

AGENDA ITEM NO. 6

MINUTES

February 17, 2016



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 Montanez at 12:05 p.m., Wednesday, February 17, 2016, at the RCA Conference Room, 3403 Tenth Street, Suite 320, Riverside, California, 92501.

2.

ROLL CALL – was taken by Rose Esparza.

COMMITTEE MEMBERS PRESENT	COMMITTEE MEMBERS ABSENT
Eugene Montanez, Chairman – City of Corona	John Tavaglione, County of Riverside District II
Marion Ashley – Vice Chairman – County of Riverside District V	1 Vacant
Natasha Johnson - City of Lake Elsinore	
Maryann Edwards - City of Temecula	
Ben Benoit – City of Wildomar	

3.

PUBLIC COMMENTS

There were no public comments.

4.

COMMITTEE MEMBER ANNOUNCEMENTS

There were no member announcements.

5.

ADDITIONS/REVISIONS

Rose Esparza, Administrative Manager, noted a correction on page 4 of the January 20, 2016 minutes. The Adjournment should have reflected Item No. 13. instead of Item No. 16.

6. APPROVAL OF MINUTES – February 17, 2016

M/S/C (EDWARDS/ASHLEY) to approve the minutes of the February 17, 2016 meeting of the Executive Committee as corrected.

(5 Ayes, 0 Nays, 0 Abstain)

7. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE (LDMF) COLLECTION AND CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT FOR JANUARY 2016.

Honey Bernas, Director of Administrative Services, presented the LDMF Collection and Civic/Infrastructure Contribution Report for January 2016. The RCA received fees in the amount of \$310,404 for 150 residential units and 3.6 commercial acres. There were 47 reported exemptions totaling \$91,660.

M/S/C (EDWARDS/BENOIT) that the RCA Executive Committee:

- 1) Recommend that that RCA Board of Directors receive and file the Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for January 2016; and
- 2) Authorized staff to agendize this matter for the March 7, 2016 meeting of the RCA Board of Directors.

(5 Ayes, 0 Nays, 0 Abstain)

8. FIFTH DRAFT RESOLUTION NO. 2016-003, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY REVISING ITS FEE CREDIT AND WAIVER POLICY SUPERSEDING AND REPLACING RESOLUTION NO. 05-05

Honey Bernas, Director of Administrative Services, made reference to the last minute revisions before the February 1, 2016 RCA Board Meeting requested by Riverside County Flood Control and Water Conservation District. The redlined copy of the resolution before the Executive Committee noted the requested changes.

The Executive Committee and staff discussed the comments received from the County Riverside Flood Control and Water Conservation District and were agreeable to the requested changes. The Executive Committee decided to limit the Executive Director's approval authority at \$200,000, and anything over this amount requires approval of the RCA Board of Directors.

M/S/C (JOHNSON/EDWARDS) Authorizing staff to agendize this matter for the March 7, 2016 meeting of the RCA Board of Directors.

(5 Ayes, 0 Nays, 0 Abstain)

9. WESTERN RIVERSIDE COUNTY MSHCP LOCAL DEVELOPMENT MITIGATION FEE ANNUAL CPI ADJUSTMENT

Honey Bernas, Director of Administrative Services, reported that the MSHCP calls for an annual automatic CPI adjustment, and fee ordinances adopted by Member Agencies reflects this requirement. Although the increase is automatic, staff has brought this matter to the RCA Board for consideration for the past several years. Based on the CPI increase from December 2014 to December 2015, MSHCP fees would increase 2.03%, effective July 1, 2016. If approved, staff estimates that the increase will generate approximately \$203,000 in additional development mitigation fees to RCA for Fiscal Year 2017. Honey Bernas made reference to the attachment which depicts the current fees, increase, and potential adjusted fees for residential, commercial and industrial development.

M/S/C (BENOIT/ASHLEY) that the RCA Executive Committee:

- 1) Recommend that the RCA Board of Directors approve implementing the CPI Adjustment for Western Riverside County MSHCP Local Development Mitigation Fees effective July 1, 2016; and**
- 2) Authorize staff to agendize this matter for the March 7, 2016 meeting of the RCA Board of Directors.**

(5 Ayes, 0 Nays, 0 Abstain)

10. FISCAL YEAR 2016 SECOND QUARTER FINANCIAL REPORT

Honey Bernas, Director of Administrative Services, presented an overview of the Second Quarter Financial Report. As of December 31, 2015, the RCA's Cash balance was \$38.5 million, which is an \$8.1 million increase from prior year's ending cash balance. Cash receipts totaled approximately \$15.7 million, and cash disbursements totaled approximately \$7.7 million. She noted that the cash balance as of February 17, 2016 was \$35.4 million, with an additional \$3.8 million set aside for the endowment.

In the Operations Program, revenues of \$360 thousand exceeded expenditures of approximately \$228 thousand by \$132 thousand. The excess revenue was primarily attributable to the Riverside County Flood Control's contribution of \$285 thousand. During the first six months, the number of Joint Project Reviews received was higher than anticipated in the budget. A budget adjustment will be requested in the Operations Program.

In the Management and Monitoring Program, total revenues of \$1.6 million exceeded expenditures of approximately \$1.1 million by \$479 thousand. It was reported that tipping tonnage for the first six months was 857 tons, which was 8% higher than last year. It's anticipated that tipping fees will exceed estimated revenues by the end of the

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fiscal by approximately \$193 thousand. It was further reported that in March 2014, RCA entered into a grant agreement with United States Fish and Wildlife for the tri-colored blackbird habitat enhancement in the amount of \$70,732. The grant covered fiscal years 2015 to 2016. Most of the revenues and costs associated with the grant were incurred during the current fiscal year rather than the prior fiscal year, as previously projected by staff. A budget adjustment will be requested to increase revenue with an equal increase in appropriations.

Honey Bernas further reported that in the Land Acquisition Program, revenues of \$13.5 million exceeded expenditures of \$7.2 million by \$6.3 million. Development mitigation fees of \$5.8 million were positively higher than expected for the first six months. Staff projects receiving approximately \$11.1 million in mitigation fees by year-end. The highest contributors were the City of Eastvale at \$1.4 million; City of Perris at \$802 thousand; County of Riverside at \$697 thousand; and City of Jurupa Valley at \$483 thousand. During the six months, RCA acquired 12 properties totaling approximately 722 acres. Four properties were acquired with Federal and State funds, there was one land donation from RCTC valued at \$675 thousand for 40 acres, and seven properties funded with RCA mitigation fees.

Chairman Montanez asked which property was donated by RCTC. Laurie Dobson Correa, Director of Reserve Management and Monitoring, answered that it was property off of State Highway 74. Steve DeBaun, General Counsel, confirmed that it was pre-MSHCP. RCTC had parcels they had to acquire for mitigation purposes.

Honey Bernas continued to report that RCA received \$3 million from RCTC which was used to acquire Phase V of Anheuser Busch. Chairman Montanez stated that he thought that RCTC was done with contribution to Anheuser Busch. Charlie Landry, Executive Director, responded the funding MOU between RCA and RCTC is not tied to AB and goes until 2018. RCTC's obligation is \$153 million.

Honey Bernas summed up the report indicating that budget adjustments are proposed in all three of the Programs. In Operations, the increase in estimated revenues and appropriations is a result of increased Joint Project Reviews (JPRs) received by RCA. Overall, appropriations of \$50,000 are being transferred from Land Acquisition. There is no increase in the Agency's overall appropriations for salaries or contracts.

With regard to the Land Acquisition Program, Honey Bernas reported that staff was proposing a decrease of \$800 thousand to revenues and appropriations. The decrease resulted from fewer land acquisitions to be acquired with Federal and State funds during Fiscal Year 2016. Staff is currently negotiating various land acquisitions with Federal and State funds. Two grant funded properties will close this fiscal year with grant funds, but all others will close escrow in Fiscal Year 2017.

Honey Bernas further stated that in Management and Monitoring, the \$14 thousand increase to revenues and appropriations resulted from the State grant funds which will be received in the current year for the tri-colored blackbird habitat enhancement.

There were no further questions on the First Quarter Financial Report from the Executive Committee.

M/S/C (BENOIT/JOHNSON) that the RCA Executive Committee:

1) Recommend that the RCA Board of Directors:

A) Receive and file the Fiscal Year 2016 Second Quarter Financial Report;

B) Approve the budget adjustments contained in Exhibit A;

C) Authorize the Chairman to direct the Auditors-Controller to make the budget adjustments contained in Exhibit A;

and

2) Authorize the staff to agendize the matter for the March 7, 2016 meeting of the RCA Board of Directors.

11. EXECUTIVE DIRECTOR'S REPORT

Charles Landry reported on the following items:

11.1 Loan Program Update

Charles Landry reported that the loan program continues to be pursued as stand-alone legislation. Senators Feinstein and Congressman Calvert have been supportive. Charles Landry stated that he is working with both the National and State HCP coalitions, and the local Monday Morning Group is assisting in DC.

11.2 Discussion Regarding Possible Workshop

Charles Landry stated that RCA the Board wanted to review the Bylaws concerning election of the Chairman and Vice Chairman. It was suggested that RCA consider amending the Bylaws so that the Chairman and Vice Chairman positions are not rotated between the County and City in order to give the cities more opportunity to serve. It was suggested that RCA have a workshop to accomplish this and determine if RCA wanted to adopt a model similar to RCTC's. Charlie Landry asked the Committee if a workshop should be organized or if this matter should be agendized for a regular Board meeting, as they may be a need to have a series of meetings to gain consensus.

Chairman Montanez stated that RCA would have more participation at a Board meeting than at a workshop. Honey Bernas agreed stating that the last time she tried to organize a workshop, there did not appear to be much interest as she only received a few RSVPs.

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Board Member Benoit stated that he thought the other reason for the workshop was to orient the new members. He asked if new members were taking advantage of the orientation. Honey Bernas replied that RCA provides new members a 2-3 hour orientation at the RCA office. Rose Esparza, Administrative Manager, advised that all new members have been invited to orientation.

Honey Bernas stated that a staff report will be drafted and brought to Executive Committee to discuss the proposed changes to the Bylaws.

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

There were no requests for future agenda items by the Executive Committee.

13. CLOSED SESSION ITEMS:

13A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to paragraph 1 of Subdivision (d) of Government Code Section 54956.9

- **Case No. RIC1600058 A.T. Paulek; Friends of the Northern San Jacinto Valley vs. Western Riverside County Regional Conservation Authority, Coachella Valley Conservation Commission, California Department of Fish & Wildlife**
- **Case No. MCC1300351 JPR, Inc., dba Silverado Ranch Estates vs. California Department of Fish and Game; County of Riverside; Western Riverside County Regional Conservation Authority**

**13B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph 4 of subdivision (d) of
Section 54956.9**

Seven potential cases

After closed session, the meeting was reconvened. Michelle Ouellette, General Counsel, announced that Agenda Item 13A was pulled from the agenda and not discussed. There were no other announcements from closed session.

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14. ADJOURNMENT

There being no more items before the Executive Committee, Chairman Montanez adjourned the meeting at 12:55 p.m. The next meeting of the Western Riverside County Regional Conservation Authority Executive Committee will be held on Wednesday, March 16, 2016, at 12:00 p.m., at the Riverside Centre, 3403 Tenth Street, Suite 320, Third Floor, RCA Conference Room, Riverside, California, 92501.

Prepared by:



Rose Esparza
Administrative Manager

Respectfully submitted:



Honey Bernas
Clerk of the Board