencies agreed to pay the fees owed to RCA, but have not yet done so. He suggested that RCA start looking at how to use the enforcement mechanism to collect the outstanding fees.

Honey Bernas stated that the City of Moreno Valley has entered into a settlement agreement with the RCA; however, they are still working to resolve other issues that arose in subsequent testing. She further stated that RCA staff is still working to reach agreement with the Cities of Riverside and Calimesa.

Chairman Ingram asked what date RCA's certification is due.

Honey Bernas responded stating that RCA's certification was due by June 3, 2019. She explained that RCA staff has been certifying with an asterisk noting that RCA is working with the Member Agency to resolve outstanding fee issues and that RCA will notify RCTC if resolution is not reached.

Board Member Johnson asked what it means to certify.

Honey Bernas explained that RCA must certify that Member Agencies are in compliance with the MSHCP in order to receive their Measure A funding.

Chairman Ingram suggested that RCA certify the report with an asterisk and proceed aggressively if an agreement is not reached.

Charles Landry stated that the asterisk with a statement allows for the RCA Board to decertify at any time.

Honey Bernas stated that staff report back at the next Executive Committee meeting.

13. FUTURE AGENDA ITEMS: (Committee members are invited to suggest additional items to be brought forward for future discussion.)

Chairman Ingram instructed staff to find a State Lobbyist to assist in obtaining funding from the State for reserve management issues. He advised that Tricia Campbell and Charles Landry are exploring different funding options for reserve management activities.

Chairman Ingram advised that staff would present the RCA Dashboard at the next Board of Directors meeting.

14. CLOSED SESSION ITEMS:

14.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to paragraph 1 of subdivision (d) of Government Code Section 54956.9

Case No. RIC1720190 Jorge Godinez vs. Western Riverside County Regional Conservation Authority; Robert Holmes; Holmes Investments, L.P.; United Pacific Rail Road; Mills Road Holdings

Case No. RIC1901547 EHOF II Lakeside, LLC, a Delaware limited liability corporation, vs. Western Riverside County Regional Conservation Authority

After closed session, the meeting was reconvened. There were no announcements from General Counsel on closed session.

15. ADJOURNMENT

There being no other items before the Executive Committee, Chairman Ingram adjourned the meeting at 1:20 p.m. The next meeting of the Western Riverside County Regional Conservation Authority Executive Committee will be held on Wednesday, June 19, 2019, at 12:00 p.m., at the Riverside Centre, 3403 Tenth Street, Suite 320, Third Floor, RCA Conference Room, Riverside, California, 92501.

Prepared by:



April Boydd
Administrative Manager

Respectfully submitted:



Honey Bernas
Deputy Executive Director