



RIVERSIDE COUNTY HABITAT CONSERVATION AGENCY

**Riverside County Habitat Conservation Agency
Board of Directors**

AGENDA

**Thursday, February 12, 2026
11:30 AM**

**Western Riverside Council of Governments
1955 Chicago Avenue
Riverside, CA 92507**

**WRCOG HAS MOVED
PLEASE NOTE THE NEW LOCATION:**

**1955 CHICAGO AVENUE
RIVERSIDE, CA 92507**

Members of the public are welcome to participate remotely from any location. Board member participation is limited to locations that are listed on the published agenda.

[Public Zoom Link](#)

Meeting ID: 894 5805 0207

Passcode: 395898

Dial in: 669 444 9171 U.S.

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the RCHCA Board of Directors meeting, please contact WRCOG at (951) 405-6706. 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. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 1955 Chicago Avenue, Suite 200, Riverside, CA, 92507.

In addition to commenting at the Committee meeting, members of the public may also submit written comments before or during the meeting, prior to the close of public comment to lfelix@wrcog.us. To ensure distribution to Committee members prior to the meeting, please submit comments no later than two hours before the meeting is scheduled to begin. Public comments will also be accepted in person and via Zoom during the meeting.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Lucy Felix at least 72 hours prior to the meeting at (951) 405-6706 or lfelix@wrcog.us. Later requests will be accommodated to the extent feasible.

The Board may take any action on any item listed on the agenda, regardless of the Requested Action.

1. CALL TO ORDER ~ *Joseph Morabito, Chair*

2. WELCOME NEW BOARD MEMBERS

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL

5. PUBLIC COMMENTS

At this time members of the public can address the Board 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. Whenever possible, lengthy testimony should be presented to the Board in writing and only pertinent points presented orally.

6. CONSENT AND POLICY CALENDAR

All items listed under the Consent and Policy Calendar may be enacted by one motion. Prior to the motion to consider any action by the Board, any public comments on any of the Consent and Policy Items will be heard. There will be no separate action unless members of the Board request specific items be removed from the Consent and Policy Calendar.

A. Action Minutes from the December 11, 2025, Meeting of the RCHCA Board of Directors

Requested Action(s):

1. Approve the Action Minutes from the December 11, 2025, meeting of the RCHCA Board of Directors.

B. Action Minutes from the September 11, 2025, Meeting of the RCHCA Board of Directors

Requested Action(s):

1. Approve the Action Minutes from the September 11, 2025, meeting of the RCHCA Board of Directors.

C. Status Report on the Attendance Roster

Requested Action(s):

1. Receive and file.

D. Status of Mitigation Fee Transfers from Member Agencies Through December 31, 2025

Requested Action(s): 1. Receive and file.

E. Financial Report Through December 31, 2025

Requested Action(s): 1. Receive and file.

F. Contracts and Grants Status Update

Requested Action(s): 1. Receive and file.

G. Status Report Concerning Reserve Management Committee for the Southwestern Riverside County Multi-Species Reserve and the Lake Mathews Reserve

Requested Action(s): 1. Receive and file.

H. Status Report Concerning Reserve Management Coordinating Committee

Requested Action(s): 1. Receive and file.

7. REPORTS / DISCUSSION

Members of the public will have an opportunity to speak on agendized items at the time the item is called for discussion.

A. Nexus Fee Study Update for Stephens' Kangaroo Rat Habitat Conservation Plan

Requested Action(s): 1. Authorize the publication of the Nexus Fee Study prepared by Economic & Planning Systems for public review.

B. Stephens' Kangaroo Rat Reserve Management Activities Update

Requested Action(s): 1. Receive and file.

C. Stephens' Kangaroo Rat Reserve Monitoring Efforts Activities Update

Requested Action(s): 1. Receive and file.

D. Status Update on Stephens' Kangaroo Rat Habitat Conservation Plan Renewal

Requested Action(s): 1. Receive and file.

E. Evaluation of Transitioning RCHCA Insurance to SDRMA

Requested Action(s):

1. Direct staff whether to transition from current commercial insurance to SDRMA's Property / Liability Program.
2. Adopt Resolution No. 2025-03; A resolution of the Board of Directors of the Riverside County Habitat Conservation Agency approving the form of and authorizing the execution of a Sixth Amended Joint Powers Agreement and authorizing participation in the Special District Risk Management Authority's Property / Liability Program.
3. Authorize staff to complete onboarding with SDRMA.

8. REPORT FROM THE GENERAL MANAGER

Dr. Kurt Wilson

9. ITEMS FOR FUTURE AGENDAS ~ *Members*

Members are invited to suggest additional items to be brought forward for discussion at future Board of Directors meetings.

10. GENERAL ANNOUNCEMENTS ~ *Members*

Members are invited to announce items / activities which may be of general interest to the Board of Directors.

11. NEXT MEETING

The next Board of Directors meeting is scheduled for Thursday, May 14, 2026, at 11:30 a.m., in **WRCOG's new office at 1955 Chicago Avenue, Riverside.**

12. ADJOURNMENT

Riverside County Habitat Conservation Agency

Action Minutes

Due to a lack of quorum, the meeting was not held.

Board members in attendance included:

- City of Hemet - Jackie Peterson
- City of Menifee - Dan Temple
- City of Murrieta - John Levell
- City of Temecula - Stew Stewart
- City of Wildomar - Joseph Morabito (Chair)

Absent:

- City of Corona
- City of Lake Elsinore
- City of Moreno Valley
- City of Perris
- City of Riverside
- County of Riverside, Dist. 5

NEXT MEETING

The next meeting of the RCHCA Board of Directors is scheduled for Thursday, February 12, 2026, at 11:30 a.m., in WRCOG's office located at 1955 Chicago Avenue, Riverside.

Riverside County Habitat Conservation Agency

Action Minutes

1. CALL TO ORDER

The RCHCA Board of Directors meeting was called to order by Chair Joseph Morabito at 11:30 a.m. on September 11, 2025, at WRCOG's office.

2. PLEDGE OF ALLEGIANCE

Board member Jose Medina led the Committee members and guests in the Pledge of Allegiance.

3. ROLL CALL

- City of Hemet - Jackie Peterson
- City of Lake Elsinore - Steve Manos
- City of Menifee - Dan Temple
- City of Perris - Elizabeth Vallejo
- City of Riverside - Steve Hemenway
- City of Wildomar - Joseph Morabito (Chair)
- County of Riverside Dist. 5 - Jose Medina

Absent:

- City of Corona
- City of Moreno Valley
- City of Murrieta
- City of Temecula

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT AND POLICY CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Lake Elsinore
SECONDER:	Menifee
AYES:	Hemet, Lake Elsinore, Menifee, Perris, Riverside, Wildomar, Dist. 5

A. Action Minutes from the May 8, 2025, Joint Meeting of the RCHCA Board of Directors and Riverside Communities Partnership Project

Action:

1. Approved the Action Minutes from the May 8, 2025, Joint meeting of the RCHCA Board of Directors and Riverside Communities Partnership Project.

B. Status Report on the Attendance Roster

Action:

1. Received and filed.

C. Status of Mitigation Fee Transfers from Member Agencies Through June 30, 2025

Action:

1. Received and filed.

D. Financial Report Through June 30, 2025

Action:

1. Received and filed.

E. Contracts and Grants Status Updates

Action:

1. Received and filed.

F. Status Report Concerning Reserve Management Committee for the Southwestern Riverside County Multi-Species Reserve and the Lake Mathews Reserve

Action:

1. Received and filed.

G. Status Report Concerning Reserve Management Coordinating Committee

Action:

1. Received and filed.

H. Approval of an Agreement Between RCHCA and Southern California Gas Company Regarding Incidental Take Authorization for the Stephens' Kangaroo Rat for the Line 2000W Phase 3 Validation Digs Project

Actions:

1. Approved the Agreement between the RCHCA and Southern California Gas Company regarding incidental take authorization for the Stephens' Kangaroo Rat and authorize the General Manager to sign the Agreement after USFWS and CDFW have approved the incidental take authorization called for under the Agreement.
2. Authorized the General Manager to execute and sign the Certificate of Inclusion and collect the mitigation fee as described in the Agreement and the Certificate of Inclusion.
3. Found the approval of the Agreement exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines sections 15301 and 15061(b)(3).

I. Adoption of a Surplus Property Disposition Policy

Action:

1. Adopted Resolution Number 2025-02; A Resolution of the Board of Directors of the Riverside County Habitat Conservation Agency adopting a Surplus Property Disposition Policy.

J. Approval of the Schedule of Board of Directors Meetings for 2026

Action:

1. Approved the schedule of RCHCA Board of Directors meetings for 2026.

K. Fiscal Year 2024/2025 4th Quarter Budget Amendment

Action:

1. Approved the 4th Quarter Budget Amendment for Fiscal Year 2024/2025.

6. REPORTS / DISCUSSION

A. Fiscal Year 2024/2025 Annual Review and Financial Analysis

Action:

1. Received and filed.

B. Status Update on Stephens' Kangaroo Rat Recovery Efforts

Action:

1. Received and filed.

C. Stephens' Kangaroo Rat Reserve Management and Monitoring Efforts Activities Update

Action:

1. Received and filed.

7. REPORT FROM THE GENERAL MANAGER

Dr. Kurt Wilson had nothing to report.

8. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

9. GENERAL ANNOUNCEMENTS

Committee member Joseph Morabito gave recognition to WRCOG's Administrative Services Director, Princess Hester, for her many years as a public servant, as an Administrative Services Officer for RCHCA, and as an Administrative Services Director for WRCOG.

Mrs. Hester gave a hear-felt speech on how she's accomplished so much with RCHCA and thanked Committee members for the opportunity.

10. NEXT MEETING

The next meeting of the RCHCA Board of Directors is scheduled for Thursday, December 11, 2025, at 11:30 a.m., in WRCOG's office located at 1955 Chicago Avenue, Riverside.

11. ADJOURNMENT

The meeting was adjourned at 12:18 p.m.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Status Report on the Attendance Roster
Contact: Riana Fisher, Program Manager, rfisher@wrcog.us, (951) 405-6708
Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

The RCHCA Joint Powers Agreement requires the RCHCA to hold at least four Board of Directors meetings per year. Attached is the Board of Directors meeting attendance roster as of December 2025.

Discussion:

The Joint Powers Agreement requires the RCHCA to hold at least four Board of Directors meetings per year.

Attached is the Board of Directors meeting attendance roster as of December 2025.

Prior Action(s):

None.

Financial Summary:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment(s):

[Attachment 1 - RCHCA Attendance Roster.pdf](#)

RCHCA BOARD MEETING Attendance Roster

MEMBER JURISDICTIONS	2025			
	February	May	September	December*
Corona		X		
Hemet	X	X	X	X
Lake Elsinore	X		X	
Menifee	X	X	X	X
Moreno Valley	X			
Murrieta	X			X
Perris	X	X	X	
Riverside		X	X	
Temecula	X	X		X
Wildomar	X	X	X	X
County of Riverside	X		X	

“X” Denotes member / alternate member present at meeting.

* Did not have a quorum

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Status of Mitigation Fee Transfers from Member Agencies Through December 31, 2025

Contact: Riana Fisher, Program Manager, rfisher@wrcog.us, (951) 405-6708

Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

Member agencies assess a mitigation fee on specific types of development within their jurisdictions to support the conservation of the Stephens' Kangaroo Rat (SKR). These revenues fund the operations of the RCHCA and are reviewed and reported to the Board of Directors on a quarterly basis. This report provides an overview of collections as of December 31, 2025.

Discussion:

Background

Revenues such as mitigation fees are allocated in RCHCA's Agency Budget and are programmed annually. Staff monitors mitigation fees on a quarterly basis and makes budget amendments as necessary.

All SKR mitigation fees collected are forwarded to RCHCA before April 30, for the period January 1 through March 31; before July 31, for the period of April 1 through June 30; before October 31, for the period of July 1 through September 30; and before January 31, for the period of October 1 through December 31.

Present Situation

Attachment 1 to this Staff Report shows the status of fee collections for Quarter Two of Fiscal Year 2025/2026, as of December 31, 2025.

Prior Action(s):

None.

Financial Summary:

Mitigation fees are included as revenues in the Fiscal Year 2025/2026 Agency Budget under Fund 600.

Attachment(s):

[Attachment 1 - SKR Mitigation Fee Revenue through 12-31-25.pdf](#)

FISCAL YEAR 2025/2026
RIVERSIDE COUNTY HABITAT CONSERVATION AGENCY
NET STEPHENS' KANGAROO RAT MITIGATION FEE COLLECTIONS BY MEMBER AGENCY
AS OF DECEMBER 31, 2025

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTAL
	2025	2025	2025	2025	2025	2025	2026	2026	2026	2026	2026	2026	FISCAL YTD
CITY OF CORONA													\$0.00
CITY OF HEMET													\$0.00
CITY OF LAKE ELSINORE			275										\$275.00
CITY OF MENIFEE	10,015	950	25,915	2,220									\$39,100.00
CITY OF MORENO VALLEY			22,560										\$22,560.00
CITY OF MURRIETA		2,870		500	250								\$3,620.00
CITY OF PERRIS			8,155										\$8,155.00
CITY OF RIVERSIDE													\$0.00
CITY OF TEMECULA					5,335								\$5,335.00
COUNTY OF RIVERSIDE *			32,680			99,275							\$131,955.00
CITY OF WILDOMAR													\$0.00
TAKE AGREEMENTS			1495										\$1,495.00
TOTALS	\$10,015	\$3,820	\$89,585	\$2,720	\$5,585	\$99,275	\$0	\$0	\$0	\$0	\$0	\$0	\$214,995

Take Agreement Revenue

\$2,500.00

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Financial Report Through December 31, 2025
Contact: Riana Fisher, Program Manager, rfisher@wrcog.us, (951) 405-6708
Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

RCHCA provides quarterly updates regarding the financial status of the Agency. The financial report documents Agency revenues and expenditures through the second quarter of Fiscal Year 2025/2026.

Discussion:

Attached is the Financial Report summary through December 31, 2025. Through the second quarter of Fiscal Year 2025/2026, RCHCA received total revenues of \$1,065,151 against total expenditures of \$963,817.

Total Agency revenue sources include SKR mitigation fee transfers from member agencies, which are assessed on development projects within the SKR fee area, interest earned, and other general revenue earned by contractual and grant agreements. RCHCA received \$407k from bank interest earned, \$233k from General fund drawdown, \$217k from mitigation fee transfers, \$113k from Lake Mathews fund drawdown, and \$94k from contractual and grant agreements.

Total Agency expenditures include administrative salary and benefits, general operations, land management for RCHCA-owned lands, and educational outreach and program improvements that are not covered by endowment funds. Expenditures included \$529k in salary and benefits, \$140k for consulting labor, \$181k in overhead / operating transfers, \$62k for insurance, and \$19k for special program expenditures related to outreach events.

Prior Action(s):

None.

Financial Summary:

RCHCA activities are included RCHCA's adopted Fiscal Year 2025/2026 budget.

Attachment(s):



Budget to Actuals

	Actuals as of 12/31/2025	Budget 6/30/2026	Variance 10/31/2025
Total Agency			
Revenues and Transfers in			
RCHCA Revenue	\$ 217,495	\$ 500,000	\$ 282,505
Interest Revenue - Banks	406,863	658,914	252,052
RCHCA Fund Drawdown	232,930	341,362	108,432
RCHCA - Contracted Services	28,338	93,000	64,662
Lake Matthews - Contracted Services	66,121	367,000	300,879
Lake Mathews Fund Drawdown	113,403	294,035	180,632
Total Revenues	\$ 1,065,150	\$ 2,254,311	\$ 1,189,162
Expenses			
RCHCA Salaries & Wages	\$ 371,180	\$ 708,237	\$ 337,057
Fringe Benefits	157,475	377,459	219,984
General Legal Services	669	15,000	14,331
Audit Svcs - Professional Fees	-	15,000	15,000
Commissioners Per Diem	1,200	5,000	3,800
Vehicle Maintenance Expense	439	8,000	7,561
Equipment Maintenance - General	-	4,000	4,000
RCHCA Vehicle-Related Expenses	9,083	30,500	21,417
Program/Office Supplies	4,519	30,000	25,481
Computer Equipment/Supplies	-	2,000	2,000
Small Tools & Instruments	-	-	-
Program/Office Supplies & Materials	4,519	32,000	27,481
Computer Software	460	800	340
Rent/Lease Equipment	1,221	4,000	2,779
Membership Dues	1,955	4,500	2,545
Subscriptions/Publications	240	2,000	1,760
Postage	-	250	250
Other Household Exp (Gas & janitorial)	-	4,500	4,500
Printing Services	201	500	500
Uniforms and Replacement Clothing	1,337	3,500	2,163
Communications - Cellular Phones	1,863	5,000	3,137
Communications -Web Site	1,154	2,000	846
Communications	3,017	7,000	3,983
Insurance - Gen/Busi Liab/Auto	62,279	70,000	7,721
License & Permits	-	2,000	2,000
Seminars/Conferences	2,230	6,000	3,770
Travel - Mileage Reimbursement	432	1,500	1,068
Travel - Ground Transportation	-	2,000	2,000
Travel - Airfare	-	3,000	3,000
Lodging	-	7,000	7,000
Meals	318	5,000	4,682



Budget to Actuals

	Actuals as of 12/31/2025	Budget 6/30/2026	Variance 10/31/2025
Travel	750	18,500	17,750
Special Program Expense	19,202	25,000	5,798
Weed Abatement	-	27,500	27,500
Staff Education Reimbursement	-	3,500	3,500
Consulting Labor	139,539	200,000	60,462
Buildings and Improvements	-	150,000	150,000
Field Equipment	6,177	15,000	8,823
Operating Transfer Out (overhead)	181,083	362,166	181,083
Total Expenses	\$ 963,817	\$ 2,089,912	\$ 1,126,296



Budget to Actuals

	Actuals as of 12/31/2025	Budget 6/30/2026	Variance 10/31/2025
Program: RCHCA General Fund (Fund 600)			
Revenues and Transfers in			
RCHCA Revenue	\$ 217,495	\$ 500,000	\$ 282,505
Interest Revenue	245,582	397,740	152,158
RCHCA - Deposit Based Fee Draws			-
Net Proceeds from Sale of Land			-
RCHCA Fund Balance Drawdown	232,930	341,362	108,432
RCHCA - Contracted Services	28,338	93,000	64,662
Total Revenues	\$ 724,344	\$ 1,332,102	\$ 607,758
Expenses			
RCHCA Salaries & Wages	\$ 213,808	\$ 335,029	\$ 121,221
Fringe Benefits	79,663	162,857	83,194
General Legal Services	669	15,000	14,331
Audit Svcs - Professional Fees	-	15,000	15,000
Commissioners Per Diem	1,200	5,000	3,800
RCHCA Vehicle-Related Expenses	9,083	30,500	21,417
Program/Office Supplies & Materials	430	12,000	11,570
Computer Software	460	800	340
Rent/Lease Equipment	1,221	4,000	2,779
Membership Dues	1,955	4,500	2,545
Subscriptions/Publications	240	2,000	1,760
Postage	-	250	250
Other Household Exp	-	4,500	4,500
Printing Services	-	500	500
Uniforms and Replacement Clothing	1,337	3,500	2,163
Communications	3,017	7,000	3,983
Insurance - Gen/Busi Liab/Auto	62,279	70,000	7,721
License & Permits	-	2,000	2,000
Seminars/Conferences	2,230	6,000	3,770
Travel	750	18,500	17,750
Special Program Expense	19,202	25,000	5,798
Weed Abatement	-	27,500	27,500
Staff Education Reimbursement	-	3,500	3,500
Consulting Labor	139,539	200,000	60,462
Field Equipment	6,177	15,000	8,823
Operating Transfer Out (overhead)	181,083	362,166	181,083
Total Expenses	\$ 724,344	\$ 1,332,102	\$ 607,758



Budget to Actuals

	Actuals as of 12/31/2025	Budget 6/30/2026	Variance 10/31/2025
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Program: Lake Matthews Reserve (Fund 610)

Revenues

Lake Matthews - Contracted Services	66,121	\$ 367,000	\$ 300,879
Investment Income	59,748	96,775	\$ 37,027
Lake Mathews Fund Drawdown	113,403	294,035	\$ 180,632
Total Revenues	\$ 239,272	\$ 757,810	\$ 518,538

Expenses

Salaries & Wages - Fulltime	\$ 157,372	\$ 373,208	\$ 215,836
Fringe Benefits	77,811	214,602	136,791
Reserve Program Supplies	4,089	20,000	15,911
Buildings and Improvements		150,000	150,000
Total Expenses	\$ 239,273	\$ 757,810	\$ 518,537

Program: Other RCHCA Funds

Revenues

Investment Income - Mitigation Habitat Fund	\$ 1,417	2,292	875
Investment Income - Lake Skinner Reserve	17,807	28,852	11,045
Investment Income - Sycamore Canyon	26,623	43,120	16,497
Investment Income - Motte Rimrock	18,244	29,551	11,307
Investment Income - Lake Skinner Endowment	13,293	21,490	8,197
Investment Income - Steele Peak	24,150	39,095	14,945
Total Revenues	\$ 101,533	\$ 164,399	\$ 62,867

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Contracts and Grants Status Update
Contact: Riana Fisher, Program Manager, rfisher@wrcog.us, (951) 405-6708
Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

RCHCA contracts with various entities to manage land and protect endangered species across western Riverside County. Revenue from these contracts supports staff salaries and projects beyond the Stephens' Kangaroo Rat (SKR) Fee. This report provides an overview of current RCHCA contracts and grants for the reporting period October 2025 - December 2025.

Discussion:

Contracts

Conservation Biology Institute (CBI): SKR Range-wide Management & Monitoring Plan Implementation. RCHCA received CBI invoices for the following deliverables:

Task 4: Design and Implement SKR Habitat, Occupancy, and Population Status and Trends Updates

- Meetings with the Project Team.
- Continued development of Annual SKR Habitat Maps for use by reserve managers.
- Produced maps, data, and content for the RCHCA Annual Board Report.
- Continued coordinating with reserve managers, researchers, and others interested in improving SKR management and monitoring in San Diego County.

Task 5: 5 Years Data Management and Maintenance

- Continued supporting data collection and management systems for the 2025 Survey, including ESRI Field Maps web maps for Vetting and Survey data collection.
- Continued refining Data Management Workflow practices and documentation.
- Provided a report-out from the SKR Monitoring Database for use in RCHCA's annual report to CA Dept. of Fish & Wildlife.
- Maintenance and updates to the 2022 SKR Rangewide Monitoring Plan Data Basin Gallery, a public website for providing completed maps, data, and documents to the SKR Stakeholders.

- Maps for meetings and presentations.
- Data Management Team meetings.

Total contract: \$1,085,000

Total per FY: \$163,000

Total costs invoiced for FY 2025/2026: \$60,305

Total contract amount remaining for FY: \$47,978

Metropolitan Water District: RCHCA provides land management services. Tasks invoiced this quarter:

- General On-call: \$135
- Reserve Patrol and Security: \$16,378
- Access Control and Maintenance: \$607
- Habitat Management: \$7,952
- Biological Surveys: \$1,078

Total contract: \$200,000

Total costs invoiced for FY 2025/2026: \$65,063

Total amount remaining for FY 2025/2026: \$124,780

Economic Planning Systems: Conducting a Nexus Fee Study for the SKR mitigation fee.

- Meetings
- Updating SKR Mitigation Fee Memo

Total contract: \$75,000

Total amount invoiced this fiscal year: \$3,516

Total amount remaining in contract: \$40,929

Davis Farr: Conducting an audit of SKR mitigation fees collected from member agencies from 2019 - 2024.

- Met with jurisdictions to discuss mitigation fee collection data results.
- Meetings.
- Draft and revise RCHCA AUP Report.

Total contract: \$50,000

Total amount invoiced this period: \$20,000

Total amount invoiced this fiscal year: \$11,500

Total amount remaining in contract: \$18,500

Grants

BLM Fuels Management for SKR Reserve System Grant: Grant funds were used for personnel expenses to provide fuels reduction and habitat land management.

Total year three grant award: \$157,186

Total year three grant funds received this reporting period: \$15,104

Prior Action(s):

None.

Financial Summary:

Grant and contract activities described in this report that were performed in Fiscal Year 2025/2026 were included in the Fiscal Year 2025/2026 adopted Agency budget.

Attachment(s):

None.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Status Report Concerning Reserve Management Committee for the Southwestern Riverside County Multi-Species Reserve and the Lake Mathews Reserve

Contact: Brian Shomo, RCHCA Director, bshomo@wrcog.us, (951) 840-8070

Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

The purpose of this item is to report on staff attendance and topics discussed related to the Reserve Management Committees (RMC) for the Southwestern Riverside County Multi-Species Reserve (SWMSR) and the Lake Mathews Reserve (LMR).

Discussion:

Southwestern Riverside County Multi-Species Reserve Management Committee (September 3, 2025):

- The Reserve Manager presented the quarterly report with updates on reserve management activities addressing (a) natural resource management, (b) patrol, (c) maintenance, and (d) interpretative programs.
- The Reserve Manager presented the annual report for 2024-2025.

Lake Mathews Reserve (LMR) Management Committee: No meeting was held during the current reporting period.

Prior Action(s):

None.

Financial Summary:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment(s):

None.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Status Report Concerning Reserve Management Coordinating Committee
Contact: Collin Stratz, Natural Resources Manager, cstratz@wrcog.us, (951) 206-3260
Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

The primary mission of the Reserve Managers Coordinating Committee (RMCC) is to facilitate the coordinated management of Stephens' Kangaroo Rat (SKR) habitats across the eight Reserves and to address regional management challenges critical to the species recovery under the SKR Habitat Conservation Plan. No meeting was held during the current reporting period.

Discussion:

Reserve Managers Coordinating Committee (RMCC): No meeting was held during the current reporting period.

Prior Action(s):

None.

Financial Summary:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment(s):

None.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Nexus Fee Study Update for Stephens' Kangaroo Rat Habitat Conservation Plan
Contact: Brian Shomo, RCHCA Director, bshomo@wrcog.us, (951) 840-8070
Date: February 12, 2026

Recommended Action(s):

1. Authorize the publication of the Nexus Fee Study prepared by Economic & Planning Systems for public review.
-

Summary:

This report provides a summary of the draft 2025 update to the Stephens' Kangaroo Rat (SKR) Mitigation Fee. The updated fee reflects current implementation costs and projected development activity in the SKR Fee Area. The updated mitigation fee is proposed at \$900 per gross acre for all development with few exceptions as described below representing an 80% increase from the current \$500 per gross acre rate, which has remained unchanged since 1996. For single-family home development where all parcels within the tract are ½ acre or larger, the mitigation rate would remain the same as the current rate of \$250 / unit, but adjusted annually for inflation. The agricultural building fee would remain at \$100 per gross acre and adjusted annually for inflation.

Discussion:

Background

The SKR mitigation fee was originally set at \$1,950 per acre in 1988 and later reduced to \$500 per acre in 1996 following the adoption of the SKR Habitat Conservation Plan (HCP). Since then, the fee has remained unchanged and has not been adjusted for inflation. Had the fee been indexed annually based on the Consumer Price Index, it would have reached approximately \$995 per acre by 2024. As a result, the current fee level underrepresents the actual cost of HCP implementation in present-day terms.

Upon the completion of the long-term SKR HCP, Ordinance 663.10 was approved by the RCHCA and adopted by its member jurisdictions to reflect the current fee of \$500 / acre. However, no fee study was conducted to identify whether this amount was adequate to cover the ongoing costs of maintaining the conserved habitat because it was believed that the Bureau of Land Management (BLM) intended to take ownership and maintain the lands in perpetuity. This never happened yet the fee remained at \$500 / acre for the last 28 years.

All mitigation fees collected pursuant to the provisions of Ordinance 663 (SKR Fee) shall be used for mitigating impacts to SKR caused by the loss of its habitat due to regional development during the implementation of the HCP. Furthermore, the ordinance satisfies the requirements of the HCP for

proposed development project review and method of mitigation.

Present Situation

EPS conducted a comprehensive analysis to determine the updated fee. First, they estimated annual implementation costs based on the Fiscal Year 2024/2025 RCHCA budget, identifying approximately \$1.926 million in ongoing expenditures. These costs include salaries, benefits, overhead, consulting services, insurance, and reserve-specific operations, with about 70% allocated to general HCP administration and 30% tied to Lake Matthews Reserve-specific functions.

Next, EPS identified reliable, non-fee revenue sources to offset part of the total costs. These include interest earnings from reserve fund balances, estimated at \$183,400 annually, and contract service payments—primarily from the Metropolitan Water District, estimated at \$150,000 annually. Together, these sources contribute \$333,400 toward implementation costs, reducing the annual revenue requirement from development fees to approximately \$1.592 million.

To determine a fair per-acre fee, EPS forecasted future development activity within the SKR Fee Area. Based on both historical development trends and regional projections from the Southern California Association of Governments (SCAG), they estimated an average of 1,770 acres of new development per year. Using this forecast, they calculated that a fee of **\$900 per acre** would be necessary to generate sufficient revenue to meet the annual funding requirement.

In addition to updating the fee, EPS recommends that the mitigation fee be adjusted annually using an inflationary index to maintain pace with rising costs and prevent future shortfalls. They also advise periodic comprehensive fee reviews every five to eight years, or more frequently in response to significant changes in development trends or implementation costs. This proactive adjustment strategy will help ensure the long-term sustainability of the SKR HCP.

If authorized by the RCHCA Board of Directors, staff will publish the Nexus Fee Study for public review pursuant to the Mitigation Fee Act. Following the public comment period, a final fee resolution will be prepared for Board consideration and potential adoption at \$900 / acre with few exceptions as noted above.

Prior Action(s):

None.

Financial Summary:

Activities related to the Nexus Fee Study conducted by EPS are included in RCHCA's Fiscal Year 2025/2026 budget. If the fee study is approved, this would increase RCHCA's mitigation fee revenues. The increase would be reflected in either a budget amendment or during budget adoption.

Attachment(s):

[Attachment 1 - Draft Nexus Fee Study.pdf](#)



**Economic & Planning
Systems, Inc.**
The Economics of Land Use

STEPHENS' KANGAROO RAT HABITAT CONSERVATION PLAN NEXUS STUDY

DRAFT REPORT

Prepared for:

Riverside County Habitat Conservation Agency

Prepared by:

Economic & Planning Systems, Inc.

November 25, 2025

EPS #244054

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1. Introduction and Summary of Findings

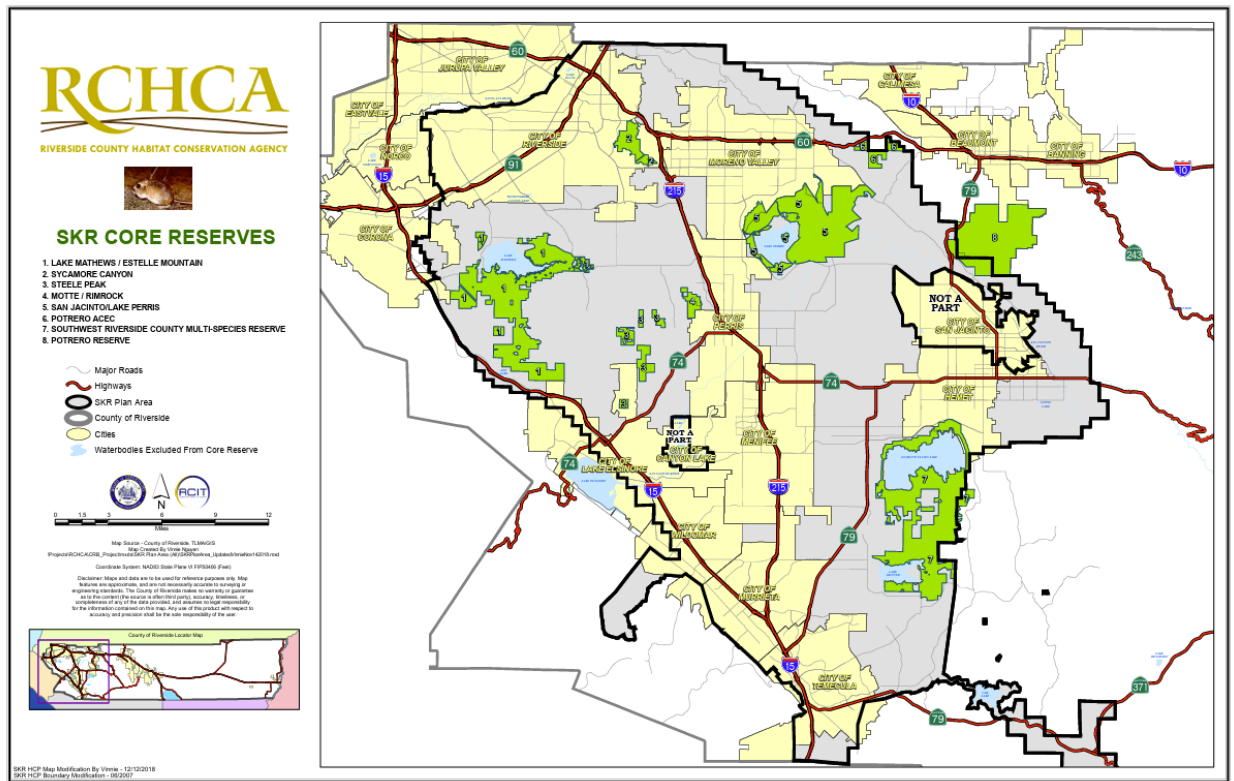
This report provides the technical documentation required to update the Stephens' Kangaroo Rat (SKR) mitigation fee under the State of California's Mitigation Fee Act (MFA). The SKR fee is a critical component of the funding approach for SKR Habitat Conservation Plan (Plan) implementation. The fee has not been updated since 1996 and this update will help ensure the continued successful implementation of the plan and the associated benefits of the streamlined incidental take permitting it provides to new development.

This first chapter includes background on the SKR HCP, the recommended updated fee schedule, and a summary of the technical findings. The subsequent chapters provide detailed technical analysis and the required nexus findings for fee updates under the Mitigation Fee Act.

SKR HCP Background

The Riverside County Habitat Conservation Agency (RCHCA) was formed as a Joint Powers Authority to implement the SKR HCP. Today, there are eleven member jurisdictions in the SKR Plan Area (see **Figure 1**). RCHCA's activities include managing approximately 46,000 acres of reserve lands in Riverside County and biological research to study and protect the SKR population. As of 2022, the SKR is considered a federal and state threatened species, downlisted from its original federal endangered status. The SKR mitigation fee is a critical funding source for RCHCA's ongoing activities.

The original SKR mitigation fee was set at \$1,950 per acre in 1988 and was decreased to \$500 per acre in 1996 at the time of completion and approval of the Plan. Unlike many mitigation fees, no adjustments have been made for inflation, reducing the fee level in inflation-adjusted terms over time.

Figure 1 Map of SKR Plan Area

Source: Riverside County Habitat Conservation Agency

Recommended Fee Program Updates

This technical analysis indicates that the SKR fee on most forms of new private development should be increased from \$500 per acre to \$900 per acre. The fees on the development of large lot single family residences and on new agriculture uses would remain unchanged. **Table 1** summarizes the proposed changes, where applicable, between the current fee and the recommended updated fee.

Table 1 Summary of Existing and Proposed SKR Mitigation Fees

Use Type	Existing Fee	Proposed Fee	Unit Basis
Large Lot Single Family Residential (1)	\$250	\$250	per unit
Agriculture (2)	\$100	\$100	per development
All Other Types (3)	\$500	\$900	per gross acre

[1] Applicable on lots > 0.5 acres.

[2] Agriculture developments pay a mitigation fee of \$100 or one percent (1%) of the valuation of the buildings to be constructed, whichever is greater and not to exceed \$500 per gross acre of development.

[3] Includes single family residential lots ≤ 0.5 acres. Non-profits shall have their fee reduced by 75 percent.

As a point of reference, the cumulative level of inflation based on the Consumer Price Index for All Urban Consumers in the United States (CPI-U) between 1996 and 2025 was 106 percent, equivalent to an average annual inflation rate of about 2.5 percent. If automatic annual inflationary adjustments had been integrated into the fee, the \$500 per acre SKR mitigation fee would have been over \$1,000 per acre in today's dollar terms. To avoid falling behind in the future, it is recommended that the RCHCA update the fee annually and automatically based on an inflation index.

Summary of Technical Findings

1. **The revised, required SKR Mitigation Fee is calculated at \$900 per acre.** This is the mitigation fee estimated required to ensure new development in the SKR Plan area provides sufficient average annual funding to cover the annual HCP implementation costs. This represents an 80 percent increase from the current fee set in 1996, an increase which remains below the overall level of inflation since that time.
2. **RCHCA requires approximately \$1.9 million annually (in 2025 dollars) in funding to cover its ongoing activities and obligations under the Plan.** The RCHCA is responsible for a broad range of ongoing reserve management activities and biological research under the Plan and has annual costs associated with staffing, consultants, services, and supplies.
3. **The required annual funding from the SKR mitigation fee is about \$1.6 million annually.** Through interest revenues from its funding balances and payments for contract services, the RCHCA accrues about \$300,000 annually in non-fee revenues. As a result, the net annual funding required from SKR fees to ensure the HCP can cover its implementation obligations is about \$1.6 million annually.
4. **The required \$900 per acre fee level is derived from the required fee funding and the expected level of annual development.** Within the Plan Area, the forecast, average annual development is estimated to be about 1,770 acres per year. Spreading the net HCP implementation costs evenly and proportionately across this expected level of development results in a required fee of \$900 per acre. The level of future development and fee payment should be tracked carefully by the RCHCA. Variations by year are to be expected, but systematic differences from the forecasts may require further review and update of the nexus study.

5. **To keep up with the effects of cost inflation on annual HCP implementation costs, the SKR mitigation fee should be automatically updated annually based on an inflation index.** The updated fee level is expected to provide the necessary fee revenues in 2025 dollar terms. Inflation will increase the costs of Plan implementation annually and to keep pace, the SKR fee should be updated automatically each year based on an inflation index.

2. Technical Analysis

This chapter provides the more detailed technical analysis and associated process, assumptions, and calculations that were used to derive the updated SKR fee. The fee analysis is designed to reflect the need for and planned use of fee revenues as well as to establish their reasonableness and proportionality with the impacts of new development consistent with the Mitigation Fee Act. It also helps establish the “essential nexus” and “rough proportionality” under the US Supreme Court Nollan/ Dolan decisions. The legal context and specific nexus findings are described in more detail on **Chapter 3**.

Step 1. Determine RCHCA Ongoing Plan Implementation Costs

The RCHCA undertakes a broad set of reserve management and oversight activities each year as required by the HCP. EPS reviewed the most recent RCHCA budget from FY 2024-2025 and worked with District staff to determine which of the 2024/2025 costs are ongoing HCP implementation costs (versus one-time costs). As shown in **Table 2**, the estimated annual ongoing costs of implementing the HCP are **\$1.925 million**. This includes the personnel, consultant, services, supplies and other expenditures requires to ensure plan implementation. About 70 percent of these costs are associated with Plan implementation as a whole, while the other 30 percent are reserve-specific costs associated with the Lake Matthews Reserve Fund.

Table 2 Ongoing Annual RCHCA Expenditures (2025 Dollars)

Expenditure Item	General Fund (3)	Lake Matthews Reserve Fund (3)	FY2025 Total	%
Ongoing 2025 Expenditures (1)				
RCHCA Salaries and Wages	\$315,310	\$364,619	\$679,929	35%
Fringe Benefits	\$152,726	\$172,338	\$325,064	17%
Overhead (2)	\$351,495	\$0	\$351,495	18%
Consulting Labor	\$250,000	\$0	\$250,000	13%
Insurance	\$65,000	\$0	\$65,000	3%
Weed Abatement	\$27,500	\$0	\$27,500	1%
All Other	<u>\$201,650</u>	<u>\$25,000</u>	<u>\$226,650</u>	<u>12%</u>
(Services, Supplies, etc.)				
Total	\$1,363,681	\$561,957	\$1,925,638	100%

(1) Excludes \$84,612 one-off expenditure on field equipment funded by a grant.

(2) Overhead encompasses payments to WRCOG for overhead services, including HR/ admin etc.

(3) Lake Matthews costs are reserve-specific and include reserve manager and techs.

General Fund covers administrative and management personnel and other costs.

Source: RCHCA Fiscal Year 2024/2025 Budget; Economic & Planning Systems, Inc.

Step 2. Identify Consistent Ongoing Non-Fee Revenues

To the extent that the RCHCA has consistent sources of other non-fee revenues to help fund some of the implementation costs estimated in Step 1, these revenues are subtracted from the overall HCP implementation costs to determine the net fee revenue required.

RCHCA currently has two secure funding sources that it can apply to help fund a portion of the ongoing HCP implementation costs. These include interest revenues from the General Fund and Lake Matthews reserve funds as well as payment for contract services by the Metropolitan Water District for RCHCA work efforts on their reserves. To fill funding gaps in the past, RCHCA has competed for and, in some cases, won grant funding. However, because of the uncertainty of grant funding, the regulatory agencies do not accept grant funding when reviewing funding assurances for HCPs.

As shown in **Table 3**, based on the average annual interest rate over the last 10 years and the expected reserves at the start of the 2025/2026 fiscal year, an average annual of about \$183,400 in interest revenues is estimated. The payments for contract services can fluctuate by year and are assumed to average about 75 percent of the total allowable charge, or \$150,000 each year. Together, these revenue sources are expected to provide about **\$333,400** in annual revenues to cover a portion of the HCP implementation costs.

Table 3 Potential Non-Fee Ongoing Revenues

Item	Assumption	General Fund	Lake Matthews Fund	Total
Annual Interest Revenues				
2023/2024 Fund Balance		\$11,006,233	\$2,914,748	\$13,920,981
2024/2025 Proposed Use of Fund Balance		<u>\$518,715</u>	<u>\$304,961</u>	<u>\$823,676</u>
2025/2026 Remaining Fund Balance		\$10,487,518	\$2,609,787	\$13,097,305
Annual Interest Revenues [1] (nominal dollars)	1.4%	\$146,825	\$36,537	\$183,362
Contract Services				
Contract Services (nominal dollars)	75% of Max Contract	\$105,000	\$45,000	\$150,000
Total Non-Fee Ongoing Revenue (nominal dollars)		\$251,825	\$81,537	\$333,362

[1] Interest rate represents historical 10-year average (for 2014-2024) annual interest rate for the state's Local Agency Investment Fund (LAIF) in which RCHCA funds are invested.

Source: RCHCA Fiscal Year 2024/2025 Budget; Economic & Planning Systems, Inc.

Step 3. Annual Fee Funding Required

The calculation of the required habitat mitigation fee is based on the level of fee revenue required. As shown in **Table 4**, the average annual fee revenue required is about **\$1.6 million**, representing the total annual costs (\$1.925 million) minus the estimated annual non-fee revenues (\$333,400). This is the level of fee funding required from new development to ensure the RCHCA can implement the HCP and provide new development with incidental take permitting.

Table 4 Annual Fee Funding Required

Item	General Fund	Lake Matthews Fund	Total
Annual Expenditures	\$1,363,681	\$561,957	\$1,925,638
Potential Non-Fee Funding			
Interest Revenues	\$146,825	\$36,537	\$183,362
Contract Services Revenues	<u>\$105,000</u>	<u>\$45,000</u>	<u>\$150,000</u>
Subtotal	\$251,825	\$81,537	\$333,362
Fee Funding Required	\$1,111,856	\$480,420	\$1,592,276

Source: RCHCA Fiscal Year 2024/2025 Budget; Economic & Planning Systems, Inc.

Step 4. Forecast of Annual Fee-Paying Development

Like all habitat mitigation fees, the fee revenues collected from new development will depend on the level of new development each year. Annual development in the SKR Fee Area (like other areas) will fluctuate based on economic cycles, the availability of developable land, and a host of other factors. To establish a mitigation fee, it is necessary to forecast an average annual pace of development and then track it over time to see if it is generating sufficient revenues and/or whether any refinements in the fee program are appropriate.

As shown in **Table 5**, EPS developed an annual forecast of about 1,770 acres of new development in the SKR Plan Area based on a combination of historical fee revenue generation and SCAG household/ job projections and development density assumptions.

Historical data provided by the RCHCA indicated an average annual fee revenue collection of about \$950,000 over the last four (4) fiscal years. Divided by the current fee level of \$500/ acre on most development, this implies an average of about 1,900 acres paid the fee each year.

To provide a forward-looking perspective, EPS reviewed the SCAG forecasts of households and jobs in the SKR Plan Area. As shown, an average of 5,200 new households and 6,800 new jobs are forecast annually in the SKR Plan Area. The developed area required to support these forecasts depends on the development densities of new housing and new workspaces. Using 4 units/acre for residential development and 20 jobs/acre for non-residential development suggests an average annual development of about 1,640 acres annually, comprised of 1,300 acres of residential development and 340 acres on non-residential. To the extent the average densities vary from these estimates, the level of fee-paying development will vary.

Table 5 Historical and Projected Growth Metrics

Item	Total
Historical Fee Revenues	
Average Annual Mitigation Fee Revenues (FY 2021 - 2024)	\$953,090
Implied Developed Mitigation Acres (assume \$500/ acre)	1,906
SCAG Growth Projections	
SKR Plan Area: SCAG Annual Household Projections (2019 - 2045)	5,191
SKR Plan Area: SCAG Annual Job Projections (2019 - 2045)	6,784
Residential Acres (4 units/ Acre)	1,298
Non-Residential Acres (20 jobs/ Acre)	<u>339</u>
	1,637
Average Growth Projection	
Developed Acres (1)	1,772

(1) For purposes of this fee calculation, developed acres average the historical and projected growth estimates.

Source: SCAG; Economic & Planning Systems, Inc.

To develop a reasonable forecast of future fee-paying development in the SKR Plan Area, this analysis takes the average of the developed acre estimates from the recent history and from available forecasts. This results in a forecast of about 1,770 acres of development each year.

Step 5. Mitigation Fee Calculation and Inflator

The updated mitigation ratio is about **\$900 per acre** in 2025 dollar terms as shown in **Table 6**. This is the fee level required for the forecasted 1,772 annual average developed acres to generate the \$1.59 million in fee revenue required to ensure the RCHCA, in combination with the other revenues sources noted, can cover the annual costs of implementing the HCP.

Table 6 Annual Fee Funding Required

Item	Total
Fee-Funding Required	\$1,592,276
Development Forecast scenarios	
Annual Development Forecast (acres)	1,772
Mitigation Fee per Acre	\$900

Source: Economic & Planning Systems, Inc.

Similar to most fee programs, it is recommended that an automatic annual inflation index is integrated into the fee program so the fee level is adjusted for inflation each year and avoids falling behind implementation costs.

As noted above, fluctuations in the level of development are likely each year and it is important for the RCHCA to track revenue levels to make sure sufficient revenues are generated on average over time. The RCHCA could use its reserve balances in cases where fee revenues drop below the average required (for example, during economic or development downturns) though this is not a sustainable approach over the long term and any ongoing under-provision of fee revenues would require a fee update. Mitigation fee programs are typically expected to do periodic fee program updates (typically every 5 to 8 years) to confirm or refine the fee program, though more frequent updates are undertaken when there is a significant change in circumstances.

Step 6. Per Acre Mitigation Fee Basis

Recent updates to the Mitigation Fee Act due to the passage of AB 602 require that new and updated fee programs consider whether it is possible and appropriate to adopt fees on new residential development on a per square foot basis. For habitat mitigation fees, a per acre of development approach is typically the preferred approach. For these fees, the scale of land development provides a more direct and proportional connection/ nexus to impacts (on habitat) while also ensuring smaller developments pay lower fees. The square footage of new residential development on the land can vary substantially even for the same amount of land development, making it a less strong basis for the nexus and fee collection.

3. Legal Context and Nexus Findings

This chapter provides the legal context for this fee update and describes the nexus findings required to support the update to the SKR mitigation fee under the Mitigation Fee Act.

Legal Context

Riverside County's Ordinance No. 663 Section 12 states that: "The Board of Supervisors may periodically review and cause an adjustment to be made to the Mitigation Fee. By amendment to this ordinance, the fee may be increased or decreased to reflect changes in estimated costs for the development, preparation and implementation of a Habitat Conservation Plan. The adjustment in the fee may also reflect changes in estimated revenues received pursuant to this ordinance, as well as the availability or lack thereof of other funds with which to prepare and implement the Habitat Conservation Plan".

The SKR mitigation fee can be adjusted under the Mitigation Fee Act (MFA) through the development of a nexus study. Recent court cases (Sheetz case) have also concluded that mitigation fees must be consistent with the US Supreme Court's Nollan and Dolan tests. Overall, the nexus study must describe the need for and use of the fee revenues as well as the relationships between the fee amount and fee need/ use. The nexus study/ findings should also establish the "essential nexus" under the US Supreme Court's Nollan test and the "rough proportionality" required under the US Supreme Court's Dolan test.

Mitigation Fee Act

Mitigation fees are utilized in California to finance public facilities necessary to mitigate impacts stemming from new development. In 1987, the California Legislature adopted the Mitigation Fee Act to provide a framework for the application and administration of such fees. Current prevailing practice among the majority of approved and permitted regional Habitat Conservation Plans is that any habitat mitigation fees are to be adopted by the relevant jurisdictions consistent with the Mitigation Fee Act. The adoption of fees under the Mitigation Fee Act includes a number of auditing and reporting requirements.

The Mitigation Fee Act, defined in California Government Code Sections 66000 to 66025, requires all public agencies to document five findings when establishing or increasing a fee as a condition for new development.

This section describes how the proposed increase in the fee is based on the appropriate nexus between new development and the imposition of a mitigation fee and satisfies the five statutory findings required by the Mitigation Fee Act. The nexus findings also indicate the essential nexus and rough proportionality as required under Nollan/ Dolan. These nexus findings are summarized below and supported by the technical analysis in **Chapter 2**.

Purpose of Fee

Identify the purpose of the fee.

The purpose of the SKR mitigation fee is to contribute to the funding required to implement the SKR Plan and, as a result, help maintain the incidental take permits for new private and public development in the SKR Plan Area under the federal and State Endangered Species Acts. Maintaining the incidental take permit is necessary to allow for future development, and without the development community paying for the cost of the SKR HCP, individual applicants would need to apply independently for development approval under federal and State law if the project impacts a threatened or endangered species. The federal Endangered Species Act specifically requires that the applicant for incidental take permit “ensure that adequate funding for the plan will be provided.” In addition, the Mitigation Fee helps provide the regional benefit of streamlined economic development in the SKR Plan Area as well as the management of the contiguous open spaces that serve as a community amenity.

Use of Fee Revenues

Identify the use to which the fee is to be put.

The SKR HCP is the public document that outlines the actions required as a whole and the particular set of actions required by the local permittees (and RCHCA as their agent) to obtain incidental take permits—associated with State and federal Endangered Species Act requirements—for new public and private development in the SKR Plan Area. The actions required by the SKR Plan remain the same. Failure to meet the requirements of the SKR HCP will result in an inability to obtain or maintain incidental take permits through the SKR HCP, which would require future development to secure individual take authorization if the project impacts the SKR.

Revenues from the SKR Mitigation Fee will be used, in conjunction with other sources of revenue, to fund the reserve management actions identified as the responsibility of local permittees in the SKR HCP. The specific cost components of these actions are summarized in **Chapter 2** and based on published budget documents.

Relationship

Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.

The implementation of the MSHCP, and the mitigation fee as a fundamental part of it, will benefit all new development by mitigating their collective impacts on the protected Stephens' kangaroo rat species and associated habitat. All new public and private development in the Plan Area will affect habitat and species either directly, indirectly, or as a cumulative effect. All new development in the Plan Area will also benefit from the incidental take permits obtained through the SKR HCP and via the use of the mitigation fee revenues.

Need

Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

Without new development, no SKR HCP would be necessary and no further habitat conservation would be required under the federal and State Endangered Species Acts. To allow for any future development under the Plan, the SKR HCP must be fully funded. New development in the Plan Area, as noted above, will directly, indirectly, or cumulatively affect the species and its habitat in Riverside County. Because of this, development of the SKR HCP was undertaken to provide an approach to benefit future development in the Plan Area. The requirements of the SKR HCP are a direct result of the mitigation that is engendered by all new development in the Plan Area under the pertinent environmental regulations. Meeting the requirements of the SKR HCP is necessary to obtain the necessary federal authorization to develop within the Plan Area. Together, purpose, need, and relationship findings also indicate a clear "essential nexus" under the Nollan test.

Proportionality

Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The SKR HCP includes detailed conservation requirements based on the scientific evaluations that form the basis of the SKR HCP. Based on these evaluations, local permittee conservation responsibilities were identified. The mitigation fee provides funding towards the fulfillment of the local permittee conservation requirements. After subtracting out non-fee funding sources from the implementation costs, the remaining implementation costs are all allocated to new development and allocated proportionately between new development on an acreage basis. As such, the mitigation fee calculations (as laid out in **Chapter 2**) are

carefully calibrated to fund only the proportionate share of costs attributable to the new development on which the fee is imposed and to allocate the fee levels proportionally across all new development. This proportionality finding also establishes the required “rough proportionality” under the Dolan test.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Stephens' Kangaroo Rat Reserve Management Activities Update
Contact: Collin Stratz, Natural Resources Manager, cstratz@wrcog.us, (951) 206-3260
Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

During the current reporting period, RCHCA staff have continued to manage habitat enhancement projects and natural resources throughout Lake Mathew's / Estelle Mountain Reserve to achieve goals and objectives identified in the Stephen's Kangaroo Rat (SKR) Habitat Conservation Plan (HCP) as well as other threatened/endangered species objectives covered under the Western Riverside County Multi-Species Habitat Conservation Plan (WR-MSHCP) with a focus on grassland management, riparian habitat enhancement, and alluvial sage scrub habitat enhancement.

Discussion:

Habitat Management Activities

Precipitation in late December allowed for temporary Winter conditions in southern California and with it came early season plant germination and growth throughout the Lake Mathews Reserve. Warmer temperatures have shifted operations to focus on weed management following a period of time where staff focused on proactive operations to maintain and service vehicles and equipment, apply pre-emergent herbicides in strategic locations, conduct late season mowing operations to reduce thatch accumulation, and remove woody invasive plants throughout the reserve. Below is a brief overview of recent management operations and a look forward to tasks planned for Spring 2026. These combined efforts contribute to enhancing biodiversity and ecological resilience of the Lake Mathews Reserve and help fulfill regulatory obligations that ensure continued regional economic development in western Riverside County.

Quarterly Management Updates

- Mowing Operations:
 - Winter rains and warm temperatures allowed for quick vegetation growth throughout the reserve including invasive weeds. Staff identified areas within the Reserve where dense monocultures of nonnative plants were growing and proceeded to mow vegetation to limit seed development of undesirable plants totaling approximately 15.27 acres of managed habitat. These actions seek to improve habitat conditions for burrowing animals such as

SKR.

- California Conservation Corps Woody Invasive Removals:
 - With the end of bird nesting season occurring in mid-September, operations involving the removal of perennial woody invasive plants such as tree tobacco (*Nicotiana glauca*), salt cedar (*Tamarix ramosissima*), and tree of heaven (*Ailanthus altissima*) within the reserve were able to continue over the last quarter. Woody invasives such as the aforementioned species are extremely competitive for resources and can often form dense monoculture stands that crowd out and prevent native plants from developing resulting in degraded habitat conditions for wildlife. Regular monitoring and removals are necessary to identify and remove new populations of woody invasives before they are able to establish.
 - RCHCA received assistance from the California Conservation Corps (CCC) to remove large populations of woody invasive species after applying for grant funding through the Greenhouse Gas Reduction Fund provided through the State of California. These state funds are provided annually to the CCC and allow for land managers to submit project proposals in order to receive assistance from large CCC crews to achieve project objectives.
- Pre-emergent Herbicide Applications:
 - Rain conditions in November allowed staff to take proactive measures to apply pre-emergent herbicides in strategic locations throughout the Reserve. When applied prior to a rain event, pre-emergent herbicides can prevent the germination and development of plants. Our team identified locations with heavy infestations of annual invasive weeds including stinknet (*Oncosiphon pilulifer*), short-pod mustard (*Hirschfeldia incana*), and annual brome grasses (*Bromus* sp.) and proceeded to apply pre-emergent herbicides to reduce management responsibilities in the coming growing season, ultimately allowing for weed control efforts to be diverted elsewhere. Pre-emergent herbicides were also used within areas where artificial burrows were installed for Burrowing Owls (*Athene cunicularia*), as this species prefers sparsely vegetated habitats to allow for better hunting conditions.
- Grassland Restoration Islands:
 - During the summer of 2025, prescribed burns occurred within lands located north of Lake Mathews. Following burn operations staff installed t-posts to create four separate polygons totaling approximately 10 acres in size within one of the burn plots. Rain in November and December initiated plant growth including non-native grasses. In an effort to create native plant islands within the burn plots, staff proceeded to apply a grass-specific herbicide within the established polygons to limit undesirable plant development. As operations proceed, staff will continue to manage these native island polygons in order to remove non-native weeds and promote the growth of native flowers and shrub species. These actions seek to improve habitat conditions and food availability for burrowing animals such as SKR.
- RAFSS Restoration Site:
 - RCHCA staff continued year two of weed removal efforts at the Riversidean Alluvial Fan Sage Scrub (RAFSS) restoration site located on the south shore of Lake Mathews through applying grass-specific herbicides to limit grass growth and following up with broadleaf herbicide applications to remove other weed species such as short-pod mustard.
 - As restoration progress continues, staff plan to disperse native seed throughout the site in Fall 2026 to allow for increased native plant germination and growth in Winter 2027.

Anticipated Operations for Spring 2026

As we look forward to the next quarter, below are a series of operations anticipated for Spring 2026:

- **RAFSS Restoration:**
 - Invasive grass and broadleaf management operations to prevent development and seed dispersal.
 - Actions improve habitat conditions for endangered plant and wildlife species covered under the WRMSHCP.
- **Mowing Operations:**
 - Mowing of grassland habitats and areas overgrown with invasive weeds/flashy fuels to reduce the risk of wildfires and decrease density of vegetation.
 - Operations promote habitat health for species such as SKR and burrowing owls.
- **Herbicide applications:**
 - Controlled grass-specific herbicide applications to reduce populations densities, decrease flashy fuel accumulations, and promote growth/development of native flowers and shrubs.
 - Actions help improve habitat conditions for a variety of plant and animal species and increase food availability for foraging granivores such as SKR.
- **Burrowing Owl Monitoring:**
 - Wildlife camera monitoring to track occupation activity at artificial burrow sites.
 - Actions provide enhanced habitat availability for migrating burrowing owls to promote increased occupation and mating at the Lake Mathews Reserve.

All management actions, either directly or indirectly, contribute to the continued conservation and enhancement of habitat health conditions for the benefit of SKR and numerous other species covered under the WR-MSHCP.

Prior Action(s):

None.

Financial Summary:

Activities related to the Stephens' Kangaroo Rat reserve management are included in the adopted Fiscal Year 2025/2026 Agency budget.

Attachment(s):

None.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Stephens' Kangaroo Rat Reserve Monitoring Efforts Activities Update
Contact: Collin Stratz, Natural Resources Manager, cstratz@wrcog.us, (951) 206-3260
Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

The RCHCA completed the fourth year of SKR range-wide monitoring efforts in western Riverside and northern San Diego Counties. Included in this report is an update on management actions that have occurred this past quarter and a summary of SKR range-wide monitoring results.

Discussion:

SKR Range-Wide Monitoring

The RCHCA recently completed the fourth year of a five-year range-wide monitoring effort to track the population health and dynamics of SKR within western Riverside and northern San Diego Counties in coordination with state and federal agencies and regional property managers including the Center for Natural Lands Management (CNLM), Riverside County Parks and Opens Space District (RCPOSD) at Southwest Multi Species Reserve (SWMSR), California State Parks, Bureau of Land Management (BLM), California Department of Fish and Wildlife (CDFW), and the U.S. Geological Survey (USGS). This multi-year monitoring effort seeks to track population fluctuations and trends of SKR within regional habitats to determine the overall health and viability of the species as well as identify potential stressors and/or locations contributing to population decline which can often be associated with depreciated habitat conditions or habitat loss / connectivity. Through monitoring population trends, staff can interpret results and determine appropriate management actions to ideally help remedy and factors contributing to population decline. Below is a summary of SKR monitoring results for 2025 as well as a comparison of results obtained during previous years:

2025 SKR Range-Wide Monitoring Results:

- A total of 78 sample sites were distributed throughout western Riverside County and northern San Diego County (Total Sample Size).
- Of the 78 sample sites, 42 monitoring locations were selected for SKR trapping operations due to the presence of burrows and indicators of SKR activity.
- SKR was confirmed to occupy a total of 36 monitoring locations resulting in 179 unique SKR captures (Confirmed Occupancy).
- The resulting percent occupancy was 46.2% (Total Sample Size/Confirmed Occupancy).

Percent Occupancy from 2022 -2025:

- 2022 Percent Occupancy: 51.8%
- 2023 Percent Occupancy: 34.2%
- 2024 Percent Occupancy: 43.8%
- 2025 Percent Occupancy: 46.2%

When comparing percent occupancy over the years, a trendline begins to develop, indicating a relatively stable SKR population throughout the region over the years. With 2026 marking the fifth and final year of the monitoring period, staff can continue to develop this percent occupancy trendline and document population sustainability to further efforts to towards the complete downlisting of SKR.

Prior Action(s):

None.

Financial Summary:

Activities related to the Stephens' Kangaroo Rat reserve monitoring efforts are included in the adopted Fiscal Year 2025/2026 Agency budget.

Attachment(s):

[Attachment 1 - SKR Monitoring Report 2022-2025.pdf](#)

Stephens' Kangaroo Rat Rangewide Monitoring 2022-25 Report to RCHCA Board of Supervisors

Prepared by Conservation Biology Institute
November, 2025

Executive Summary

Biologists have completed the first four years (2022-25) of Stephens' kangaroo rat (SKR) population monitoring under the [SKR Rangewide Management and Monitoring Plan \(2021\)](#). Surveys have covered habitat across the SKR's range (excluding private and some military lands) with 73 to 86 randomly selected sites sampled each year. Some sites are resampled from year to year to look at changes over time, and some new sites are sampled each year to improve spatial coverage. Results suggest there was a rangewide decline in SKR populations from 2022 to 23, due to record rainfall during the winter of 2022-23, but that populations rebounded in 2024 to 25. Populations appear to be most robust where active habitat management is performed for their benefit, especially on RCHCA SKR reserves. Populations are lower in San Diego County, and discussions are underway with reserve managers there to improve SKR management and better contribute to rangewide recovery of the species. Future years will hopefully expand sampling on military and other lands that have been under-sampled to date, to build a more complete picture of SKR status and trends.

Introduction

RCHCA and other biologists have completed the first four years (2022-25) of Stephens' kangaroo rat (SKR) population monitoring under the [Stephens' Kangaroo Rat Rangewide Management and Monitoring Plan \(2021\)](#). Monitoring was performed in SKR habitat on diverse conservation reserves throughout the species' range, including reserves managed by RCHCA as well as the Resource Conservation Authority (RCA), California Department of Fish and Wildlife (CDFG), Bureau of Land Management (BLM), and others. Military lands supporting SKR have their own monitoring programs carried out by USGS or other consultants. Differences between protocols made their 2022-23 data statistically incompatible with the rangewide data, but appropriate sampling was completed on some military lands during 2024 and 2025, and will hopefully be expanded in future years.

This report represents a significant milestone in SKR conservation, as these four years of coordinated monitoring represent the first standardized field assessment of the species' status since it was listed as endangered more than 50 years ago. Three or four years of annual monitoring are a minimum required to begin assessing population trends, and continued future monitoring using these standardized protocols will provide an unbiased assessment of species status and trends over time in response to environmental changes and management efforts.

Discussions with land managers in San Diego County have recently led to improved coordination and assistance with monitoring there. We are also engaging the military to adopt the rangewide monitoring protocol and anticipate that more military lands will be included in future years.

Methods

RCHCA staff have performed the majority of monitoring surveys using methods described in the [SKR Rangewide Management and Monitoring Plan](#). An average of 79 sites have been sampled each year (range 73 to 86) using the standardized protocols (sign surveys and live trapping). Some sites are resampled year after year, and some new sites are added each year. In 2024 some of the sample cells were monitored by other entities, including Conservation Biology Institute, San Diego Natural History Museum, and consultants to the US Navy, and in 2025 we received increased collaboration with land managers in San Diego County, who have been assisting RCHCA with monitoring efforts there. Altogether 108 unique sites have thus been surveyed a total of 392 times over four years. Resampling most sites year after year provides insights on population changes over time, while adding new sites provides a more complete map of SKR distribution across the range.

The surveys are performed on randomly-selected 4-hectare (10-acre) “sample cells,” which are first searched for evidence of kangaroo rats (trails, burrows, etc.) and then trapped with standard protocols if evidence is found. The results are reported as the proportion of randomly selected sample cells found to support SKR (i.e., percent occupancy) and as the number of individual SKR captured per cell (an index of local population density). Beginning in 2024, biologists were permitted to take genetic samples from captured SKR for analysis. Genetic sampling has great promise for improving the cost-effectiveness of information gained in future years. See the [SKR Rangewide Monitoring and Management Program Website](#) for protocols and results.

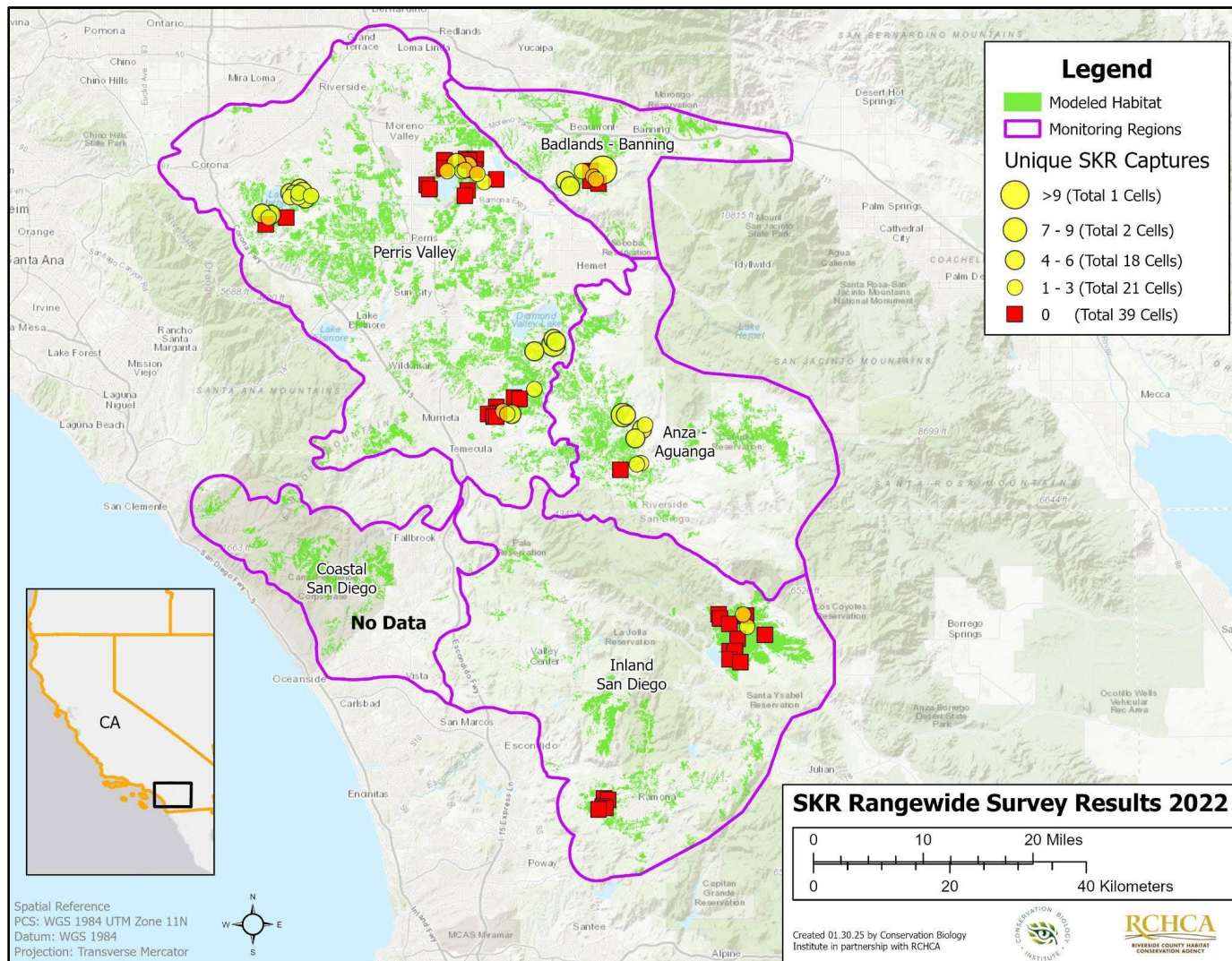
Results and Discussion

Table 1 summarizes the number of cells sampled each year, the proportion found to be occupied, and the number and average of individual SKR captured. For example, in 2022, SKR were captured on 44 of the total 86 sample cells that were surveyed (51% occupancy; Table 1 and Map 1); and where SKR were present, an average of 3.9 individuals was captured per site. In 2023, SKR were captured on only 27 of 79 cells (34% occupancy; Table 1 and Map 2), with an average of 3.0 individuals per site. This decrease in numbers was likely due to record rainfalls during the winter of 2022-23, which negatively impacted SKR populations. The heavy rains may have flooded some SKR burrows and stimulated dense growth of annual grasses that crowd out preferred SKR food plants and impede movements by kangaroo rats. However, the populations rebounded in 2024 and stayed relatively high in 2025. Such annual fluctuations in weather, vegetation conditions, and numbers of SKR are to be expected; and active vegetation management helps maintain favorable conditions for SKR through these variations. It is interesting that the majority of sample cells with high SKR densities (>10 individual SKR

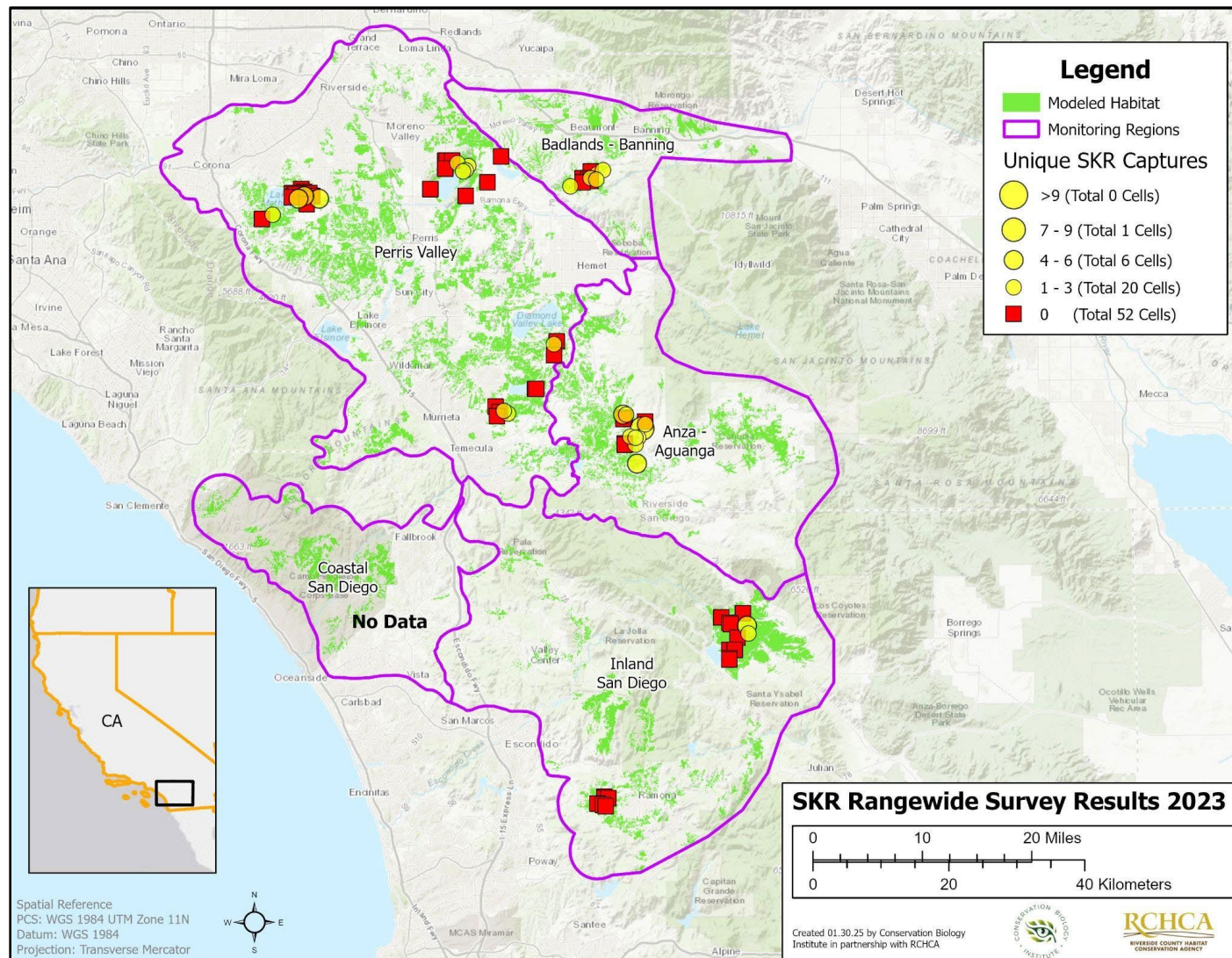
captures per cell) have been on RCHCA reserves, which are specifically managed to benefit the species.

Table 1. Summary of 2022-25 SKR Monitoring Results.

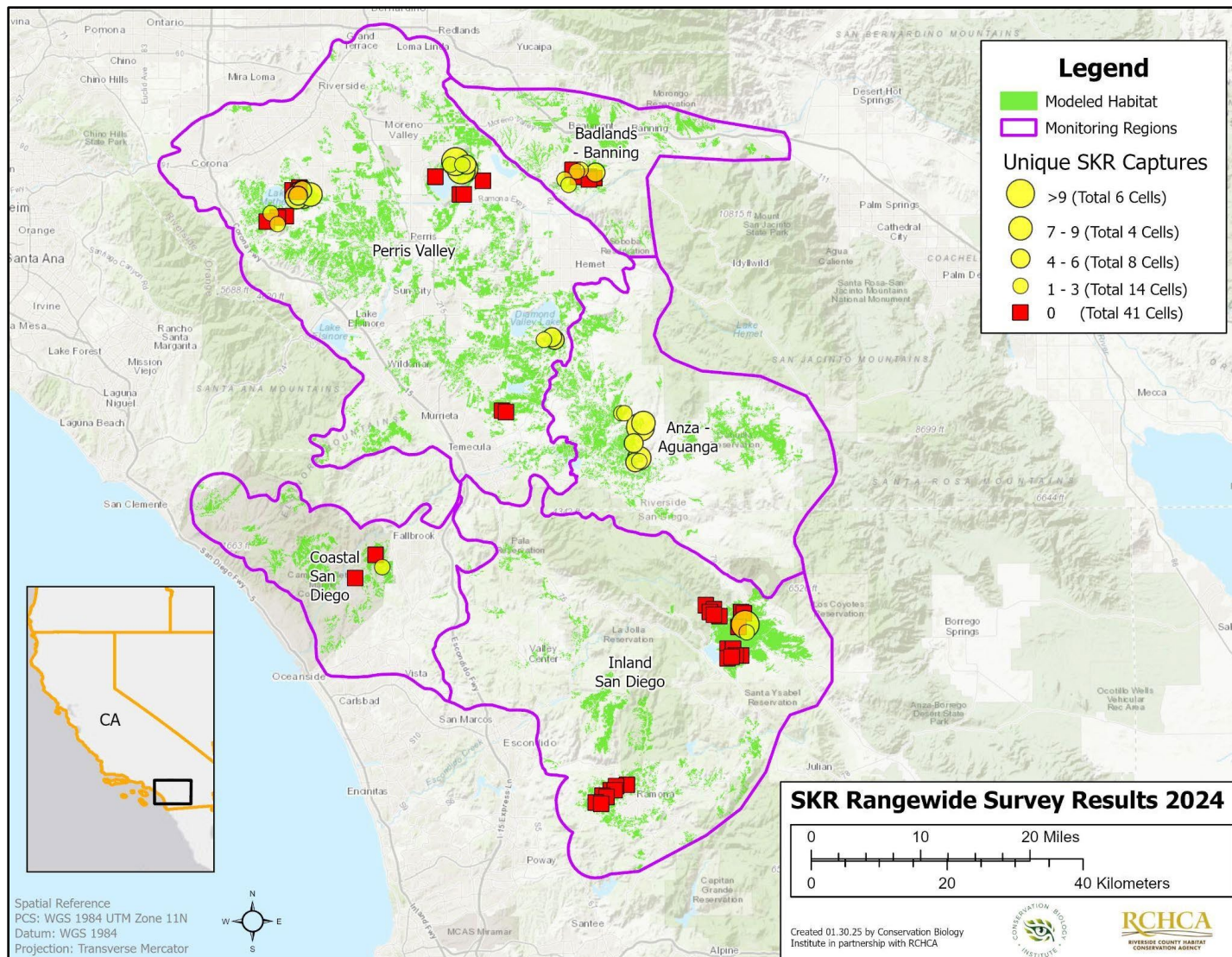
	Monitoring Year			
Statistic	2022	2023	2024	2025
Total Sample Cells Surveyed	86	79	73	78
Revisited Sample Cells	-	48	44	38
New Sample Cells	-	31	29	40
Sample Cells with K-rat Sign and Trapped	58	34	42	42
Sample Cells with Confirmed SKR	44	27	32	36
Total Unique SKR Captured	171	81	187	145
% Occupancy	51.2%	34.2%	43.8%	46.2%
Max Unique Captures per Sample Cell	10	9	18	9
Average Unique Captures per Occupied Sample Cell	3.9	3.0	5.8	4.0



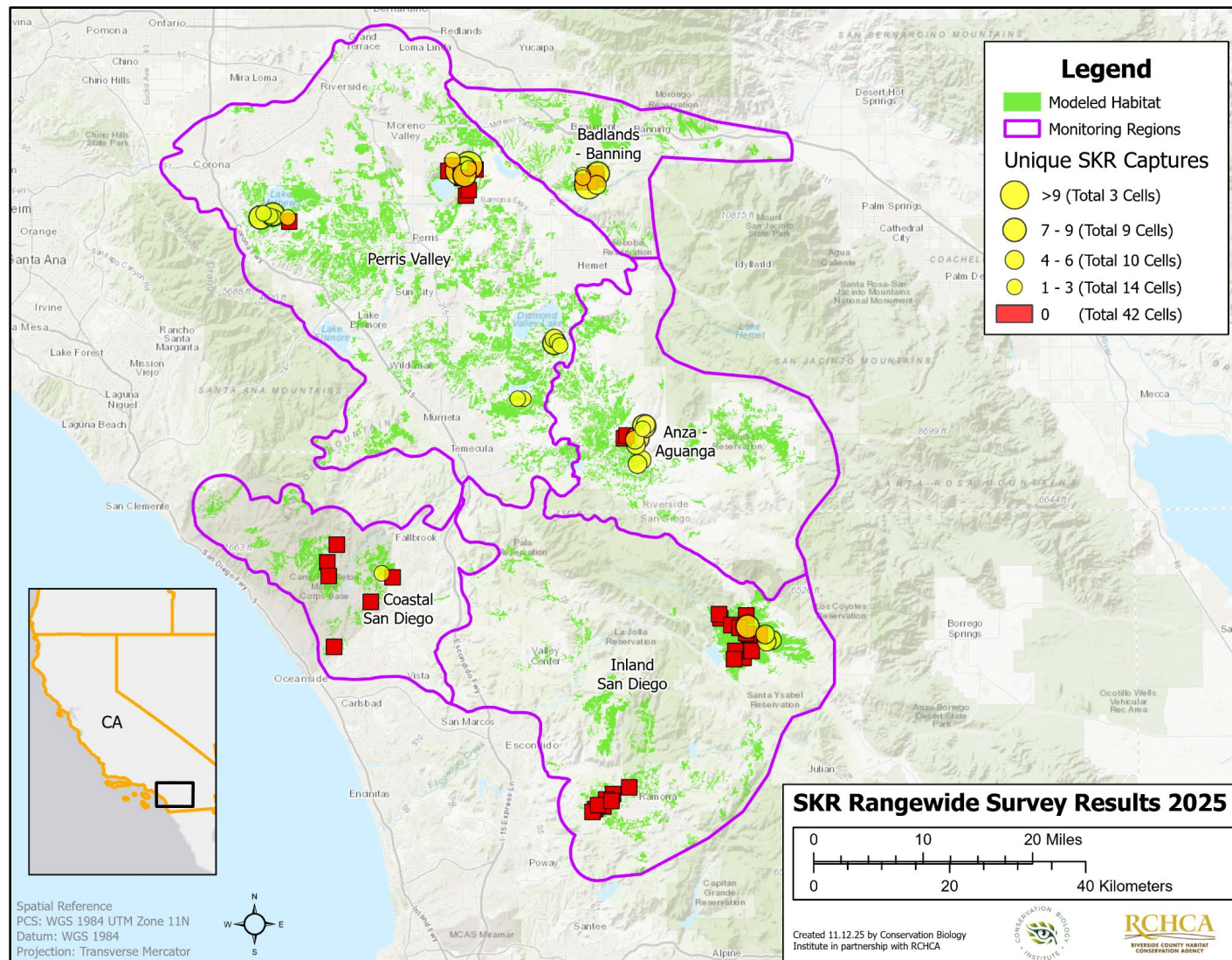
Map 1. Numbers of individual SKR captured at sample cells during 2022. Data were not available for military lands in Coastal San Diego County.



Map 2. Numbers of individual SKR captured at sample cells during 2023. Data were not available for military lands in Coastal San Diego County.



Map 3. Numbers of individual SKR captured at sample cells during 2024. Data were available on limited military lands in Coastal San Diego County.



Map 4. Numbers of individual SKR captured at sample cells during 2025. Data were available on limited military lands in Coastal San Diego County.

Conclusions and Recommendations

These first four years of data provide an unbiased view of how SKR populations vary across the landscape, establishing a sound baseline for continued annual monitoring to track population changes in response to environmental changes and management actions. Monitoring in future years will continue filling out this picture, tracking population status and trends, and informing conservation actions per the [Rangewide Management and Monitoring Plan](#).

Two major patterns appear to be emerging from the data so far: (1) SKR are more common on preserves specifically managed by RCHCA and other agencies to benefit the species than on other lands that may support SKR; and (2) SKR numbers may decline following years of higher than normal rainfall. However, strong conclusions about population changes should await monitoring data from future years: Experts expect a minimum of five years of data are likely required to begin detecting meaningful changes in SKR population status over time.

It is important to emphasize the importance of vegetation management for SKR. Sites where SKR numbers appeared to decrease the most from 2022 to 2023 (e.g., at Lake Mathews) had generally not been subject to recent vegetation management. RCHCA focuses vegetation management on areas that have less than favorable soil conditions to improve SKR habitat there. During an unusual weather season such as 2022-23, this may help sustain SKR in these less ideal habitat areas, while conditions may change more dramatically in areas with better soils that are not managed as intensely to control vegetation. Over time, vegetation management can help sustain SKR populations through these variations in habitat quality over space and time.

Although the military has been willing to share their SKR monitoring data with the rangewide program, differing protocols have made most of their data incompatible with the rangewide dataset. The US Fish and Wildlife Service has been coordinating with the military and other agencies to increase the number of locations monitored using the rangewide protocols, with some success in 2024. Increasing sampling across military and other lands should provide a more comprehensive and statistically valid picture of SKR status and trends across all habitat areas in the range in support of species recovery.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Status Update on Stephens' Kangaroo Rat Habitat Conservation Plan Renewal
Contact: Brian Shomo, RCHCA Director, bshomo@wrcog.us, (951) 840-8070
Date: February 12, 2026

Recommended Action(s):

1. Receive and file.
-

Summary:

RCHCA submitted the first complete draft of the Stephens' Kangaroo Rat (SKR) Habitat Conservation Plan (HCP) renewal to the regulatory agencies in August 2025. Their review was expected to be completed by September 2025, but the October 1 Federal government shutdown delayed United States Fish and Wildlife Service's (USFWS) approval process and, in turn, California Department of Fish and Wildlife's (CDFW) consistency review.

USFWS later confirmed that the existing Federal 10(a) Permit remains in effect because the renewal was submitted within the required timeframe. However, CDFW determined the State authorization could not be extended and agreed to process an expedited consistency determination under the California Endangered Species Act (CESA) Section 2081(b) upon receipt of a USFWS letter confirming the federal permit extension, which was submitted on January 14, 2026.

Discussion:

Background

The original SKR HCP was authorized on May 26, 1996, through a Federal 10(a) Permit and a State Management Authorization under CDFW Code Sections 2081 and 2835. Subsequent litigation determined that Management Authorizations were not explicitly supported under CESA at the time, prompting the later creation of Section 2081(b). Because the SKR HCP predates 2081(b), CDFW cannot extend the existing management authorization under current law.

RCHCA is renewing the SKR HCP, which will guide SKR conservation and development for the next 25 years. After two years of close coordination with the regulatory agencies, the updated SKR HCP final draft was submitted to the regulatory agencies for review in August 2025.

The Federal shutdown delayed USFWS' review and may have pushed permit reissuance beyond the May 26, 2026, expiration date. However, under Federal policy, because RCHCA applied for renewal within six months of expiration, the existing Federal 10(a) Permit remains valid until USFWS issues written action of renewal. However, CDFW recently clarified that the original State permit was issued

under a “management authorization” predating CESA Section 2081(b) and therefore cannot be extended under current regulations. Understanding the severe economic implications of this determination, CDFW and RCHCA met again on November 21, 2025, and resolved the issue that was satisfactory to all parties. CDFW essentially agreed that since the Federal 10(a) Permit was extended and therefore valid beyond the expiration date, then they have the ability to issue “take” under Section 2081(b) using the existing SKR HCP using a 30-day consistency determination procedure.

RCHCA will continue coordinating closely with the regulatory agencies to ensure both permits are reissued before the expiration date, but if not, there is now assurance from both regulatory agencies that “take” under the RCHCA’s existing permits will be extended until the RCHCA receives written action from each that the updated SKR HCP permits are renewed.

Present Situation

The SKR HCP’s State and Federal permits expire May 26, 2026. The Federal permit remains effective pending written renewal action because the renewal application was submitted within the required six-month window. CDFW, however, cannot extend the State permit due to its pre-2081(b) structure. If left unresolved and the renewal process extends past expiration, RCHCA could not provide State “take” coverage, preventing jurisdictions from issuing grading permits until a new State permit is issued. However, RCHCA and CDFW have found a path forward allowing the SKR HCP permit conditions to be extended past the expiration date using a consistency determination to approve the current SKR HCP.

RCHCA remains committed to expediting permit reissuance.

Prior Action(s):

September 12, 2024: The Board of Directors authorized staff to coordinate with the United States Fish and Wildlife Service and the California Department of Fish and Wildlife on updating and amending, if necessary, the Stephens' Kangaroo Rat Habitat Conservation Plan and authorized staff to complete and submit the Federal and State Habitat Conservation Plan Permit renewal applications.

Financial Summary:

Activities related to the SKR HCP renewal are included in the adopted Fiscal Year 2025/2026 Agency budget.

Attachment(s):

None.

Riverside County Habitat Conservation Agency Board Meeting

Staff Report

Subject: Evaluation of Transitioning RCHCA Insurance to SDRMA
Contact: Riana Fisher, Program Manager, rfisher@wrcog.us, 951-405-6708
Date: February 12, 2026

Recommended Action(s):

1. Direct staff whether to transition from current commercial insurance to SDRMA's Property / Liability Program.
 2. Adopt Resolution No. 2025-03; A resolution of the Board of Directors of the Riverside County Habitat Conservation Agency approving the form of and authorizing the execution of a Sixth Amended Joint Powers Agreement and authorizing participation in the Special District Risk Management Authority's Property / Liability Program.
 3. Authorize staff to complete onboarding with SDRMA.
-

Summary:

RCHCA staff are evaluating whether to transition its commercial auto and general liability / public officials liability insurance from the commercial market (Alliant SLIP Program + National Fire & Marine) to the SDRMA, a JPA providing pooled risk coverage. SDRMA's Property/Liability Program would provide comprehensive insurance coverage and save the agency approximately \$45,702 annually. This transition enhances risk management services while significantly reducing insurance costs.

Discussion:

Background

RCHCA currently procures auto and liability insurance through commercial carriers, including the Alliant SLIP Program and National Fire & Marine. Commercial insurance costs for public agencies across California have risen substantially in recent years due to market volatility, litigation trends, and tightening underwriting standards.

RCHCA's premiums have increased despite the Agency's low claims history, small fleet, and limited operational exposure. As a Joint Powers Authority (JPA), RCHCA is eligible to participate in the Special District Risk Management Authority (SDRMA), an established statewide public agency insurance pool offering more stable rates, broader coverage, and comprehensive risk management services.

SDRMA, formed under California Government Code Section 6500, et seq., is a recognized leader in pooling risk and currently serves over 500 public agencies. Participation requires approval and execution of a Sixth Amended Joint Powers Agreement (Exhibit A in Attachment 2 to this Staff Report), which outlines the governance, authority, and scope of services offered through SDRMA.

The proposed Resolution (Attachment 2 to this Staff Report) formally authorizes RCHCA to join SDRMA by executing the JPA and enrolling in its Property / Liability Program.

Present Situation

RCHCA currently maintains two separate commercial insurance programs.

1. Commercial Auto Insurance

- Annual premium: \$25,191
- Carrier: National Fire & Marine
- Covers liability, uninsured motorist, medical, and physical damage
- Premiums remain high despite zero claims

2. General Liability / Public Officials / Employment Practices (SLIP Program)

- Annual premium: \$54,438
- Includes general liability, public officials liability, and EPLI
- Contains significant exclusions: PFAS, wage & hour, biometric data, environmental issues
- Cyber coverage: \$250,000 per member with a \$10M shared aggregate pool-wide

Combined annual commercial cost: approximately **\$79,629**.

SDRMA offers comprehensive and competitively priced risk management services that include:

- Property and liability coverage with limits up to \$5M
- Access to training, claims management, and loss prevention services
- Fiscal sustainability through actuarially based funding and oversight

The Property / Liability Program coverage and premium quotation provided by SDRMA (Attachment 3 to this Staff Report) outlines the following:

- Coverage Period: July 1, 2025 – June 30, 2026 (will be updated once coverage begins)
- Coverage Limits: \$5M
- Auto Liability: included
- Auto Physical Damage: optional deductibles
- Public Officials & Employment Practices Liability included
- Risk management resources included
- Annual Premium: **\$33,927.01**

RCHCA also receives additional risk-management resources not included in current commercial coverage.

Participation requires a three-year minimum commitment to ensure program stability and actuarial integrity. Upon approval, RCHCA will execute the Sixth Amended JPA and fulfill all onboarding requirements in coordination with SDRMA.

Currently, RCHCA pays \$54,438 annually for general liability insurance and \$25,191 for auto insurance, totaling \$79,629. By transitioning to SDRMA's Property / Liability Program, which will cost \$33,927.01

annually, RCHCA will save approximately \$45,702 per year in insurance and risk management expenses. These savings represent a significant reduction in costs while enhancing the quality and breadth of services.

Analysis

A comparison of costs, coverage structure, and long-term operational impacts indicates that SDRMA offers several advantages over RCHCA's current commercial insurance arrangement.

- **Financial**: SDRMA's pooled structure and nonprofit model produce lower, more stable rates. By transitioning to SDRMA's Property / Liability Program, which will cost \$33,927.01 annually, RCHCA will save approximately \$45,702 per year in insurance and risk management expenses.
- **Coverage breadth**: SDRMA offers broader public agency-specific protections, including bundled auto and liability coverage, employment practices liability, public officials errors & omissions, and optional cyber enhancements.
- **Risk Control**: SDRMA provides substantial member services, including on-site risk assessments, 1,500+ online training modules, ergonomic evaluations, Cal/OSHA compliance guidance, and a 24/7 employment law hotline — all services not provided under current commercial policies.
- **Claims Management**: SDRMA uses in-house claims professionals who specialize in public agency liability, offering improved responsiveness and consistency compared to third-party administrators used in SLIP.
- **Catastrophic Risk**: While pooled programs permit assessments, the likelihood is historically low due to SDRMA's strong reserves and multilayered reinsurance structure. Commercial insurers may rapidly increase premiums after market disruptions.

Overall, RCHCA's operational profile fits well within SDRMA's risk pool and is expected to result in lower costs and improved coverage.

Prior Action(s):

None.

Financial Summary:

RCHCA currently pays approximately \$79,629 in insurance annually. The annual cost for participation in SDRMA's Property / Liability Program is \$33,927 for FY 2025/2026. Transitioning to SDRMA would result in an estimated annual cost savings of \$45,702.

Attachment(s):

[Attachment 1 - Resolution Number 2025-03 approving Sixth Amended JPA for SDRMA.pdf](#)

[Attachment 2 - SDRMA Property / Liability Program Quotation for FY 2025/2026.pdf](#)

Attachment

Resolution Number 2025-03
approving the form of and authorizing
the execution of a Sixth Amendment
Joint Powers Agreement and
authorizing participation in the
Special District Risk Management
Authority's Property / Liability
Program

RESOLUTION NUMBER 2025-03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
RIVERSIDE COUNTY HABITAT CONSERVATION AGENCY
APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION
OF A SIXTH AMENDED JOINT POWERS AGREEMENT AND
AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK
MANAGEMENT AUTHORITY'S PROPERTY/LIABILITY PROGRAM**

WHEREAS, RCHCA, a special district duly organized and existing under and by virtue of the laws of the State of California (the "Agency"), has determined that it is in the best interest and to the advantage of the Agency to participate for at least three full years in the Property/Liability Program offered by the Special District Risk Management Authority (the "Authority"); and

WHEREAS, California Government Code Section 6500 et seq., provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, Special District Risk Management Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 et seq., for the purpose of providing its members with risk financing and risk management programs; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus lines broker, or any combination of these; and

WHEREAS, participation in Special District Risk Management Authority programs requires the Agency to execute and enter into a Sixth Amended Joint Powers Agreement (the "Amended JPA Agreement"); which states the purpose and powers of the Authority; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Agency is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW THEREFORE, BE IT RESOLVED by Board of Directors of the Riverside County Habitat Conservation Agency as follows:

Section 1. Findings. The Agency Board of Directors hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the Agency.

Section 2. Sixth Amended JPA Agreement. The Amended JPA Agreement, attached hereto as Exhibit A, proposed to be executed and entered into by and between the Agency and members of the Special District Risk Management Authority, in the form presented at this meeting and

on file with the Agency Secretary, is hereby approved. The Agency Board and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver to the Authority the Amended JPA Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Program Participation. The Agency Board of Directors approves participating for three full program years in Special District Risk Management Authority Property and Liability Program.

Section 4. Other Actions. The Authorized Officers of the Agency are each hereby authorized and directed to execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of Directors of the Riverside County Habitat Conservation Agency on February 12, 2026.

Joseph Morabito, Chair
RCHCA Board of Directors

Chris Gray, Deputy Executive Director
RCHCA

Approved as to form:

Aaron Gettis
RCHCA Legal Counsel

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN: _____

EXHIBIT A

SIXTH AMENDED JOINT POWERS AGREEMENT

RELATING TO THE

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Adopted August 1, 1986
1st Amended February 5, 1988
2nd Amended March 31, 1990
3rd Amended July 1, 1993
4th Amended February 9, 1998
5th Amended and Restated
- Approved March 24, 2003
- Effective July 1, 2003
6th Amended October 2, 2007

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**SIXTH AMENDED JOINT POWERS AGREEMENT
RELATING TO THE
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY**

THIS SIXTH AMENDED JOINT POWERS AGREEMENT (the “Agreement”) is made and entered into by and among the public agencies (the “Members”) organized and existing under the laws of the State of California, which are signatories to this Agreement.

RECITALS

WHEREAS, California Government Code Section 6500 *et seq.* (the “Act”) provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, California Labor Code Section 3700(c) permits pooling by public agencies of self insurance for Workers’ Compensation liability; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, purchase insurance through a surplus line broker, or any combination of these; and

WHEREAS, California Government Code Section 990.8 provides that two or more local entities may, by a joint powers agreement, provide insurance for any purpose by any one or more of the methods specified in Government Code Section 990.4; and

WHEREAS, the parties to this Agreement desire to join together for the purposes set forth in Article 2 hereof, including establishing pools for self-insured losses and purchasing Excess or Re-Insurance and administrative services in connection with joint protection programs (the “Programs”) for members of the California Special Districts Association (“CSDA”); and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so; and

WHEREAS, the Members have previously executed that certain Fifth Amended and Restated Joint Powers Agreement (the “Original JPA”), which Original JPA the Members desire to amend and restate by this Agreement; provided that such amendment and restatement shall not affect the existence of the Authority; and

WHEREAS, CSDA exists to assist and promote special districts, and has been responsible for the original creation of the Special District Risk Management Authority (“Authority”) and Special District Workers Compensation Authority (“SDWCA”), and determined the consolidation of SDWCA and the Authority on July 1, 2003 was in the best interests of special districts and other public agencies throughout the State.

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

Article 1. Definitions. The following definitions shall apply to the provisions of this agreement:

“Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, as amended or supplemented.

“Alliance Executive Council” means the council organized pursuant to the MOU.

“Assessment” means an additional amount, in addition to the Member’s or Former Member’s original contribution, which the Board of Directors determines in accordance herewith and/or with the Bylaws that a Member or Former Member owes on account of its participation in a Program for a given Program year.

“Authority” shall mean the Special District Risk Management Authority created by the original version of this Agreement.

“Board of Directors” or “Board” shall mean the governing body of the Authority.

“Bylaws” means the Bylaws of the Authority adopted by the Board of Directors, as they may be amended from time to time.

“Chief Executive Officer” shall mean that employee of the Authority who is so appointed by the Board of Directors.

“Claim” shall mean a demand made by or against a Member or Former Member which is or may be covered by one of the Programs approved by the Board of Directors.

“Contribution” means the amount determined by the Board of Directors to be the appropriate sum which a Member should pay at the commencement of or during the Program Year in exchange for the benefits provided by the Program.

“Coverage Documents” shall mean the Declarations, Memorandum of Coverages, Coverage Agreements, Endorsements, Policies of Insurance or any other documents that provide the terms, conditions, limits and exclusions of coverage afforded by a Program.

“CSDA” means the California Special Districts Association.

“District” shall mean a special district, public agency or public entity within the State of California which is both a Member of the CSDA and a signatory to this Agreement.

“Duly Constituted Board Meeting” shall mean any Board of Directors meeting noticed and held in the required manner and at which a Quorum was determined to be present at the beginning of the meeting.

“Estimated Contribution” means the amount which the Board of Directors estimates will be the appropriate contribution for a Member’s participation in a Program for a Program Year.

“Excess or Re-Insurance” shall mean that insurance which may be purchased on behalf of the Authority and/or the Members to protect the funds of the Members or Former Members against catastrophic losses or an unusual frequency of losses during a single year in excess of the self-insurance retention maintained by the Authority.

“Fiscal Year” shall mean that period of twelve months which is established as the fiscal year of the Authority.

“Former Member” shall mean a District which was a signatory to the Agreement but which has withdrawn from, or been involuntarily terminated from participating in, the Authority.

“Joint Protection Program” means a Program offered by the Authority, separate and distinct from other Programs, wherein Members will jointly pool their losses and claims, jointly purchase Excess or Re-Insurance and administrative and other services, including claims adjusting, data processing, risk management consulting, loss prevention, legal and related services.

“Member” shall mean a signatory to this Agreement, which is qualified as a Member under the provisions of this Agreement and the Bylaws.

“MOU” means the Memorandum of Understanding - Alliance Executive Council, dated as of September 20, 2001, among the Authority, CSDA, the CSDA Finance Corporation and SDWCA.

“Program” or “Programs” means the specific type of protection plan as set forth in the terms, conditions and exclusions of the Coverage Documents for self-insured losses, and the purchasing of Excess or Re-Insurance and administrative services.

“Program Year” shall mean a period of time, usually 12 months, determined by the Board of Directors, in which a Program is in effect.

“Retained Earnings,” as used herein, shall mean an equity account reflecting the accumulated earnings of a Joint Protection Program.

“SDWCA” means the Special Districts Workers Compensation Authority, and its successors or assigns.

Article 2. Purposes. This Agreement is entered into by the Members pursuant to the provisions of California Government Code section 990, 990.4, 990.8 and 6500 *et seq.* in order to provide, subject to the provisions of the Coverage Documents, economical public liability and workers’ compensation coverage, or coverage for other risks which the Board of Directors may determine.

Additional purposes are to reduce the amount and frequency of losses, and to decrease the cost incurred by Members in the handling and litigation of claims. These purposes shall be

accomplished through the exercise of the powers of such Members jointly in the creation of a separate entity, the Special District Risk Management Authority (the “Authority”), to establish and administer Programs as set forth herein and in the Bylaws.

It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion, at a subsequent date, and subject to approval by the Board of Directors, of such additional Members organized and existing under the laws of the State of California as may desire to become parties to the Agreement and Members of the Authority.

Article 3. Parties to Agreement. Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories to this Agreement and, in addition, with such other parties as may later be added as parties to and signatories of this Agreement pursuant to Article 18. Each party to this Agreement also certifies that the withdrawal from or cancellation of membership by any Member, pursuant to Articles 19 and 20 or otherwise, shall not affect this Agreement nor such party’s intent, as described above, to contract with the other remaining parties to the Agreement.

Article 4. Term of Agreement. This Agreement shall become effective as to existing Members of the Authority as set forth in Article 33 hereof. This Agreement shall continue thereafter until terminated as hereinafter provided. This Agreement shall become effective as to each new Member upon: (i) approval of its membership by the Board of Directors, (ii) the execution of this Agreement by the Member, and (iii) upon payment by the Member of its initial Contribution for a Program. Any subsequent amendments to the Agreement shall be in accordance with Article 27 of this Agreement.

Article 5. Creation of Authority. Pursuant to the Act, there is hereby created a public entity separate and apart from the parties hereto, to be known as the Special District Risk Management Authority. Pursuant to Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority, including but not limited to, debts, liabilities and obligations of any of the Programs shall not constitute debts, liabilities or obligations of any party to this Agreement or to any Member or Former Member.

The Authority is not an insurer, and the coverage programs offered by the Authority do not provide insurance, but instead provide for pooled joint protection programs among the members of the Authority. The Joint Protection Programs offered by the Authority constitute negotiated agreements among the Members which are to be interpreted according to the principles of contract law, giving full effect to the intent of the Members, acting through the Board of Directors in establishing the Programs.

Article 6. Powers of Authority. (a) The Authority shall have all of the powers common to Members and is hereby authorized to do all acts necessary for the exercise of said common powers, including, but not limited to, any or all of the following:

- (1) to make and enter into contracts, including the power to accept the assignment of contracts or other obligations which relate to the purposes of the Authority, or which were entered into by a Member or Former

Member prior to joining the Authority, and to make claims, acquire assets and incur liabilities;

- (2) to accept an assignment from SDWCA of all its assets, obligations and liabilities prior to the dissolution of SDWCA (including claims and contracts in existence prior to such dissolution) in order to benefit the Members or Former Members participating in the SDWCA workers compensation program; provided, that except for the fair and equitable allocation of administrative and overhead expenses, funds from such assignment shall not be co-mingled and shall be separately accounted for as provided for in this Agreement and the Bylaws.
- (3) to incur debts, liabilities, or other obligations, including those which are not debts, liabilities or obligations of the Members or Former Members, or any of them;
- (4) to charge and collect Contributions and Assessments from Members or Former Members for participation in Programs;
- (5) to receive grants and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- (6) to acquire, hold, lease or dispose of property, contributions and donations of property and other forms of assistance from persons, firms, corporations and governmental entities
- (7) to acquire, hold or dispose of funds, services, donations and other forms of assistance from persons, firms, corporations and governmental entities;
- (8) to employ agents and employees, and/or to contract for such services;
- (9) to incur debts, liabilities or other obligations to finance the Programs and any other powers available to the Authority under Article 2 or Article 4 of the Act;
- (10) to enter into agreements for the creation of separate public entities and agencies pursuant to the Act;
- (11) to sue and be sued in its own name;
- (12) to exercise all powers necessary and proper to carry out the terms and provisions of this Agreement (including the provision of all other appropriate ancillary coverages for the benefit of the Members or Former Members), or otherwise authorized by law or the Act; and
- (13) to exercise all powers and perform all acts as otherwise provided for in the Bylaws.

(b) Said powers shall be exercised pursuant to the terms hereof, in the manner provided by law and in accordance with Section 6509 of the Act. The foregoing powers shall be subject to the restrictions upon the manner of exercising such powers pertaining to the Member or Former Member designated in the Bylaws.

Article 7. Board of Directors. Subject to the limitations of this Agreement and the laws of the State of California, the powers of this Authority shall be vested in and exercised by, and its property controlled and its affairs conducted by, the Board of the Authority, which is hereby established and designated as the agency to administer this Agreement pursuant to Section 6506 of the Act. The powers of the Authority shall be exercised through the Board of Directors, who may, from time to time, adopt and modify Bylaws and other rules and regulations for that purpose and for the conduct of its meetings as it may deem proper. The officers of the Board shall be as set forth in the Bylaws.

So long as the MOU has not been terminated or the Authority has not withdrawn from the MOU, the Board of Directors shall be composed of seven (7) directors elected by the Member entities who have executed the current operative Agreement and are participating in a Joint Protection Program. The terms of directors, procedures for election of directors, procedures for meetings and provisions for reimbursement of Director expenses shall be as set forth in the Bylaws. Each Member of the Board of Directors shall have one vote. Each Member of the Board shall serve as set forth in the Bylaws.

So long as the Authority is a participant in the MOU, the Board of Directors of the Authority shall appoint three (3) members of its board to serve as members of the Alliance Executive Council. No member of the Board of Directors of the Authority shall serve as a director on any other board of directors of an entity or organization that is a signatory to the MOU during the term of the MOU. In the event a director is elected to such a board, that director shall immediately resign from the Board of Directors of the Authority.

In the event SDRMA withdraws from the MOU, the Board of Directors of the Authority shall consist of those seven (7) Directors who hold seats on the Authority's Board of Directors at the time of the withdrawal and who were duly appointed by the Board, or elected or re-elected by the Member entities of SDRMA plus the additional directors appointed by CSDA as provided in Article 25.

Article 8. Compliance with the Brown Act. All meetings of the Board, including, without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code Section 54950 *et seq.*

Article 9. Powers of the Board of Directors. The Board of Directors shall have such powers and functions as provided for pursuant to this Agreement and the Bylaws and such additional powers as necessary or appropriate to fulfill the purposes of this Agreement and the Bylaws, including, but not limited to, the following:

- (a) to determine details of and select the Program or Programs to be offered, from time to time, by the Authority;

- (b) to determine and select all insurance, including Excess or Re-insurance, necessary to carry out the programs of the Authority;
- (c) to contract for, develop or provide through its own employees various services for the Authority;
- (d) to prepare or cause to be prepared the operating budget of the Authority for each fiscal year;
- (e) to receive and act upon reports of committees and from the Chief Executive Officer;
- (f) to appoint staff, including a Chief Executive Officer, and employ such persons as the Board of Directors deems necessary for the administration of this Authority;
- (g) to direct, subject to the terms and conditions of the Coverage Documents, the payment, adjustment, and defense of all claims involving a Member during their period of membership in and coverage under a Program;
- (h) to fix and collect Contributions and Assessments for participation in the Programs;
- (i) to expend funds of the Authority for the purpose of carrying out the provisions of the Agreement and the Bylaws as they now exist or may be hereafter amended;
- (j) to purchase excess insurance, liability insurance, stop loss insurance, officers and directors liability insurance, and such other insurance as the Authority may deem necessary or proper to protect the Program, employees of the Authority and employees of the Members;
- (k) to defend, pay, compromise, adjust and settle all claims as provided for in the Coverage Documents;
- (l) to obtain a fidelity bond in such amount as the Board of Directors may determine for any person or persons who have charge of or the authority to expend funds for the Authority;
- (m) to establish policies and procedures for the operation of the Authority and the Programs;
- (n) to engage, retain, and discharge agents, representatives, firms, or other organizations as the Board of Directors deems necessary for the administration of the Authority;
- (o) to enter into any and all contracts or agreements necessary or appropriate to carry out the purposes and functions of the Authority;

- (p) to acquire, hold, lease, manage and dispose of, as provided by law, any and all property necessary or appropriate to carry out the purposes and functions of the Authority;
- (q) to transact any other business which is within the powers of the Board of Directors;
- (r) to invest funds on hand in a manner authorized by law, the Agreement and the Bylaws;
- (s) to provide financial administration, claims management services, legal representations, safety engineering, actuarial services, and other services necessary or proper to carry out the purposes of the Authority either through its own employees or contracts with one or more third parties;
- (t) to exercise general supervisory and policy control over the Chief Executive Officer;
- (u) to establish committees and sub-committees as it deems necessary to best serve the interests of the Authority; and
- (v) to have such other powers and functions as are provided for pursuant to the Act, this Agreement or necessary or appropriate to fulfill the purpose of this Agreement and the Bylaws.

Article 10. Officers of the Authority. The officers of the Authority shall be as set forth in the Bylaws. The Board may elect or authorize the appointment of such other officers than those described in the Bylaws as the business of the Authority may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in this Agreement, or as the Board, from time to time, may authorize or determine.

Any officer may be removed, either with or without cause, by a majority of the directors of the Board at any regular or special meeting of the Board. Should a vacancy occur in any office as a result of death, resignation, removal, disqualification or any other cause, the Board may delegate the powers and duties of such office to any officers or to any Members of the Board until such time as a successor for said office has been appointed.

Article 11. Provision for Bylaws. The Board shall promulgate Bylaws to govern the day-to-day operations of the Authority. The Board may amend the Bylaws from time to time as it deems necessary, and as provided in the Bylaws. Each Member shall receive a copy of any Bylaws and agrees to be bound by and to comply with all of the terms and conditions of the Bylaws as they exist or as they may be modified. The Bylaws shall be consistent with the terms of this Agreement. In the event any provision of the bylaws conflicts with a provision of this Agreement, the provision contained in this Agreement shall control.

Article 12. [Reserved].

Article 13. Coverage Programs.

(a) The Authority shall maintain such types and levels of coverage for Programs as determined by the Board of Directors. Such coverage may provide for binding arbitration before an independent arbitration panel of any disputes concerning coverage between the Authority and a Member.

(b) The coverage afforded under one or more Programs may include protection for general liability, auto liability, property, boiler and machinery, public officials errors and omissions, employment practices, employee benefits liability coverage, employee dishonesty coverage, public officials personal liability coverage and workers' compensation, as well as coverage for other risks which the Board of Directors may determine to be advisable. More than one type of coverage may be afforded under a single Program.

(c) The Board of Directors may arrange for group policies to be issued for Members, their board members and employees interested in obtaining additional coverage, at an appropriate additional cost to those participating Members.

(d) The Board of Directors may arrange for the purchase of Excess or Re-Insurance. The Authority shall not be liable to any Member or to any other person or organization if such excess or reinsurance policies are terminated, canceled or non-renewed without prior notice to one or more Members, or if there is a reduction in the type of coverage afforded under a program by reason of any change in coverage in a succeeding excess or reinsurance policy, even if such reduction occurs without prior notice to one or more Members.

Article 14. Implementation of the Programs. The Board of Directors shall establish the coverage afforded by each Program, the amount of Contributions and Assessments, the precise cost allocation plans and formulas, provide for the handling of claims, and specify the amounts and types of Excess or Re-Insurance to be procured. The Contributions and Assessments for each Program shall be determined by the Board of Directors as set forth herein, in the Bylaws or in the operating policies established for a Program.

Article 15. Accounts And Records.

(a) **Annual Budget.** The Authority shall, pursuant to the Bylaws, annually adopt an operating budget, including budgets for each Joint Protection Program.

(b) **Funds and Accounts.** The Authority shall establish and maintain such funds and accounts as required by the Board of Directors and as required by generally accepted accounting principles, including separate funds and accounts for each Program, including Joint Protection Programs. Books and records of the Authority shall be open to any inspection at all reasonable times by authorized representatives of Members, or as otherwise required by law.

(c) **Investments.** Subject to the applicable provisions of any indenture or resolution providing for the investment of moneys held thereunder, the Authority shall have the power to invest any money in the treasury that is not required for the immediate necessities of the Authority, as the Board determines is advisable, in the same manner as local agencies pursuant to

California Government Code Sections 53601 *et seq.* (as such provisions may be amended or supplemented).

(d) **No Commingling.** The funds, reserves and accounts of each Program shall not be commingled and shall be accounted for separately; provided, however, that administration and overhead expenses of the Authority not related to a specific Program or Programs may be fairly and equitably allocated among Programs as determined by the Board of Directors. Investments and cash accounts may be combined for administrative convenience, but a separate accounting shall be made for balances of individual funds and Program revenues and expenses.

(e) **Annual Audit.** The Board shall provide for a certified, annual audit of the accounts and records of the Authority, in the manner set forth in the Bylaws.

Article 16. Services Provided by the Authority. The Authority may provide, at the sole discretion of the Board of Directors, the following services in connection with this Agreement:

(a) to provide or procure coverage, including but not limited to self-insurance funds and commercial insurance, as well as excess coverage, re-insurance and umbrella insurance, by negotiation or bid, and purchase;

(b) to assist Members in obtaining insurance coverage for risks not included within the coverage of the Authority;

(c) to assist risk managers with the implementation of risk management functions as it relates to risks covered by the Programs in which the Member participates;

(d) to provide loss prevention and safety consulting services to Members;

(e) to provide claims adjusting and subrogation services for Claims covered by the Programs;

(f) to provide loss analysis and control by the use of statistical analysis, data processing, and record and file keeping services, in order to identify high exposure operations and to evaluate proper levels of self-retention and deductibles;

(g) to review Member contracts to determine sufficiency of indemnity and insurance provisions when requested;

(h) to conduct risk management audits relating to the participation of Members in the Programs; and

(i) to provide such other services as deemed appropriate by the Board of Directors.

Article 17. Responsibilities of Members. Members or Former Members shall have the following responsibilities, which shall survive the withdrawal from, or involuntary termination of participation in, this Agreement:

(a) Each Member shall designate a person to be responsible for the risk management function within that Member and to serve as a liaison between the Member and the Authority as to risk management.

(b) Each Member shall maintain an active safety officer and/or committee, and shall consider all recommendations of the Authority concerning unsafe practices and/or hazard mitigation.

(c) Each Member shall maintain its own set of records, including a loss log, in all categories of risk covered by each Program in which it participates to insure accuracy of the Authority's loss reporting system, unless it is no longer deemed necessary by the Board of Directors.

(d) Each Member shall pay its Contribution, and any adjustments thereto, and any Assessments within the specified period set forth in the invoice, or as otherwise may be set forth herein or in the Bylaws. After withdrawal or termination, each Former Member or its successor shall pay promptly to the Authority its share of any additional Contribution, adjustments or Assessments, if any, as required of it by the Board of Directors under Article 21 or 22 of this Agreement or the Bylaws.

(e) Each Member or Former Member shall provide the Authority with such other information or assistance as may be necessary for the Authority to carry out the Programs under this Agreement in which the Member or Former Member participates or has participated.

(f) Each Member or Former Member shall in any and all ways cooperate with and assist the Authority and any insurer of the Authority, in all matters relating to this Agreement and covered claims.

(g) Each Member or Former Member will comply with all Bylaws, rules and regulations adopted by the Board of Directors.

(h) Each Member shall remain a member in good standing of CSDA.

Article 18. New Members. The Authority shall allow entry into its Programs of new Members only upon approval of the Board, with any conditions or limitations as the Board deems appropriate. In order to become a Member and remain a Member, any District must be a member in good standing of CSDA, shall participate in at least one (1) Joint Protection Program and shall be authorized to exercise the common powers set forth in this Agreement.

Article 19. Withdrawal.

(A) Any Member may voluntarily withdraw from this Agreement only at the end of any applicable Program Year and only if:

- (i) The Member has been a signatory to this Agreement for not less than three (3) full Program Years as of the date of the proposed withdrawal;

- (ii) The Member submits a written withdrawal notification in accordance with the Bylaws;
 - (iii) In order to withdraw from the agreement the member must have completed the three (3) full program year participation requirement for each Joint Protection Program the member participated in at the time of withdrawal.
- (B) Any Member may voluntarily withdraw from any particular Joint Protection Program; and
 - (i) It has participated in such Joint Protection Program for at least three (3) full Program Years;
 - (ii) it is a participant in another Joint Protection Program; and
 - (iii) the Member submits a written withdrawal notification in accordance with the Bylaws.
- (C) In the event that the three year participation requirement as required by (A)(i) or (B)(i) as to any such Joint Protection Program above has not been met, for each Program the withdrawing Member participated in at the time of its withdrawal, for less than three years such withdrawing member shall be obligated to pay all Contributions and Assessments as if that Member had remained in each such Program for the full three years from the inception of its membership in the Authority.
- (D) In the event that the notice is not provided as required by (A)(ii) or (B)(iii) above, any such withdrawing Member shall, with respect to each Program the Member participated in, be obligated to pay any and all Contributions and Assessments for the next full Program Year.
- (E) A Member may withdraw from any Program (other than a Joint Protection Program) as provided by the Coverage Documents relating to such Program.
- (F) Withdrawal of one or more Members shall not serve to terminate this Agreement.
- (G) A Member may not withdraw as a party to this Agreement until it has withdrawn, as provided in the Bylaws from all of the Programs of the Authority.

Article 20. Involuntary Termination.

- (a) Notwithstanding the provisions of Article 19, the Authority shall have the right to involuntarily terminate any Member's participation in any Program, or terminate membership in the Authority, as provided in the Bylaws.
- (b) Notwithstanding any other provisions of this Agreement, the participation of any Member of the Authority, including participation in any of the Authority's Programs, may be involuntarily terminated at the discretion of the Board of Directors whenever such Member is dissolved, consolidated, merged or annexed. A reasonable time shall be afforded, in the

discretion of the Board of Directors, to place coverage elsewhere. Any such involuntary termination shall not relieve the Member or Former Member of its responsibilities as provided for in Articles 17 or 21.

Article 21. Effect of Withdrawal or Involuntary Termination. The withdrawal from or involuntary termination of any Member from this Agreement shall not terminate this Agreement, and such Member, by withdrawing or being involuntarily terminated, shall not be entitled to payment, return or refund of any Contribution, Assessment, consideration, or other property paid, or donated by the Member to the Authority, or to any return of any loss reserve contribution, or to any distribution of assets (except payment of any Retained Earnings, as set forth in the following paragraph).

The withdrawal from or involuntary termination of any Member after the effective date of any Program shall not terminate its responsibility to pay its unpaid Contribution adjustments, or Assessments to such Program. The Board of Directors shall determine the final amount due from the Member or Former Member by way of contribution or assessments, if any, or any credit due on account thereof, to the Member or Former Member for the period of its participation. Such determination shall not be made by the Board of Directors until all Claims, or other unpaid liabilities, have been finally resolved. In connection with this determination, the Board of Directors may exercise similar powers to those provided for in Article 22(b) of this Agreement, or as otherwise set forth in the Bylaws. Upon such withdrawal from or cancellation of participation in any Program by any Member, said Member shall be entitled to receive its pro rata share of any Retained Earnings declared by the Board of Directors after the date of said Member withdraws or is involuntarily terminated.

Article 22. Termination and Distribution; Assignment.

(a) This Agreement may be terminated any time with the written consent of two-thirds of the voting Members; provided, however, that this Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distribution of net assets and all other functions necessary to wind up the affairs of the Authority.

(b) The Board of Directors is vested with all powers of the Authority for the purpose of winding up and dissolving the business affairs of the Authority. These powers shall include the power to require Members or Former Members, including those which were signatory hereto at the time the subject Claims arose or was/were incurred, to pay any Assessment in accordance with loss allocation formulas for final disposition of all Claims and losses covered by this Agreement or the Bylaws. A Member or Former Member's Assessment shall be determined as set forth in the Bylaws or the applicable Coverage Documents.

(c) Upon termination of a Program, all net assets of such Program other than Retained Earnings shall be distributed only among the Members that are participating in such Program at the time of termination, in accordance with and proportionate to their cash payments (including Contributions, adjustments, Assessments and other property at market value when received) made during the term of this Agreement for such Program. The Board of Directors shall determine such distribution within six (6) months after disposal of the last pending Claim or loss covered by such Program, or as otherwise set forth in the Bylaws.

(d) Upon termination of this Agreement all net assets of the Authority, other than of any Program distributed pursuant to (c) above, shall be distributed only among the Members in good standing at the time of such termination in accordance with and proportionate to their cash contributions and property at market value when received. The Board of Directors shall determine such distribution within six (6) months after disposal of the last pending Claim or loss covered by this Agreement, or as otherwise set forth in the Bylaws.

(e) In the event the Board of Directors is no longer able to assemble a quorum, the Chief Executive Officer shall exercise all powers and authority under this Article. The decision of the Board of Directors or Chief Executive Officer under this Article shall be final.

(f) In lieu of terminating this Agreement, the Board, with the written consent of two-thirds of the voting Members, may elect to assign and transfer all of the Authority's rights, assets, liabilities and obligations to a successor joint powers authority created under the Act.

Article 23. Enforcement. The Authority is hereby granted authority to enforce this Agreement. In the event action is instituted to enforce the terms of this Agreement, the Bylaws and/or any policies and/or procedures of the Board of Directors and the nondefaulting party(s) should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party(s) herein contained, the defaulting party agrees that it will on demand therefore pay to the nondefaulting party(s) the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party(s).

Article 24. Nonliability of Directors, Officers and Employees. The Board of Directors, and the officers and employees of the Authority, including former directors, officers and employees, shall not be liable to the Authority, to any Member or Former Member, or to any other person, for actual or alleged breach of duty, mistake of judgment, neglect, error, misstatement, misleading statement, or any other act or omission in the performance of their duties hereunder; for any action taken or omitted by any employee or independent contractor; for loss incurred through the investment or failure to invest funds; or for loss attributable to any failure or omission to procure or maintain insurance; except in the event of fraud, gross negligence, or intentional misconduct of such director, officer or employee. No director, officer or employee, including former directors, officers and employees, shall be liable for any action taken or omitted by any other director, officer or employee. The Authority shall defend and shall indemnify and hold harmless its directors, officers and employees, including former directors, officers and employees, from any and all claims, demands, causes of action, and damages arising out of their performance of their duties as such directors, officers or employees of the Authority except in the event of fraud, gross negligence, corruption, malice or intentional misconduct, and the funds of the Authority shall be used for such purpose. The Authority may purchase conventional insurance to protect the Authority, and its participating Members or Former Members, against any such acts or omissions by its directors, officers and employees, including former directors, officers and employees.

Article 25. Provisions Relating to CSDA. It is agreed and understood the mandatory membership in CSDA provision in Article 18 is in consideration of CSDA's exclusive endorsement of SDRMA's programs as they exist or may be modified. CSDA and the Authority

may from time to time exchange services or enter into separate service agreements pursuant to Section 6505 of the Act, including, but not limited to, services relating to educational programs, marketing, web-site graphics and conferences.

So long as the Authority is a participant in the MOU, the Board of the Authority shall appoint three members of the Board to serve as members of the Alliance Executive Council. In the event the MOU has been terminated or the Authority has withdrawn from the MOU, the composition of the Authority Board of Directors shall be increased by two (2) additional directors to be appointed by CSDA. CSDA appointees shall be a director serving on the CSDA Board of Directors and said director(s) shall be a member of an agency who is a signatory to the current SDRMA Joint Powers Agreement.

CSDA shall be a third party beneficiary to Sections 18, 25, 27 of this Agreement.

Article 26. Notices. Notices to Members or Former Members hereunder shall be sufficient if delivered to the principal office of the respective Member or Former Member.

Article 27. Amendment. This Agreement may be amended at any time by a two-thirds vote of the Members; provided, that any amendment to Article 18, Article 25, or Article 27 shall require the prior written consent of CSDA. The Bylaws may be amended as provided therein. Upon the effective date of any validly approved amendment to this Agreement, such amendment shall be binding on all Members.

Article 28. Prohibition Against Assignment. No person or organization shall be entitled to assert the rights, either direct or derivative, of any Member or Former Member under any coverage agreement or memorandum. No Member or Former Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Member or Former Member shall have any right, claim or title or any part, share, interest, fund, contribution or asset of the Authority.

Article 29. Agreement Complete. The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein. This Agreement supersedes and replaces the Fifth Amended Joint Powers Amendment.

Article 30. Counterparts. This Agreement may be executed in one or more counterparts and shall be as fully effective as though executed in one document.

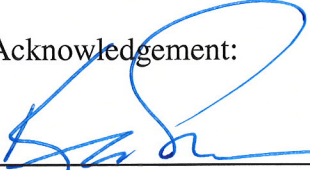
Article 31. California Law. This Agreement shall be governed by the laws of the State of California.

Article 32. Severability. Should any part, term or provisions of this Agreement be determined by any court of component jurisdiction to be illegal or in conflict with any law of the State of California or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Article 33. Effective Date. This Agreement shall become effective as to existing Members of the Authority on the date on which the last of two-thirds of such Members have executed this Agreement.

IN WITNESS WHEREOF, the parties hereto have first executed this Agreement by authorized officials thereof on the date indicated below:

Acknowledgement:



Ken Sonksen, President
Board of Directors
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Oct 2, 2007
Date

I hereby certify this Amended Joint Powers Agreement has also received the required approval of not less than two-thirds of the Member entities then parties to the Fifth Amended Joint Powers Agreement.



James W. Towns, Chief Executive Officer
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Oct. 2, 2007
Date

EXECUTION BY MEMBER

The Amended and Restated Joint Powers Agreement of the Special District Risk Management Authority, has been approved by the Board of Directors of the Member listed below, on the date shown, and said Member agrees to be subject to all of the terms and conditions set forth in said Agreement.

Entity Name:_____

By:_____ President

By:_____ Clerk

Date:_____

EXECUTION BY AUTHORITY

The Special District Risk Management Authority (the “Authority”), operating and functioning pursuant to this Sixth Amended Joint Powers Agreement, hereby accepts the entity named above as a participating member in the Authority, subject to all of the terms and conditions set forth in this Sixth Amended Joint Powers Agreement and in the Bylaws, effective as of

_____.

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

By:_____
SDRMA Board President

Date:_____

Attachment

Special District Risk Management Authority Insurance Proposal



1112 I Street, Suite 300
Sacramento, CA 95814-2865
O 916-231-4141 • 800-537-7790
Fax 916-231-4111

Maximizing Protection. Minimizing Risk.

January 13, 2026

Riana Fisher
Program Manager
Riverside County Habitat Conservation Agency
1955 Chicago Ave, Suite 200
Riverside, CA 92507

Dear Riana Fisher,

Thank you for the opportunity to provide Riverside County Habitat Conservation Agency with this 2025-26 Property/Liability Program quotation. Established in 1986, the Special District Risk Management Authority has a proven reputation for competitive rates, actuarially based fiscal management, and sound underwriting practices. Our goal is to serve as an extension of your agency's staff and provide the best value through proactive loss prevention, effective claims cost containment and enhanced member services. Our partnerships with California Special District Association (CSDA), the CSDA Finance Corporation, and the Special District Leadership Foundation provide our members access to valuable services, resources, education and training opportunities.

Valid for sixty (60) days from the date of this letter, the following quotation represents twelve (12) months of coverage and is subject to verification and final underwriting review. Coverage bound mid-year will be prorated based on effective dates. Riverside County Habitat Conservation Agency's quotation is as follows:

PROPERTY/LIABILITY PROGRAM QUOTATION

Coverage Limits: \$5 Million - July 1, 2025 through June 30, 2026*

\$33,927.01

**Please refer to the attached list for detailed coverage limits and deductibles.*

California Special Districts Association
1112 I Street, Suite 200
Sacramento, California 95814-2865
877-924-CSDA (2732) • Fax 916-442-7889

CSDA Finance Corporation
1112 I Street, Suite 200
Sacramento, California 95814-2865
877-924-CSDA (2732) • Fax 916-442-7889

sdrma.org
California Special Districts Alliance partner



Please review the following requirements and conditions:

- Adoption of a Resolution by the Agency Board of Directors approving the form and authorizing the Execution of the Sixth Amended Joint Powers Agreement and agreeing to membership in the SDRMA Property/Liability Program for an initial 3-program year commitment.
- Execution and delivery of the Sixth Amended Joint Powers Agreement of the Special District Risk Management Authority.
- Completion of the Alliant Crime Policy application.
- Approval by SDRMA's Board of Directors of Agency's membership in the Property/Liability program.
- Initial three-program year member enrollment required. Upon meeting the initial three-program year commitment, a member may withdraw by submitting a 90-day (April 1) intent to withdraw letter before the annual renewal.
- Maintaining annual Membership in California Special Districts Association is required and separate from this quotation.
- Special District Risk Management Authority's Credit Incentive Program (CIP) awards up to 15% off the annual contribution for completion of approved risk management and training programs. Members can reduce future contributions each year by earning CIP points or not experiencing any paid claims.

Upon receipt of all membership documents, SDRMA will issue the policy and forward pro-rated invoices for the annualized Property/Liability Program contributions.

We look forward to Riverside County Habitat Conservation Agency's participation in the SDRMA Property/Liability Program. Should you have any questions, or if we can provide any additional information, please do not hesitate to contact us at 800.537.7790. All necessary membership documents will be sent to you upon notification of your agency's decision to proceed with membership in the program.

Sincerely,
Special District Risk Management Authority

Debbie Yokota, CPCU - Interim Chief Executive Officer

Special District Risk Management Authority

Proposed Lines of Coverage for Program Year 2025-26



Line of Coverage	Item Count	Total Insured Value (TIV)	Deductible	Limit
General Liability				
Bodily Injury			\$0	\$5,000,000
Property Damage			\$500	\$5,000,000
Public Officials Personal			\$500	\$500,000
Employment Benefits			\$0	\$5,000,000
Employee/Public Officials E & O			\$0	\$5,000,000
Employment Practices Liability			\$0	\$5,000,000
Employee/Public Officials Dishonesty (Crime)			\$2,500	\$1,000,000
Auto Liability (includes non-owned auto)	4	\$160,786.00		
Auto Bodily Injury			\$0	\$5,000,000
Auto Property Damage			\$1,000	\$5,000,000
Non-Owned Auto Bodily Injury			\$0	\$5,000,000
Non-Owned Auto Property Damage			\$1,000	\$5,000,000
Uninsured Motorist			\$0	\$1,000,000
Auto Physical Damage	4	\$160,786.00		
Auto PD - Comp			Per Item	\$100,000
Auto PD - Collision			Per Item	\$100,000
High Dollar Vehicles			Per Item	\$1,250,000,000

* Special Deductibles/Limits