

Administration & Finance Committee

Minutes

1. CALL TO ORDER

The meeting of the WRCOG Administration & Finance Committee was called to order by Chair Crystal Ruiz at 12:00 p.m., on September 14, 2022, on the Zoom platform.

2. PLEDGE OF ALLEGIANCE

Committee member Ben Benoit led members and guests in the Pledge of Allegiance.

3. ROLL CALL

- City of Corona - Jacque Casillas
- City of Eastvale - Christian Dinco
- City of Jurupa Valley - Chris Barajas*
- City of Lake Elsinore - Brian Tisdale
- City of Norco - Kevin Bash
- City of Perris - Rita Rogers
- City of San Jacinto - Crystal Ruiz (Chair)
- City of Wildomar - Ben Benoit
- County of Riverside, District 2 - Karen Spiegel
- County of Riverside, District 3 - Chuck Washington
- Western Municipal Water District - Brenda Dennstedt

*Arrived after Roll Call

4. PUBLIC COMMENTS

Arnold San Miguel, SCAG, announced that SCAG is holding subcommittee meetings for the development of Connect SoCal 2024; SCAG's Regional Council and Policy Committee members will have an opportunity for more policy discussions on regional issues. October 5, 2022, is California Clean Air Day and SCAG is encouraging people and organizations to take the pledge to work towards cleaner air.

5. CONSENT CALENDAR – (WMWD / Lake Elsinore) 11 yes; 0 no; 0 abstention. Items 5.A through 5.C were approved. Item 5.B was pulled for discussion.

A. Summary Minutes from the July 13, 2022, Administration & Finance Committee Meeting

Action:

1. Approved the Summary Minutes from the July 13, 2022, Administration & Finance Committee meeting.

B. Approval of Amendment No. 1 to the Professional Services Agreement with AECOM for the Western Riverside County Energy Resilience Plan

Committee member Brian Tisdale pulled this item for discussion and clarification on the proposed Agreement.

Casey Dailey, WRCOG Director of Energy & Environmental Programs, reported that AECOM needs to perform additional work of line drawing for sites which were identified by the Working Group. One of those sites was for a fire station in the City of Jurupa Valley that was determined to be antiquated for the purpose of this Plan. The proposed Agreement would allow AECOM to complete the line drawing for a different site.

Action:

1. Recommended that the Executive Committee approve Amendment No. 1 to the Professional Services Agreement with AECOM authorizing an increase to the contract amount and extra work related to the Western Riverside County Energy Resilience Plan.

C. Finance Department Activities Update

Action:

1. Received and filed.

6. REPORTS / DISCUSSION

A. Request for Early TUMF Reimbursement by a Developer for the Cajalco Road Project in the City of Corona

Chris Gray, WRCOG Deputy Executive Director, reported that TUMF projects can be paid for in three ways: 1) payment of TUMF; 2) through a Credit Agreement; or 2) through a financing district. This matter being presented is not about the reimbursement itself, but rather, the timing of the reimbursement.

The City of Corona has requested that WRCOG provide a partial reimbursement to the developer who constructed the I-15 / Cajalco interchange under a Credit / Reimbursement Agreement. In this instance, the developer provided the the funding to the city, and while the development portion of the Project is less than 25% built out, the transportation portion of the Project was completed in 2021. If this item is approved, WRCOG does have the ability to provide a reimbursement for the local streets portion of the Project. The TUMF Program has sufficient funds to pay this request now.

Under WRCOG's existing policy, the developer is entitled to a reimbursement since the amount of TUMF credit exceeds their anticipated TUMF obligation. However, WRCOG's existing policy is to provide developer reimbursement only after the developer has exhausted all TUMF credits. As the land development aspect of the project has not concluded, the developer has not exhausted all of the TUMF credits and is not eligible for a reimbursement.

Staff has presented this item to the Public Works Committee (PWC) and Technical Advisory Committee (TAC). The PWC recommended that WRCOG convene a meeting of the TUMF Northwest Zone to hear this request. The TAC recommended denial of the request.

Brian Milich, Pacific Ventures Management, indicated that nearly \$64M has been spent on the Interchange, and is likely the largest single expenditure by a private developer on a TUMF project. Given the lengthy amount of time for this Project and the magnitude of the money expended, this early reimbursement would be greatly appreciated.

Committee member Jacque Casillas spoke in favor of this request, as well as potential changes to the policy, as did other Committee members.

Some Committee members expressed concern in recommending this item for approval by the Executive Committee without input from the Northwest Zone TAC.

Actions:

Staff was directed to:

1. Convene a meeting of the Northwest Zone TAC to gain its input regarding this request.
2. Develop policy language regarding early reimbursement requests for consideration by the Public Works Committee and Technical Advisory Committee.
3. Return to the Administration & Finance Committee with the above items for further discussion / consideration.

(District 3 / Jurupa Valley) 9 yes; 0 no; 0 abstention. The City of Eastvale did not respond. The water district does not vote on TUMF matters. Item 6.A was approved.

B. PACE Programs Activities Update: Adoption of Unclaimed Refund Policy and Procedure

Casey Dailey, WRCOG Director of Energy & Environmental Programs, reported that PACE refunds occur when a property owner prepays their PACE assessment line item prior to paying their property tax bill. These refunds are processed by WRCOG staff and multiple attempts are made to return refunds to the property owner. Occasionally, these checks remain unclaimed by property owners.

State law requires all unclaimed property to be returned to the State after three years, unless a resolution and policy are adopted by WRCOG that would allow the unclaimed property to remain with WRCOG.

As of June 2022, there were 175 checks that remain unclaimed by property owners; by December 2022, there will be approximately 290 checks, approximately \$400,000, that will remain unclaimed. Staff reviewed three options, including risks and benefits, ranging from returning funds to the State to keeping the funds at WRCOG.

Committee member Brenda Dennstedt asked if the unclaimed refunds are from the local program, or statewide.

Mr. Dailey responded that they are from the statewide program.

The Committee discussed multiple options on how best to handle the unclaimed property and, ultimately, recommended to the Executive Committee that the funds be returned to the State.

Action:

1. Recommended that the Executive Committee adopt a resolution directing staff to forward any unclaimed refunds to the State of California.

(Wildomar / District 3) 10 yes; 0 no; 0 abstention. Item 6.B was approved.

C. 4th Quarter Draft Budget Amendment for Fiscal Year 2021/2022

Andrew Ruiz, WRCOG Chief Financial Officer, reported that for the fourth quarter of Fiscal Year 2021/2022, there will be a net increase in revenues of approximately \$29M. This is primarily due to increased collections in the TUMF Program. There has been a significant increase in development activity, specifically in housing.

The other major amendment is to the Inland Regional Energy Network (I-REN) budget. While I-REN has launched, it has not incurred as much in revenues and expenditures as originally anticipated since the program is still ramping up. This does not change the total amounts allocated by the California Public Utilities Commission, as the I-REN has a six-year period to expend the funds and 2022 was its first year.

Action:

1. Recommended that the Executive Committee approve the 4th Quarter draft Budget Amendment for Fiscal Year 2021/2022.

(Wildomar / Corona) 10 yes; 0 no; 0 abstention. Item 6.C was approved.

D. Environmental Department Activities Update

Due to time constraints, this item was moved to a later meeting.

Action:

1. None.

7. REPORT FROM THE COMMITTEE CHAIR

Chair Ruiz reported that the Fairview fire is 69% contained and CALFIRE is also working on containing underground root burning.

8. REPORT FROM THE EXECUTIVE DIRECTOR

Due to time constraints, Dr. Kurt Wilson had no report.

9. ITEMS FOR FUTURE AGENDAS

There were no requests for items for future agendas.

10. GENERAL ANNOUNCEMENTS

There were no general announcements.

11. NEXT MEETING

The next Administration & Finance Committee meeting is scheduled for Wednesday, October 12, 2022, at 12:00 p.m., on the Zoom platform with the option for Committee members to attend in person.

12. ADJOURNMENT

The meeting of the Administration & Finance Committee adjourned at 1:19 p.m.