

MARCH JOINT POWERS AUTHORITY



NOTICE OF REGULAR MEETING
of the
March Joint Powers Commission
of the
March Joint Powers Authority
and the
March Inland Port Airport Authority
and the
Successor Agency - March Joint Powers Authority
of the
Former March Joint Powers Redevelopment Agency
City of Moreno Valley • City of Riverside • City of Perris • Riverside County
and the
March Joint Powers Commission
of the
March Joint Powers Utilities Authority
City of Moreno Valley • City of Riverside • City of Perris
to the
Public and Members of the March Joint Powers Commission

Notice is hereby given that the Regular Meeting of the **March Joint Powers Commission of the March Joint Powers Authority** will be held at **Western Municipal Water District - Board Room, 14205 Meridian Parkway, Riverside, California 92518** on **Wednesday, June 14, 2023 at 3:00 p.m.**

This Notice was posted on 06/08/23 at the following locations:

Western Municipal Water District
14205 Meridian Parkway
Riverside, CA 92518

On June 8, 2023, Notice was sent to each member of the March Joint Powers Commission.

I hereby certify that the foregoing Notice is a full, true, and correct copy of the Notice posted for the March Joint Powers Authority Commission Meeting.

Cindy Camargo

Cindy Camargo, Clerk
March Joint Powers Authority Commission

REGULAR MEETING
of the
March Joint Powers Commission
of the
March Joint Powers Authority
and the
March Inland Port Airport Authority
and the
Successor Agency - March Joint Powers Authority
of the
Former March Joint Powers Redevelopment Agency
City of Moreno Valley • City of Riverside • City of Perris • Riverside County
and the
March Joint Powers Commission
of the
March Joint Powers Utilities Authority
City of Moreno Valley • City of Riverside • City of Perris

Wednesday, June 14, 2023 - 3:00 PM

**March Joint Powers Authority
Commission Meeting Location:**
Western Municipal Water District - Board Room
14205 Meridian Parkway
Riverside, CA 92518

ALL MEETINGS ARE OPEN TO THE PUBLIC.

Interested persons are encouraged to participate in the activities of the JPA. Anyone wishing to speak on an agenda item or on an issue of general concern should complete a “Speaker’s Request Form” available in the Meeting Room.

ADA: If you require special accommodations during your attendance at a meeting, please contact the JPA at (951) 656-7000 at least 24 hours in advance of the meeting time.

March Joint Powers Authority
14205 Meridian Parkway, Suite 140 Riverside, CA 92518
Phone: (951) 656-7000 Fax: (951) 653-5558

THE MARCH JOINT POWERS COMMISSION
of the
MARCH JOINT POWERS AUTHORITY
and the
MARCH INLAND PORT AIRPORT AUTHORITY
and the
SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY
of the
FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY
City of Moreno Valley • City of Riverside • City of Perris • County of Riverside
and the
MARCH JOINT POWERS COMMISSION
of the
MARCH JOINT POWERS UTILITIES AUTHORITY
City of Moreno Valley • City of Riverside • City of Perris

Wednesday, June 14, 2023 - 3:00 PM

Western Municipal Water District/March Joint Powers Authority
Board Room
14205 Meridian Parkway
Riverside, CA 92518

REGULAR MEETING AGENDA

- 1. Call to Order**
- 2. Roll Call**
- 3. Invocation**
- 4. Pledge of Allegiance**
- 5. Matters Subsequent to Posting Agenda**
Approval of Agenda Additions or Corrections, as Necessary.
- 6. Approval of Minutes of the JPC Regular Meeting held on May 10, 2023 - Page 7**
- 7. Public Comments**
Any person may address the Commission on any subject pertaining to March Joint Powers Authority, March Inland Port Airport Authority, Successor Agency/former March Joint Powers Redevelopment Agency, and March Joint Powers Utilities Authority business not listed on the Agenda during this portion of the Meeting. A limitation of three (3) minutes shall be set for each person desiring to address the Commission.

8. Consent Calendar

MJPA Operations

- 1) Report: Update on JPC Actions, Legislation, Property Transfers and Staff Activities – Page 12
- 2) Report: Update on Planning Activities – Page 17
- 3) Report: Receive and file Financial Status Reports – Page 23
- 4) Action: Approve April 2023 Financial Disbursements – Page 46
- 5) Action: Approve an Amendment to the Professional Services Agreement with Qisheng Pan, PhD to update a 2016 Economic Impact Analysis for the March Joint Powers Authority, and authorize the Executive Director to execute the Amendment – Page 52
- 6) Action: Adopt Resolution JPA 23-11 approving COVID-19 Prevention Procedures (“CPP”) for the March Joint Powers Authority – Page 73
- 7) Action: Approve an expanded Subzone for Foreign Trade Zone (FTZ) No. 244 to Skechers USA Operations – Page 95
- 8) Action: Adopt Resolution JPA 23-13 a resolution of the commission of the March Joint Powers Authority, California, acting as the legislative body of the March Joint Powers Authority Community Facilities District No. 2013-01 (March LifeCare Campus), establishing Fiscal Year 2023/2024 annual special tax to be levied on property within such community facilities district and authorizing the collection of said special tax – Page 120
- 9) Action: Approve the equal distribution of land sales revenue to member agencies of the March Joint Powers Authority and authorize the Authority to retain five percent of revenues for expenses prior to disbursement of funds – Page 128
- 10) Action: Approve a Volunteer and Internship Program Policy for workforce development opportunities at March – Page 200

9. MJPA - Reports, Discussions and Action Items

- 1) Report: Receive and file Navy Reserve Center Riverside Report by CDR Ayman Mottaleb – Page 214
Dr. Grace Martin, Executive Director
- 2) Report: Receive and file the monthly Technical Advisory Committee (TAC) report for June 5, 2023 – Page 215
Mr. Juan Perez, TAC Member
- 3) Report: Receive and file 2022 Audit (all MJPA entities) – Page 216
- 4) Action: Approve a Memorandum of Understanding (MOU) for the construction of the Village West Drive extension – Page 337
Dr. Grace Martin, Executive Director
- 5) Action: Authorize the Executive Director to take any and all action necessary to confirm the MJPA’s ownership of the former Signature Healthcare property and to begin taking steps to dispose of the Signature Healthcare property in compliance with the Surplus Property Act – Page 359
Dr. Grace Martin, Executive Director

10. Public Hearing – MJPA

- 1) Action: Conduct a Public Hearing regarding Resolution JPA 23-12, a resolution ordering the annexation of territory to Landscaping and Lighting Maintenance District No. 1, direct the opening of the ballot for parcel number 294-170-015 and upon a yes vote confirming annexation, approve levy of assessments consistent with the Engineer’s Report for fiscal year 2023/2024 for Landscaping and Lighting Maintenance District No. 1, inclusive of Annexation No. 5 – Page 418

11. Consent Calendar

MIPAA – Operations

- 1) Report: Update on JPC Actions, Legislation, Property Transfers, Planning Activities and Staff Activities – Page 451
- 2) Report: Receive and file Financial Status Reports – Page 456
- 3) Action: Approve April 2023 Financial Disbursements – Page 461

12. MIPAA - Reports, Discussions and Action Items

- 1) Action: Approve establishing an Investment Account for March Inland Port Airport Authority with Citizens Trust and Authorize the Executive Director to execute any documents – Page 463

13. Consent Calendar

MJPUA – Operations

- 1) Report: Receive and file Financial Status Reports – Page 472
- 2) Action: Approve April 2023 Financial Disbursements – Page 476

14. Commission Members Oral Reports/Announcements

15. Staff Oral Reports/Announcements

16. Calendaring of Future Agenda Items

Future agenda items may be scheduled by JPC Members or staff.

17. Adjournment

In accordance with Government Code section 65009, anyone wishing to challenge any action taken by the Commission of any of the entities listed in this agenda above in court may be limited to raising only those issues raised at the public hearings described in the notice or raised in written correspondence delivered to the hearing body, at or prior to the public hearing. Any written correspondence submitted to one or more of the March JPA Commissioners regarding a matter on this Agenda shall be carbon copied to the Commission Clerk and the project planner, if applicable, at or prior to the meeting date first referenced above.

Copies of the staff reports or other written documentation relating to each item of business described above are on file in the office of Clerk of the March Joint Powers Authority (JPA), 14205 Meridian Parkway Ste. 140, Riverside, California and are available for public inspection during regular office hours (7:30 a.m. to 5:00 p.m., Monday through Thursday, Closed-Friday). Written materials distributed to the March Joint Powers Commission within 72 hours of the March Joint Powers Commission meeting are available for public inspection immediately upon distribution in the Clerk’s office at the March JPA offices at 14205 Meridian Parkway, Ste. 140, Riverside, California (Government Code Section 54957.5(b)(2)). Copies of staff reports and written materials may be purchased for \$0.20 per page. In addition, staff reports can be reviewed online at www.marchJPA.com. Pursuant to State law, this agenda was posted at least 72 hours prior to the meeting.

ADA: If you require special accommodations during your attendance at a meeting, please contact the March JPA at (951) 656-7000 at least 24 hours in advance of the meeting time.

I hereby certify under penalty of perjury, under the laws of the State of California, the foregoing agenda was posted in accordance with the applicable legal requirements.

Dated: June 8, 2023

Signed: Cindy Camargo

Cindy Camargo, Clerk of the March Joint Powers Authority Commission

March Joint Powers Authority
14205 Meridian Parkway, Suite 140, Riverside, CA 92518
Phone: (951) 656-7000 FAX: (951) 653-5558

THE MARCH JOINT POWERS COMMISSION
of the
MARCH JOINT POWERS AUTHORITY
and the
MARCH INLAND PORT AIRPORT AUTHORITY
and the
SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY
of the
FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY
City of Moreno Valley • City of Riverside • City of Perris • County of Riverside
and the
MARCH JOINT POWERS COMMISSION
of the
MARCH JOINT POWERS UTILITIES AUTHORITY
City of Moreno Valley • City of Riverside • City of Perris

Wednesday, May 10, 2023 - 3:00 PM

Western Municipal Water District/March Joint Powers Authority
Board Room
14205 Meridian Parkway
Riverside, CA 92518

REGULAR MEETING MINUTES

- 1. Call to Order**
Chair Conder called the meeting to order at 3:00 p.m.
- 2. Roll Call**
Present: Rogers, Jeffries, Vargas, Perry, Cabrera, Gutierrez, Conder
Absent: Delgado
- 3. Invocation**
Pastor Gardner provided the invocation.
- 4. Pledge of Allegiance**
Member Vargas led the group in the pledge.
- 5. Matters Subsequent to Posting Agenda**
Approval of Agenda Additions or Corrections, as Necessary.
None.
- 6. Approval of Minutes of the JPC Special Meeting held on March 16, 2023 and the JPC Regular Meeting held on March 22, 2023**

No questions or comments.

Motion to approve the JPC Special Meeting Minutes for the meeting held on March 16, 2023 and the JPC Regular Meeting held on March 22, 2023.

Motion: Rogers
Second: Jeffries
Ayes: Rogers, Jeffries, Vargas, Perry, Cabrera (2 votes), Gutierrez, Conder
Noes: None
Absent: Delgado
Abstain: None

7. Public Comments

Any person may address the Commission on any subject pertaining to March Joint Powers Authority, March Inland Port Airport Authority, Successor Agency/former March Joint Powers Redevelopment Agency, and March Joint Powers Utilities Authority business not listed on the Agenda during this portion of the Meeting. A limitation of three (3) minutes shall be set for each person desiring to address the Commission.

53 public comment emails received.

Riverside resident Mike McCarthy shared information on EPA's clean ports initiative and funding opportunities. Expressed concerns on access to privately owned West March Upper Plateau project area, as well as warehousing in Riverside county as compared to other counties.

8. Consent Calendar

MJPA Operations

- 1) Report: Update on JPC Actions, Legislation, Property Transfers and Staff Activities
- 2) Report: Update on Planning Activities
- 3) Action: Receive and file Financial Status Reports
- 4) Action: Approve the grant of an easement deed for a 1.09-acre portion of the Heacock Channel to the Riverside County Flood Control and Water Conservation District and authorize the Executive Director to execute related documents
- 5) Action: Adopt Resolution JPA 23-02 approving the 2023 March Joint Powers Authority local guidelines for implementing the California Environmental Quality Act (CEQA)
- 6) Action: Approve March 2023 Financial Disbursements
- 7) Action: Approve an agreement with Canon Solutions America, Inc. and authorize the Executive Director to execute related documents
- 8) Action: Adopt three Resolutions involving annexation of Property into LLMD No. 1 as follows: 1) Adopt Resolution JPA 23-03 A Resolution of The Commission of the March Joint Powers Authority Initiating LLMD No. 1 Annexation Proceedings and Ordering Preparation of the Fiscal Year 2023/2024 LLMD No. 1 Engineer's Report Within Landscaping And Lighting Maintenance District No. 1; 2) Adopt Resolution JPA 23-04 A Resolution of the Commission of the March Joint Powers Authority Preliminarily Approving the Engineer's Report for the Levy of Annual Assessments for Fiscal Year 2023/2024; And 3) Adopt Resolution JPA 23-05 A Resolution of the Commission of the March Joint Powers Authority Declaring the Intent of Annexing Assessor Parcel Number 294-170-015 into LLMD No. 1; to levy and collect assessments for Fiscal Year 2023/2024 within Landscaping and Lighting Maintenance District No. 1; and setting the public hearing for hearing objections thereto

No comments or concerns.

Motion to approve Consent Calendar – MJPA Operations, Items 8 (1-8).

Motion: Vargas

Second: Jeffries

Ayes: Rogers, Jeffries, Vargas, Perry, Cabrera (2 votes), Gutierrez, Conder

Noes: None

Absent: Delgado

Abstain: None

9. MJPA - Reports, Discussions and Action Items

- 1) Report: Receive and file 2023 Washington DC legislative trip report

Dr. Grace Martin, Executive Director

Dr. Grace Martin and Lynn Jaquez (CJ Lake LLC) provided a report on this item and briefed the Commission and public on meetings with thirteen federal entities to include Congressional and Senate leaders and staff.

Chair Conder thanked the CJ Lake team and MJPA staff for their work in the field, and reiterated the successes experienced by the group during the legislative visits on the hill. Member Vargas thanked Chair Conder for his leadership and shared stories regarding the transitions between each meeting and hard work behind coordinating and preparing for those meetings.

- 2) Report: Receive and file 2023 Southern California air show report

Dr. Grace Martin, Executive Director

Colonel Reed reported on the outcome of the air show at March. He reported that air show was well attended with over 450,000 attendees over a two day period. Because of the heat there were 250 medical instances that required some level of support, not all of them needed ambulances but AMR and the Riverside University Health System did an excellent job promoting safety. Thanked the JPA and member agencies for support. March team is preparing for the 2025 air show which may occur on the first or second week of April 2025.

March Field Foundation President, Jamil Dada, added stories of success from the air show and the foundation's fundraising efforts, and thanked the JPA and member agencies for their generous support. March air museum hosted 7,000 to 8,000 spectators which is a record for the museum.

- 3) Action: Establish an ad hoc subcommittee and appoint two members to provide guidance to Authority staff in relation to the Heacock parking lot litigation

Dr. Grace Martin, Executive Director and Attorney Thomas Rice

Dr. Grace Martin and Counsel Thomas Rice shared that the proposed subcommittee would receive updates and information on the litigation that the JPA is currently engaged in with the city of Moreno Valley. As lawsuits are never easy, the committee would allow staff to share information without the item being discussed in public or in closed session. The action wouldn't delegate any authority to the subcommittee; ultimate settlement authority would reside with the commission as a whole.

Motion to approve Reports, Discussions and Action Items – MJPA Item 9 (3).

Motion: Vargas

Second: Jeffries
Ayes: Rogers, Jeffries, Vargas, Perry, Gutierrez, Conder
Noes: Cabrera (2 votes)
Absent: Delgado
Abstain: None

Ad-hoc Subcommittee: Members Vargas and Perry

10. Consent Calendar

MIPAA – Operations

- 1) Report: Update on JPC Actions, Legislation, Property Transfers and Staff Activities
- 2) Report: Receive and file Financial Status Reports
- 3) Action: Approve March 2023 Financial Disbursements

No questions or comments.

Motion to approve Consent Calendar – MIPAA Operations, Items 10 (1-3).

Motion: Cabrera
Second: Rogers
Ayes: Rogers, Jeffries, Vargas, Perry, Cabrera (2 votes), Gutierrez, Conder
Noes: None
Absent: Delgado
Abstain: None

11. Consent Calendar

MJPUA – Operations

- 1) Report: Receive and file Financial Status Reports
- 2) Action: Approve March 2023 Financial Disbursements

No questions or comments.

Motion to approve Consent Calendar – MJPUA Operations, Items 11 (1-2).

Motion: Rogers
Second: Perry
Ayes: Rogers, Vargas, Perry, Cabrera (2 votes), Conder
Noes: None
Absent: Delgado
Abstain: Jeffries, Gutierrez

12. Commission Members Oral Reports/Announcements

May 12th is National Military Spouse Appreciation Month

13. Staff Oral Reports/Announcements

Happy Mothers' Day to all the mothers.

14. Calendaring of Future Agenda Items

Future agenda items may be scheduled by JPC Members or staff.

Member Cabrera stated that one of the residents brought up available funding as possible to apply for and to secure through the EPA clean boards initiative. He wondered if that was something JPA is already working on.

Dr. Martin responded that Mr. Mike McCarthy brought up the idea of EPA funding to staff. It was new information to staff and her team will look into it. She thanked Mr. McCarthy for the information.

15. Adjournment

The meeting adjourned at 3:48 p.m.

**March Joint Powers Authority
14205 Meridian Parkway, Suite 140, Riverside, CA 92518
Phone: (951) 656-7000 FAX: (951) 653-5558**

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (1)

Meeting Date: June 14, 2023

Report: **UPDATE ON JPC ACTIONS, LEGISLATION, PROPERTY TRANSFERS AND STAFF ACTIVITIES**

Motion: Move to receive and file the report or take other actions as deemed appropriate by the Commission.

Background:

This report is an update of staff activities since the last March Joint Powers Commission (Commission) meeting. The report is not all-inclusive of staff work. It provides a summary of some activities relating to previous actions or direction by the Commission. **New information is noted in bold.**

Utilities

Natural Gas: The natural gas distribution system was transferred to the March JPUA in December 2004. The March JPUA staff conducts the meter reading and billing functions. The Capacity Survey completed by the Gas Company identified that adequate capacity exists to serve the Army Reserve and CalFire's planned construction. However, the distribution system will be nearing its maximum capacity during the cold weather season. The Medical Campus development will address the backbone infrastructure upgrades needed for the MJPA Northeast Corner, and would also support our Green Acres housing, for the MJPA. Federal funding for gas line improvements will continue to be requested as part of the MJPA's legislative agenda. At the Commission's request, staff researched an alternative to natural gas in Green Acres by analyzing the feasibility of converting the housing units to electric and installing solar to power the homes. That cost was prohibitive to the JPA to pursue and with the historic nature of the homes solar panels were not an option. Staff will continue to seek funding through grant opportunities. March JPA staff met with Sempra Utilities (SoCal Gas) in October to discuss potential plans for sunseting and dissolving the Utilities Authority and ceasing gas services to existing Northeast corner customers; however, as part of dissolving the March JPUA we need a reliable company that can provide natural gas services to our customers. SoCal Gas staff expressed an interest in this transition but requested that MJPA issue a letter memorializing its plans to dissolve its Utilities Authority in the future. On November 24, 2021, the MJPUA approved a Letter of Intent (LOI) to dissolve the MJPUA and cease natural gas services within the JPA Planning Area. The LOI was then sent to the SoCal Gas Company. On December 14, 2021, SoCal Gas and MJPA staff discussed next steps to transitioning MJPUA customers to SoCal Gas by December of 2022. A formal resolution with a transition plan will be presented to the MJPUA Commission in the future for consideration. **6/8/23: Base Commander, Col Aufderheide, has asked for assistance in addressing the Base's old gas system. On June 12th, JPA staff, SoCal Gas, and Base MSG leaders will be touring the Base and Green**

Acres to explore opportunities for partnership that will help the Base and JPA upgrade old gas lines. OLDCC representatives will also be attending as JPA is applying for a planning grant that can help improve energy resiliency at March.

Northeast Corner

March Healthcare Development (MHD): The March Joint Powers Planning Commission recommended approval of the Specific Plan and EIR at their November 4, 2009 Public Hearing. The March Joint Powers Commission (JPC) approved the Specific Plan and certified the EIR at the Public Hearing held November 18, 2009. The Disposition and Development Agreement (DDA) and associated resolutions were approved by the JPC on April 7, 2010. The first building was demolished on July 27, 2010. Approximately 22 structures have been demolished by MHD to date. The concrete and asphalt from the demolition have been consolidated into one stockpile to be recycled. Six additional buildings have been demolished by the JPA using EDA grant funds. Due to the Moreno Valley litigation, and in accordance with the DDA, the Developer notified the JPA that all timelines for MHD's performance under the DDA are suspended effective May 28, 2013, and will not re-commence until the lawsuit is fully and finally dismissed or resolved in a manner which does not interfere with MHD's or the JPA's ability to perform under the DDA. The Notice of Settlement and Abandonment of Appeal were officially filed with the court August 8, 2014. New performance timelines were established based on the 437 day force majeure. The first parcel sale closed on April 6, 2015. The remaining EDA grant funds were used to demolish several additional buildings on the northeast corner. This demolition project is now complete. 2/16/16: March JPA received a plot plan application for the Signature Health project on about 7.5 acres at the northwest corner of N Street and 6th Street. 3/24/16: March JPA Staff was informed that water backbone infrastructure plans are near completion and final approval by WMWD. 10/12/16: WMWD issued a Notice to Proceed to MHD to construct the south loop water infrastructure improvements. The waterline project has been completed and energized. 04/12/17: March JPC approved the Second Amendment to the Disposition and Development Agreement. The Amendment was also approved by the Oversight Board on 04/27/17 and was forwarded to the California Department of Finance (DOF) for consideration on May 2, 2017. On May 5, 2017, DOF notified March JPA that it will be reviewing the Oversight Board action. By statute, DOF has 40 days to review the action. On June 14, 2017, DOF disallowed the Oversight Board's approval of the Second Amendment to the DDA. On July 26, 2017, the Commission approved a Force Majeure extending certain performance criteria in the Disposition and Development Agreement. On September 26, 2018, the Commission approved the 2nd Amendment to the Disposition and Development Agreement. On September 28, 2021, the JPA rejected a Force Majeure filed by March1 on September 20th, claiming impacts to the construction schedule due to delays by WMWD. However, on October 12, 2021, WMWD issued a stop work notice for the pressure reducing valve (PRV) that is associated with Phase D-1 of the Lifecare project which could impact the timing of the project. WMWD indicated that the reason for the stop work notice is because they recently received a federal grant from the Department of Defense to increase water capacity for the Base, and because the PRV is connected to that water capacity increase the DOD is requiring WMWD to complete a NEPA study to receive grant funds. Construction of the PRV cannot commence until the NEPA study is completed according to the DOD. MJPA staff is working with WMWD staff to address impacts to MJPA and the Lifecare project. On October 29, 2021 March1 submitted another Force Majeure reiterating impacts to construction due to delays by WMWD. MJPA rejected the second Force Majeure with further direction on next steps for discussions. Since October of 2021, MJPA staff and March1, LLC negotiated terms for a Third Amendment to the March LifeCare Campus Disposition and Development Agreement On January 26th, the Commission approved a Third Amendment to the March LifeCare project DDA. The Amendment established an extension of eight months on Phase 1 infrastructure improvements, giving the master

developer until September of 2022 to complete agreed upon improvements. In late December 2021, March1 provided March JPA Staff with a project description, conceptual site plan and building elevations for a proposed Continuing Care Retirement Community (“CCRC”) to provide a continuum of care services for elderly seniors. On January 13, 2022, March JPA Staff held a Pre-Application Meeting for the proposed CCRC. March1 presented the proposed project to March JPA Staff/departments, outside agencies/utility companies and representatives from our member jurisdictions. The meeting was held so that March1 could obtain feedback/information prior to a formal application submittal which would require the vetting of an actual user prior to any entitlements. A formal submittal of plans has not yet been completed. The following matrix represents the status of required DDA-Third Amendment improvements, as of December 26, 2022. On April 12, the commission approved a Fourth Amendment to the DDA. This amendment allowed for the extension of time for completion of the PRV facility from April 11th to July 30th, 2023. **An easement agreement is underway between MJPA, WMWD and March1 LLC to address a water line connecting to a nearby Cactus channel crossing.**

| | TASK | DUE DATE – per 3 rd Amendment of DDA | STATUS |
|---|---|---|--|
| 1 | PRV Facility | 6 months from Notice to Proceed date | WMWD has completed the required NEPA study for a DOD grant received for the project. A Notice To Proceed was issued on October 11, 2022 with a completion deadline of April 11, 2023. Construction has not yet started. On December 26, 2022, March1 submitted a letter to MJPA requesting a 4th amendment to their DDA modifying language to allow for additional time to complete the PRV facility. The request will be reviewed against the terms of the Agreement. The April 11, 2023, deadline remains. A fourth amendment was approved by Commission at the April 12 th JPC meeting to allow an extension of time on the PRV and a new milestone based on deliverables. |
| 2 | Landscape Improvements – Riverside Drive | No later than Sept 30, 2022 | This task has been completed and requirement is satisfied. |
| 3 | Backbone water infrastructure (per Amended Exhibit D-1) – (i) Riverside Drive and Meyer Drive 24” pipeline; (ii) 12” pipeline along Riverside Drive; (iii) 12” pipeline along N Street; (iv) 12” pipeline along 6 th Street, and subject to Authority Engineer approval. | No later than July 30, 2022 | This task has been completed and requirement is satisfied. |
| 4 | Slurry seal and restripe existing pavement on roadway sections reflected on Amended Exhibit D-1, and subject to Authority Engineer approval. | No later than Sept 30, 2022 | This task has been completed and requirement is satisfied. |

| | | | |
|---|---|-----------------------------|--|
| 5 | Structural grind and overlay with restripe on those roadway sections on Amended Exhibit D-1 – min. 0.15 ft. grind and AC overlay, and subject to Authority Engineer approval. | No later than Sept 30, 2022 | This task has been completed and requirement is satisfied. |
| 6 | Correction of road cross-slopes to match County standards and subject to Authority Engineer approval. | No later than Sept 30, 2022 | This task has been completed and requirement is satisfied. |
| 7 | Repair of long sewer trench failure along Riverside Drive and subject to Authority Engineer approval. | No later than Sept 30, 2022 | This task has been completed and requirement is satisfied. |
| 8 | Repair of Drainage inlets identified on Exhibit D-1.1 and subject to Authority Engineer approval. | No later than Sept 30, 2022 | This task has been completed and requirement is satisfied. |
| 9 | Remove and replace broken, buckled and distressed concrete sidewalk, curb, and gutter as identified on Exhibit D-1.1 and subject to Authority Engineer approval. | No later than Sept 30, 2022 | This task has been completed and requirement is satisfied. |

Naval Operational Support Center “NOSC” Parcel: On June 10, 2017, the Navy broke ground at its new site within the cantonment fence. The new Navy Operational Support Center was completed August 2019. Due to COVID-19, the transfer was delayed until Spring 2021. At the June 9, 2021 Commission meeting, the JPC accepted the grant from the Navy for the Navy Operational Support Center in the Northeast Corner. The Navy parcel transfer completed the land swap authorized by Congress in 2005. In March of 2022, Brigadier General Peter Cross of the CA Army National Guard, contacted Dr. Martin regarding their interest in installing a Youth Challenge Academy at March. Their closest academy (“Sunburst”) is housed at the Los Alamitos Joint Forces Training Base in LA County with a high attendance rate from Riverside County youth. As the NOSC building exists outside of the limits of the March LifeCare Campus Specific Plan, the CAARNG expressed interest in using the site for their program. The project could yield a \$30 million investment in the region. On October 19, 2022, staff received an email from CAARNG indicating an interest in purchasing the site. MJPA staff is in the process of coordinating an Exclusive Negotiating Agreement with the National Guard. The agreement was approved at the January 11, 2023 JPC. Since that time CAARNG requested updates as such, a revised ENA is scheduled for Commission consideration at their April 12th meeting. On April 12th, the Commission voted to adopt the amended ENA and the agreement was fully executed on April 27th, 2023 between the parties. Senator Roth submitted SB228 to state legislators for consideration and support, which seeks approval of \$500,000 to CMD for the assessment of the NOSC building for the Youth Challenge program. **SB228 passed and \$500k budget for assessing the NOSC building was approved. Property assessments by the State will begin July 1, 2023.**

Green Acres: The approximate 52.72-acre historic area (“Property”) is comprised of one-hundred and eleven historic homes that are currently owned and managed by the Authority. The Property is located on the southwest corner of Riverside Drive and Meyer Drive just outside of the March Air Reserve Base (Base) cantonment area. The Property was quitclaimed to the Authority in 2006, as part of the Base Realignment and Closure process of 1995, and recorded in the County of Riverside’s Official Records as Document No. 2006-0783416 (Quitclaim Deed). In April of 2022, the JPA advertised the availability of the Property for sale through an invitation to submit Letters of Interest to either purchase the property outright, or to redevelop the property through a development agreement. Invitations were sent to non-profit, government and private entities. Proposals were due no later than August 31, 2022. While staff received several inquiries on the property, only one formal proposal was received before the deadline. On March 6th through March 8th, 2023, the Chair and Executive Director attended the Association of Defense Communities wherein extensive discussions occurred with Office of Local Defense Community Cooperation (OLDCC) representatives regarding partnership opportunities with the Base. As housing continues to be a significant issue of concern for the military, the Chair is interested in utilizing Green Acres to support March Base housing needs. As such, the executive director was asked to place an item on the 3/22/23 agenda for Commission to reconsider its previous decision to dispose of the Green Acres development. On 3/22/23, the Commission voted to retain Green Acres and work with March Air Reserve Base on their housing needs. **In August, staff will present a military preference housing program for Green Acres, which will prioritize the placement of military personnel at March ARB on the listing for any Green Acres housing opportunities.**

Attachment: None

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (2)

Meeting Date: June 14, 2023

Report: **UPDATE ON PLANNING ACTIVITIES**

Motion: Move to receive and file the report or take other action as deemed appropriate by the Commission.

Background:

This report is a status update of major planning projects. The report is not all-inclusive of staff work. It provides a summary of some activities relating to major planning projects or direction by the March Joint Powers Commission. In all cases, the following projects are required to return to the March Joint Powers Commission for final action. **New information is noted in bold.**

March JPA General Plan Update: Project on hold. Last update provided 09/28/22.

Community Sports Complex

Objective: Plan, design and finance 48–60-acre Sports Complex through the Sports Complex Committee

Status: A parks sub-committee meeting was held on 2/1/06. A follow-up meeting ran by Paul Frandsen was held on April 7, 2006. MJPA briefed the Executive Committee on May 3, who directed Michael Morris to identify the site for the 60-acre park site. MJPA staff rejected the first conceptual park site submitted by LNR due to concerns with steep topography and riparian environment. On October 18, 2006, the Parks Subcommittee discussed three new potential park sites proposed by LNR Riverside, LLC. The Parks Directors did a reconnaissance study on November 20, 2006 to recommend the best park site. An RFP for a Needs Assessment and Feasibility Study is being developed for the park. The draft resolution was sent to the Parks Directors on April 13, 2007. The park site location was confirmed at the Parks Subcommittee meeting on May 9, 2007. A meeting was held with the Parks Directors on June 14, 2007 to refine the objectives of the RFP. The preparation of an aviation safety study was authorized for the park site by the March Joint Powers Commission on February 20, 2008. A Parks Subcommittee meeting was held on January 28, 2009, at which time the Subcommittee accepted the recommendation of ESA to continue to analyze a new location for a park site. The committee directed LNR to identify a new potential Park site to be reviewed at the next Parks subcommittee meeting. The Parks Subcommittee met on March 11, 2009. At that time, the subcommittee toured three proposed park sites. It was generally agreed that all three park sites were valid alternatives for the Park. It was determined that the MJPA would create a decision matrix by Monday, March 16 and the Committee members would score the sites to determine the best site. The decision matrix was circulated on March 18, 2009. On May 11, 2009 a subcommittee of the Parks Committee recommended selection of a park site near Grove Community Church. On March 2, 2016, the March Joint Powers Commission authorized the selection of Willdan

Financial Services to prepare the Parks Development Impact Fee (DIF) study that will partially fund the planned Sports Complex. On May 31, 2016, MJPA staff met with City of Riverside Parks Director, Adolfo Cruz and other senior Parks and Recreation staff to obtain input on the MJPA parks DIF study. On August 17, 2016, March JPA staff met with Scott Bangle – Riverside County Parks General Manager and Spencer Campbell – City of Perris Parks Recreation Supervisor II to discuss the future March JPA Parks Impact Fee. The framework for a Parks/Recreation Development Impact Fee was provided by Willdan Financial Services on February 13, 2017. A revised draft fee analysis was provided by Willdan on March 14, 2017 and reviewed with the member jurisdictions Parks Directors on April 4, 2017. A conference call is scheduled with Willdan Consultants regarding the final draft Parks DIF study on 9/15/17. Upon gaining concurrence with the member jurisdiction’s Parks Directors, this item appeared before the Parks Ad Hoc Sub-Committee, and to the Technical Advisory Committee, prior to presenting to the full March Joint Powers Authority Commission. On 10/19/17, the City of Riverside and the County Parks representatives consented to the methodology used in the Parks Development Impact Fee Study. A Parks Subcommittee (Victoria Baca, Kevin Jefferies and Andy Melendrez and the member jurisdictions Parks Directors) was held on December 20, 2017 to review the draft March JPA Parks Nexus Study. At the direction of the Ad Hoc Committee, March JPA reviewed the parks nexus study with March ARB staff and the Riverside County Airport Land Use Commission and returned this item to the Ad Hoc Parks Subcommittee within 90 days. On February 22, 2018 March JPA met with the Riverside County Airport Land Use Commission staff and March ARB staff to discuss various park development alternatives, and to discuss the intensity of those uses in terms of people per acre. The Riverside County Airport Land Use Commission staff and March Air Reserve Base staff requested additional information regarding the density/intensity of the proposed sports complex. On September 22, 2021, the Meridian Park LLC development group held a community meeting within the City of Riverside at the Orange Terrace Community Center, to share draft development plans for the MJPA’s weapons storage area (aka Upper Plateau) with the public and obtain community feedback on a proposed 60-acre recreation/open space area within their overall Upper Plateau Specific Plan. The development group, in coordination with MJPA staff, held meetings with Riverside County and city parks and recreation staff regarding the proposed park location and design prior to scheduling a second community meeting to obtain public feedback on park features. On February 14, 2022, March JPA and developer hosted an all hands meeting with parks directors from member agencies to discuss the proposed 60-acre recreation/open space area within the proposed Upper Plateau Specific Plan. Attendees also included Riverside Councilmember Chuck Conder, Riverside City Manager Al Zelinka, and Riverside Police Chief Larry Gonzalez. A discussion ensued regarding the development of a City of Riverside Police Station at the Park site. As a result of the meeting, the developer, City of Riverside and JPA Staff are reviewing the parameters of the pertinent Settlement Agreements and Development Agreements to determine flexibility in the development of the park and potential police station. The JPC Parks Subcommittee met to discuss the status of the community park on May 9, 2022. At that time, an overview of the Center for Biological Diversity et al. v. Bartel et al. settlement agreement was provided identifying that this settlement released 424-acres for development with an additional 60-acres allowed for the planned community park. Discussion also occurred regarding the early proposal for rough grading and installation of utilities on the 60-acre park site and future disposition of the park site. The Parks Committee requested that this item be returned for future discussion prior to any action by the full Commission.

CEQA Review of the Master Drainage Plan

Objective: Prepare Environmental Documents for the March JPA Master Drainage Plan

Status: February 25, 2010 – MJPA met with Riverside County Flood Control and LNR to review LNR’s proposal for modifications to the overall drainage plans recently completed by

RBF. 4/7/10 – Riverside County Flood Control reviewed a Unit 4 drainage study for Meridian Business Park to identify if there is a need to update the Master Drainage Plan that was previously completed by RBF. 7/6/2010 – The MJPA received a progress report from JM Waller Associates, NEPA consultants to the VA, identifying that the location of the previously proposed basin location for the master drainage plan is not recommended. Outstanding issues as it relates to the proposed basin site include: a) potential encroachment into an old Camp Haan landfill site; b) the landfill area has not yet been closed by the AFRPA and the USACE which would introduce complications to environmental review efforts associated with the Project. 7/13/2010 – A conference call between the MJPA, LNR and LNR representatives confirmed that the proposed basin site is not recommended and that alternative locations would be necessary. LNR then pursued an alternative to redesign existing detention facilities. 12/2/10 – A meeting was held with MJPA staff, LNR, and K&A Engineering to review an amended scope of work to pursue alternative designs. K&A Engineering was authorized to begin work on the revised scope of work. MJPA staff, LNR, and K&A Engineering met with RCFC on 3/10/11 to discuss alternative designs. K&A Engineering finalized cost estimates on their alternative designs. 6/22/11 – Meeting with K&A, LNR, RCFC, and staff to discuss alternatives and CEQA process. March JPA staff met with LNR and K&A Engineering on 7/7/11 to discuss three alternatives. MJPA staff identified a preferred alternative and K&A will make minor plan revisions and submit to RCFCWCD and MJPA for preliminary concept acceptance. March JPA staff and LNR will meet with RCTC in late September to discuss the preferred alternative and obtain approval for necessary right-of-way before commencing environmental review. Staff met with RCTC and LNR to discuss needed easements for the storm drain alignment. RCTC was agreeable to the proposal and further discussion will ensue as the design progresses. LNR submitted their Enhanced Use Lease request to the VA for their review and consideration prior to the expiration of the federal EUL program in January 2012. K&A Engineering will finalize the revised alternative and will resubmit the report in the next few weeks. LNR is reviewing the final report and will be forwarding to JPA staff in January 2012. MJPA staff is meeting with LNR and K&A on 2/15/12 to discuss the revised alternatives report. The MJPA, LNR, K&A Engineering, and RCFCWCD are meeting at the end of March to discuss the revised alternatives. Meetings with RCFCWCD were positive, and K&A is finalizing a submittal package for RCFCWCD to review the detailed plans, with submittal expected during the week of April 9th, 2012. MJPA Commissioners and staff met with the VA in DC the week of April 23, at which the VA indicated their willingness to grant an easement for sewer and storm drain. The consultants are drafting easement documents and exhibits to send to the VA for review. Preliminary alignment exhibits and easement documents are being packaged to be sent to the VA for review the week of 6/18/12. Staff is waiting for review and approval of conceptual alignments by Metropolitan Water District (MWD) to utilize a portion of their easement along the I-215. 7/9/13 – Findings from K&A's design work triggered the need to modify the existing MOU between MJPA and LNR by adding necessary tasks to the original Scope of Work. This work includes modifying design work to address Riverside County Flood Control comments, and to move forward with more detailed engineering designs (30%) for the Van Buren Culvert Outfall Storm Drain. A meeting was held on October 14, 2014 to discuss the status of the master drainage plan with the March ARB Deputy Civil Engineer. No concerns for the proposed master drainage plan were expressed at that meeting. On March 25, 2015 Don Berg of K&A Engineering met with JPA officials to discuss completion of the Regional Drainage Plan for West March. The change orders (CO#4 and CO#5) to address the modified Meridian/March Business Center outfall channel were approved by the Commission on the August 5, 2015. March JPA staff and K&A Project Engineer Don Bergh met with March ARB staff on October 6, 2016 to discuss the preliminary alternatives for the master drainage facilities planned for the vicinity of I-215 south of Van Buren. On April 12, 2017 March JPA staff and Don Bergh (JPA consultant/K&A Engineering) met with Pete Young and Greta Hamilton (Riverside National Cemetery) regarding drainage and storm

detention improvements that could reduce flooding within Riverside National Cemetery. On October 17, 2017, March JPA staff met with Sean Feeley, Doug Waters, Mark Moritz, Rock Rockholt and Don Bergh to discuss drainage options near March ARB for stormwater flows generated in west March. March ARB will take approximately 4 weeks in reviewing the information provided at the meeting. The next step is preparation of the draft drainage alternatives after receiving more input from March ARB. March ARB provided K&A its preferred drainage alternative. Don Bergh provided an update to the Technical Advisory Committee on January 14, 2019. On January 30, 2019 a subsequent meeting was held with RCFCWCD, staff and MARB Civil Engineering to discuss Phases 3, 4 and 5 of the West March Master Drainage Plan. In late March 2019, RCFCWCD staff is scheduled to discuss findings and provide recommendations to MJPA and MARB Civil Engineering Staff. From April through July 2019, RCFCWCD, MJPA, MARB continued working together to review project documentation and technical analysis. On July 22, 2019, RCFCWCD presented to the March JPA TAC, findings and recommendations for the Master Drainage Plan, Alignments 3-5 and drainage recommendations for the VIP 215 Project. MARB Staff will continue to work with March JPA staff on issues that may affect the Base. March JPA TAC will continue to monitor the project's status at its meetings. RCFCWCD is leading efforts to finalize plans and develop Cooperative Agreements between the District, March JPA, Meridian Park LLC, Hillwood and MARB for the implementation of the West March Master Drainage Plan Lateral B improvements. The Lateral B line is designed to convey offsite flows from the Meridian Business Center East and South Channel Basins, the golf course properties, the Riverside National Cemetery, Westmont Village community and Hillwood Parcel D-2 development, to Riverside County's Perris Valley Channel Line B located south of the base within the City of Perris. A draft MOU is currently being circulated between all the parties for review. March ARB has been asked to consider easement needs for the project on Base property. A draft MOU for Lateral B- Stage 4 was approved by the Commission on 12/22/21. The MJPA, March Inland Port Airport Authority (MIPAA), Riverside County Flood Control and Water Conservation District (RCFCWCD) and Riverside Inland Development, LLC (Parcel D-2 Developer) entered into a Cooperative Reimbursement Agreement (Agreement), to expedite the completion of the Perris Valley Flood Control & Drainage Project, Lateral B Project, Stage 4 which will provide necessary flood control and drainage to the area to accommodate the development changes on MJPA controlled property and to ensure the future United States Air Force (USAF) mission at the March Air Reserve Base. The Agreement outlined the roles of the parties in designing, inspecting, operating and maintaining the Perris Valley Channel Lateral B Project, including funding the \$12 million project. An MOU for the construction of Lateral B, Stages 1 and 2, was approved between the MJPA and Meridian Park LLC, on September 28, 2022. This MOU completes the funding plan for Segments 1 and 2. Project is anticipated to be completed within a 24-month timeline.

Heacock Flood Control Channel: Project complete. Project history last posted 09/28/22. A 1.09-acre easement behind the Commissary is on the Commission agenda for approval of transfer to RCFCWCD for maintenance purposes.

Cactus Flood Control Project:

Objective: Flood Control Improvement to Cactus Channel

Status: Project history last posted 9/28/22.

RCFCWCD has completed 90 percent design work on construction plans for the project and is finalizing the Cooperative Agreement between March Air Reserve Base, March JPA, USDA and private developers for the funding and construction of the project. Because there is a shortage on funding for the project, staff continues to research grant opportunities that can be pursued in partnership with RCFCWCD. On May 17, 2022, USDA staff confirmed their agency's

ownership of the Cactus channel segment along their property. A formal request from the RCFCWCD was submitted to begin the easement transfer of channel property within USDA's jurisdiction, to the District for future installation of Cactus Channel improvements. On June 14th and 15th, 2022, March JPA commissioners and staff met with the USDA and Air Force Reserve Command during a legislative trip to Washington DC and discussed the Cactus channel and need for permanent right-of-way and support for funding on their individual segments of the channel project. Overall, the USDA and Air Force Reserve are supportive of issuing easements for construction and maintenance on the channel. Feedback on funding from both agencies is forthcoming. In March of 2023, RCFCWCD, MJPA, MARB and City of Moreno Valley met to discuss the Cooperative Agreement for the project. Agencies will start reviewing terms again and meet regularly to finalize an agreement for execution.

West Campus Upper Plateau:

Objective: Private Development, generating revenue and jobs

A proposed project to develop an approximate 360-acre Specific Plan (SP-9) and record a Conservation Easement on 445-acres of Open Space. The development area (Specific Plan) is generally located east of Barton Street, approximately 1,600' south of Alessandro Boulevard, and 1,500' north of Grove Community Drive in the general area occupied by the former March Air Force Base Weapon Storage Area. The four Business Park parcels to the north would be a total of 34.50 acres, the Business Park parcel to the east would be 9.38 acres, and the two Business Park Parcels to the south would total 22.47 acres. Similar to all other Specific Plans in the March JPA planning area, the three Mixed-Use parcels would include a variety of land uses but would not include the development of residential units. The three Mixed-Use parcels would be 10.77 acres, 26.60 acres, and 5.45 acres and would be located along the west side, just east of the Barton Street extension, and along the southeast corner of the Development Area. The two Public Facility parcels would consist of a 2.12-acre Western Municipal Water District sewer lift station to be developed along the east side of the Development Area just south of Cactus Avenue, and a 1.41-acre utility facility located southeast of the Western Municipal Water District facility. The three open space areas would consist of a larger open space area and two smaller open space areas. The larger open space area would be 50.00 acres and would consist of trails for recreational users. The larger open space area would be located directly east of the Barton Street extension and just south of the park area. Two small parking areas would be located on the eastern edge of the larger open space area to provide access for park users. The first smaller open space area would be approximately 11.98 acres and would be located directly north of the four Business Park Parcels. The second smaller open space area would be 2.48 acres and would be located south of Bunker Hill Drive, between one of the Mixed-Use Parcels and the two Business Park Parcels, as well as along the southern perimeter of the proposed Development Area from Barton Street to Cactus Avenue. The open space parcels would provide further buffer to the Conservation Area. The proposed Development would retain 2 of the existing 16 military bunkers, which were previously used for munitions storage by March AFB prior to March AFB's realignment in 1993. An active recreational park area would be approximately 10.00 acres and would be located west of Barton Street and directly north of the larger open space area. The developer has offered to grade and construct the initial 10-acres of park area and maintain the park area through a CFD. The remaining 50-acres of park space, under the developer's proposal, could remain as passive recreational space until the City or County was interested in developing active recreational space. A project Notice of Preparation was circulated to 93 public agencies and interested parties on November 20, 2021. An environmental scoping meeting was advertised in the Press Enterprise on November 26 and held on December 8, 2021. At present an Environmental Impact Report is being prepared for the project. On February 14, 2022, March JPA and Meridian Park, LLC hosted an all hands meeting with county and city parks directors, Riverside city and county officials. A discussion of the parks meeting is outlined under the

previously listed Community Sports Complex section. A Zoom call Community Meeting was held on March 24, 2022 at 6:00 PM to 7:30 PM. Various West Campus Upper Plateau application materials are available on the March JPA website, including the video of the Community Zoom meeting at: https://marchjpa.com/documents/docs_forms/03022022_GMT20220225-015209_Recording_1920x1080.mp4. The JPC Airport Land Use Study Subcommittee met to discuss the status of the Riverside County Airport Land Use Commission (RCALUC) review of the West Campus Upper Plateau on May 11, 2022. At that time, the RCALUC recommendation was for a finding of conditionally consistency with the March ARB/IP airport compatibility plan. Discussion occurred regarding the prohibition of public assembly uses, as well as a discussion regarding the proposed building heights and building setbacks. The Subcommittee requested that a subsequent discussion occur with the committee when the applicant's renderings and photo simulations are submitted as part of the environmental review process. On May 12, 2022, the Riverside County Airport Land Use Commission determined the West March Upper Plateau Project was conditionally consistent with the March Air Reserve Base/Inland Port Airport Compatibility Plan. The finding of consistency included conditions prohibiting public assembly uses including churches and requires the submittal of a BASH study by a Wildlife Hazard Biologist as a future component of the EIR process. On August 18th, a public workshop was held at the March Field Air Museum where developers discussed the proposed development with members of the public and solicited input prior to the release of a draft EIR. The West Campus Upper Plateau Draft EIR was circulated for public review on Monday, January 9, 2023, and the 60-day review ended on Friday, March 10, 2023. Responses to DEIR comments are under review. **It is expected that the West Campus Upper Plateau will be presented at a public hearing in the 3rd quarter of 2023.**

U.S. Vets – Specific Plan Amendment, Plot Plan Amendment:

Objective: Private Development, to provide housing and services to area Veterans
United States Veterans Initiative (US Vets, Applicant) proposes new building uses to the March Veterans Village Campus, located at the southwest corner of N Street and 6th Street, within the US Vets Transitional Housing Specific Plan Area (SP-6), within the jurisdiction of the March Joint Powers Authority, Riverside County, California. Specifically, the Applicant seeks to amend the US Vets Transitional Housing Specific Plan, (SP-6) and Plot Plan (PP 10-02) to allow for a two-story, 24-unit transitional housing building and 44-permanent supportive housing units, for a total of 68-units, to be developed on the remaining 3.05 -acres of the Campus, where the remainder of Phase 2 and Phase 3 development would take place. Buildings 4 - 8, would be eliminated. Each studio unit within the transitional housing building will be approximately 375 square feet, while the permanent supportive housing units will be approximately 500 square feet in size. The proposed Project would reduce the total number of units from 323 to 222 and the total number of beds from 401 to 283. Staff received a formal application and documentation on February 23, 2023. Staff has reviewed the application/documentation for completeness and has distributed the project documentation to MJPA Departments and reviewing agencies on March 2, 2023 and most comments were received on March 23, 2023. Tribal consultation is required under SB 18 (Specific Plan Amendment) and 14 Tribes were contacted for consultation. Staff will introduce the proposed Project to TAC in early April 2023. It should be noted that US Vets provided an update on the March Vets Village Campus and presented a concept of the proposed project to the JPC on April 13, 2022. The proposed project was presented to TAC on April 3, 2023. US Vets is now working on responses to the first round of staff and review agency comments. The proposed project is also being reviewed by Riverside County ALUC staff. It is anticipated that ALUC Commission will consider the proposed project in July 2023.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (3)

Meeting Date: June 14, 2023

Report: **RECEIVE AND FILE FINANCIAL STATUS REPORTS**

Motion: Move to receive and file the Financial Status Reports or take other actions as deemed appropriate by the Commission.

Background:

The monthly Financial Status Report is a summary of operational income and expenses for the previous month and for the fiscal year to date. It provides a summary of the March Joint Powers Authority's (March JPA's) ongoing activities related to the March JPA's approved FY 2022/23 budget.

Attachment: Financial Status Reports for April 2023.

MARCH JOINT POWERS AUTHORITY
GENERAL FUND BALANCE SHEET
AS OF 04/30/2023

GENERAL FUND

ASSETS

| | |
|------------------------------|---------------|
| Cash In Bank | 8,746,997.62 |
| Petty Cash | 300.00 |
| Investment Account | 4,954,456.34 |
| Meridian Drainage Fee Acct | 2,410,839.63 |
| CalPERS Benefit Trust | 11,705,305.47 |
| Discount on Investments | (127,161.87) |
| Premium on Investments | 22,071.65 |
| Fair Value of Investments | (218,724.42) |
| Payroll Checking | - |
| County Fire Facilities Fund | 1,775,916.78 |
| Accounts Receivable | 261,334.55 |
| Loans Receivable | 2,013,926.60 |
| MIP Loan Receivable | 2,687,896.35 |
| RDA Loan Receivable | 968,511.72 |
| MJPUA Loan Receivable | 450,000.00 |
| Due From Other Funds | 381,005.00 |
| Interest Receivable | 1,567,866.67 |
| MIP & LLMD Payroll Liability | 154,030.63 |
| Insurance Deposits | 1,283.00 |

Assets Total : 37,755,855.72

LIABILITIES

| | |
|--------------------------------|--------------|
| Accounts Payable | (15,400.00) |
| Payroll Liabilities | 43,198.62 |
| Payroll Taxes | - |
| Deposits in Trust | 327,435.62 |
| Deferred Revenue | - |
| County Fire Facility | 1,824,540.34 |
| TUMF Fees | - |
| Meridian Drainage Fees | 2,440,815.85 |
| Lifecare Campus Drainage Fees | 82,243.53 |
| Meridian-St. F Sgnl Fair Share | 637,826.15 |
| Van Buren Project Funds | - |
| MARB Heacock Project Funds | 666.72 |
| Security Deposits | - |

Liabilities Total: 5,341,326.83

FUND-BALANCE

| | |
|--------------|---------------|
| Fund Balance | 31,690,248.99 |
|--------------|---------------|

Fund-Balance Total: 31,690,248.99

Retained Earnings: 724,279.90

Total Fund Balance and Retained Earnings 32,414,528.89

Total Liabilities, Fund-Balance and Retained Earnings: 37,755,855.72

General Ledger
Expenses vs Budget



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

User: beltran
Printed: 6/6/2023 4:28:43 PM
Period 10 - 10
Fiscal Year 2023

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|------------------------------|------------|---------------|------------|-------------|------------|
| 100 | General Fund | 925,673.00 | 63,021.19 | 635,075.79 | 290,597.21 | 31.39 |
| 100-10-50100-05 | Salaries and Wages | 115,297.00 | 8,995.24 | 105,447.07 | 9,849.93 | 8.54 |
| 100-10-50100-10 | Benefits | 95,961.00 | 10,705.25 | 75,852.90 | 20,108.10 | 20.95 |
| 100-10-50100-15 | PERS Contributions | 12,983.00 | 990.33 | 9,812.18 | 3,170.82 | 24.42 |
| 100-10-50100-20 | Medicare Tax | 2,000.00 | 0.00 | 0.00 | 2,000.00 | 100.00 |
| 100-10-50100-25 | Unemployment | 12,086.00 | 0.00 | 10,778.48 | 1,307.52 | 10.82 |
| 100-10-50100-30 | Workers Compensation Ins. | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 100.00 |
| 100-10-50100-32 | Temporary Office Help | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 100.00 |
| 100-10-50100-35 | Employee Recruitment | 96,792.00 | 0.00 | 93,572.56 | 3,219.44 | 3.33 |
| 100-10-50100-99 | Unfunded Accrued Liab(UAL) | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 100.00 |
| 100-10-50150-02 | Mileage Reimbursement | 7,500.00 | 784.15 | 5,806.60 | 1,693.40 | 22.58 |
| 100-10-50150-04 | Payroll Services | 2,000.00 | 188.00 | 4,881.00 | -2,881.00 | -144.05 |
| 100-10-50150-06 | Periodicals/Memberships | 10,000.00 | -400.50 | 6,375.27 | 3,624.73 | 36.25 |
| 100-10-50150-08 | Education/Training | 30,000.00 | 22,244.86 | 29,554.17 | 445.83 | 1.49 |
| 100-10-50150-12 | Travel | 17,300.00 | 2,000.00 | 8,500.00 | 8,800.00 | 50.87 |
| 100-10-50150-14 | JPC Members' Stipend | 13,000.00 | 493.78 | 6,010.99 | 6,989.01 | 53.76 |
| 100-10-50150-15 | Meeting Expenses | 15,000.00 | 647.48 | 9,692.66 | 5,307.34 | 35.38 |
| 100-10-50150-16 | Office Supplies | 6,500.00 | 406.68 | 6,157.92 | 342.08 | 5.26 |
| 100-10-50150-18 | Telephone & Internet Expense | 6,000.00 | 105.00 | 6,769.90 | -769.90 | -12.83 |
| 100-10-50150-20 | Mobile Phones | 3,750.00 | 250.00 | 1,509.57 | 2,240.43 | 59.74 |
| 100-10-50150-24 | Postage | 97,347.00 | 0.00 | 97,551.00 | -204.00 | -0.21 |
| 100-10-50150-26 | Liability Insurance | 3,500.00 | 19.40 | 548.80 | 2,951.20 | 84.32 |
| 100-10-50150-30 | Printing - Outside | 12,000.00 | 815.29 | 7,947.91 | 4,052.09 | 33.77 |
| 100-10-50150-32 | Equipment Leases | 57,000.00 | 750.00 | 19,833.73 | 37,166.27 | 65.20 |
| 100-10-50150-34 | Equipment Maintenance | 4,100.00 | 131.02 | 2,139.91 | 1,960.09 | 47.81 |
| 100-10-50150-35 | Vehicle Fuel & Maintenance | 13,000.00 | 2,140.92 | 2,227.92 | 10,772.08 | 82.86 |
| 100-10-50150-38 | Production/Artwork | 25,000.00 | 0.00 | 0.00 | 25,000.00 | 100.00 |
| 100-10-50150-39 | Marketing/Branding | 50,000.00 | 3,209.36 | 31,889.22 | 18,110.78 | 36.22 |
| 100-10-50150-40 | Promotional Activities | 27,000.00 | 2,988.72 | 29,769.21 | -2,769.21 | -10.26 |
| 100-10-50150-42 | Bank Fees | 6,000.00 | 0.00 | 5,889.17 | 110.83 | 1.85 |
| 100-10-50150-46 | Office Custodial | 65,500.00 | 5,819.11 | 57,834.49 | 7,665.51 | 11.70 |
| 100-10-50150-47 | Office Rent | 10,700.00 | 1,705.04 | 10,464.20 | 235.80 | 2.20 |
| 100-10-50150-48 | Office Utilities | 600.00 | 0.00 | 0.00 | 600.00 | 100.00 |
| 100-10-50150-50 | Office Insurance | 189,400.00 | 0.00 | 125,755.20 | 63,644.80 | 33.60 |
| 100-10-50200-02 | General Legal Services | 31,500.00 | 0.00 | 23,418.45 | 8,081.55 | 25.66 |
| 100-10-50200-04 | Special Legal Services | 1,000.00 | 0.00 | 105,000.00 | -104,000.00 | -10,400.00 |
| 100-10-50200-10 | Legal Property Surveys | | | | | |

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|-------------------------------|---------------------|-------------------|---------------------|---------------------|----------------|
| 100-10-50200-14 | Annual Audit | 35,000.00 | 0.00 | 30,425.00 | 4,575.00 | 13.07 |
| 100-10-50200-20 | D.C. and State Lobbyist | 94,000.00 | 8,421.06 | 68,421.06 | 25,578.94 | 27.21 |
| 100-10-50200-22 | Engineering Services | 2,000.00 | 780.00 | 2,030.60 | -30.60 | -1.53 |
| 100-10-50200-25 | General Consulting Services | 350,000.00 | 52,918.75 | 413,182.50 | -63,182.50 | -18.05 |
| 100-10-50200-40 | Foreign Trade Zone | 7,100.00 | 0.00 | 4,364.87 | 2,735.13 | 38.52 |
| 100-10-50300-02 | Equipment Office Furniture | 10,000.00 | 2,915.13 | 10,478.41 | -478.41 | -4.78 |
| 100-10-50300-04 | Computer Hardware | 10,000.00 | 0.00 | 1,136.35 | 8,863.65 | 88.64 |
| 100-10-50300-06 | Computer Software | 20,000.00 | 0.00 | 18,382.71 | 1,617.29 | 8.09 |
| 100-20-51150-00 | Fire and Casualty Insurance | 15,586.00 | 0.00 | 15,585.75 | 0.25 | 0.00 |
| 100-20-51200-00 | Building Maintenance | 40,000.00 | 4,123.54 | 48,884.88 | -8,884.88 | -22.21 |
| 100-20-51250-00 | Grounds Maintenance | 70,000.00 | 6,068.14 | 31,482.89 | 38,517.11 | 55.02 |
| 100-20-51255-00 | Street & Lighting Maintenance | 35,000.00 | 520.00 | 13,802.47 | 21,197.53 | 60.56 |
| 100-20-51300-00 | Equipment Maintenance | 2,300.00 | 1,303.37 | 21,056.10 | -18,756.10 | -815.48 |
| 100-20-51325-00 | Equipment Purchases | 0.00 | 429.00 | 429.00 | -429.00 | 0.00 |
| 100-20-51350-00 | Utilities | 25,750.00 | 392.41 | 4,180.63 | 21,569.37 | 83.76 |
| 100-20-51355-00 | Fuel Costs | 2,000.00 | 0.00 | 104.31 | 1,895.69 | 94.78 |
| 100-20-51360-00 | Police Patrols | 225,000.00 | 17,563.99 | 119,497.45 | 105,502.55 | 46.89 |
| 100-20-51400-00 | Bad Debt Expense | 3,500.00 | 0.00 | 0.00 | 3,500.00 | 100.00 |
| 100-30-52200-00 | Plan Check/Inspection Fees | 1,440,000.00 | 62,825.43 | 522,178.21 | 917,821.79 | 63.74 |
| 100-30-52220-00 | Education Training | 2,500.00 | 0.00 | 0.00 | 2,500.00 | 100.00 |
| 100-30-52250-00 | Environmental Fees | 45,000.00 | 0.00 | 43,113.86 | 1,886.14 | 4.19 |
| 100-30-52300-00 | Printing Costs | 10,000.00 | 0.00 | 1,377.39 | 8,622.61 | 86.23 |
| 100-30-52325-00 | Planning Software | 25,000.00 | 0.00 | 23,100.48 | 2,399.52 | 9.41 |
| 100-30-52350-00 | Public Notices/Filings | 3,000.00 | 0.00 | 282.29 | 2,717.71 | 90.59 |
| 100-30-52400-00 | Environmental Rev & Consult | 2,500.00 | 0.00 | 0.00 | 2,500.00 | 100.00 |
| Expense Total | | 4,453,225.00 | 286,271.14 | 2,929,563.48 | 1,523,661.52 | 34.2148 |
| Grand Total | | 4,453,225.00 | 286,271.14 | 2,929,563.48 | 1,523,661.52 | 0.3421 |

General Ledger
Revenue vs Budget



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

User: beltran
Printed: 6/6/2023 2:38:08 PM
Period 10 - 10
Fiscal Year 2023

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Expend | Collect |
|-----------------|-----------------------------------|---------------------|------------------|---------------------|---------------------|----------|---------------|
| 100 | General Fund | | | | | | |
| 100-00-40100-00 | LEASE REVENUE | -196,748.00 | -12,128.94 | -1,424,704.06 | 1,227,956.06 | | 724.13 |
| 100-00-40300-00 | PLANNING FEES | -1,035,000.00 | -569.00 | -103,764.60 | -931,235.40 | | 10.03 |
| 100-00-40400-00 | BUILDING PERMIT FEES | -2,034,000.00 | -3,136.50 | -663,594.38 | -1,370,405.62 | | 32.63 |
| 100-00-40430-00 | PUBLIC WORKS FEES | -500,000.00 | -1,250.00 | -344,115.54 | -155,884.46 | | 68.82 |
| 100-00-40600-00 | INTEREST INCOME | -168,000.00 | -8,298.57 | -356,479.65 | 188,479.65 | | 212.19 |
| 100-00-40650-00 | PROCEEDS SALE OF FIXED ASSETS | 0.00 | 0.00 | -54,000.00 | 54,000.00 | | 0.00 |
| 100-00-40655-00 | FOREIGN TRADE ZONE | -71,000.00 | 0.00 | -57,000.00 | -14,000.00 | | 80.28 |
| 100-00-40675-00 | TRAINING & FILMING FEES | -1,100.00 | 0.00 | -100.00 | -1,000.00 | | 9.09 |
| 100-00-40715-00 | FRANCHISE FEES & SALES TAX REV | -1,270,000.00 | 0.00 | -600,000.00 | -670,000.00 | | 47.24 |
| 100-00-40750-00 | MISCELLANEOUS REVENUE | -1,000.00 | -2,800.00 | -50,085.15 | 49,085.15 | | 5,008.52 |
| 100-00-40800-00 | SUCCESSOR AGENCY FEES | -250,000.00 | 0.00 | 0.00 | -250,000.00 | | 0.00 |
| Revenue Total | | 5,526,848.00 | 28,183.01 | 3,653,843.38 | 1,873,004.62 | | 0.6611 |
| Grand Total | | 5,526,848.00 | 28,183.01 | 3,653,843.38 | 1,873,004.62 | | 0.6611 |

MARCH JOINT POWERS AUTHORITY - MERIDIAN LLMD # 1
BALANCE SHEET
AS OF 04/30/2023

MERIDIAN LLMD # 1 - FUND 120

ASSETS

| | |
|------------------------|--------------|
| Cash In Bank | 3,095,868.31 |
| Accounts Receivable | 44,897.17 |
| LLMD Payroll Liability | (11,594.19) |

Assets Total : 3,129,171.29

LIABILITIES

| | |
|------------------------------|-----------|
| Deferred Revenues | 20,342.73 |
| Accounts Payable | 9.55 |
| LLMD #1 Modification Deposit | 6,930.80 |
| Damage Repair Deposits | 443.00 |

Liabilities Total: 27,726.08

FUND-BALANCE

| | |
|--------------|--------------|
| Fund Balance | 2,549,147.94 |
|--------------|--------------|

Fund-Balance Total: 2,549,147.94

Retained Earnings: 552,297.27

Total Fund Balance and Retained Earnings 3,101,445.21

Total Liabilities, Fund-Balance and Retained Earnings: 3,129,171.29

General Ledger
Expenses vs Budget



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

User: beltranr
Printed: 6/6/2023 4:30:06 PM
Period 10 - 10
Fiscal Year 2023

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|--------------------------------|---------------------|------------------|-------------------|-------------------|----------------|
| 120 | Meridian L.L.M.D No. 1 | | | | | |
| 120-40-65005-00 | Traffic Signals | 30,000.00 | 951.94 | 14,581.40 | 15,418.60 | 51.40 |
| 120-40-65010-00 | Signage | 350.00 | 0.00 | 0.00 | 350.00 | 100.00 |
| 120-40-65015-00 | Lighting | 68,000.00 | 5,689.40 | 50,201.31 | 17,798.69 | 26.17 |
| 120-40-65020-00 | Landscaping | 798,600.00 | 67,228.47 | 598,934.28 | 199,665.72 | 25.00 |
| 120-40-65025-00 | Drainage | 105,000.00 | 0.00 | 0.00 | 105,000.00 | 100.00 |
| 120-40-65030-00 | Street Sweeping | 38,000.00 | 0.00 | 23,098.82 | 14,901.18 | 39.21 |
| 120-40-65035-00 | Graffiti Removal | 4,500.00 | 0.00 | 0.00 | 4,500.00 | 100.00 |
| 120-40-65118-05 | Salaries and Wages | 77,707.00 | 4,307.81 | 44,337.18 | 33,369.82 | 42.94 |
| 120-40-65118-10 | Benefits | 9,933.00 | 689.68 | 7,160.50 | 2,772.50 | 27.91 |
| 120-40-65118-15 | PERS Contributions | 5,924.00 | 403.82 | 4,456.82 | 1,467.18 | 24.77 |
| 120-40-65118-20 | Medicare Tax | 995.00 | 59.94 | 627.08 | 367.92 | 36.98 |
| 120-40-65118-30 | Workers Compensation Ins. | 4,342.00 | 0.00 | 979.86 | 3,362.14 | 77.43 |
| 120-40-65118-99 | Unfunded Accrued Liab(UAL) | 25,568.00 | 0.00 | 24,717.28 | 850.72 | 3.33 |
| 120-40-65120-00 | Operations | 6,210.00 | 2,225.33 | 9,273.71 | -3,063.71 | -49.34 |
| 120-40-65125-00 | TransportationCommunication | 8,500.00 | 626.84 | 4,708.14 | 3,791.86 | 44.61 |
| 120-40-65130-00 | Insurance | 7,180.00 | 0.00 | 7,194.91 | -14.91 | -0.21 |
| 120-40-65135-00 | Assessment Engineer | 9,000.00 | 0.00 | 9,000.00 | 0.00 | 0.00 |
| 120-40-65140-00 | Professional Services | 9,200.00 | 10,979.55 | 58,779.55 | -49,579.55 | -538.91 |
| 120-40-65145-00 | Publication | 200.00 | 0.00 | 0.00 | 200.00 | 100.00 |
| 120-40-65200-00 | Contingency | 14,383.00 | 0.00 | 0.00 | 14,383.00 | 100.00 |
| 120-40-65500-01 | Meridian Pkwy-Sidewalk Repairs | 150,000.00 | 0.00 | 0.00 | 150,000.00 | 100.00 |
| 120-40-65500-05 | Tree Replacement | 150,000.00 | 0.00 | 0.00 | 150,000.00 | 100.00 |
| Expense Total | | 1,523,592.00 | 93,162.78 | 858,050.84 | 665,541.16 | 43.6824 |
| Grand Total | | 1,523,592.00 | 93,162.78 | 858,050.84 | 665,541.16 | 0.4368 |

**General Ledger
Revenue vs Budget**

User: beltram
 Printed: 6/6/2023 2:31:42 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|---------------------|---------------|---------------|---------------|-------------|-----------------|
| 120 | Meridian LLMD No. 1 | -2,191,985.00 | -14,190.48 | -1,410,348.11 | -781,636.89 | 64.34 |
| 120-00-40260-00 | Assessments | 2,191,985.00 | 14,190.48 | 1,410,348.11 | 781,636.89 | 0.6434 |
| Revenue Total | | 2,191,985.00 | 14,190.48 | 1,410,348.11 | 781,636.89 | 0.6434 |
| Grand Total | | | | | | |

MARCH JOINT POWERS AUTHORITY - MARCH LIFECARE CAMPUS CFD 2013
BALANCE SHEET
AS OF 04/30/2023

MARCH LIFECARE CAMPUS CFD 2013 - FUND 140

ASSETS

| | |
|---------------------|------------|
| Cash In Bank | 171,039.19 |
| Accounts Receivable | 7,652.59 |

| | |
|----------------|------------|
| Assets Total : | 178,691.78 |
|----------------|------------|

LIABILITIES

| | |
|-------------------|----------|
| Accounts Payable | - |
| Payroll Liability | 2,882.22 |
| Deferred Revenues | 7,305.24 |

| | |
|--------------------|-----------|
| Liabilities Total: | 10,187.46 |
|--------------------|-----------|

FUND-BALANCE

| | |
|--------------|------------|
| Fund Balance | 191,424.11 |
|--------------|------------|

| | |
|---------------------|------------|
| Fund-Balance Total: | 191,424.11 |
|---------------------|------------|

| | |
|--------------------|-------------|
| Retained Earnings: | (22,919.79) |
|--------------------|-------------|

| | |
|--|------------|
| Total Fund Balance and Retained Earnings | 168,504.32 |
|--|------------|

| | |
|--|------------|
| Total Liabilities, Fund-Balance and Retained Earnings: | 178,691.78 |
|--|------------|

General Ledger Expenses vs Budget



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

User: beltranr
Printed: 6/6/2023 4:31:09 PM
Period 10 - 10
Fiscal Year 2023

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|--------------------------------|------------------|-----------------|------------------|------------------|---------------|
| 140 | March Lifecare Campus CFD 2013 | | | | | |
| 140-40-65005-00 | Traffic Signals | 4,200.00 | 117.32 | 2,680.14 | 1,519.86 | 36.19 |
| 140-40-65015-00 | Lighting | 2,500.00 | 946.14 | 7,471.10 | -4,971.10 | -198.84 |
| 140-40-65020-00 | Landscaping | 4,500.00 | 0.00 | 0.00 | 4,500.00 | 100.00 |
| 140-40-65025-00 | Drainage | 7,500.00 | 0.00 | 0.00 | 7,500.00 | 100.00 |
| 140-40-65030-00 | Street Sweeping | 6,000.00 | 0.00 | 4,111.06 | 1,888.94 | 31.48 |
| 140-40-65035-00 | Graffiti Removal | 750.00 | 0.00 | 0.00 | 750.00 | 100.00 |
| 140-40-65115-00 | Administration | 0.00 | 750.00 | 750.00 | -750.00 | 0.00 |
| 140-40-65118-05 | Salaries and Wages | 14,348.00 | 980.04 | 9,670.36 | 4,677.64 | 32.60 |
| 140-40-65118-10 | Benefits | 2,683.00 | 210.06 | 2,170.71 | 512.29 | 19.09 |
| 140-40-65118-15 | PERS Contributions | 2,016.00 | 137.88 | 1,360.49 | 655.51 | 32.52 |
| 140-40-65118-20 | Medicare Tax | 245.00 | 12.42 | 127.96 | 117.04 | 47.77 |
| 140-40-65118-30 | Workers Compensation Ins. | 2,626.00 | 0.00 | 356.35 | 2,269.65 | 86.43 |
| 140-40-65120-00 | Operations | 0.00 | 0.00 | 10,931.00 | -10,931.00 | 0.00 |
| 140-40-65130-00 | Insurance | 2,150.00 | 0.00 | 2,154.17 | -4.17 | -0.19 |
| 140-40-65135-00 | Assessment Engineer | 3,000.00 | 0.00 | 3,000.00 | 0.00 | 0.00 |
| 140-40-65140-00 | Professional Services | 3,000.00 | 0.00 | 0.00 | 3,000.00 | 100.00 |
| 140-40-65150-00 | County Cost Tax Roll | 90.00 | 0.00 | 0.00 | 90.00 | 100.00 |
| Expense Total | | 55,608.00 | 3,153.86 | 44,783.34 | 10,824.66 | 19.466 |
| Grand Total | | 55,608.00 | 3,153.86 | 44,783.34 | 10,824.66 | 0.1947 |

**General Ledger
Revenue vs Budget**

User: beltramr
 Printed: 6/6/2023 2:34:21 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|--------------------------------|------------------|---------------|------------------|------------------|-----------------|
| 140 | March Lifecare Campus CFD 2013 | | | | | |
| 140-00-40260-00 | Taxes | -74,061.00 | 0.00 | -21,863.55 | -52,197.45 | 29.52 |
| | Revenue Total | <u>74,061.00</u> | <u>0.00</u> | <u>21,863.55</u> | <u>52,197.45</u> | <u>0.2952</u> |
| | Grand Total | <u>74,061.00</u> | <u>0.00</u> | <u>21,863.55</u> | <u>52,197.45</u> | <u>0.2952</u> |

MARCH JOINT POWERS AUTHORITY - GREEN ACRES ENTERPRISE FUND
BALANCE SHEET
AS OF 04/30/2023

GREEN ACRES ENTERPRISE FUND - FUND 300

ASSETS

| | |
|-----------------------------|----------------|
| Cash In Bank | 2,195,632.31 |
| Petty Cash | 200.00 |
| Investment Account | 2,259,242.76 |
| Discount on Investments | (5,376.54) |
| Premium on Investments | 11,035.83 |
| Fair Value of Investments | (109,199.77) |
| Accounts Receivable | 153,336.48 |
| Land and Buildings | 16,194,109.85 |
| Infrastructure | 874,866.98 |
| Equipment | 3,587.41 |
| Deferred Outflows - Pension | 78,714.24 |
| Deferred Outflows - OPEB | 36,185.00 |
| OPEB Asset | - |
| Accumulated Depreciation | (9,695,209.14) |

Assets Total : 11,997,125.41

LIABILITIES

| | |
|----------------------------|------------|
| Accounts Payable | 457.56 |
| Payroll Liability | 40,950.48 |
| Prepaid Rent | - |
| Security Deposits | 182,640.60 |
| Net Pension Liability | 273,430.96 |
| OPEB Liability | 27,889.00 |
| Compensated Absences | 11,069.51 |
| Deferred Inflows - Pension | 8,417.48 |
| Deferred Inflows - OPEB | - |

Liabilities Total: 544,855.59

FUND-BALANCE

| | |
|--------------|---------------|
| Fund Balance | 10,830,307.28 |
|--------------|---------------|

Fund-Balance Total: 10,830,307.28

Retained Earnings: 621,962.54

Total Fund Balance and Retained Earnings 11,452,269.82

Total Liabilities, Fund-Balance and Retained Earnings: 11,997,125.41

**General Ledger
Expenses vs Budget**



**March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com**

User: beltranr
Printed: 6/6/2023 4:34:48 PM
Period 10 - 10
Fiscal Year 2023

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|-----------------------------|--------------|---------------|------------|------------|---------|
| 300 | Green Acres Enterprise Fund | 207,006.00 | 14,608.05 | 155,600.28 | 51,405.72 | 24.83 |
| 300-10-50100-05 | Salaries and Wages | 36,614.00 | 2,806.28 | 29,975.62 | 6,638.38 | 18.13 |
| 300-10-50100-10 | Benefits | 16,316.00 | 1,201.30 | 12,577.99 | 3,738.01 | 22.91 |
| 300-10-50100-15 | PERS Contributions | 3,362.00 | 238.45 | 2,542.54 | 819.46 | 24.37 |
| 300-10-50100-20 | Medicare Tax | 14,769.00 | 0.00 | 4,364.79 | 10,404.21 | 70.45 |
| 300-10-50100-30 | Workers Compensation Ins. | 12,784.00 | 0.00 | 12,358.64 | 425.36 | 3.33 |
| 300-10-50100-99 | Unfunded Accrued Liab(UAL) | 2,500.00 | 0.00 | 914.25 | 1,585.75 | 63.43 |
| 300-10-50150-06 | PeriodicalsMemberships | 500.00 | 0.00 | 391.00 | 109.00 | 21.80 |
| 300-10-50150-08 | EducationTraining | 1,500.00 | 363.93 | 2,157.45 | -657.45 | -43.83 |
| 300-10-50150-16 | Office Supplies | 1,000.00 | 50.85 | 485.11 | 514.89 | 51.49 |
| 300-10-50150-18 | Telephone Internet Service | 1,300.00 | 0.00 | 563.21 | 736.79 | 56.68 |
| 300-10-50150-20 | Mobile PhonesPagers | 100.00 | 0.00 | 0.00 | 100.00 | 100.00 |
| 300-10-50150-24 | Postage | 18,473.00 | 0.00 | 18,511.46 | -38.46 | -0.21 |
| 300-10-50150-26 | Liability Insurance | 0.00 | 0.00 | 554.80 | -554.80 | 0.00 |
| 300-10-50150-30 | Printing-Outside | 4,000.00 | 313.14 | 3,027.08 | 972.92 | 24.32 |
| 300-10-50150-42 | Bank Fees | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 100.00 |
| 300-10-50150-44 | TenantRelations | 8,000.00 | 727.40 | 7,155.12 | 844.88 | 10.56 |
| 300-10-50150-47 | Office Rent | 2,000.00 | 98.16 | 981.60 | 1,018.40 | 50.92 |
| 300-10-50150-48 | Office Utilities | 301,617.00 | 0.00 | 0.00 | 301,617.00 | 100.00 |
| 300-10-50150-50 | Depreciation Expense | 500.00 | 0.00 | 0.00 | 500.00 | 100.00 |
| 300-10-50200-15 | General Legal Services | 1,000.00 | 0.00 | 183.00 | 817.00 | 81.70 |
| 300-10-50200-02 | Credit Check Services | 500.00 | 0.00 | 0.00 | 500.00 | 100.00 |
| 300-10-50300-02 | Office Equipment | 8,000.00 | 153.34 | 2,033.11 | 5,966.89 | 74.59 |
| 300-10-50300-06 | Computer Software | 22,000.00 | 0.00 | 6,859.37 | 15,140.63 | 68.82 |
| 300-10-50300-10 | Appliance Purchase | 8,000.00 | 234.40 | 5,129.00 | 2,871.00 | 35.89 |
| 300-10-50300-15 | Security Entrance Gates | 100,000.00 | 0.00 | 0.00 | 100,000.00 | 100.00 |
| 300-10-50900-00 | Transfer to Other Funds | 56,399.00 | 0.00 | 56,399.01 | -0.01 | 0.00 |
| 300-20-51150-00 | Fire and Casualty Insurance | 40,000.00 | 0.00 | 0.00 | 40,000.00 | 100.00 |
| 300-20-51160-00 | Property Taxes | 150,000.00 | 4,214.61 | 48,972.34 | 101,027.66 | 67.35 |
| 300-20-51200-00 | Building Maintenance | 250,000.00 | 16,757.05 | 164,898.56 | 85,101.44 | 34.04 |
| 300-20-51250-00 | Grounds Maintenance | 55,000.00 | 8,222.80 | 122,145.10 | -67,145.10 | -122.08 |
| 300-20-51300-00 | Equipment Maintenance | 425,000.00 | 30,865.68 | 311,048.80 | 113,951.20 | 26.81 |
| 300-20-51350-00 | Utilities | 2,500.00 | 0.00 | 0.00 | 2,500.00 | 100.00 |
| 300-20-51360-00 | Bad Debt Expense | 1,751,740.00 | 80,855.44 | 969,829.23 | 781,910.77 | 44.6362 |
| Expense Total | | 1,751,740.00 | 80,855.44 | 969,829.23 | 781,910.77 | 44.6362 |
| Grand Total | | 1,751,740.00 | 80,855.44 | 969,829.23 | 781,910.77 | 0.4464 |

**General Ledger
Revenue vs Budget**

User: beltran
 Printed: 6/6/2023 2:37:02 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|-----------------------------|---------------------|-------------------|---------------------|-------------------|-----------------|
| 300 | Green Acres Enterprise Fund | | | | | |
| 300-00-40200-00 | RENTAL INCOME | -2,000,000.00 | -161,295.00 | -1,519,542.28 | -480,457.72 | 75.98 |
| 300-00-40225-00 | UTILITY CHARGES | -60,000.00 | -4,760.03 | -47,477.76 | -12,522.24 | 79.13 |
| 300-00-40250-00 | LATE FEES & NSF FEES | -1,000.00 | 0.00 | -1,180.17 | 180.17 | 118.02 |
| 300-00-40300-00 | CREDIT CHECK FEES | -1,000.00 | 0.00 | -280.00 | -720.00 | 28.00 |
| 300-00-40600-00 | INTEREST INCOME | -30,000.00 | -1,872.81 | -23,161.56 | -6,838.44 | 77.21 |
| 300-00-40675-00 | HOLDING FEES FORFEITURE | -120.00 | 0.00 | 0.00 | -120.00 | 0.00 |
| 300-00-40750-00 | MISCELLANEOUS | -400.00 | 0.00 | -150.00 | -250.00 | 37.50 |
| Revenue Total | | 2,092,520.00 | 167,927.84 | 1,591,791.77 | 500,728.23 | 0.7607 |
| Grand Total | | 2,092,520.00 | 167,927.84 | 1,591,791.77 | 500,728.23 | 0.7607 |

MARCH JOINT POWERS AUTHORITY - GREEN ACRES REPAIRS & MAINTENANCE FUND
BALANCE SHEET
AS OF 04/30/2023

REPAIRS & MAINTENANCE - FUND 301

ASSETS

| | | |
|--------------|------------|--|
| Cash In Bank | 173,213.75 | |
|--------------|------------|--|

| | | |
|----------------|--|------------|
| Assets Total : | | 173,213.75 |
|----------------|--|------------|

LIABILITIES

| | | |
|------------------|---|--|
| Accounts Payable | - | |
|------------------|---|--|

| | | |
|--------------------|--|---|
| Liabilities Total: | | - |
|--------------------|--|---|

FUND-BALANCE

| | | |
|--------------|------------|--|
| Fund Balance | 185,208.75 | |
|--------------|------------|--|

| | | |
|---------------------|--|------------|
| Fund-Balance Total: | | 185,208.75 |
|---------------------|--|------------|

| | | |
|--------------------|--|-------------|
| Retained Earnings: | | (11,995.00) |
|--------------------|--|-------------|

| | | |
|--|--|------------|
| Total Fund Balance and Retained Earnings | | 173,213.75 |
|--|--|------------|

| | | |
|--|--|------------|
| Total Liabilities, Fund-Balance and Retained Earnings: | | 173,213.75 |
|--|--|------------|

**General Ledger
Expenses vs Budget**

User: beltranr
 Printed: 6/6/2023 4:35:48 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|------------------------------|------------------|---------------|------------------|------------------|---------------|
| 301 | Green Acres Repairs & Maint. | 27,000.00 | 0.00 | 11,995.00 | 15,005.00 | 55.57 |
| 301-20-51200-02 | Roof Repairs | 55,000.00 | 0.00 | 0.00 | 55,000.00 | 100.00 |
| 301-20-51200-03 | Unit Improvements | 82,000.00 | 0.00 | 11,995.00 | 70,005.00 | 85.372 |
| Expense Total | | <u>82,000.00</u> | <u>0.00</u> | <u>11,995.00</u> | <u>70,005.00</u> | <u>0.8537</u> |
| Grand Total | | | | | | |

**General Ledger
Revenue vs Budget**

User: beltranr
 Printed: 6/6/2023 2:39:44 PM
 Period 10 - 10
 Fiscal Year 2023



March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|------------------------------|-------------|---------------|---------|-------------|-----------------|
| 301 | Green Acres Repairs & Maint. | -100,000.00 | 0.00 | 0.00 | -100,000.00 | 0.00 |
| 301-00-48025-00 | 5% Rental Income Set-Aside | 100,000.00 | 0.00 | 0.00 | 100,000.00 | 0 |
| Revenue Total | | 100,000.00 | 0.00 | 0.00 | 100,000.00 | 0 |
| Grand Total | | | | | | |

MARCH JOINT POWERS AUTHORITY
SUCCESSOR AGENCY DEBT SERVICE FUND BALANCE SHEET
AS OF 04/30/2023

DEBT SERVICE FUND - FUND 740

ASSETS

| | |
|---------------------------------|--------------|
| Cash In Bank | (555,628.59) |
| W.F. Trustee Debt Service 2011A | - |
| W.F. Trustee Debt Service 2011B | - |
| W.F. Cost of Issuance Account | - |
| W.F. Interest Account | 410.54 |
| W.F. Principal Account | 3.73 |
| Deferred Charge on Refunding | 6,956,404.05 |
| Prepaid Bond Insurance | 234,875.38 |

Assets Total : 6,636,065.11

LIABILITIES

| | |
|------------------------------|---------------|
| Loans Payable | 968,511.72 |
| Interest Payable | 479,976.57 |
| Bonds Payable - Series 2016A | 27,625,000.00 |
| Bonds Premium - Series 2016A | 3,320,495.50 |
| Due to Other Funds | 131,005.00 |

Liabilities Total: 32,524,988.79

FUND-BALANCE

| | |
|--------------|-----------------|
| Fund Balance | (26,271,745.05) |
|--------------|-----------------|

Fund-Balance Total: (26,271,745.05)

Retained Earnings: 382,821.37

Total Fund Balance and Retained Earnings (25,888,923.68)

Total Liabilities, Fund-Balance and Retained Earnings: 6,636,065.11

**General Ledger
Expenses vs Budget**

User: beltran
 Printed: 6/6/2023 4:36:41 PM
 Period 10 - 10
 Fiscal Year 2023



March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|-----------------------|--------|---------------|--------------|---------------|---------|
| 740 | SUCCESSOR AGENCY D.S. | 0.00 | 0.00 | 1,132,843.76 | -1,132,843.76 | 0.00 |
| 740-70-60611-00 | Payment on Bond 2016A | 0.00 | 0.00 | 1,132,843.76 | -1,132,843.76 | 0 |
| Expense Total | | 0.00 | 0.00 | 1,132,843.76 | -1,132,843.76 | 0 |
| Grand Total | | — | — | — | — | — |

**General Ledger
Revenue vs Budget**

User: beltranr
 Printed: 6/6/2023 2:41:52 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|------------------------|--------|---------------|---------------|---------------|-----------------|
| 740 | SUCCESSOR AGENCY D.S. | 0.00 | 0.00 | -633.07 | 633.07 | 0.00 |
| 740-00-40600-00 | Interest Income | 0.00 | 0.00 | -1,515,032.06 | 1,515,032.06 | 0.00 |
| 740-00-40700-00 | Operating Transfers In | 0.00 | 0.00 | 1,515,665.13 | -1,515,665.13 | 0 |
| Revenue Total | | 0.00 | 0.00 | 1,515,665.13 | -1,515,665.13 | 0 |
| Grand Total | | 0.00 | 0.00 | 1,515,665.13 | -1,515,665.13 | 0 |

MARCH JOINT POWERS AUTHORITY
 SUCCESSOR AGENCY REDEVELOPMENT OBLIGATION RETIREMENT FUND
 AS OF 04/30/2023

RORF FUND - FUND 750

ASSETS

Cash In Bank 1,204,965.77

Assets Total : 1,204,965.77

LIABILITIES

Accounts Payable -
 Due to Other Funds 250,000.00

Liabilities Total: 250,000.00

FUND-BALANCE

Fund Balance 2,301,992.83

Fund-Balance Total: 2,301,992.83

Retained Earnings: (1,347,027.06)

Total Fund Balance and Retained Earnings 954,965.77

Total Liabilities, Fund-Balance and Retained Earnings: 1,204,965.77

General Ledger
Expenses vs Budget

User: beltranr
Printed: 6/6/2023 4:37:41 PM
Period 10 - 10
Fiscal Year 2023



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|-----------------------|--------|---------------|--------------|---------------|---------|
| 750 | Successor Agency RORF | 0.00 | 0.00 | 5,000.00 | -5,000.00 | 0.00 |
| 750-10-50150-42 | Banking Expenses | 0.00 | 0.00 | 1,995.00 | -1,995.00 | 0.00 |
| 750-10-50200-25 | Consulting Services | 0.00 | 0.00 | 1,515,032.06 | -1,515,032.06 | 0.00 |
| 750-10-50900-00 | Transfer Out | 0.00 | 0.00 | 1,522,027.06 | -1,522,027.06 | 0 |
| Expense Total | | 0.00 | 0.00 | 1,522,027.06 | -1,522,027.06 | 0 |
| Grand Total | | 0.00 | 0.00 | 1,522,027.06 | -1,522,027.06 | 0 |

**General Ledger
Revenue vs Budget**

User: beltranr
 Printed: 6/6/2023 2:43:30 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|-----------------------|--------|---------------|-------------|-------------|-----------------|
| 750 | Successor Agency RORF | 0.00 | 0.00 | -175,000.00 | 175,000.00 | 0.00 |
| 750-00-40245-00 | Tax Increment RPTTF | 0.00 | 0.00 | 175,000.00 | -175,000.00 | 0 |
| | Revenue Total | 0.00 | 0.00 | 175,000.00 | -175,000.00 | 0 |
| | Grand Total | — | — | — | — | — |

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (4)

Meeting Date: June 14, 2023

Action: **APPROVE APRIL 2023 FINANCIAL DISBURSEMENTS**

Motion: Move to approve the financial disbursements for the month of April 2023 or take other actions as deemed appropriate by the Commission.

Background:

This item is an action approving the expenses (checks) that were incurred in the month of April for the March JPA, Meridian Lighting, Landscaping and Maintenance District (LLMD) No. 1, Community Facility District (CFD), and Green Acres. No checks were issued by the Successor Agency (former Redevelopment Agency). A listing of those checks is attached and will be reported in the minutes as an action item.

Attachments: Listing of checks disbursed in April for the March JPA, LLMD, CFD, and Green Acres.

Accounts Payable

Checks by Date - Summary by Check Number

User: beltran
 Printed: 6/6/2023 12:26 PM



March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com

General Fund - Fund 100

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------|-----------|---------------------------------------|------------|--------------|
| ACH | Computer | California Computer Options, Inc. | 04/06/2023 | 1,303.37 |
| ACH | dts | Daley Technology Systems | 04/06/2023 | 2,140.92 |
| ACH | ConderJr | Charles Conder Jr. | 04/06/2023 | 500.00 |
| ACH | Delgado | Edward Delgado | 04/06/2023 | 200.00 |
| ACH | Gutierre | Yxstian Gutierrez | 04/06/2023 | 200.00 |
| ACH | VargasM | Michael Vargas | 04/06/2023 | 400.00 |
| ACH | AlbertA | Albert A. Webb Associates | 04/13/2023 | 1,061.25 |
| ACH | Computer | California Computer Options, Inc. | 04/13/2023 | 306.00 |
| ACH | ConderJr | Charles Conder Jr. | 04/13/2023 | 224.25 |
| ACH | McCraine | Rodney McCraine | 04/13/2023 | 224.25 |
| ACH | VargasM | Michael Vargas | 04/13/2023 | 224.25 |
| ACH | dpeterl | David Peterson Abatement Services,LLC | 04/26/2023 | 4,620.00 |
| ACH | cjlake | CJ Lake, LLC | 04/26/2023 | 8,421.06 |
| ACH | DTS | Daley Technology Systems | 04/26/2023 | 750.00 |
| ACH | HMConsul | Habib Motlagh | 04/26/2023 | 5,000.00 |
| ACH | Computer | California Computer Options, Inc. | 04/06/2023 | 76.67 |
| ACH | Computer | California Computer Options, Inc. | 04/13/2023 | 19.13 |
| ACH | Computer | California Computer Options, Inc. | 04/05/2023 | 153.34 |
| ACH | Computer | California Computer Options, Inc. | 04/13/2023 | 38.26 |
| ACH | Computer | California Computer Options, Inc. | 04/05/2023 | 374.75 |
| ACH | Computer | California Computer Options, Inc. | 04/13/2023 | 19.13 |
| 2056 | CalPERS | CalPERS | 04/11/2023 | 9,569.94 |
| 2057 | CalPERS | CalPERS | 04/11/2023 | 11,068.99 |
| 2058 | CalPERS | CalPERS | 04/11/2023 | 11,136.46 |
| 2059 | CalPERS | CalPERS | 04/20/2023 | 9,796.57 |
| 1017123 | MGS | M.G.S. | 04/06/2023 | 726.60 |
| 1017124 | Planet | Planetbids, Inc. | 04/06/2023 | 4,361.35 |
| 1017125 | StaplesA | Staples Business Credit | 04/06/2023 | 3,093.35 |
| 1017126 | citymvd | City Of Moreno Valley | 04/06/2023 | 58.52 |
| 1017127 | WMWD | Western Municipal Water District | 04/06/2023 | 6,604.39 |
| 1017128 | HOMEDE | Home Depot Credit Services | 04/06/2023 | 149.99 |
| 1017129 | WMWD2 | Western Municipal Water District | 04/06/2023 | 333.89 |
| 1017130 | CabreraU | Ulises Cabrera | 04/06/2023 | 300.00 |
| 1017131 | Rogers | Marita G. Rogers | 04/06/2023 | 400.00 |
| 1017132 | PHILLIPS | Phillips 66-CO./SYNCB | 04/06/2023 | 77.24 |
| 1017133 | TRILAK | TRI Lake | 04/12/2023 | 20,360.00 |
| 1017134 | WILLDANS | Willdan | 04/12/2023 | 54,478.07 |
| 1017135 | BESTBE | Best Best & Krieger, LLP | 04/13/2023 | 36,324.30 |
| 1017136 | FASTSI | Fast Signs | 04/13/2023 | 19.40 |
| 1017137 | FRONTIER | Frontier Communications | 04/13/2023 | 100.68 |
| 1017138 | Gold | GLS US | 04/13/2023 | 87.76 |
| 1017139 | MGS | M.G.S. | 04/13/2023 | 500.00 |
| 1017140 | SPARKLET | Sparkletts | 04/13/2023 | 123.89 |
| 1017141 | TRILAK | TRI Lake | 04/13/2023 | 6,530.00 |
| 1017142 | VRPA | VRPA Technologies, Inc. | 04/13/2023 | 3,600.08 |
| 1017143 | Camargo | Cindy Camargo | 04/13/2023 | 224.25 |

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|---------------------------|-----------|--|------------|-------------------|
| 1017144 | RIVTLMA | TLMA Administration- County Of Riverside | 04/13/2023 | 5,249.74 |
| 1017145 | William2 | Grace Martin | 04/13/2023 | 224.25 |
| 1017146 | SoCANews | Southern California News Group | 04/13/2023 | 677.19 |
| 1017147 | WASTEM | WM Corporate Services, Inc. | 04/13/2023 | 1,556.80 |
| 1017148 | BankofAm | Bank Of America | 04/25/2023 | 25,835.26 |
| 1017149 | mgs | M.G.S. | 04/26/2023 | 2,219.50 |
| 1017150 | ewing | Ewing Irrigation Products, Inc. | 04/26/2023 | 677.44 |
| 1017151 | rivctysh | Riverside County Sheriff Department | 04/26/2023 | 17,563.99 |
| 1017152 | fedex | FedEx | 04/26/2023 | 163.33 |
| 1017153 | printwr | Print Wear Embroidery Wear | 04/26/2023 | 1,051.39 |
| 1017154 | RSG | RSG, Inc. | 04/26/2023 | 352.50 |
| 1017155 | MVC | MV Cheng & Associates Inc. | 04/26/2023 | 30,646.25 |
| 1017156 | canonf | Canon Financial Services, Inc. | 04/26/2023 | 797.30 |
| Report Total (59 checks): | | | | <u>293,297.29</u> |

Accounts Payable

Checks by Date - Summary by Check Number

User: beltran
Printed: 6/6/2023 12:15 PM



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

Meridian LLMD No. 1 - Fund 120

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------|-----------|--|------------|--------------|
| 2003575 | trilak | TRI Lake | 04/06/2023 | 10,979.55 |
| 2003576 | rivtlma | TLMA Administration- County Of Riverside | 04/06/2023 | 380.04 |
| 2003577 | wmwd | Western Municipal Water District | 04/06/2023 | 412.78 |
| 2003578 | HOMEDE | Home Depot Credit Services | 04/06/2023 | 119.59 |
| 2003579 | BRIGHT | BrightView Landscape Services, Inc. | 04/06/2023 | 50,871.95 |
| 2003580 | WMWD2 | Western Municipal Water District | 04/06/2023 | 4,436.81 |
| 2003581 | WMWD2 | Western Municipal Water District | 04/06/2023 | 7,343.63 |
| 2003582 | PHILLIPS | Phillips 66-CO./SYNCB | 04/06/2023 | 607.71 |
| 2003583 | FRONTIER | Frontier Communications | 04/13/2023 | 6.30 |
| 2003584 | TRILAK | TRI Lake | 04/13/2023 | 50.00 |
| 2003585 | SCE4 | Southern California Edison | 04/13/2023 | 8,107.48 |
| 2003586 | SoCANews | Southern California News Group | 04/13/2023 | 1,679.58 |
| 2003587 | aqua | Aqua Backflow & Chlorination, Inc.. | 04/26/2023 | 381.00 |
| 2003588 | sce4 | Southern California Edison | 04/26/2023 | 923.60 |
| 2003589 | bright | BrightView Landscape Services, Inc. | 04/26/2023 | 1,360.00 |
| 2003590 | WMWD2 | Western Municipal Water District | 04/26/2023 | 361.45 |

Report Total (16 checks):

88,021.47

Accounts Payable

Checks by Date - Summary by Check Number

User: beltran
Printed: 6/6/2023 11:48 AM



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

March Lifecare Campus CFD 2013 - Fund 140

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------|-----------|----------------------------|------------|--------------|
| 4000092 | trilak | TRI Lake | 04/06/2023 | 750.00 |
| 4000093 | SCE4 | Southern California Edison | 04/13/2023 | 731.40 |
| 4000094 | sce4 | Southern California Edison | 04/26/2023 | 332.06 |

Report Total (3 checks): 1,813.46

Accounts Payable

Checks by Date - Summary by Check Number

User: beltranr
Printed: 6/6/2023 11:53 AM



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

Green Acres - Fund 300

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|----------|-----------|--|------------|--------------|
| 3009238 | Montg | Montgomery Plumbing | 04/05/2023 | 2,425.00 |
| 3009239 | PHILLIPS | Phillips 66-CO./SYNCB | 04/05/2023 | 162.80 |
| 3009240 | StaplesA | Staples Business Credit | 04/05/2023 | 363.93 |
| 3009241 | Aqua | Aqua Backflow & Chlorination, Inc.. | 04/05/2023 | 3,257.05 |
| 3009242 | SouthCou | South County Pest Control, Inc. | 04/05/2023 | 179.00 |
| 3009243 | WMWD | Western Municipal Water District | 04/05/2023 | 825.56 |
| 3009244 | HOMEDE | Home Depot Credit Services | 04/05/2023 | 678.09 |
| 3009245 | marchut | March Joint Powers Utility Authority | 04/05/2023 | 19,645.42 |
| 3009246 | ABILITY | Ability Counts, Inc. | 04/13/2023 | 13,500.00 |
| 3009247 | Automate | Automated Gate Services, Inc. | 04/13/2023 | 120.00 |
| 3009248 | FRONTIER | Frontier Communications | 04/13/2023 | 12.59 |
| 3009249 | SCE4 | Southern California Edison | 04/13/2023 | 93.58 |
| 3009250 | HDFacil | HD Supply Facilities Maintenance, Ltd. | 04/26/2023 | 169.24 |
| 3009251 | mgs | M.G.S. | 04/26/2023 | 205.28 |
| 3009252 | SouthCou | South County Pest Control, Inc. | 04/26/2023 | 558.00 |
| 3009253 | sce4 | Southern California Edison | 04/26/2023 | 207.85 |
| 3009254 | WMWD | Western Municipal Water District | 04/26/2023 | 11,033.23 |
| 3009255 | ALPINE | Robert Vernieri | 04/26/2023 | 8,060.00 |

Report Total (18 checks):

61,496.62

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (5)

Meeting Date: June 14, 2023

Action: **APPROVE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH QISHENG PAN, PH.D. TO UPDATE A 2016 ECONOMIC IMPACT ANALYSIS FOR THE MARCH JOINT POWERS AUTHORITY, AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE AMENDMENT**

Proposed Motion: Move to approve an Amendment to the Professional Services Agreement with Qisheng Pan, PhD to update a 2016 Economic Impact Analysis for the March Joint Powers Authority and authorize the Executive Director to execute the Amendment.

Background

In August of 2022, the Commission approved a Professional Services Agreement with Qisheng Pan to update the March JPA's 2016 Economic Impact Analysis. Dr. Pan completed an updated Economic Impact Analysis (EIA) for the March Joint Powers Authority in March 2023; however, the study omitted the federal component of the former Air Force Base which is a big part of the JPA's focus at March. In order to understand the full economic impact that the March area has on the region, an updated EIA that includes Base numbers would be necessary. A wholistic economic impact analysis for March would not only confirm the positive impacts of community partnerships for the region, it would also help both the JPA and Base compete for important federal dollars toward infrastructure and community projects.

The study utilized the well-known California Planning Model (SCPM) to trace all regional economic impacts using high level as well as localized scenarios. Staff recommends the approval of an amendment to the Professional Service Agreement with Dr. Pan.

Attachment: Professional Service Agreement Amendment

**MARCH JOINT POWERS AUTHORITY
PROFESSIONAL SERVICES AGREEMENT
AMENDMENT NO.1 WITH
QISHENG PAN, PHD**

1. PARTIES AND DATE.

This Agreement is made and entered into this 14th day of June, 2023, by and between the March Joint Powers Authority, a joint powers authority, organized under the laws of the State of California, with its principal place of business at 14205 Meridian Parkway, Suite #140, Riverside, County of Riverside, State of California ("Authority") and Qisheng Pan, a sole proprietor of State of Texas, with its principal place of business at 2619 West Bainbridge Circle, Pearland, Texas 77584 ("Consultant"). Authority and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

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

2.2 Project.

Authority desires to engage Consultant to render such professional services as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the Authority all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional consulting services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibit attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from June 14, 2023 to August 31, 2023, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Responsibilities of Consultant.

3.2.1 Independent Contractor; Control and Payment of Subordinates. The Services shall be performed by Consultant or under its supervision. Consultant will determine the

means, methods and details of performing the Services subject to the requirements of this Agreement. Authority retains Consultant on an independent contractor basis and not as an employee. Any personnel performing the Services on behalf of Consultant shall not be employees of Authority and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services in a prompt and timely manner and in accordance with the Schedule of Services set forth in Exhibit A attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services expeditiously. Upon request of Authority, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

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

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

3.2.5 Authority's Representative. The Authority hereby designates Executive Director, Dr. Grace Martin, or his/her designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("Authority's Representative"). Authority's Representative shall have the power to act on behalf of the Authority for review and approval of all products submitted by Consultant but not the authority to enlarge the Scope of Services or change the total compensation due to Consultant under this Agreement. The Executive Director shall be authorized to act on Authority's behalf and to execute all necessary documents which enlarge the Scope of Services or change the Consultant's total compensation subject to the provisions contained in Section 3.3 of this Agreement. Consultant shall not accept direction or orders from any person other than the Executive Director, Authority's Representative or his/her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Consultant, Qisheng Pan, or his designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with Authority staff in the performance of Services and shall be available to Authority's staff, consultants and

other staff at all reasonable times.

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

3.2.9 Period of Performance. Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibit A attached hereto, or which may be separately agreed upon in writing by the Authority and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Performance Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the Authority will suffer damage.

3.2.10 Laws and Regulations; Employee/Labor Certification. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the Authority to terminate the Agreement for cause.

3.2.10.1 Employment Eligibility; Consultant. Consultant certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Consultant certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

3.2.10.2 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or

termination. Consultant shall also comply with all relevant provisions of Authority's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.2.10.3 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the South Coast Air Quality Management District (SCAQMD) and/or California Air Resources Board (CARB). Consultant shall indemnify Authority against any fines or penalties imposed by SCAQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its subconsultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

3.2.10.4 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.2.11 Insurance.

3.2.11.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the Authority that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the Authority that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the Authority to terminate this Agreement for cause.

3.2.11.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Consultant, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

(C) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

(D) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Consultant's profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

3.2.11.3 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the Authority to add the following provisions to the insurance policies:

(A) Automobile Liability. (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the Authority except ten (10) days shall be allowed for non-payment of premium.

(B) Professional Liability (Errors & Omissions): (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the Authority except ten (10) days shall be allowed for non-payment of premium. (2) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must "pay on behalf of" the insured and include a provision establishing the insurer's duty to defend.

(C) Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the Authority, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.2.11.4 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the Authority, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against Authority, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

3.2.11.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the Authority and shall protect the Authority, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.2.11.6 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the Authority, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the Authority for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the Authority. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the Authority evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.2.11.7 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.2.11.8 Enforcement of Agreement Provisions (non estoppel). Consultant acknowledges and agrees that actual or alleged failure on the part of the Authority to inform Consultant of non-compliance with any requirement imposes no additional obligation on the Authority nor does it waive any rights hereunder.

3.2.11.9 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

3.2.11.10 Additional Insurance Provisions

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

(B) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Authority has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Authority will be promptly reimbursed by Consultant or Authority will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, Authority may cancel this Agreement.

(C) The Authority may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(D) Neither the Authority nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(E) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the Authority and shall not preclude the Authority from taking such other actions available to the Authority under other provisions of the Agreement or law.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for additional Services rendered under this Agreement at the rates set forth in Exhibit A attached hereto and incorporated herein by reference. The total compensation shall not exceed Twenty-Two Thousand dollars and no cents (\$22,000) without written approval of the Commission or Executive Director as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to Authority a monthly invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. Authority shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges. If the Authority disputes any of Consultant's fees, the Authority shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth therein. Payment shall not constitute acceptance of any Services completed by Consultant. The making of final payment shall not constitute a waiver of any claims by the Authority for any reason whatsoever.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by Authority, or included in Exhibit A of this Agreement.

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

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of Authority during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3)

years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

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

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

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

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

| | |
|-------------|---|
| Consultant: | Dr. Qisheng Pan 2619 West Bainbridge Circle Pearland, TX 77584 ATTN: Dr. Qisheng Pan, Consultant |
| Authority: | March Joint Powers Authority 14205 Meridian Parkway, Suite #140 Riverside, CA 92518 ATTN: Dr. Grace Martin, Executive Director |

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

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for Authority to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data

magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of Authority, and shall not be used in whole or in substantial part by Consultant on other projects without the Authority's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to Authority reproducible copies of all Documents & Data, in a form and amount required by Authority. Authority reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by Authority at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to Authority upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to Authority any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to Authority upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify Authority and provide Authority with the opportunity to obtain the documents.

3.5.3.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that Authority is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the Authority.

3.5.3.3 Right to Use. Authority shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at Authority's sole risk. If Authority uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the Authority upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

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

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

3.5.3.6 Confidential Information. The Authority shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the Authority's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the Authority shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the release notice to give Authority written notice of Consultant's objection to the Authority's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the Authority, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. Authority shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with Authority's choice of legal counsel), and hold Authority harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that Authority release such information.

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

3.5.5 Indemnification.

3.5.5.1 To the fullest extent permitted by law, Consultant shall defend (with counsel of Authority's choosing), indemnify and hold the Authority, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subconsultants, or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all expert witness fees, attorney's fees, and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the Authority. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the Authority, its officials, officers, employees, agents, or volunteers.

3.5.5.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is

defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.5.6 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

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

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

3.5.9 Authority's Right to Employ Other Consultants. Authority reserves right to employ other consultants in connection with this Project.

3.5.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.11 Assignment; Subcontracting. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the Authority, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates and subconsultants as Consultant may deem appropriate to assist in the performance of Services hereunder.

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

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

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

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

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

3.5.17 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the Authority's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, Authority shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of Authority, during the term of his or her service with Authority, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

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

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

3.5.20 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

[SIGNATURES ON NEXT PAGE]

**SIGNATURE PAGE TO
PROFESSIONAL SERVICES AGREEMENT BY AND
BETWEEN THE MARCH JOINT POWERS AUTHORITY
AND QISHENG PAN, PHD**

MARCH JOINT POWERS AUTHORITY

QISHENG PAN, PHD.

By: _____
Grace I. Martin, DPPA
Executive Director

By: _____
Qisheng Pan
Consultant

Attest:

Authority Clerk

Approved as to Form:

Thomas A. Rice
Best Best & Krieger LLP
General Counsel

JPC Approved Original Agreement 061423 item 8.5.

EXHIBIT "A"
SCOPE OF SERVICES

The Updated Economic Impact Analysis for the March Joint Powers Authority

Proposed by Qisheng Pan, Ph.D.

Initial Preparation: Nov. 16, 2020

Last Revision: May 2, 2023

1. Introduction

March Air Reserve Base, previously known as March Air Force Base (AFB) is located in Riverside County, California between the cities of Riverside and Moreno Valley. The March AFB ended its 78-year active military duty by April 1 1996. After then, the base became March Air Reserve Base (ARB) under the Air Force Reserve Command (AFRC) and the land was managed by the March Joint Powers Authority (JPA), a commission that represents the county and the base's adjoining cities, including the cities of Perris, Moreno Valley and Riverside. According to the 2018 American Community Survey (ACS) 5-year estimates, March ARB had a population of 1,150, 492 households, 755 housing units, 272 workers, \$77,857 median income, and 4,400 acres of land. The March JPA has explored some possible redevelopment for the AFB, such as a joint civil-military public use airport.

Based on the 2016 Economic Impact Analysis (EIA) completed for the March JPA, this project aims to update the 2016 study using the most recent data in two phases: at the current status and the full built-out status. We can also estimate the impact of any proposed redevelopment project with additional information and budget.

2. Methodology for Economic Impact Analysis

This project utilizes the well-known Southern California Planning Model (SCPM) to trace all the regional economic impacts at a high level of sectoral and spatial disaggregation. The model was developed for the five-county Los Angeles metropolitan region, and has the unique capability to allocate all impacts, in terms of jobs or the dollar value of output, to sub-regional zones, mainly individual municipalities. This is the result of an integrated modeling approach that incorporates two fundamental components: input-output and spatial allocation. The approach allows the representation of estimated spatial and sectoral impacts corresponding to any vector of changes in final demand. Exogenous shocks treated as changes in final demand are fed through an input-output model to generate sectoral impacts that are then introduced into the spatial allocation model. The first model component is built upon the well known IMPLAN input-output model¹ which has a high degree of sectoral disaggregation (440 in IMPLAN 3.0 or a newer IMPLAN Pro V3.1). The second basic model component is used for allocating sectoral impacts across the 308 geographic zones in Southern California. (Pan et al. 2009).

3. Data Analysis and Results

¹ Made available by <http://www.implan.com/>

The data processing for the EIA of March Joint Powers Authority (JPA) was preprocessed step by step.

3.1. The first step is to obtain the economic activities by industry in current March AFB (Figure 1). They will be identified with spatial locations (similar to Table 1).

3.2. IMPLAN input-output analysis with multiple sub-steps as follows,

1) Construct a new model

A new model is constructed for the five county Southern California Association of Government (SCAG) region using the most recent IMPLAN data (see Figure 2).

2) Set up activities

Create a new activity for Economic Impact Analysis (EIA).

3) Create events

Create events for the EIA activity using the Labor Costs and Material Costs for Product Installation in Table 2 (Figure 3).

4) Analyze scenarios

Create a scenario with the EIA activities and analyze the scenario. IMPLAN reports the results of impact analysis, including direct, indirect, and induced effects (see Figure 4).

The next step is to allocate sectoral impacts across the geographic zones in Southern California. The key of this basic model component is to adapt a Garin-Lowry style model for spatially allocating the induced impacts generated by the input-output model. The modeling results can be summarized by County or city (similar to Table 1). Detailed modeling results can be recorded in tables or spreadsheets. The location of the impacts in dollar value and job is shown in Figure 5 and 6.

4. Additional Data Analysis and Results

March Joint Powers Authority (JPA) will provide additional data including the Appropriated Fund Military units from the military base (March Air Reserve).

We will follow the similar methodology in Section 2 and the steps described in Section 3 to process the additional data and conduct the current and future economic impact analysis for the military units in March Air Reserve.

5. Timeline and Budget

Timeline

When the data for the EIA of March Joint Powers Authority (JPA) is ready, this project is expected to be completed in 3 months. More time is needed for additional data analysis and results.

Budget

IMPLAN Data for California \$7,000

Compensation for Prof. Qisheng Pan \$26,000 + \$20,000 (for additional data analysis and results)

Compensation for Prof. Peter Gordon \$5,000 + \$2,000 (for additional data analysis and results)

Total: \$38,000 + \$22,000 (for additional data analysis and results)

Short Bio of Key Personnel

Qisheng Pan Dr. Qisheng Pan is Director at CTEDD. Dr. Pan is a Professor in the Department of Public Affairs and Planning, UTA. He has been a full Professor in the Department of Urban Planning and Environmental Policy (UPEP) at Texas Southern University (TSU) since 2011. He is also the director of the DOT Tier 1 University Transportation Centers program at TSU, which is a collaborative effort with UT-Austin, UPenn, and LSU to examine the cooperative mobility for competitive megaregions. He served as the UPEP department chair in 2008-2016. Dr. Pan received a Ph.D. in Urban Planning and a Master's degree in Computer Science, both from the University of Southern California (USC). He also held a Master's degree in Cartography and Remote Sensing and a BS in Geology from Peking University. His research focuses on multiple aspects of urban planning, including transportation planning, economic impact analysis, urban and regional planning models, and the applications of GIS in urban planning. He received research grants from Texas Department of Transportation (TXDOT), the Natural Resources Imagery Grant from ESRI, and Ewing Marion Kauffman Foundation, etc. Prof. Pan has also consulted in research projects funded by National Science Foundation, Department of Homeland Security, Department of Transportation, California Cut Flower Commission, Renovate America, and RAND Corporation, etc.

Peter Gordon is Professor Emeritus at the University of Southern California's Price School of Public Policy, where he taught and conducted research for 43 years until his retirement at the end of 2013. Gordon's research interests are in applied urban economics. Gordon and his colleagues developed various economic impact models which they applied to the study of the effects of infrastructure investments or disruptions from natural events or terrorist attacks. In addition, he continues to be interested in urban structure and how it relates to economic growth along with the associated policy implications. Peter Gordon has published in most of the major urban planning, urban transportation and regional science journals. He is a Fellow of the Regional Science Association International. He has consulted for local, state and federal agencies, the World Bank, the United Nations and many private groups. Gordon received the Ph.D. from the University of Pennsylvania in 1971.

Reference

Pan, Q., H. W. Richardson, P. Gordon, and J. Moore (2009) "The Economic Impacts of a Terrorist Attack on the Downtown Los Angeles Financial District," *Spatial Economic Analysis*, Vol. 4, No. 2, 213-239.

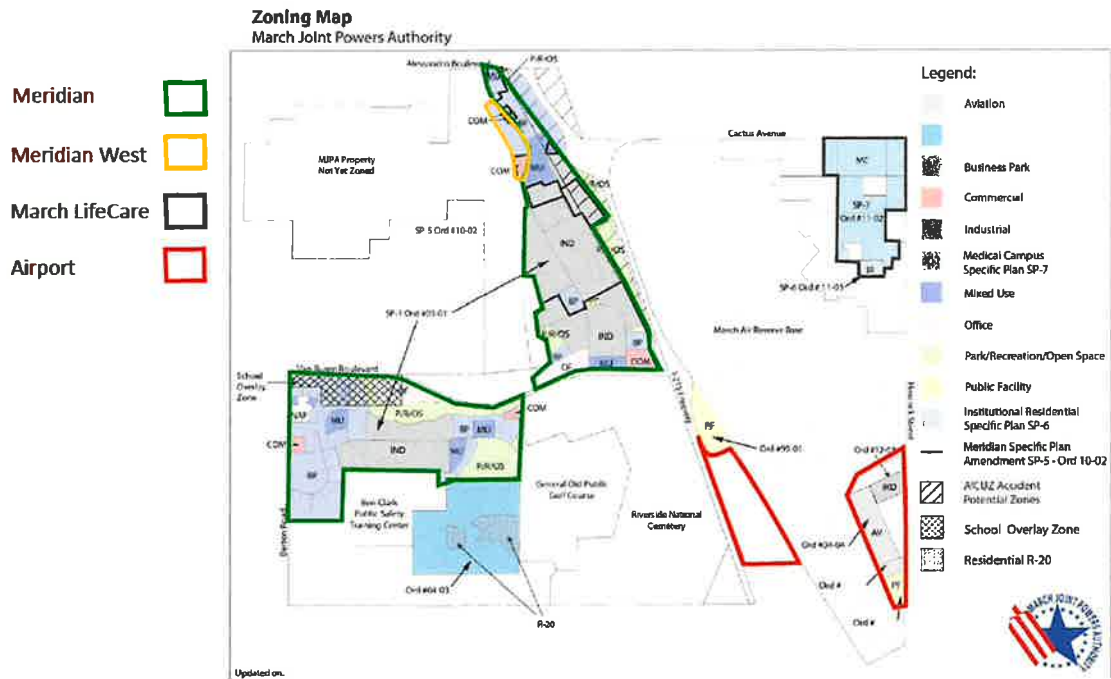


Figure 1. Zoning Map of March.

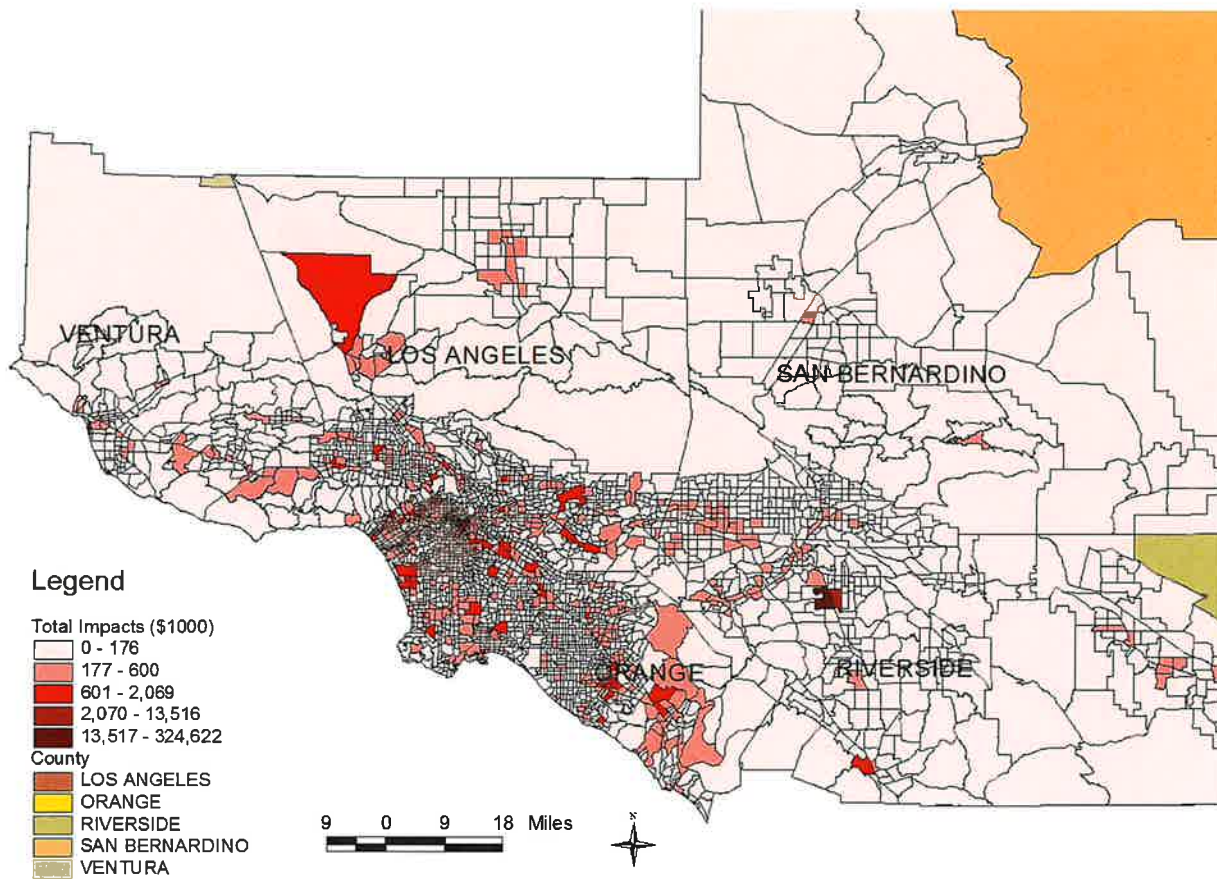


Figure 5. Dollar value of total impact in the first phase by Traffic Analysis Zone (TAZ)

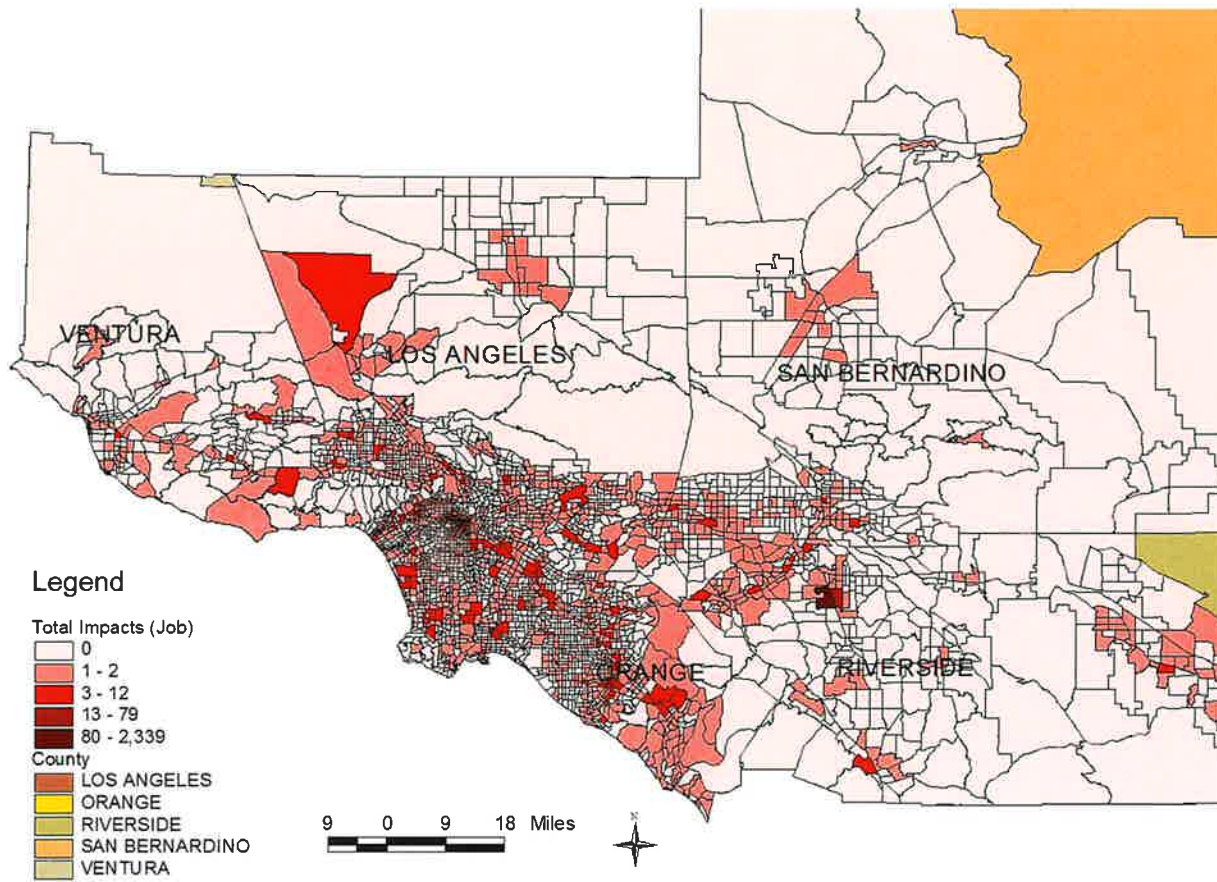


Figure 6. Job impacts in the first phase by TAZ

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (6)

Meeting Date: June 14, 2023

Action: **ADOPT RESOLUTION JPA 23-11 APPROVING COVID-19 PREVENTION PROCEDURES (“CPP”) FOR THE MARCH JOINT POWERS AUTHORITY**

Motion: Move to Adopt Resolution JPA 23-11 Approving COVID-19 Prevention Procedures (“CPP”) for the March Joint Powers Authority.

Background:

The March Joint Powers Authority (“Authority”) is committed to providing a safe and healthy workplace for all employees and visitors. COVID-19 is considered a workplace hazard, and the Authority has developed the following COVID-19 Prevention Procedures (“CPP”) to address COVID-19 hazard control procedures. The Authority’s goal is to mitigate the potential for transmission of COVID-19 and requires full cooperation among employees, management, and visitors to be successful. Only through this cooperative effort can the Authority establish and maintain the safety and health of the workplace.

Due to the evolving nature of the COVID-19 pandemic and guidelines in response, these protocols may be modified at any time by management. Employees will receive communication via email on any modifications and this document shall be updated by management to reflect any changes.

The new Cal/OSHA COVID-19 regulation has been approved and became effective on February 3, 2023. It will remain in effect for two (2) years, until February 3, 2025, with some recordkeeping obligations remaining in effect through 2026.

Once this CPP is adopted by the March Joint Powers Commission, it will become part of our Injury and Illness Prevention Program (IIPP), and the previously adopted “COVID-19 Worksite Preparedness Plan for the March Joint Powers Authority,” which was adopted by the Commission on June 24, 2020 (Resolution JPA 20-11), will become obsolete.

Attachments:

- 1) Resolution JPA 23-11
- 2) Attachment A: COVID-19 Prevention Procedures (“CPP”) for the March Joint Powers Authority

RESOLUTION JPA 23-11

A RESOLUTION OF THE JOINT POWERS AUTHORITY COMMISSION OF THE MARCH JOINT POWERS AUTHORITY ADOPTING THE COVID-19 PREVENTION PROCEDURES (“CPP”) FOR THE MARCH JOINT POWERS AUTHORITY

WHEREAS, the new Cal/OSHA COVID-19 regulation was approved and became effective on February 3, 2023;

WHEREAS, it will remain in effect for two (2) years, until February 3, 2025, with some recordkeeping obligations remaining in effect through 2026;

WHEREAS, due to the evolving nature of the COVID-19 pandemic and guidelines in response, these protocols may be modified at any time by management;

WHEREAS, employees will receive communication via email on any modifications and this document shall be updated by management to reflect any changes;

WHEREAS, once this CPP is adopted by the March Joint Powers Commission, it will become part of our Injury and Illness Prevention Program (IIPP);

WHEREAS, the previously adopted “COVID-19 Worksite Preparedness Plan for the March Joint Powers Authority,” which was adopted by the March Joint Powers Commission on June 24, 2020 (Resolution #JPA 20-11), will become obsolete;

WHEREAS, the March Joint Powers Authority (“Authority”) is committed to providing a safe and healthy workplace for all employees and visitors;

WHEREAS, COVID-19 is considered a workplace hazard, and the Authority has developed the following COVID-19 Prevention Procedures (“CPP”) to address COVID-19 hazard control procedures;

WHEREAS, the Authority’s goal is to mitigate the potential for transmission of COVID-19 and requires full cooperation among employees, management, and visitors to be successful;

WHEREAS, only through this cooperative effort can the Authority establish and maintain the safety and health of the workplace.

NOW, THEREFORE, the Joint Powers Commission of the March Joint Powers Authority does hereby resolve as follows:

SECTION 1. The Commission finds that all the foregoing recitals presented herewith are true and correct and are hereby incorporated and adopted as findings of the Commission as if fully set forth herein.

SECTION 2. That the “COVID-19 Prevention Procedures (“CPP”) for the March Joint Powers Authority,” is hereby adopted as heretofore considered and discussed, in the form attached hereto as Exhibit “A” and incorporated herein by this reference.

SECTION 3. This Resolution shall be effective immediately upon adoption.

PASSED, APPROVED, and ADOPTED this 14th day of June, 2023.

Chuck Conder, Chair
March Joint Powers Authority Commission

ATTEST:

I, Cindy Camargo, Clerk of the March Joint Powers Commission, do hereby certify that the foregoing Resolution JPA 23-11 was duly and regularly adopted by the March Joint Powers Commission as its regularly scheduled meeting on June 14, 2023, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Dated: June 14, 2023

Cindy Camargo, CAP, Clerk
March Joint Powers Authority Commission

EXHIBIT "A"

**COVID-19 PREVENTION PROCEDURES ("CPP")
FOR THE MARCH JOINT POWERS AUTHORITY**

[ATTACHED]

**COVID-19 PREVENTION PROCEDURES (“CPP”)
FOR THE MARCH JOINT POWERS AUTHORITY**

The March Joint Powers Authority ("Authority") is committed to providing a safe and healthy workplace for all our employees and visitors. COVID-19 is considered a workplace hazard, and the Authority has developed the following COVID-19 Prevention Procedures (“CPP”) to address COVID-19 hazard control procedures. The Authority's goal is to mitigate the potential for transmission of COVID-19 and requires full cooperation among our employees, management and visitors in order to be successful. Only through this cooperative effort can the Authority establish and maintain the safety and health of the workplace.

Due to the evolving nature of the COVID-19 pandemic and guidelines in response, these protocols may be modified at any time by management. Employees will receive communication via email on any modifications and this document shall be updated by management to reflect any changes. Questions or concerns regarding any information provided in this plan can be directed to management who are responsible for implementing this plan.

**COVID-19 PREVENTION PROCEDURES (“CPP”)
FOR THE MARCH JOINT POWER AUTHORITY**

This CPP is designed to control employees’ exposures to the SARS-CoV-2 virus (severe acute respiratory syndrome coronavirus 2) that causes COVID-19 (Coronavirus Disease 2019) that may occur in our workplace.

Date: June 14, 2023

RESPONSIBILITIES OF DIRECTORS AND MANAGERS

The Authority has implemented the following requirements for Directors and Managers:

- All Directors and Managers are responsible for implementing the provisions of this CPP in the workplace.
- All Directors and Managers must be familiar with this Plan and be ready to answer questions from employees.
- All Directors and Managers are responsible for implementing and maintaining the CPP in their assigned work areas.

APPLICATION OF THE MARCH JOINT POWER AUTHORITY INJURY & ILLNESS PREVENTION PROGRAM (“IIPP”)

COVID-19 is a recognized hazard in our workplace that is addressed through our IIPP, which will be effectively implemented and maintained to ensure the following:

A. When determining measures to prevent COVID-19 transmission and identifying and correcting COVID-19 hazards in our workplace:

- All persons in our workplace are treated as potentially infectious, regardless of symptoms, vaccination status, or negative COVID-19 test results.
- COVID-19 is treated as an airborne infectious disease. Applicable State of California, Riverside University Health System – Public Health, Riverside County Board of Supervisors orders and guidance will be reviewed when determining measures to prevent transmission and identifying and correcting COVID-19 hazards. COVID-19 prevention controls include:
 - Remote work.
 - Physical distancing.
 - Reducing population density indoors.
 - Moving indoor tasks outside.
 - Implementing separate shifts and/or break times.
 - Restricting access to work areas.
 - Prompt identification and isolation of sick persons.
 - Communications and training that will be provided to Managers and employees; and
 - Management and supervision necessary to ensure effective implementation of the plan.

B. Training and instruction on COVID-19 prevent is provided as follows:

- When this CPP was first established.
- To new employees.
- To employees given a new job assignment involving COVID-19 hazards and they have not been previously trained.
- Whenever new COVID-19 hazards are introduced.
- When we are made aware of new or previously unrecognized COVID-19 hazards.
- For Directors and Managers to familiarize themselves with the COVID-19 hazards to which employees under their immediate direction and control may be exposed.

Note: Appendix A COVID-19 **Training Roster** will be used to document this training.

C. Procedures to Investigate COVID-19 Illnesses at the Workplace

- Determining the day and time a COVID-19 case was last present; the date of the positive COVID-19 tests or diagnosis; and the date the COVID-10 case first had one or more COVID-19 symptoms. Note: Appendix B Investigating COVID-19 Cases will be used to document this information.
- Effectively identifying and responding to persons with COVID-19 symptoms at the workplace which includes:
 - Asking employees to take their own temperatures or otherwise perform self-screening measures before reporting to work. Directors or Managers may continue to send out a reminder email to employees to conduct a self-assessment for COVID-19.
 - Any employee/contractor/visitor showing symptoms of COVID-19 will be asked to leave the workplace and return home.
 - Identification of places and times when people may congregate or come in contact with one another, regardless of whether employees are performing an assigned work task or not. Examples include meetings or training and entrances, bathrooms, hallways, aisles, walkways, elevators, break or eating areas, and waiting areas.
 - Conducting a site-specific evaluation of where COVID-19 transmission could occur, including interactions between employees and any other persons, and places employees might gather or interact with other employees or members of the public.
 - Conducting periodic inspections of the workplace to ensure compliance with the CalOSHA COVID-19 Prevention Regulations and check for new hazards.
- Encouraging employees to report COVID-19 symptoms to the employee's Director or Manager, or to the Human Resources Department, and to stay home when ill. The Authority advises employees that if the employee develops a fever or symptoms of respiratory illness, such as cough or shortness of breath, DO NOT GO TO WORK and call the employee's Director, Manager or Human Resources Department. If the employee develops symptoms during the workday, separate themselves from other employees, inform their Director, Manager or Human Resources Department (if possible) and return home. If the employee has been exposed to a person with a confirmed or presumed case of COVID-19, DO NOT GO TO WORK and call their Director or Manager immediately.

D. Effective Procedures for Responding to COVID-19 Cases at the Workplace

- Immediately excluding COVID-19 cases according to the following requirements:
 - COVID-19 cases who do not develop COVID-19 symptoms will not return to work during the infectious period.
 - COVID-19 cases who develop COVID-19 symptoms will not return to work during

the shorter of either of the following:

- The infectious period.
- Through 10 days after the onset of symptoms and at least 24 hours have passed since a fever of 100.4 degrees Fahrenheit or higher has resolved without the use of fever-reducing medication.
- Note: The above apply regardless of whether an employee has been previously excluded or other precautions were taken in response to an employee's close contact¹ or membership in an exposed group.
- Regardless of vaccination status, previous infection, or lack of COVID-19 symptoms, a COVID-19 case must wear a face covering in the workplace until 10 days have passed since the date that COVID-19 symptoms began or, if the person did not have COVID-19 symptoms, from the date of their first positive COVID-19 test.
- The effective policies the Authority will be developed, implemented, and maintained to prevent transmission of COVID-19 by persons who had close contacts, include following the CDPH quarantine guidance after a close contact.
- If an order to isolate, quarantine, or exclude an employee is issued by a local or state health official, the employee will not return to work until the period of isolation or quarantine is completed or the order is lifted.
- If removal of an employee would create undue risk to a community's health, the Authority may submit a request for a waiver to Cal/OSHA in writing to rs@dir.ca.gov to allow employees to return to work if it does not violate local or state health official orders for isolation, quarantine, or exclusion.
 - In such cases, the Authority will follow the protocols described in this CPP to prevent transmission in the workplace, including providing isolation for the employee at the workplace and, if isolation is not feasible, the use of respirators in the workplace.
- Upon excluding an employee from the workplace based on COVID-19 or a close contact, the Authority will provide excluded employees information regarding COVID-19-related benefits to which the employee may be entitled under applicable federal, state, or local laws. This includes any benefits available under legally mandated sick leave, workers' compensation law, local governmental requirements, and the Authority's leave policies and leave guaranteed by contract. The Human Resources Department will provide the employee with this information.

E. Prevention Efforts at the Workplace

Employee Responsibilities

The Authority is asking every one of our employees to help with our prevention efforts while at work. As set forth below, the Authority has instituted various housekeeping, social distancing, and other best practices, which must be followed by all employees. If you have a specific question about this Plan or COVID-19, please reach out to your Director and/or Manager. If they cannot answer the question, please contact Human Resources.

¹ Close contact is defined by looking at the size of the workplace in which the exposure takes place. For indoor airspaces of 400,000 or fewer cubic feet, "close contact" is now defined as sharing the same indoor airspace with a COVID-19 case for a cumulative total of 15 minutes or more over a 24-hour period during the COVID-19 case's infectious period. For indoor airspaces of greater than 400,000 cubic feet, "close contact" is defined as being within six feet of a COVID-19 case for a cumulative total of 15 minutes or more over a 24-hour period during the COVID-19 case's infectious period. (CCR Title 8 §3205(b)(1).)

Employees must familiarize themselves with the symptoms of COVID-19, which include the following:

- Cough
- Shortness of breath or difficulty breathing
- Fever (100° F or greater)
- Chills
- Muscle pain
- Sore throat
- New loss of taste or smell

In order to create a safe environment for employees and curtail the spread of COVID-19, the Authority has implemented the following control and preventative guidance for all employees, regardless of exposure risk. Authority Employees must:

- Follow the policies and procedures of the Authority relating to illness, cleaning/disinfecting, work meetings, and travel.
- Encouraging employees to report COVID-19 symptoms and to stay home when except to get medical care.
- Attempt to maintain a distance of at least 6 ft. from all other persons.
- Understand that no one with symptoms should be present at the workplace. Employees should inform their supervisor if they or their colleagues develop symptoms at work, especially fever, cough, or shortness of breath.
- Wash hands often with soap and water for at least 20 seconds, especially after blowing noses, coughing, or sneezing, or having been in a public place.
 - Use hand sanitizer that contains at least 60% alcohol if soap and water are not available.
- Avoid touching eyes, nose, and mouth.
- Avoid sharing equipment and should disinfect any shared equipment before and after use.
- To the extent possible, avoid touching high-touch surfaces in public places —elevator buttons, door handles, handrails, handshaking with people, etc.
- Minimize handling cash, credit cards, and mobile or electronic devices when possible. Wear gloves when contact is necessary or required.
- Practice social distancing by keeping at least 6 feet away from fellow co-workers, customers, and visitors when possible.
- Avoid all non-essential travel.

Disinfecting Supplies/Personnel Protective Equipment

In addition to the sinks located in bathroom facilities and the breakroom/kitchen, sanitation supplies will be readily available to staff at the following locations:

- Breakroom/Kitchen — Disinfecting wipes/spray with disposable towel (product dependent on availability).
- Front Counter — Disinfecting wipes (product dependent on availability) and hand sanitizing dispenser.
- Commonly - Used Equipment — Disinfectant wipes will be staged at copy machines and any other Authority equipment used by multiple individuals.

- If employees need disinfecting wipes/spray and/or hand sanitizer outside of what is available in the common areas or has already been provided at each workstation, a request should be submitted to their Director/Manager.

Hand Sanitization and Washing

- Employees are encouraged to wash their hands throughout the day at regular intervals.
- Employees are encouraged to wash their hands or use hand sanitizer after touching any high-touch surface in common areas.
- Each employee may be provided hand sanitizer to use at their cubicle/office and will continue to so long as the Authority able to procure replacement product.
- Employees are allowed to bring their own hand sanitizer for personal use. Hand sanitizer should contain at least 60% alcohol.

TESTING OF CLOSE CONTACTS

COVID-19 tests are available at no cost, during paid time, to all employees who have had a close contact in the workplace. These employees will be provided with the information outlined above, under the section, Effective Procedures for Responding to COVID-19 Cases at the Workplace, of this CPP.

Exceptions are returned cases.²

NOTICE OF COVID-19 CASES

Employees and independent contractors who had a close contact, as well as any employer with an employee who had a close contact, will be notified as soon as possible, and in no case longer than the time required to ensure that the exclusion requirements of section D of this CPP are met.

Pursuant to the notice requirements of Labor Code section 6409.6, the Authority will:

- Provide written notice of a COVID-19 case, in a form readily understandable to employees. The notice will be given to all employees, employers, and independent contractors at the worksite.
- Provide written notice to the authorized representative, if any, of:
 - The COVID-19 case and of any employee who had a close contact.
 - All employees on the premises at the same worksite as the COVID-19 case within the infectious period.

Please see the section Reporting and Record Keeping of this CPP for the notice retention requirements.

² Returned cases is defined as COVID-19 case who was excluded from work but returned pursuant to subsection 3205(c)(5)(A) and did not develop any COVID-19 symptoms after returning. A person shall only be considered a returned case for 30 days after the initial onset of COVID-19 symptoms or, if the person never developed COVID-19 symptoms, for 30 days after the first positive test. If a period of other than 30 days is required by a CDPH regulation or order, that period shall apply. (CCR, Title 8 § 3205(b)(11).)

FACE COVERINGS

Employees will be provided face coverings and required to wear them when required by a CDPH regulation or order. This includes spaces within vehicles when a CDPH regulation or order requires face coverings indoors. Face coverings will be clean, undamaged, and worn over the nose and mouth.

The following exceptions apply:

1. When an employee is alone in a room or vehicle.
2. While eating or drinking at the workplace, provided employees are at least six feet apart and, if indoors, the supply of outside or filtered air has been maximized to the extent feasible.
3. While employees are wearing respirators required by the employer and used in compliance with Respirator Protection regulations found at CCR, Title 8 section 5144.
4. Employees who cannot wear face coverings due to a medical or mental health condition or disability, or who are hearing-impaired or communicating with a hearing-impaired person. Such employees shall wear an effective non-restrictive alternative, such as a face shield with a drape on the bottom, if the condition or disability permits it.
5. During specific tasks which cannot feasibly be performed with a face covering. This exception is limited to the time period in which such tasks are actually being performed.

If an employee is not wearing a face covering due to exceptions (4) and (5), above, the COVID-19 hazards will be assessed, and action taken as necessary.

Employees will not be prevented from wearing a face covering, including a respirator, when not required by this section, unless it creates a safety hazard.

RESPIRATORS

Respirators will be provided for voluntary use to employees who request them and who are working indoors or in vehicles with more than one person. Employees who request respirators for voluntary use will be:

- Encouraged to use them.
- Provided with a respirator of the correct size.
- Trained on:
 - How to properly wear the respirator provided.
 - How to perform a user seal check according to the manufacturer's instructions each time a respirator is worn.
 - The fact that facial hair interferes with a seal.

When a respirator is not required, the requirements of CCR, Title 8 section 5144(c)(2), will be complied with according to the type of respirator (disposable filtering face piece or elastomeric re-usable) provided to employees.

VENTILATION

For our indoor workplaces we will:

- Review CDPH and Cal/OSHA guidance regarding ventilation, including the [CDPH Interim Guidance for Ventilation, Filtration, and Air Quality in Indoor Environments](#). The Authority will develop, implement, and maintain effective methods to prevent transmission of COVID-19, including one or more of the following actions to improve ventilation:
 - Maximize the supply of outside air to the extent feasible, except when the United States Environmental Protection Agency (EPA) Air Quality Index is greater than 100 for any pollutant or if opening windows or maximizing outdoor air by other means would cause a hazard to employees, for instance from excessive heat or cold.
 - In buildings and structures with mechanical ventilation, filter circulated air through filters at least as protective as Minimum Efficiency Reporting Value (MERV)-13, or the highest level of filtration efficiency compatible with the existing mechanical ventilation system.
 - Use High Efficiency Particulate Air (HEPA) filtration units in accordance with manufacturers' recommendations in indoor areas occupied by employees for extended periods, where ventilation is inadequate to reduce the risk of COVID-19 transmission.
- Determine if our workplace is subject to CCR, Title 8 section 5142 Mechanically Driven Heating, Ventilating and Air Conditioning (HVAC) Systems to Provide Minimum Building Ventilation, or section 5143 General Requirements of Mechanical Ventilation Systems, and comply as required.

In vehicles, we will maximize the supply of outside air to the extent feasible, except when doing so would cause a hazard to employees or expose them to inclement weather.

REPORTING AND RECORDKEEPING

The Authority is required to report major outbreaks of COVID-19 to Cal/OSHA, and to the local health department as required by law.

Appendix B Investigating COVID-19 Cases will be used to keep a record of and track all COVID-19 cases. These records will be kept by the Human Resources Department and retained for two years beyond the period in which it is necessary to meet the requirements of CCR, Title 8, sections 3205, 3205.1, 3205.2, and 3205.3.

Appendix B Investigating COVID-19 Cases will also be used to keep record of the notices to employees. These records will be kept by the Human Resources Department and will be retained for a period of at least three years, which is necessary to meet the requirements of Labor Code section 6409.6(m) and CCR, Title 8, section 3205.

CONFIDENTIALITY/PRIVACY

Employees will not share confidential medical or health information about co-workers. Co-workers should not request health or medical information from other employees. Under certain

circumstances, an employee may need to disclose certain health and medical information to the Authority. In these cases, the information shared will be kept confidential in accordance with applicable law and to the extent practical under the circumstances.

[Name/Title of Director/Manager approving these procedures]

[Date]

Appendix A: COVID-19 Training Roster

Date training completed: **[enter date]**

Person that conducted the training: **[enter name(s)]**

| Employee Name | Signature |
|----------------------|------------------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

Appendix B: Investigating COVID-19 Cases

All personal identifying information of COVID-19 cases or persons with COVID-19 symptoms, and any employee required medical records will be kept confidential unless disclosure is required or permitted by law. Unredacted information on COVID-19 cases will be provided to the local health department, CDPH, Cal/OSHA, the National Institute for Occupational Safety and Health (NIOSH) immediately upon request, and when required by law.

Date COVID-19 case (suspect or confirmed) became known: [enter information]

Date investigation was initiated: [enter information]

Name of person(s) conducting the investigation: [enter name(s)]

COVID-19 Case Summary

| Name | Contact Info | Occupation | Location | Last day and time present | Date of positive test and/or diagnosis | Date of first symptoms |
|------|--------------|------------|----------|---------------------------|--|------------------------|
| | | | | | | |

Summary of employees, independent contractors, and employees of other employers that came in close contact [CCR Title 8, section 3205 does not require recordkeeping for close contacts. These tables are included to assist employers in keeping track of which close contacts they have notified to meet the notice requirements.]

| Name | Contact Info | Date notified | Date offered COVID-19 testing (employees only) |
|------|--------------|---------------|--|
| | | | |
| | | | |

Summary notice of a COVID-19 case (employees, employers, independent contractors) – during the infectious period and regardless of a close contact occurring.

| Name | Date notified |
|------|---------------|
| | |
| | |

Summary notice of a COVID-19 case (authorized representative of the COVID-19 case and employee who had a close contact).

| Name | Date notified |
|------|---------------|
| | |

What were the workplace conditions that could have contributed to the risk of COVID-19 exposure?

[enter information]

What could be done to reduce exposure to COVID-19?

[enter information]

Was the local health department notified? Date?

[enter information]

Additional Consideration #1

COVID-19 Outbreaks

[This addendum will need to be added to your CPP if three or more employee COVID-19 cases within an exposed group visited the workplace during their infectious period at any time during a 14-day period, unless a CDPH regulation or order defines outbreak using a different number of COVID-19 cases and/or a different time period. Reference CCR, Title 8 section 3205.1 for details.]

This addendum will stay in effect until there are one or fewer new COVID-19 cases detected in the exposed group for a 14-day period.

COVID-19 Testing

We immediately provide COVID-19 testing available at no cost to our employees within the exposed group, regardless of vaccination status, during employees' paid time, except for returned cases³ and employees who were not present at the workplace during the relevant 14-day period(s).

Additional testing is made available on a weekly basis to all employees in the exposed group who remain at the workplace.

Employees who had close contacts will have a negative COVID-19 test taken within three to five days after the close contact or will be excluded and follow our return-to-work requirements starting from the date of the last known close contact.

Face Coverings

Employees in the exposed group, regardless of vaccination status, will wear face coverings when indoors, or when outdoors and less than six feet from another person, unless one of the exceptions in our CPP applies.

Respirators

Employees will be notified of their right to request and receive a respirator for voluntary use, as stipulated in our CPP.

COVID-19 investigation, review, and hazard correction

The Authority will perform a review of potentially relevant COVID-19 policies, procedures, and controls, and implement changes as needed to prevent further spread of COVID-19 when this addendum initially applies and periodically thereafter. The investigation, review, and changes will be documented and include:

- Investigation of new or unabated COVID-19 hazards including:
 - Our leave policies and practices and whether employees are discouraged from remaining home when sick.
 - Our COVID-19 testing policies.
 - Insufficient supply of outdoor air to indoor workplaces.
 - Insufficient air filtration.
 - Insufficient physical distancing.

³ Recently returned is defined as recovered from COVID-19 means a period of 90 days after the initial onset of COVID-19 symptoms or, for COVID-19 cases who never developed symptoms, for a period of 90 days after the first positive test.

- Review updated every 30 days that CCR, Title 8 section 3205.1 continues to apply:
 - In response to new information or to new or previously unrecognized COVID-19 hazards.
 - When otherwise necessary.
- Any changes implemented to reduce the transmission of COVID-19 based on the investigation and review, which may include:
 - Moving indoor tasks outdoors or having them performed remotely.
 - Increasing the outdoor air supply when work is done indoors.
 - Improving air filtration.
 - Increasing physical distancing to the extent feasible.
 - Requiring respiratory protection in compliance with CCR, Title 8 section 5144.
 - Other applicable controls.

Ventilation

Buildings or structures with mechanical ventilation will have recirculated air filtered with Minimum Efficiency Reporting Value (MERV)-13 or higher efficiency filters, if compatible with the ventilation system. If MERV-13 or higher filters are not compatible with the ventilation system, filters with the highest compatible filtering efficiency will be used. High Efficiency Particulate Air (HEPA) air filtration units will be used in accordance with manufacturers' recommendations in indoor areas occupied by employees for extended periods, where ventilation is inadequate to reduce the risk of COVID-19 transmission.

These ventilation requirements will continue to be implemented after the outbreak has passed and CCR, Title 8 section 3205.1 is no longer applicable.

Major Outbreaks

The following will be done while CCR, Title 8 section 3205.1 applies if 20 or more employee COVID-19 cases in an exposed group visited the worksite during their infectious period within a 30-day period:

- The COVID-19 testing will be required of all employees in the exposed group, regardless of vaccination status, twice a week or more frequently if recommended by Riverside University Health System – Public Health. Employees in the exposed group will be tested or excluded and follow our CPP return to work requirements. The twice a week testing requirement ends when there are fewer than three new COVID-19 cases in the exposed group for a 14-day period. We will then follow weekly testing requirement until there are one or fewer new COVID-19 cases in the exposed group for a 14-day period.
- Report the outbreak to Cal/OSHA.
- Provide respirators for voluntary use to employees in the exposed group, encourage their use, and train employees according to CCR, Title 8 section 5144(c)(2) requirements.
- Any employees in the exposed group who are not wearing respirators as required will be separated from other persons by at least six feet, except where it can be demonstrated that at least six feet of separation is not feasible, and except for momentary exposure while persons are in movement. Methods of physical distancing include:

- Telework or other remote work arrangements.
- Reducing the number of persons in an area at one time, including visitors.
- Visual cues such as signs and floor markings to indicate where employees and others should be located or their direction and path of travel.
- Staggered arrival, departure, work, and break times.
- Adjusted work processes or procedures, such as reducing production speed, to allow greater distance between employees.

When it is not feasible to maintain a distance of at least six feet, individuals will be as far apart as feasible.

Additional Consideration #2

COVID-19 Prevention in Employer-Provided Housing

[This addendum will need to be added to your CPP if you have employees in employer-provided housing. Reference CCR, Title 8 section [3205.2\(a\)](#) for details and exceptions.]

Assignment of housing units

To the extent feasible:

- Employee housing will be assigned to cohorts that travel and work together, separate from other employees.
- Residents who usually maintain a household together will be housed in a single housing unit without other persons.

Ventilation

The quantity and supply of outdoor air in housing units will be maximized and filtration efficiency increased to the highest-level compatible with the existing ventilation system. If there is not a Minimum Efficiency Reporting Value (MERV-13) or higher filter in use, portable or mounted High Efficiency Particulate Air (HEPA) filtration units will be used, to the extent feasible, in all sleeping areas.

Face Coverings

All residents will be provided with face coverings and information on when they should be used in accordance with the state or Riverside University Health System – Public Health orders or guidance.

Reporting Symptoms

We encourage residents to report COVID-19 symptoms to the Human Resources Department.

COVID-19 Testing

We establish, implement, maintain, and communicate to residents effective policies and procedures for COVID-19 testing of residents who had a close contact.

[Describe what those policies and procedures are and how they are to be communicated to residents]

COVID-19 Cases and Close Contacts

All COVID-19 cases will be isolated from all residents who are not COVID-19 cases, for the period established in our CPP. Effective isolation includes housing COVID-19 cases only with other COVID-19 cases and providing COVID-19 case residents with a sleeping area and bathroom that is not shared by non-COVID-19 case residents.

Residents who have had a close contact will be quarantined from all other residents, for the time period required by our CPP. Effective quarantine includes providing residents who had a close contact with a private bathroom and sleeping area.

Additional Consideration #3

COVID-19 Prevention in Employer-Provided Transportation

[This addendum will need to be added to your CPP if there is employer-provided motor vehicle transportation to and from work, during the course and scope of employment, which is provided, arranged for, or secured by an employer regardless of the travel distance or duration involved. Reference CCR, Title 8 section 3205.3(a) for details and exceptions.]

The requirements of our CPP will be complied with within a vehicle, including how a COVID-19 case will be responded to.

Assignment of transportation

To the extent feasible:

- Transportation will be assigned such that cohorts travel and work together, separate from other employees.
- Employees who usually maintain a household together shall travel together.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (7)

Meeting Date: June 14, 2023

Action: **APPROVE AN EXPANDED SUBZONE FOR FOREIGN TRADE ZONE NO. 244 TO SKECHERS USA OPERATIONS**

Motion: Move to approve an Expanded Subzone for Foreign Trade Zone No. 244 to Skechers USA operations.

Background:

On September 19, 2007, the JPC adopted Resolution #JPA 07-32 authorizing submission of an application to the Foreign Trade Zones Board to establish a subzone for Skechers USA Inc. Subsequently, On December 20, 2010 the Foreign Trade Zones Board issued Board Order No. 1734 establishing Subzone 244A at the distribution facility of Skechers USA, Inc. A subzone is a special-purpose zone established as part of a zone project for a limited purpose that cannot be accommodated within an existing general-purpose zone.

On September 18th 2013, Skechers USA entered into an Operating Agreement with March Joint Powers Authority as the Zone Grantee of FTZ 244. . The Agreement memorialized an annual user fee and established protocols for Skechers to follow if the need arises to contact the Foreign Trade Zones Board or US Customs regarding FTZ #244's grant of authority. The agreement also established Subzone 244A, consisting of three subzone sites. Skechers USA is requesting approval of site 4, proposed subzone expansion and conversion of the existing subzone into an expanded subzone that will be under the Alternative Site Framework in its entirety.

The proposed expansion subzone site is located at 2600 East John Street, Banning, California. The original subzone site totals 129.06 acres. The total proposed expansion site consists of 63.9-acres. Upon approval, the subzone will total 192.96-acres. Skechers USA, Inc. intends to utilize the site for the planned activities as originally approved by the FTZ Board for Subzone 244A. Activities in the original application included quality control, repairing, repackaging, labeling, ticketing, and warehousing/distributing of foreign origin footwear, apparel, and accessories for both the U.S. market and export market.

Staff recommends that the Commission concur with Skechers USA's application to the Foreign Trade Zones Board for a usage driven FTZ designation on the project site.

Attachment: Skechers Application

Skechers USA, Inc

APPLICATION FOR SUBZONE DESIGNATION

(Traditional Site Framework or Outside Alternative Site Framework Service Areas)

QUESTIONS

1. Please mark the appropriate space below to indicate whether you are requesting that the proposed subzone be subject to your zone's activation limit. (See instructions above for further explanation.)

Subject to zone's activation limit (3-month process)

Not subject to zone's activation limit (5-month process)

2. List the address of the site(s), including the jurisdiction in which the site falls (town, city, county).

2600 East John Street
Banning, Riverside County, California 92220

3. State the proposed acreage of the site(s).

63.90 acres

4. Indicate the company for which the site(s) will be designated.

Skechers USA, Inc.

5. Provide a summary of the company's planned activities.

Warehousing/distributing of foreign origin footwear, apparel, and accessories for both the U.S. market and export markets.

6. Indicate the current zoning and the existing and planned buildings (including square footage) for the site(s). (Note: Sites (or areas within a site) with inappropriate zoning – such as agricultural, retail, or residential – are not eligible for FTZ status and should not be proposed in any subzone application.)

Airport Industrial.

7. Confirm that FTZ designation or the use of FTZ procedures is not a requirement or a precondition for future activity or construction at the site(s).

Confirmed. The FTZ designation and the use of the FTZ procedure is not requirement or a precondition for future activity or construction.

8. List the owner(s) of the site(s). (If a site(s) is not owned by the grantee or the company planning to use the site(s) – as named in response to Question 4 above – then provide a "Right to Use" attachment with documentation demonstrating the right to use the site. Such evidence could be a signed letter from the proposed operator on its letterhead attesting to its right to use the property or a letter of concurrence from the owner of the new site.)

Logistics Property Co. is the owner of the property. Enclosed is a Right to Use Letter.

9. Do you commit to work with U.S. Customs & Border Protection (CBP), as appropriate, to meet current and future CBP requirements for its automated systems (such as ACE) and to meet any CBP security requirements related to activation?

Yes.

ATTACHMENTS

Attach the documents listed below (items 10 and 11, plus 12 if applicable) directly behind the text of your request.

10. In an attachment called "Legal Authority for Application," include a copy of: 1) the state's current enabling legislation regarding FTZs and 2) the section(s) of the zone grantee's charter or organization papers pertinent to FTZ sponsorship. (For grantees that are non-public, also provide evidence of the organization's current legal standing with the state. This can include a letter or documentation from an appropriate state official or from the state's official website.)

The Grantee, March Joint Powers Association, is a public entity.

Please see Legal Authority for Application enclosure.

11. Attach a clear and detailed site map showing existing and planned structures. The site boundaries must be outlined clearly in red. Note that if streets or similar landmarks are not legible on the site map, you will also need to provide a detailed street map with the proposed site's boundaries in red. Any map should be no larger than letter-sized (8 1/2" x 11") and clearly labeled, with legends provided for any markings.

Please see enclosed site map. The only access road is via John St.

12. If your state (such as TX, KY, AZ) has one or more taxes for which collections will be affected by the proposed FTZ designation of the new site(s), please attach all of the following:

- A. An explanation of the specific local taxes that will be affected;
- B. A stand-alone letter that:
- Lists all of the affected parties;
 - Includes a statement below the list certifying that this is a complete list of all parties that would be affected by this particular request; and,
 - Is signed by an official of the grantee organization.
- C. Correspondence from all of the affected parties (such as a local school board) indicating their concurrence (or non-objection) regarding the proposed FTZ designation.

This section is not applicable to subzones in California.

Skechers USA, Inc.

Right to Use Letter



March 29, 2023

Ms. Elizabeth Whiteman
Acting Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Avenue, NW
Room 21013
Washington, D.C. 20230

Re: Right to Use Letter
Proposed Foreign-Trade Subzone No. 244C

Dear Ms. Whiteman:

This letter is submitted to attest that Skechers USA, Inc. has the right to use the property located at 2600 East John Street, Banning, Riverside County, California, 92220 under a lease agreement with the owner Logistics Property Co. Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be 'John Bennett', with a long horizontal line extending to the right.

John Bennett
VP, DC Compliance & Audit

c: Marshall V. Miller, Miller & Company

BJB/EXH//243565 (3185a)

Skechers USA, Inc.

Legal Authority

There is a newer version of the California Code



View our newest version here



2005 California Government Code Sections 6300-6305 CHAPTER 4. FOREIGN TRADE ZONES

GOVERNMENT CODE

SECTION 6300-6305

6300. As used in this chapter, "public corporation" means the State, any political subdivision thereof, any incorporated municipality therein, any public agency of the State, of any political subdivision thereof, or of any municipality therein, or any corporate municipal instrumentality of this State or of this State and one or more other States.

6301. As used in this chapter, "act of Congress" means the act of Congress approved June 18, 1934, entitled "An act to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes" (48 U. S. Stats. at L. Ch. 590.).

6302. Any public corporation may make application for the privilege of establishing, operating and maintaining a foreign-trade zone in accordance with the act of Congress.

6303. Any private corporation organized under the laws of the State subsequent to September 15, 1935, for the purpose of establishing, operating and maintaining a foreign-trade zone in accordance with the act of Congress may make application for the privilege of establishing, operating and maintaining a foreign-trade zone in

accordance with the act of Congress.

6304. Any public or private corporation authorized by this chapter to make such application and whose application is granted pursuant to the terms of the act of Congress may establish, operate, and maintain the foreign-trade zone:

(a) Subject to the conditions and restrictions of the act of Congress, and any amendments thereto.

(b) Under such rules and regulations and for the period of time that may be prescribed by the board established by the act of Congress to carry out the provisions of the act.

6305. If authorized to establish, operate and maintain a foreign trade zone, a public corporation may, in addition to its other powers:

(a) Provide for such indemnity or assurance to the United States or its agencies as they may request.

(b) Deposit such sums of money with the United States as the United States or its agencies may request, providing such money is available therefor by direct appropriation or otherwise.

Disclaimer: These codes may not be the most recent version. California may have more current or accurate information. We make no warranties or guarantees about the accuracy, completeness, or adequacy of the information contained on this site or the information linked to on the state site. Please check official sources.

This site is protected by reCAPTCHA and the Google Privacy Policy and Terms of Service apply.

JOINT POWERS AGREEMENT

BETWEEN

**THE CITIES OF MORENO VALLEY,
PERRIS AND RIVERSIDE AND THE
COUNTY OF RIVERSIDE**

FOR

THE FORMATION OF A

**JOINT POWERS AUTHORITY
TO FORMULATE AND IMPLEMENT
PLANS FOR THE USE AND REUSE
OF
MARCH AIR FORCE BASE**

**AMENDMENT #11
OCTOBER 2007**

**ELEVENTH AMENDED JOINT POWERS AGREEMENT BETWEEN THE
CITIES OF MORENO VALLEY, PERRIS AND RIVERSIDE AND THE
COUNTY OF RIVERSIDE FOR THE FORMATION OF A JOINT POWERS
AUTHORITY TO FORMULATE AND IMPLEMENT PLANS FOR THE USE
AND REUSE OF MARCH AIR FORCE BASE**

THIS JOINT POWERS AGREEMENT dated this ___ day of ____, 20__ is made by and between the CITIES OF MORENO VALLEY, a general law city of the State of California, PERRIS, a general law city of the State of California, and RIVERSIDE, a charter city and municipal corporation of the State of California (hereinafter sometimes jointly referred to as "Cities") and the COUNTY OF RIVERSIDE, a political subdivision of the State of California (hereinafter sometimes referred to as "County").

WITNESSETH

WHEREAS, Cities and County and other governmental entities have met and discussed the present and future use and reuse of March Air Force Base, including the impacts associated therewith upon surrounding communities and upon region; and

WHEREAS, although Cities and County each have the authority and power to formulate and implement plans for the use and reuse of March Air Force Base, and to acquire, own, maintain and operate and airport in conjunction therewith, nevertheless it is apparent that no single existing local governmental entity or institution has the requisite capability to exercise such powers, hereinafter sometimes referred to as "the Joint Powers," in a manner which would most efficaciously serve the interests of the Cities and County or of the region; and

WHEREAS, March Air Force Base is a federal enclave located in the western portion of the County of Riverside; and

WHEREAS, the Cities and certain unincorporated areas of the County are adjacent and in close proximity to March Air Force Base; and

WHEREAS, Cities and County desire to organize themselves pursuant to this Joint Powers Agreement, hereinafter referred to as "the Agreement," to develop and formulate goals, objectives and priorities, and thereafter, to amend this Agreement or to create an appropriate successor entity to implement such goals, objectives and priorities; and

WHEREAS, Cities and County (sometimes jointly hereinafter referred to as "Parties") are authorized to contract with each other for the joint exercise of powers pursuant to Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California, hereinafter referred to as "the Act";

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

Section 1. Purpose. This Agreement is made under the provisions of the Act and is made for the following express purposes: (a) Developing and formulating and implementing plans for the organization, development and establishment of program goals, objectives and priorities for the use and reuse of March Air Force Base, and for the benefit of surrounding communities; (b) Obtaining of funding and other resources, as is more specifically set forth in Section 6 herein; (c) Creating a Redevelopment Agency having all of the rights, powers, and duties related thereto and carrying out the necessary actions to form and implement a redevelopment project area; (d) Creating an "Airport Authority" having all the rights, powers, and duties related thereto; (e) Functioning as the single, local, representative of the region and the most affected communities in respect to formulating and implementing plans for the use and reuse of March Air Force Base; and (f) Planning and implementing the development of land in the area covered by the March "Master Reuse Plan" and Air Force Village West in its entirety, including the preparation and adoption of a General Plan and/or a Specific Plan, the preparation and adoption of zoning and other land development standards, the preparation and adoption of health and safety codes related to development activities, and the implementation of these functions through the creation of appropriate Boards and Commissions pursuant to California law.

The purposes of this Agreement shall be accomplished and said common powers exercised in the manner hereinafter set forth, subject however to such restrictions as are applicable to County in its manner of exercising such powers, as required by Government Code Section 6509.

Section 2. Creation of the Authority. Pursuant to the Act, there is hereby created a public entity to be known as the "March-Joint Powers Authority," hereinafter referred to as "the Authority." The Authority shall be a public entity, separate and apart from its members, and, as provided by law and not otherwise prohibited by this Agreement, shall be empowered to take such actions as may be necessary or desirable to implement and carry out the purposes of this Agreement.

Section 3. Term. The term of this Agreement shall commence upon approval and execution of this document by County and all three Cities and shall continue until terminated by the Parties hereto by their mutual written consent as provided in Section 4.

Section 4. Terminations and Amendments.

(a) Any Party to this Agreement may withdraw for any reason upon giving all other Parties sixty (60) days advance written notice of the effective date of such withdrawal, and this Agreement shall thereupon be deemed automatically amended to reflect the deletion of said Party from this Agreement.

(b) This Agreement initially contemplates a four-party Agreement. However, if any Party elects to withdraw during the term of this Agreement pursuant to Subsection 4 (a) above, the remaining Parties, if two or more in number, may elect to continue with the purposes of this Agreement and this Agreement shall be appropriately amended to reflect the change in membership.

(c) Provided there is mutual consent by the governing bodies of each of the Parties to this Agreement, evidenced in writing, this Agreement may be: (1) amended to extend the term thereof; (2) amended to add new Parties; or (3) amended to change any substantive portion of the Agreement, or any one or more of the foregoing, in accordance with all applicable laws, rules and regulations.

(d) The Parties to this Agreement specifically agree that this Agreement creates an entity which may acquire or hold property. If it is deemed that Sections 6511 and 6512 of the Act are applicable after completion of the purposes of this Agreement or upon termination thereof, any property or assets acquired or surplus money on hand which was obtained pursuant to this Agreement and which is not required by law or contract to be distributed in a different manner, shall be returned to the then Parties to the Agreement in proportion to the contributions made. For purposes of this distribution, "contributions made" include unreimbursed in-kind services, materials and equipment provided by a Party.

Section 5. Creation of the Joint Powers Commission ("JPC").

(a) Creation of JPC. In order to effectuate the purposes of this Agreement as set forth in Section 1 hereof and to accomplish the Action Steps described in Section 6 hereof, Cities and County agree to establish at the earliest possible date after commencement of this Agreement, a Joint Powers Commission (hereinafter referred to as "JPC"), which shall be the governing body of the entity created by this Agreement and all the powers of such entity shall be exercised by the JPC.

(b) Membership. The JPC shall initially be composed of eight (8) Members. Each Party to this Agreement shall be represented by two (2) JPC Members with each Member being entitled to one (1) vote. In the event only one Member or the Alternate is present representing the same Party, that Member or Alternate who is present may cast two (2) votes on behalf of that Party in any manner deemed appropriate by such Member or Alternate. In the event no Member or Alternate of a Party is present at the time that votes are cast on a matter, the votes of such absent Members or Alternate shall be considered as not having been cast.

(c) Designation of Representatives and Alternates. The governing body of each Member on the JPC shall appoint by resolution its Representatives and may appoint by resolution an Alternate to the JPC. A copy of the resolution shall be furnished to the JPC. Each Representative and Alternate must hold an elective office on the respective governing body appointing the Representative and Alternate. Alternates shall have the authority to act in a Representative's absence. Representatives for the County of Riverside shall be the Supervisors of Districts I and V and the Alternate for the County of Riverside shall be the Supervisor of District III.

Representatives and Alternates shall serve on the JPC during the term for which they were appointed or until their successor has been appointed or their appointment has been revoked, whichever is earlier. However, a Representative's or Alternate's position on the JPC shall automatically terminate if and when the term of the elected public office of such Representative or Alternate is terminated. When a vacancy occurs, it shall be the duty of the respective Party having the vacancy to promptly inform the JPC of the name of the replacement Representative or Alternate by forwarding a copy of the resolution appointing such replacement Representative or Alternate to the JPC.

(d) Quorum and Transaction of Business. The presence of five (5) Members of the JPC shall constitute a quorum of which a least four (4) Members shall represent each Party to this Agreement, provided, however, that there shall be no requirement for the presence of four (4) Members representing each Party if both Members of the Party are absent for two (2) successive meetings. A vote of five (5) Members shall be necessary for the transaction of business, except for adjournment of a meeting which shall require only a majority vote of those present. No proxy or absentee voting shall be permitted.

(e) Meetings. The JPC shall establish the time and place for its regular and special meetings. The dates, hour and location of regular meetings shall be fixed by resolution of the JPC and a copy of such resolution shall be filed with the governing body of each of the Parties and with each Party's designated Representatives. Special meetings and adjourned meetings may be held as required or permitted by law.

(f) Ralph M. Brown Act. All meetings of the JPC, including without limitation, regular, special and adjourned meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

Pursuant to Government Code Section § 54956.96, Members or Alternates may disclose information discussed in closed session that has direct financial or liability implications for any Party to this Agreement to the following individuals:

(1) Legal counsel of any Party to this Agreement for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Party.

(2) Other members of the legislative body of the Party present in closed session of that member Party.

Furthermore, any Alternate who is also a member of the legislative body of any Party and who is attending a properly noticed meeting of the JPC in lieu of a Member may attend closed sessions of the JPC.

(g) Officers. The JPC shall select a Chairperson and a Vice-Chairperson at its first meeting and at the first meeting held in each succeeding calendar year shall select or re-select its officers. In the event an officer resigns or ceases to be an officer, the JPC shall select a replacement therefor at the next regular meeting of the JPC. In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson.

(h) Management, Staff and Support Personnel. Subject to the availability of funds, the JPC may contract for or employ such staff and support personnel as may be necessary or desirable in implementing and carrying out the purposes of this Agreement. Such staff and personnel shall exercise those powers, duties and responsibilities imposed or conferred herein or conferred thereon by the JPC.

Additional support personnel for the JPC may be provided by the staff of the Parties to this Agreement subject to such conditions as may be approved by the governing bodies of such personnel and by the JPC.

(i) Rules. The JPC may adopt, from time to time, such rules and regulations for the conduct of its meetings and affairs as it may deem necessary, including, without limitation, the designation of a person to record and transcribe the minutes of each public meeting of the JPC.

(j) Funding and Support. It is anticipated that the operating funds of the JPC will be derived from grants, donations, and from "in kind" contributions from the Parties to this Agreement.

The JPC, in the name and on behalf of the Authority, may apply for, accept, and utilize grants from any governmental or private source in order to implement and carry out the purposes of this Agreement.

After consultation with the JPC, any Party to this Agreement may apply for or accept grants, or other funds or resources for any purpose relating to the objectives of this Agreement and, unless otherwise approved by all members of the JPC, all obligations assumed thereunder shall be the sole obligations of the Party obtaining such monies or resources, and not the obligation of any other Party to this Agreement or of the JPC.

The JPC may request the Parties to this Agreement to contribute funds; provided, however, that any such contribution shall be on an equal basis as among the Parties unless such request by unanimous vote of all the Members of the JPC provides otherwise. Such funds may not be assessed or collected unless the governing body of each Party to this Agreement consents thereto.

Any revenue, rents, profits or issues derived by, or on behalf of, the JPC other than grants, donations and "on kind" contributions from the Parties to this Agreement and which are not required to implement and carry out the purposes of this Agreement, shall be shared and distributed equally to the Parties of this Agreement unless otherwise as directed by unanimous vote of all the Members of the JPC.

(k) Consultants. Subject to the availability of funds, the JPC may employ such consultants as are deemed necessary and desirable in implementing and carrying out the purposes of this Agreement.

(l) Fiscal Year. The fiscal year of the Authority shall be the period commencing on July 1 of each year and ending on and including the following June 30.

(m) Treasurer. The Treasurer of the Authority shall be a designated member of the Commission or the staff. The Treasurer shall have the custody of the Authority money and disburse Authority funds pursuant to the accounting procedures developed in accordance with the provisions of this Agreement, the Act, and with those procedures established by the JPC. The Treasurer shall assume the duties described in Section 6505.5 of the Government Code, namely: receive and receipt for all money of the Authority and place in the Treasury of the Treasurer to the credit of the Authority; be responsible upon an official bond as prescribed by the JPC for the safekeeping and disbursement of all Authority money so held; pay, when due, out of money of the Authority so held, all sums payable, only upon warrants of the officer performing the functions of the Controller who has been designated by the Authority or JPC; verify and report in writing on the first day of July, October, January and April of each year to the Authority and to the Parties to the Agreement the amount of money held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report; and perform such other duties as are set forth in this Agreement or specified by the JPC.

(n) Controller. The Executive Director, or another appointed person or a contracted private firm at the discretion of the Commission, shall be the Controller of the Authority. The Controller shall draw warrants to pay demands against the Authority when such demands have been approved by the JPC or by any other person authorized to so approve such by this Agreement or by resolution of the JPC. The Controller shall perform such duties as are set forth in this Agreement and such other duties as are specified by the JPC.

There shall be strict accountability of all funds and reporting of all receipts and disbursements. The Controller shall establish and maintain such procedures, funds and accounts as may be required by sound accounting practices, the books and records of the Authority in the hands of the Controller shall be open to inspection at all reasonable times by representatives of the Parties.

The Controller, with the approval of the JPC, shall contract with an independent certified public accountant or firm or an annual audit of the accounts and records of the Authority, and a complete written report of such audit shall be filed as public records annually, within six (6) months of the end of the fiscal year under examination, with each of the Parties. Such annual audit and written report shall comply with the requirements of Section 6505 of the Government Code. The cost of the annual audit, including contracts with, or employment of such independent certified public accountants in making an audit pursuant to this Agreement shall be a charge against any unencumbered funds of the Authority available for such purpose. The JPC by unanimous vote, may replace the annual audit with a special audit covering a two-year period.

(o) Technical Advisory Committee. There is hereby established within the Authority a Technical Advisory Committee. The members of the Technical Committee shall be as follows:

- (i) The Member of the United States House of Representatives who represents the Congressional District which includes March Air Force Base, or the designee of such Member;
- (ii) The City Manager of each of the cities which are parties to this Agreement, or the designee thereof;
- (iii) The Chief Administrative Officer of the County of Riverside, or the designee thereof; and
- (iv) Such other persons as the foregoing membership may select, including, without limitation, representatives of private and governmental entities.

The TAC shall also involve in its discussion non-voting "ex-officio" members. These members may be changed from time-to-time, but at a minimum the Executive Director of the Western Riverside Council of Governments and the Base Transition Coordinator shall be considered as "ex-officio" members of the TAC.

The Chairperson of the Technical Advisory Committee shall be the Member of the United States House of Representatives or the designee of such Member.

The duties of the Technical Advisory Committee shall be:

- (i) To act as an advisory body to the JPC in matters relevant to the purposes of this Agreement; and
- (ii) To undertake such other duties as may be assigned to the Committee by the JPC.

Section 6. Achievement of Purposes. In order to achieve the purposes set forth in this Agreement, the JPC shall convene as a body and shall be charged with the responsibility of hearing and reviewing oral and written reports, analyzing documentary evidence, engaging in discussions, making inspections, examining all relevant data as is more specifically set forth in the specific action steps hereinafter provided:

- (a) Short Term Action Steps.

(1) Identify available funding, in accordance with Section 5(j), from available federal, state and private grants to aid in the financing of the work associated with the purposes of this Agreement.

(2) Coordinate the actions and plans of the Authority with other governmental entities and interested organizations.

(3) Investigate and recommend interim and permanent finance programs in order to serve the best interests of the affected communities and the region and to accomplish the purposes of this Agreement.

(b) Long Term Action Steps.

(1) Develop and implement a cohesive plan for use and reuse of March Air Force Base and its surrounding environs to the extent such plan does not conflict with federal, state or local law.

(2) Serve as the single, local representative organization in working with the office of Economic Adjustment of the United States Department of Defense.

The listing of the above acts is not intended to indicate any priority of one act over another, nor is such listing intended to be all inclusive. The JPC may authorize other acts to be done in the accomplishment of the purposes of this Agreement. One or several acts may take place concurrently or in sequence as the JPC shall direct.

Section 7. JPC a Separate Entity; Liability; Immunity. The JPC shall be a public entity separate and apart from the Parties to this Agreement. However, each Party to this Agreement shall defend, indemnify and hold harmless each other party from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of, resulting from or in connection with the performance of this Agreement by any of its officers, employees or agents. Each Party's obligation to defend, indemnify and hold each of the other Parties to this Agreement harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property including the loss of use.

It is the intent of the Parties that, except as provided herein, the JPC cannot incur any debts, liabilities or obligations without the consent of the governing body of each Party to the Agreement; provided, however, any such debts, liabilities or obligations shall be shared, and otherwise apportioned, equally as among the Parties to this Agreement unless the JPC by unanimous vote of all the Members of the JPC directs otherwise. However, to the extent such are established pursuant hereto or by the final judgment of a court of competent jurisdiction, they shall constitute the debts, liabilities and obligations of the Authority and shall not constitute the debts, liabilities or obligations of the Parties to this Agreement or of any of them.

As to the officers, agents, Representatives, Alternates, and employees, if any, of the JPC or the Parties to this Agreement, the provisions of California Government Code Section 6513 are hereby incorporated into this Agreement.

Section 8. Severability. If any section, clause or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable and the remainder of the Agreement or the application of such provisions to the other Party or to other persons or circumstances shall not be affected thereby.

Section 9. Notices. Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid to said respective Parties, as follows:

- (a) March Joint Powers Commission
c/o Executive Director
P.O. Box 7480
Moreno Valley, CA 92552
- (b) City of Moreno Valley
c/o City Manager
23119 Cottonwood Avenue
P. O. Box 88005
Moreno Valley, CA 92552-0805
- (c) City of Perris
c/o City Manager
155 E. 4th Street
Perris, CA 92570-1998
- (d) City of Riverside
c/o City Manager
3900 Main Street
Riverside, CA 92501
- (e) Riverside County Board of Supervisors
c/o Clerk of the Board of Supervisors
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

Section 10. Other Obligations. The responsibilities and obligations of each Party to this Agreement shall be solely as provided in this Agreement, or as may be provided for in supplemental agreements to be executed by the Parties.

Section 11. Other Agreements Not Prohibited. Other agreements by and between the Parties of this Agreement or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.

Section 12. Powers Not Included in Agreement. It is contemplated that certain common powers of the Parties to this Agreement may be needed in the future, however, until such time as the Parties may deem otherwise and this Agreement is amended to

specifically so provide, it shall not be construed or interpreted to mean that the Authority or the JPC possesses the power, right or authority to mandate the expenditure of funds by Parties to this Agreement, or to incur any obligation on behalf of any Party to this Agreement; provided further, however, in the event this Agreement is amended to provide for the regulation or control of land use, any Party may disapprove any proposed regulation or control of land use affecting any real property which is within, or contiguous to, the jurisdiction of such Party.

Except as specifically provided to the contrary herein, this Agreement is not designed to, nor shall it be construed or interpreted to affect the rights of any Party to this Agreement. Furthermore, this Agreement shall not be construed to prohibit any Party from applying for or accepting any grants, funds or monies for any purpose when the obligations thereunder become the sole obligation of said Party.

Section 13. Non-Assignability. The rights, titles and interests of any Party to this Agreement shall not be assignable or transferable without the consent of the governing body of each Party hereto.

Section 14. Miscellaneous.

(a) Section Headings. The section headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.

(b) Laws of California. This Agreement is made in the State of California, under the Constitution and laws of such State, and shall be construed and enforced in accordance with the laws of such State.

(c) Construction of Language. It is the intention of the Parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

(d) Cooperation. The Parties recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement, including cooperation in matters relating to the public, accounting, litigation, public relations and the like.

(e) Future Amendments. To preserve a reasonable degree of flexibility, many parts of this Agreement are stated in general terms. It is understood that there may be Amendments to this Agreement which will further define the rights and obligations of the Parties.

(f) Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties hereto.

(g) Duplication Rights. Each Party shall have the right to duplicate, at its own expense, any and all documents and reports created or acquired, in the joint exercise of powers hereunder by the JPC or by any other Party hereto pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized as of the date first above written.

CITY OF MORENO VALLEY

BY: [Signature] Date: 12-11-07
Mayor

ATTEST: [Signature]
City Clerk

APPROVED AS TO FORM this 27th day of November, 2007

[Signature] Date: 11/27/07
City Attorney

CITY OF PERRIS

By: Daryl Busch
Mayor

Date: 12/4/2007

ATTEST:

Judith Daugherty
City Clerk

APPROVED AS TO FORM this 5th day of December, 2007

[Signature]
City Attorney

Date: 12/5/2007

CITY OF RIVERSIDE

BY: _____
Mayor

Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM this _____ day of _____, 2007

City Attorney

Date: _____

COUNTY OF RIVERSIDE

By: _____
Chairman

Date: _____

ATTEST:

Deputy

APPROVED AS TO FORM this _____ day of _____, 2007

County Counsel

CITY OF PERRIS

By: _____ Date: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM this _____ day of _____, 2007

City Attorney Date: _____

CITY OF RIVERSIDE

BY: Donald Lowridge Date: 11/30/07
Mayor

ATTEST:

Sherry Norton-Ellis
City Clerk

APPROVED AS TO FORM this 6th day of NOVEMBER, 2007

[Signature]
City Attorney Date: 11/6/07

COUNTY OF RIVERSIDE

By: _____ Date: _____
Chairman

ATTEST:

Deputy

APPROVED AS TO FORM this _____ day of _____, 2007

County Counsel

CITY OF PERRIS

By: _____
Mayor

Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM this _____ day of _____, 2007

City Attorney

Date: _____

CITY OF RIVERSIDE

BY: _____
Mayor

Date: _____

ATTEST:

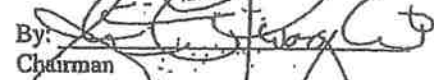
City Clerk

APPROVED AS TO FORM this _____ day of _____, 2007

City Attorney

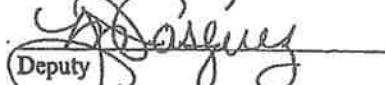
Date: _____

COUNTY OF RIVERSIDE

By: 
Chairman

Date: 12/18/07

JOHN TAVAGLIONE
ATTEST: Nancy Romero


Deputy

APPROVED AS TO FORM this 6TH day of December, 2007

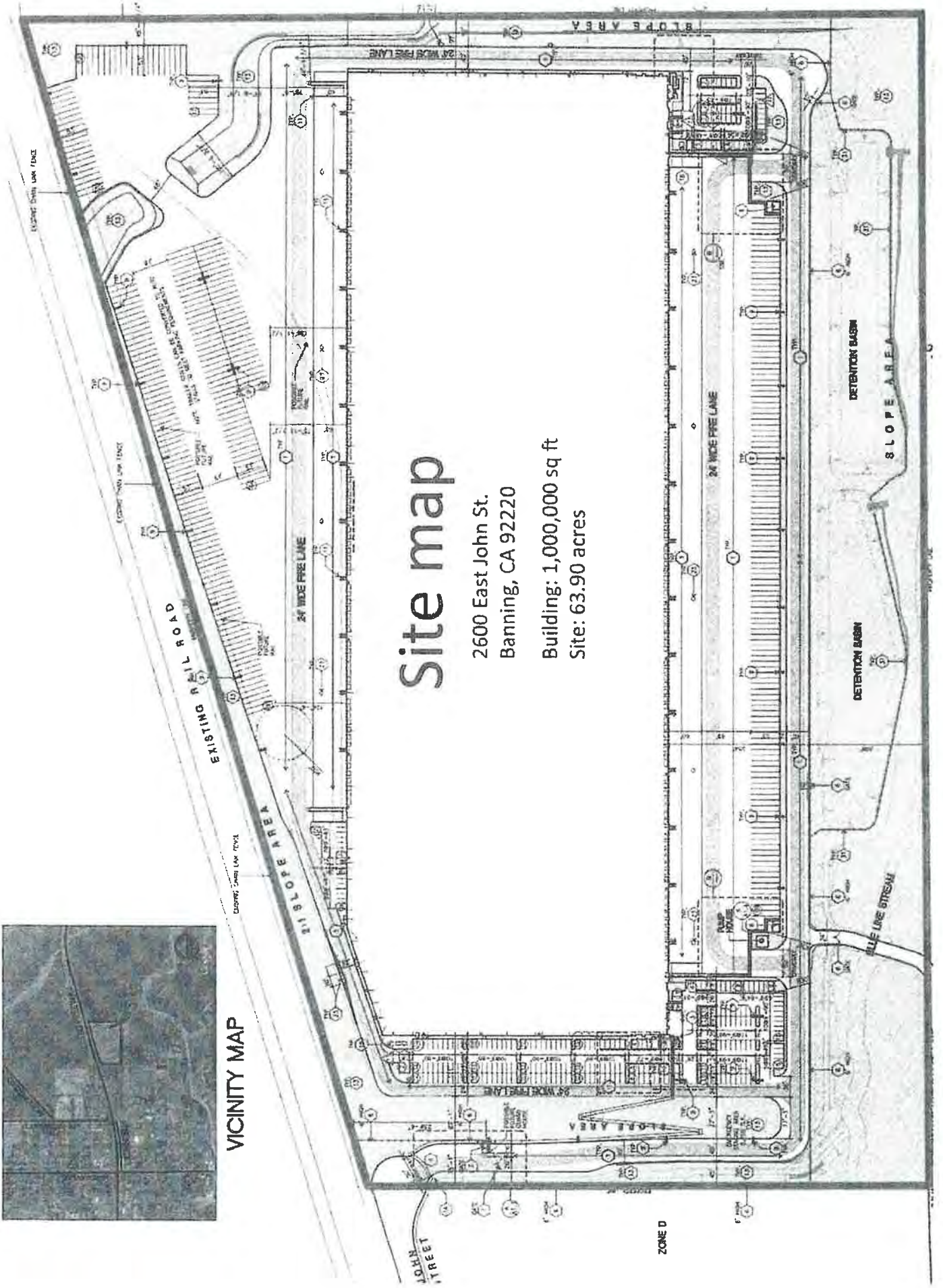

County Counsel

Skechers USA, Inc.

Site Map



VICINITY MAP



Site map

2600 East John St.
Banning, CA 92220
Building: 1,000,000 sq ft
Site: 63.90 acres

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (8)

Meeting Date: June 14, 2023

Action: **ADOPT RESOLUTION JPA 23-13 A RESOLUTION OF THE COMMISSION OF THE MARCH JOINT POWERS AUTHORITY, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF THE MARCH JOINT POWERS AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2013-01 (MARCH LIFECARE CAMPUS), ESTABLISHING FISCAL YEAR 2023/2024 ANNUAL SPECIAL TAX TO BE LEVIED ON PROPERTY WITHIN SUCH COMMUNITY FACILITIES DISTRICT AND AUTHORIZING THE COLLECTION OF SAID SPECIAL TAX**

Motion: Move to adopt Resolution JPA 23-13 a Resolution of the Commission of the March Joint Powers Authority, California, acting as the legislative body of the March Joint Powers Authority Community Facilities District No. 2013-01 (March LifeCare Campus), establishing Fiscal Year 2023/2024 annual special tax to be levied on property within such community facilities district and authorizing the collection of said special tax.

Background:

Community Facilities District No. 2013-01 (March LifeCare Campus) (CFD) was formed by the Commission on May 15, 2013. In general, the CFD provides annual funding for the servicing and maintenance of public improvements constructed pursuant to the March Lifecare Campus Specific Plan. The improvements to be serviced and maintained are located within public easements and rights-of-way dedicated for public use, including street lights, pedestrian lighting within the Public Realm, traffic signals, landscaping within parkways and the Public Realm, drainage facilities (catch basins, inlets, outlets, swales, box culverts, storm drain, three bridge overcrossings, various lots and detention basins), street sweeping, graffiti control, signage (monuments and directional kiosks) at major access points, transit facilities, seating area/trashcans, and appurtenances.

The special tax is for funding the maintenance of facilities constructed for the development of two parcels. These parcels are located west of 6th Street and are identified as the US Vets Transitional Housing Facility located south of N Street and the Signature Healthcare Facility located north of N Street.

Only parcels developed under the March Lifecare Campus Specific Plan with facilities and services provided under CFD 2013-01 have been taxed and are proposed to be taxed in the upcoming year. Each year, the maximum annual tax is increased by 3%. The Fiscal Year 2023/2024 Maximum Annual Special Tax for developed property and developed realigned property is \$5,785.82 per acre. To meet funding needs for Fiscal Year 2023/2024, staff is recommending an effective tax rate of 100%, or \$5,785.82 per acre. The tax levy proposed for Fiscal Year 2023/2024 totals \$78,571.56. Last year the special tax levied totaled \$74,061.24.

Attachments:

- 1) Resolution JPA 23-13
- 2) Map of Boundaries of Annexation No. 1 and Community Facilities District No. 2013-01

RESOLUTION JPA 23-13

RESOLUTION OF THE COMMISSION OF THE MARCH JOINT POWERS AUTHORITY ESTABLISHING FISCAL YEAR 2023/2024 ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2013-01 (MARCH LIFECARE CAMPUS), COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

WHEREAS, the Commission (the “Commission”) of the March Joint Powers Authority (the “Authority”) initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax on taxable property in Community Facilities District No. 2013-01 (March Lifecare Campus) (the “CFD”), all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California.

WHEREAS, the Commission, through the adoption of Ordinance JPA 17-02 as authorized by Section 53340 of the California Government Code, has authorized the levy of a special tax to pay for costs and expenses related to said CFD, and this Commission is desirous to establish the specific rate of the special tax to be collected for the next fiscal year.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. The above recitals are all true and correct and are incorporated herein.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for the next fiscal year (2023/2024) for the CFD is hereby determined and established as set forth in Exhibit “A,” attached hereto and incorporated herein.

SECTION 3. The rate as set forth above does not exceed the amount as previously authorized by Ordinance of the Commission, and is not in excess of that as previously approved by the qualified electors of the CFD, and is exempt from Proposition 218, Article XIID of the California State Constitution.

SECTION 4. The proceeds of the special tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Authorized CFD Services and Facilities;
- B. Authorized CFD administrative costs.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5. The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is

hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6. All monies above collected shall be paid into the CFD funds.

SECTION 7. The Auditor of the County is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "CFD 2013-01" or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Exhibit "A."

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to the Authority a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

ADOPTED, SIGNED AND APPROVED this 14th day of June, 2023.

Chuck Conder, Chair
March Joint Powers Authority

CERTIFICATION

I, Cindy Camargo, Clerk of the Commission of the March Joint Powers Authority, certify that the foregoing Resolution JPA 23-13 was adopted by the Commission of the March Joint Powers Authority at a regular meeting thereof held on the 14th day of June, 2023, by the following vote of the Commission:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dated: June 14, 2023.

Cindy Camargo, CAP
Clerk, March Joint Powers Authority Commission

Exhibit "A"

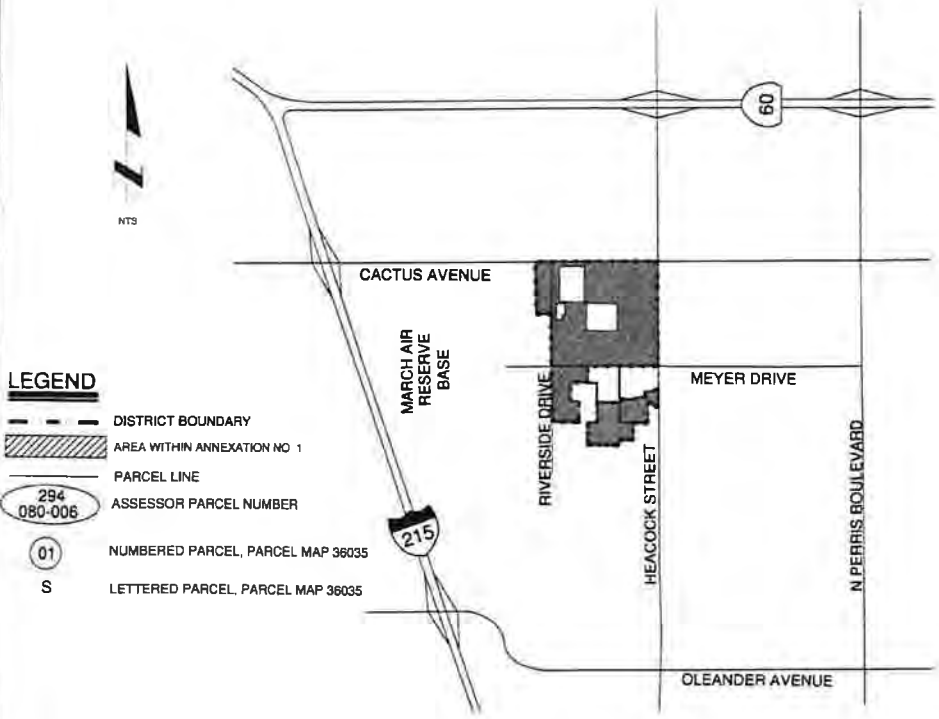
**MARCH JOINT POWERS AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2013-01 (MARCH LIFECARE
CAMPUS), COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

2023/2024 SPECIAL TAX RATES

| SPECIAL TAX AREA (DEVELOPED REALIGNED PROPERTY) | 2023/2024 MAXIMUM SPECIAL TAX | 2023/2024 APPLIED SPECIAL TAX |
|--|--|--|
| Assessor Parcel Number 294-080-016 | \$5,785.82 Per Adjusted Acre | \$5,785.82 Per Adjusted Acre |
| Assessor Parcel Number 294-660-014 | \$5,785.82 Per Adjusted Acre | \$5,785.82 Per Adjusted Acre |

copy

MAP OF BOUNDARIES OF ANNEXATION NO. 1
COMMUNITY FACILITIES DISTRICT NO. 2013-01
(MARCH LIFECARE CAMPUS)
MARCH JOINT POWERS AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



- LEGEND**
- DISTRICT BOUNDARY
 - AREA WITHIN ANNEXATION NO. 1
 - PARCEL LINE
 - ASSESSOR PARCEL NUMBER
 - NUMBERED PARCEL, PARCEL MAP 36035
 - LETTERED PARCEL, PARCEL MAP 36035

VICINITY AND LOCATION MAP

THE MAP OF BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2013-01 (MARCH LIFECARE CAMPUS) OF THE MARCH JOINT POWERS AUTHORITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA WAS RECORDED ON MARCH 22, 2013, IN BOOK 76, PAGES 8 AND 9, OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AS INSTRUMENT NUMBER 2013-0139405, IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FILED IN THE OFFICE OF THE CLERK OF THE COMMISSION OF THE MARCH JOINT POWERS AUTHORITY THIS 10TH DAY OF MAY, 2017.

[Signature]
CLERK OF THE COMMISSION OF THE MARCH JOINT POWERS AUTHORITY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE BOUNDARIES OF THE TERRITORY TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2013-01 (MARCH LIFECARE CAMPUS), MARCH JOINT POWERS AUTHORITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE COMMISSION OF THE MARCH JOINT POWERS AUTHORITY AT A REGULAR MEETING THEREOF, HELD ON THE 10TH DAY OF MAY, 2017, BY ITS RESOLUTION #JPA 17-09.

[Signature]
CLERK OF THE COMMISSION OF THE MARCH JOINT POWERS AUTHORITY

FILED THIS 10th DAY OF MAY, 2017 AT THE HOUR OF 10:59 O'CLOCK A.M. IN BOOK 50, AT PAGES 69-70 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: \$ 12.00 NO: 2017-01991161
PETER ALDANA, RIVERSIDE COUNTY ASSESSOR-COUNTY CLERK-RECORDER

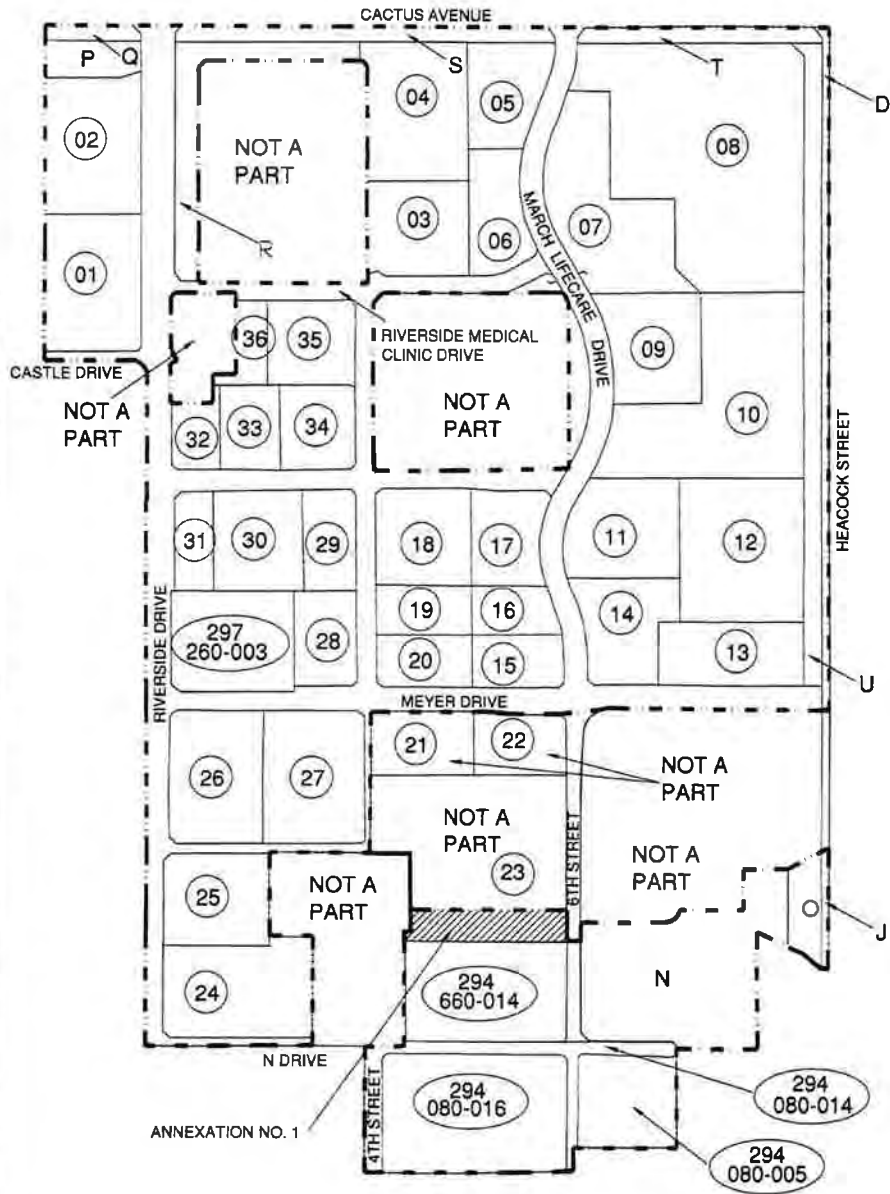
BY: *[Signature]* DEPUTY

4810
 2013

**MAP OF BOUNDARIES OF ANNEXATION NO. 1
 COMMUNITY FACILITIES DISTRICT NO. 2013-01
 (MARCH LIFECARE CAMPUS)
 MARCH JOINT POWERS AUTHORITY
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



| Parcel, PM 36035 | Assessor Parcel Number |
|------------------|------------------------|
| 1 | 297-250-003 |
| 2 | 297-250-002 |
| 3 | 297-250-004 |
| 4 | 297-250-005 |
| 5 | 297-250-006 |
| 6 | 297-250-007 |
| 7 | 297-250-008 |
| 8 | 297-250-009 |
| 9 | 297-260-004 |
| 10 | 297-260-005 |
| 11 | 297-260-006 |
| 12 | 297-260-007 |
| 13 | 297-260-008 |
| 14 | 297-260-009 |
| 15 | 297-260-010 |
| 16 | 297-260-011 |
| 17 | 297-260-012 |
| 18 | 297-260-013 |
| 19 | 297-260-014 |
| 20 | 297-260-015 |
| PTN 23 | 294-660-014 |
| 24 | 294-660-006 |
| 25 | 294-660-007 |
| 26 | 294-660-008 |
| 27 | 294-660-009 |
| 28 | 297-260-016 |
| 29 | 297-260-017 |
| 30 | 297-260-018 |
| 31 | 297-260-019 |
| 32 | 297-260-020 |
| 33 | 297-260-021 |
| 34 | 297-260-022 |
| 35 | 297-260-023 |
| 36 | 297-260-024 |
| D | To Street |
| J | To Street |
| N | 294-660-010 |
| O | 294-660-011 |
| P | 297-250-010 |
| Q | 297-250-011 |
| R | 297-250-012 |
| S | 297-250-013 |
| T | 297-250-014 |
| PTN U | 297-250-015 |
| PTN U | 297-260-025 |



REFERENCE NOTES

Reference is made to the following for a detailed description of parcel lines and dimensions:

1. Riverside County Assessor Maps
2. Parcel Map 36035, recorded in Book 235 of Parcel Maps, Pages 28 through 42, as Instrument Number 2013-0137571, in the Office of the Assessor-County Clerk-Recorder of the County of Riverside, State of California, on the 21st day of March, 2013.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (9)

Meeting Date: June 14, 2023

Action: **APPROVE THE EQUAL DISTRIBUTION OF LAND SALES REVENUE TO MEMBER AGENCIES OF THE MARCH JOINT POWERS AUTHORITY AND AUTHORIZE THE AUTHORITY TO RETAIN FIVE PERCENT OF REVENUES FOR EXPENSES PRIOR TO DISBURSEMENT OF FUNDS**

Motion: Move to approve the equal distribution of land sales revenue to member agencies of the March Joint Powers Authority and authorize the Authority to retain five percent of land sales revenues for expenses prior to disbursement of funds.

Background:

Pursuant to Section 2.4 of the March Joint Powers Authority Tax and Revenue Sharing Agreement, “the proceeds of any land sales by the Authority are distributed equally among the Parties in accordance with Section 5(j) of the Joint Powers Agreement.” Section 5(j) reads as follows:

(j) Funding and Support. It is anticipated that the operating funds of the JPC will be derived from grants, donations, and from “in kind” contributions from the Parties to this Agreement.

The JPC, in the name and on behalf of the Authority, may apply for, accept, and utilize grants from any governmental or private source in order to implement and carry out the purposes of this Agreement.

After consultation with the JPC, any Party to this Agreement may apply for or accept grants, or other funds or resources for any purpose relating to the objectives of this Agreement and, unless otherwise approved by all members of the JPC, all obligations assumed thereunder shall be the sole obligations of the Party obtaining such monies or resources, and not the obligation of any other Party to this Agreement or of the JPC.

The JPC may request the Parties to this Agreement to contribute funds; provided, however, that any such contribution shall be on an equal basis as among the Parties unless such request by unanimous vote of all the Members of the JPC provides otherwise. Such funds may not be assessed or collected unless the governing body of each Party to this Agreement consents thereto.

Any fund balance, revenue, land sale proceeds, rents, profits or issues derived by, or on behalf of, the JPC other than grants, donations and “in kind” contributions from the Parties to this Agreement and which are not required to implement and carry out the purposes of this Agreement, shall be shared and distributed equally to the Parties of this Agreement unless otherwise as directed by unanimous vote of all the Members of the JPC (such vote must also include Members representing all Parties).

The adopted Tax and Revenue Sharing Agreement eliminated the March JPA’s ability to collect sales and transient occupancy tax revenues from Riverside County as those revenue sources will now be shared equally among member agencies. Pass-through payments from the County allowed March JPA to cover a portion of its operational expenses as well as incentives to attract businesses of interest, like manufacturing, to March.

March JPA received \$15,500,000 in land sales revenue. Staff recommends approval of equal disbursement among member agencies of revenues pursuant to Section 2.4 of the Tax and Revenue Sharing Agreement. Additionally, given the loss of sales tax and TOT revenues to the agency, March JPA staff requests that prior to disbursement of funds, that the Authority retain five percent of total sale revenues for operational and administrative expenses during its transitional period, consistent with Section 5(j) of the Joint Powers Agreement.

This proposal would yield \$3,681,250 to each member agency and \$775,000 to the Authority.

Attachments:

- 1) 14th Amendment of the March Joint Powers Agreement
- 2) Tax and Revenue Sharing Agreement
- 3) West March Disposition and Development Agreement, Amendment 2

Attachment 1

JOINT POWERS AGREEMENT
BETWEEN
THE CITIES OF MORENO VALLEY,
PERRIS AND RIVERSIDE AND THE
COUNTY OF RIVERSIDE
FOR
THE FORMATION OF A
JOINT POWERS AUTHORITY
TO FORMULATE AND IMPLEMENT
PLANS FOR THE USE AND REUSE
OF
MARCH AIR FORCE BASE

PROPOSED AMENDMENT #14

April 18, 2023

FOURTEENTH AMENDED JOINT POWERS AGREEMENT BETWEEN THE CITIES OF MORENO VALLEY, PERRIS AND RIVERSIDE AND THE COUNTY OF RIVERSIDE FOR THE FORMATION OF A JOINT POWERS AUTHORITY TO FORMULATE AND IMPLEMENT PLANS FOR THE USE AND REUSE OF MARCH AIR FORCE BASE

THIS JOINT POWERS AGREEMENT dated this 18th day of April, 2023, is made by and among the CITY OF MORENO VALLEY, a general law city of the State of California, the CITY OF PERRIS, a general law city of the State of California, the CITY OF RIVERSIDE, a charter city and municipal corporation of the State of California (the foregoing parties are hereinafter sometimes jointly referred to as “Cities”), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California (hereinafter sometimes referred to as “County”).

WITNESSETH

WHEREAS, Cities and County and other governmental entities have met and discussed the present and future use and reuse of the former March Air Force Base, including the impacts associated therewith upon surrounding communities and upon region; and

WHEREAS, although Cities and County each have the authority and power to formulate and implement plans for the use and reuse of the former March Air Force Base, and to acquire, own, maintain an operate and airport in conjunction therewith, nevertheless it is apparent that no single existing local governmental entity or institution has the requisite capability to exercise such powers, hereinafter sometimes referred to as “the Joint Powers,” in a manner which would most efficaciously serve the interests of the Cities and County or of the region; and

WHEREAS, the former March Air Force Base is a federal enclave located in the western portion of the County of Riverside; and

WHEREAS, the Cities and certain unincorporated areas of the County are adjacent and in close proximity to the former March Air Force Base; and

WHEREAS, the Cities and County agree that given its regional function and significance, the territory identified in Exhibit A shall remain unincorporated at least through the term of the Tax and Revenue Sharing Agreement referenced in Section 15(h) of this Agreement; and

WHEREAS, Cities and County desire to organize themselves pursuant to this Joint Powers Agreement, hereinafter referred to as “the Agreement,” to develop and formulate goals, objectives and priorities, and thereafter, to amend this Agreement or to create an appropriate successor entity to implement such goals, objectives and priorities; and

WHEREAS, Cities and County (sometimes jointly hereinafter referred to as “Parties”) are authorized to contract with each other for the joint exercise of powers pursuant to Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California, hereinafter referred to as “the Act”; and

WHEREAS, on September 7, 1993, the Parties organized themselves pursuant to the Agreement, establishing the March Joint Powers Authority; and

WHEREAS, since that time, the Parties have amended the Agreement thirteen times, though the Seventh Amendment, establishing the March Joint Powers Utilities Authority, was only adopted by the Cities; and

WHEREAS, in accordance with the Agreement, as amended, the Parties have established the March Inland Port Airport Authority to govern the operations of the civilian airport at the site of the former March Air Force Base; and

WHEREAS, the Parties now wish to amend the Agreement for the fourteenth time to reflect the refinement and reduction of duties of the March Joint Powers Authority, anticipated future completion of the land use redevelopment phase of the original purpose of the Agreement, and the transition into a new phase of inter-governmental cooperation in the operation and management of the civilian airport through the March Inland Port Airport Authority.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

Section 1. Purpose. Through June 30, 2025, this Agreement is made under the provisions of the Act and is made for the following express purposes: (a) Developing and formulating and implementing plans for the organization, development and establishment of program goals, objectives and priorities for the use and reuse of the former March Air Force Base; (b) Obtaining of funding and other resources, as is more specifically set forth in Section 6 herein; (c) Creating a Redevelopment Agency having all of the rights, powers, and duties related thereto and carrying out the necessary actions to form and implement a redevelopment project area; (d) Creating an “Airport Authority” having all the rights, powers, and duties related thereto; (e) Functioning as the single, local, representative of the region and the most affected communities in respect to formulating and implementing plans for the use and reuse of the former March Air Force Base; and (f) Planning and implementing the development of land in the area covered by the March “Master Reuse Plan”, Air Force Village West in its entirety, and additional territory, which is all collectively identified in Exhibit A (Authority Land Use Territory), attached hereto and incorporated herein by reference, including the preparation and adoption of a General Plan and/or a Specific Plan, the preparation and adoption of zoning and other land development standards, the preparation and adoption of health and safety codes related to development activities, and the implementation of these functions through the creation of appropriate Boards and Commissions pursuant to California law.

Beginning July 1, 2025, the Agreement shall serve the following express purposes: (a) the operation of the Successor Agency of the Former March Joint Powers Redevelopment Agency, having all of the rights, powers, and duties related thereto and carrying out the necessary actions associated with a successor agency under state law; (b) the operation and management of the March Inland Port Airport Authority and its civilian airport, covering the territory identified in the map attached hereto and incorporated herein as Exhibit B, and having all the rights, powers, and duties related thereto including authority for airport master planning and authority to collect and retain, for airport purposes, any and all lease revenues from airport properties; (c) the non-exclusive representation of the Parties and the wider region in state and federal matters affecting

the March Air Reserve Base; and (d) the continued operation and management of its property or property districts outside the Airport Authority territory, including the collection of rents, fees, assessments or other revenues and expenditure of funds associated therewith (notwithstanding the Authority's ability to continue to operate such districts, should the Authority pursue the transfer of control of any such district to a Party, the Authority shall bear the costs of such transfer including the cost of any ballot measure, if necessary).

The purposes of this Agreement shall be accomplished and said common powers exercised in the manner hereinafter set forth, subject however to such restrictions as are applicable to County in its manner of exercising such powers, as required by Government Code Section 6509.

Section 2. Creation of the Authority. Pursuant to the Act, there is hereby created a public entity to be known as the "March Joint Powers Authority," hereinafter referred to as "the Authority." The Authority shall be a public entity, separate and apart from its members, and, as provided by law and not otherwise prohibited by this Agreement, shall be empowered to take such actions as may be necessary or desirable to implement and carry out the purposes of this Agreement.

Section 3. Term. The term of this Agreement shall commence upon approval and execution of this document by County and all three Cities and shall continue until terminated by the Parties hereto by their mutual written consent as provided in Section 4.

Section 4. Terminations and Amendments.

(a) Any Party to this Agreement may withdraw for any reason upon giving all other Parties sixty (60) days advance written notice of the effective date of such withdrawal, and this Agreement shall thereupon be deemed automatically amended to reflect the deletion of said Party from this Agreement.

(b) This Agreement initially contemplates a four-party Agreement. However, if any Party elects to withdraw during the term of this Agreement pursuant to Subsection 4 (a) above, the remaining Parties, if two or more in number, may elect to continue with the purposes of this

Agreement and this Agreement shall be appropriately amended to reflect the change in membership.

(c) Provided there is mutual consent by the governing bodies of each of the Parties to this Agreement, evidenced in writing, this Agreement may be: (1) amended to extend the term thereof; (2) amended to add new Parties; or (3) amended to change any substantive portion of the Agreement, or any one or more of the foregoing, in accordance with all applicable laws, rules and regulations.

(d) The Parties to this Agreement specifically agree that this Agreement creates an entity which may acquire or hold property. If it is deemed that Sections 6511 and 6512 of the Act are applicable after completion of the purposes of this Agreement or upon termination thereof, any property or assets acquired or surplus money on hand which was obtained pursuant to this Agreement and which is not required by law or contract to be distributed in a different manner, shall be returned to the then Parties to the Agreement in proportion to the contributions made. For purposes of this distribution, "contributions made" include unreimbursed in-kind services, materials and equipment provided by a Party.

Section 5. Creation of the Joint Powers Commission ("JPC").

(a) Creation of JPC. In order to effectuate the purposes of this Agreement as set forth in Section 1 hereof and to accomplish the Action Steps described in Section 6 hereof, Cities and County agree to establish at the earliest possible date after commencement of this Agreement, a Joint Powers Commission (hereinafter referred to as "JPC"), which shall be the governing body of the entity created by this Agreement and all the powers of such entity shall be exercised by the JPC.

(b) Membership. The JPC shall initially be composed of eight (8) Members. Each Party to this Agreement shall be represented by two (2) JPC Members with each Member being entitled to one (1) vote. In the event only one Member or the Alternate is present representing the same Party, that Member or Alternate who is present may cast two (2) votes on behalf of that Party in any manner deemed appropriate by such Member or Alternate. In the event no Member or Alternate

of a Party is present at the time that votes are cast on a matter, the votes of such absent Members or Alternate shall be considered as not having been cast.

(c) Designation of Representatives and Alternates. The governing body of each Member on the JPC shall appoint by resolution its Representatives and may appoint by resolution an Alternate to the JPC. A copy of the resolution shall be furnished to the JPC. Each Representative and Alternate must hold an elective office on the respective governing body appointing the Representative and Alternate. Alternates shall have the authority to act in a Representative's absence. Representatives for the County of Riverside shall be the Supervisors of Districts I and V and the Alternate for the County of Riverside shall be the Supervisor of District III.

Representatives and Alternates shall serve on the JPC during the term for which they were appointed or until their successor has been appointed or their appointment has been revoked, whichever is earlier. However, a Representative's or Alternate's position on the JPC shall automatically terminate if and when the term of the elected public office of such Representative or Alternate is terminated. When a vacancy occurs, it shall be the duty of the respective Party having the vacancy to promptly inform the JPC of the name of the replacement Representative or Alternate by forwarding a copy of the resolution appointing such replacement Representative or Alternate to the JPC .

(d) Quorum and Transaction of Business. The presence of five (5) Members of the JPC shall constitute a quorum of which a least four (4) Members shall represent each Party to this Agreement, provided, however, that there shall be no requirement for the presence of four (4) Members representing each Party if both Members of the Party are absent for two (2) successive meetings. A vote of five (5) Members shall be necessary for the transaction of business, except for adjournment of a meeting which shall require only a majority vote of those present. No proxy or absentee voting shall be permitted.

(e) Meetings. The JPC shall establish the time and place for its regular and special meetings. The dates, hour and location of regular meetings shall be fixed by resolution of the JPC and a copy of such resolution shall be filed with the governing body of each of the Parties and with

each Party's designated Representatives. Special meetings and adjourned meetings may be held as required or permitted by law.

(f) Ralph M. Brown Act. All meetings of the JPC, including without limitation, regular, special and adjourned meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

Pursuant to Government Code Section § 54956.96, Members or Alternates may disclose information discussed in closed session that has direct financial or liability implications for any Party to this Agreement to the following individuals:

(1) Legal counsel of any Party to this Agreement for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Party.

(2) Other members of the legislative body of the Party present in closed session of that member Party.

Furthermore, any Alternate who is also a member of the legislative body of any Party and who is attending a properly noticed meeting of the JPC in lieu of a Member may attend closed sessions of the JPC.

(g) Officers. The JPC shall select a Chairperson and a Vice-Chairperson at its first meeting and at the first meeting held in each succeeding calendar year shall select or re-select its officers. In the event an officer resigns or ceases to be an officer, the JPC shall select a replacement therefor at the next regular meeting of the JPC. In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson.

(h) Management, Staff and Support Personnel. Subject to the availability of funds, the JPC may contract for or employ such staff and support personnel as may be necessary or desirable in implementing and carrying out the purposes of this Agreement. Such staff and personnel shall exercise those powers, duties and responsibilities imposed or conferred herein or conferred thereon by the JPC.

Additional support personnel for the JPC may be provided by the staff of the Parties to this Agreement subject to such conditions as may be approved by the governing bodies of such personnel and by the JPC.

(i) Rules. The JPC may adopt, from time to time, such rules and regulations for the conduct of its meetings and affairs as it may deem necessary, including, without limitation, the designation of a person to record and transcribe the minutes of each public meeting of the JPC.

(j) Funding and Support. It is anticipated that the operating funds of the JPC will be derived from grants, donations, and from “in kind” contributions from the Parties to this Agreement.

The JPC, in the name and on behalf of the Authority, may apply for, accept, and utilize grants from any governmental or private source in order to implement and carry out the purposes of this Agreement.

After consultation with the JPC, any Party to this Agreement may apply for or accept grants, or other funds or resources for any purpose relating to the objectives of this Agreement and, unless otherwise approved by all members of the JPC, all obligations assumed thereunder shall be the sole obligations of the Party obtaining such monies or resources, and not the obligation of any other Party to this Agreement or of the JPC.

The JPC may request the Parties to this Agreement to contribute funds; provided, however, that any such contribution shall be on an equal basis as among the Parties unless such request by unanimous vote of all the Members of the JPC provides otherwise. Such funds may not be assessed or collected unless the governing body of each Party to this Agreement consents thereto.

Any fund balance, revenue, land sale proceeds, rents, profits or issues derived by, or on behalf of, the JPC other than grants, donations and “in kind” contributions from the Parties to this Agreement and which are not required to implement and carry out the purposes of this Agreement, shall be shared and distributed equally to the Parties of this Agreement unless otherwise as directed by unanimous vote of all the Members of the JPC (such vote must also include Members representing all Parties).

(k) Consultants. Subject to the availability of funds, the JPC may employ such consultants as are deemed necessary and desirable in implementing and carrying out the purposes of this Agreement.

(l) Fiscal Year. The fiscal year of the Authority shall be the period commencing on July 1 of each year and ending on and including the following June 30.

(m) Treasurer. The Treasurer of the Authority shall be a designated member of the Commission or the staff. The Treasurer shall have the custody of the Authority money and disburse Authority funds pursuant to the accounting procedures developed in accordance with the provisions of this Agreement, the Act, and with those procedures established by the JPC. The Treasurer shall assume the duties described in Section 6505.5 of the Government Code, namely: receive and receipt for all money of the Authority and place in the Treasury of the Treasurer to the credit of the Authority; be responsible upon an official bond as prescribed by the JPC for the safekeeping and disbursement of all Authority money so held; pay, when due, out of money of the Authority so held, all sums payable, only upon warrants of the officer performing the functions of the Controller who has been designated by the Authority or JPC; verify and report in writing on the first day of July, October, January and April of each year to the Authority and to the Parties to the Agreement the amount of money held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report; and perform such other duties as are set forth in this Agreement or specified by the JPC.

(n) Controller. The Authority's Executive Director, or another appointed person or a contracted private firm at the discretion of the Commission, shall be the Controller of the Authority. The Controller shall draw warrants to pay demands against the Authority when such demands have been approved by the JPC or by any other person authorized to so approve such by this Agreement or by resolution of the JPC. The Controller shall perform such duties as are set forth in this Agreement and such other duties as are specified by the JPC.

There shall be strict accountability of all funds and reporting of all receipts and disbursements. The Controller shall establish and maintain such procedures, funds and accounts

as may be required by sound accounting practices, the books and records of the Authority in the hands of the Controller shall be open to inspection at all reasonable times by representatives of the Parties.

The Controller, with the approval of the JPC, shall contract with an independent certified public accountant or firm to prepare an annual audit of the accounts and records of the Authority, and a complete written report of such audit shall be filed as public records annually, within six (6) months of the end of the fiscal year under examination, with each of the Parties. Such annual audit and written report shall comply with the requirements of Section 6505 of the Government Code. The cost of the annual audit, including contracts with, or employment of such independent certified public accountants in making an audit pursuant to this Agreement shall be a charge against any unencumbered funds of the Authority available for such purpose. The JPC by unanimous vote, may replace the annual audit with a special audit covering a two-year period.

(o) Technical Advisory Committee. There is hereby established within the Authority a Technical Advisory Committee. The members of the Technical Committee shall be as follows:

- (i) The Member of the United States House of Representatives who represents the Congressional District which includes the former March Air Force Base, or the designee of such Member;
- (ii) The City Manager of each of the cities which are parties to this Agreement, or the designee thereof;
- (iii) The County Executive Officer of the County of Riverside, or the designee thereof; and
- (iv) Such other persons as the foregoing membership may select, including, without limitation, representatives of private and governmental entities.

The TAC shall also involve in its discussion non-voting “ex-officio” members. These members may be changed from time-to-time, but at a minimum the Executive Director of the Western Riverside Council of Governments and the Base Transition Coordinator shall be considered as “ex-officio” members of the TAC.

The Chairperson of the Technical Advisory Committee shall be the Member of the United States House of Representatives or the designee of such Member.

The duties of the Technical Advisory Committee shall be:

- (i) To act as an advisory body to the JPC in matters relevant to the purposes of this Agreement; and
- (ii) To undertake such other duties as may be assigned to the Committee by the JPC.

Section 6. Achievement of Purposes. In order to achieve the purposes set forth in this Agreement, the JPC shall convene as a body and shall be charged with the responsibility of hearing and reviewing oral and written reports, analyzing documentary evidence, engaging in discussions, making inspections, examining all relevant data as is more specifically set forth in the specific action steps hereinafter provided:

(a) Short Term Action Steps.

- (1) Identify available funding, in accordance with Section 5(j), from available federal, state and private grants to aid in the financing of the work associated with the purposes of this Agreement.
- (2) Coordinate the actions and plans of the Authority with other governmental entities and interested organizations.
- (3) Investigate and recommend interim and permanent finance programs in order to serve the best interests of the affected communities and the region and to accomplish the purposes of this Agreement.

(b) Long Term Action Steps.

- (1) Develop a cohesive plan for use and reuse of the former March Air Force Base and its surrounding environs to the extent such plan does not conflict with federal, state or local law.
- (2) Serve as the single, local representative organization in working with the office of Economic Adjustment of the United States Department of Defense.

The listing of the above acts is not intended to indicate any priority of one act over another, nor is such listing intended to be all inclusive. The JPC may authorize other acts to be done in the accomplishment of the purposes of this Agreement. One or several acts may take place concurrently or in sequence as the JPC shall direct.

Section 7. JPC a Separate Entity: Liability: Immunity. The JPC shall be a public entity separate and apart from the Parties to this Agreement. However, each Party to this Agreement shall defend, indemnify and hold harmless each other party from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of, resulting from or in connection with the performance of this Agreement by any of its officers, employees or agents. Each Party's obligation to defend, indemnify and hold each of the other Parties to this Agreement harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property including the loss of use.

It is the intent of the Parties that, except as provided herein, the JPC cannot incur any debts, liabilities or obligations without the consent of the governing body of each Party to the Agreement; provided, however, any such debts, liabilities or obligations shall be shared, and otherwise apportioned, equally as among the Parties to this Agreement unless the JPC by unanimous vote of all the Members of the JPC directs otherwise. However, to the extent such are established pursuant hereto or by the final judgment of a court of competent jurisdiction, they shall constitute the debts, liabilities and obligations of the Authority and shall not constitute the debts, liabilities or obligations of the Parties to this Agreement or of any of them.

As to the officers, agents, Representatives, Alternates, and employees, if any, of the JPC or the Parties to this Agreement, the provisions of California Government Code Section 6513 are hereby incorporated into this Agreement.

Section 8. Successor Agency. Allocation of Assets and Liabilities Upon Dissolution of the March Joint Powers Redevelopment Agency. Upon dissolution of the March Joint Powers Redevelopment Agency (the "Agency"), the Authority is hereby designated the successor agency with all authority, rights, powers, duties and obligations previously vested with the Agency. Any

and all assets and liabilities in possession of the Agency shall be transferred to the Authority, as the successor agency, upon the Agency's dissolution.

Section 9. Severability. If any section, clause or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable and the remainder of the Agreement or the application of such provisions to the other Party or to other persons or circumstances shall not be affected thereby.

Section 10. Notices. Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid to said respective Parties, as follows:

- (a) March Joint Powers Commission
c/o Executive Director
14205 Meridian Parkway, Suite 140
Riverside, CA 92518
- (b) City of Moreno Valley
c/o City Manager
P.O. Box 88005
Moreno Valley, CA 92552
- (c) City of Perris
c/o City Manager
101 N "D" St.
Perris, CA 92570
- (d) City of Riverside
c/o City Manager
3900 Main Street, 7th Floor
Riverside, CA 92501
- (e) Riverside County Board of Supervisors
c/o County Executive Officer
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

Section 11. Other Obligations. The responsibilities and obligations of each Party to this Agreement shall be solely as provided in this Agreement, or as may be provided for in supplemental agreements to be executed by the Parties.

Section 12. Other Agreements Not Prohibited. Other agreements by and between the Parties of this Agreement or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.

Section 13. Powers Not Included in Agreement. It is contemplated that certain common powers of the Parties to this Agreement may be needed in the future, however, until such time as the Parties may deem otherwise and this Agreement is amended to specifically so provide, it shall not be construed or interpreted to mean that the Authority or the JPC possesses the power, right or authority to mandate the expenditure of funds by Parties to this Agreement, or to incur any obligation on behalf of any Party to this Agreement; provided further, however, in the event this Agreement is amended to provide for the regulation or control of land use, any Party may disapprove any proposed regulation or control of land use affecting any real property which is within, or contiguous to, the jurisdiction of such Party.

Except as specifically provided to the contrary herein, this Agreement is not designed to, nor shall it be construed or interpreted to affect the rights of any Party to this Agreement. Furthermore, this Agreement shall not be construed to prohibit any Party from applying for or accepting any grants, funds or monies for any purpose when the obligations thereunder become the sole obligation of said Party.

Section 14. Non-Assignability. The rights, titles and interests of any Party to this Agreement shall not be assignable or transferable without the consent of the governing body of each Party hereto.

Section 15. Miscellaneous.

(a) Section Headings. The section headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.

(b) Laws of California. This Agreement is made in the State of California, under the Constitution and laws of such State, and shall be construed and enforced in accordance with the laws of such State.

(c) Construction of Language. It is the intention of the Parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

(d) Cooperation. The Parties recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement, including cooperation in matters relating to the public, accounting, litigation, public relations and the like.

(e) Future Amendments. To preserve a reasonable degree of flexibility, many parts of this Agreement are stated in general terms. It is understood that there may be Amendments to this Agreement which will further define the rights and obligations of the Parties.

(f) Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties hereto.

(g) Duplication Rights. Each Party shall have the right to duplicate, at its own expense, any and all documents and reports created or acquired, in the joint exercise of powers hereunder by the JPC or by any other Party hereto pursuant to this Agreement.

(h) Effective Date. This Agreement shall become effective on the date the later of the following events occur: (1) the execution of this Agreement by all Parties; and (2) the execution by all Parties of a Tax and Revenue Sharing Agreement. Until such time as this Agreement becomes effective, the Thirteenth Amendment to the Joint Powers Agreement Between the Parties shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized as of the date first above written.

CITY OF MORENO VALLEY

Date: MAR 09 2023

BY: 
Mayor

ATTEST:

 
City Clerk

APPROVED AS TO FORM:

 
For- City Attorney
Danki Tomino, Deputy City Attorney

CITY OF PERRIS

Date: 3/9/23

By: 
Mayor, Michael M. Vargas

ATTEST:


City Clerk, Nancy Salazar

APPROVED AS TO FORM:


City Attorney, Robert Khuu

CITY OF RIVERSIDE

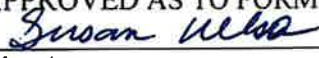
Date: March 8, 2023

BY: 
Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

COUNTY OF RIVERSIDE


Date: April 18th, 2023

By: 
Chair

ATTEST:

Clerk of the Board

KEVIN JEFFRIES
CHAIR, BOARD OF SUPERVISORS

APPROVED AS TO FORM:


Deputy County Counsel

EXHIBIT A
AUTHORITY LAND USE TERRITORY

March Joint Powers Authority

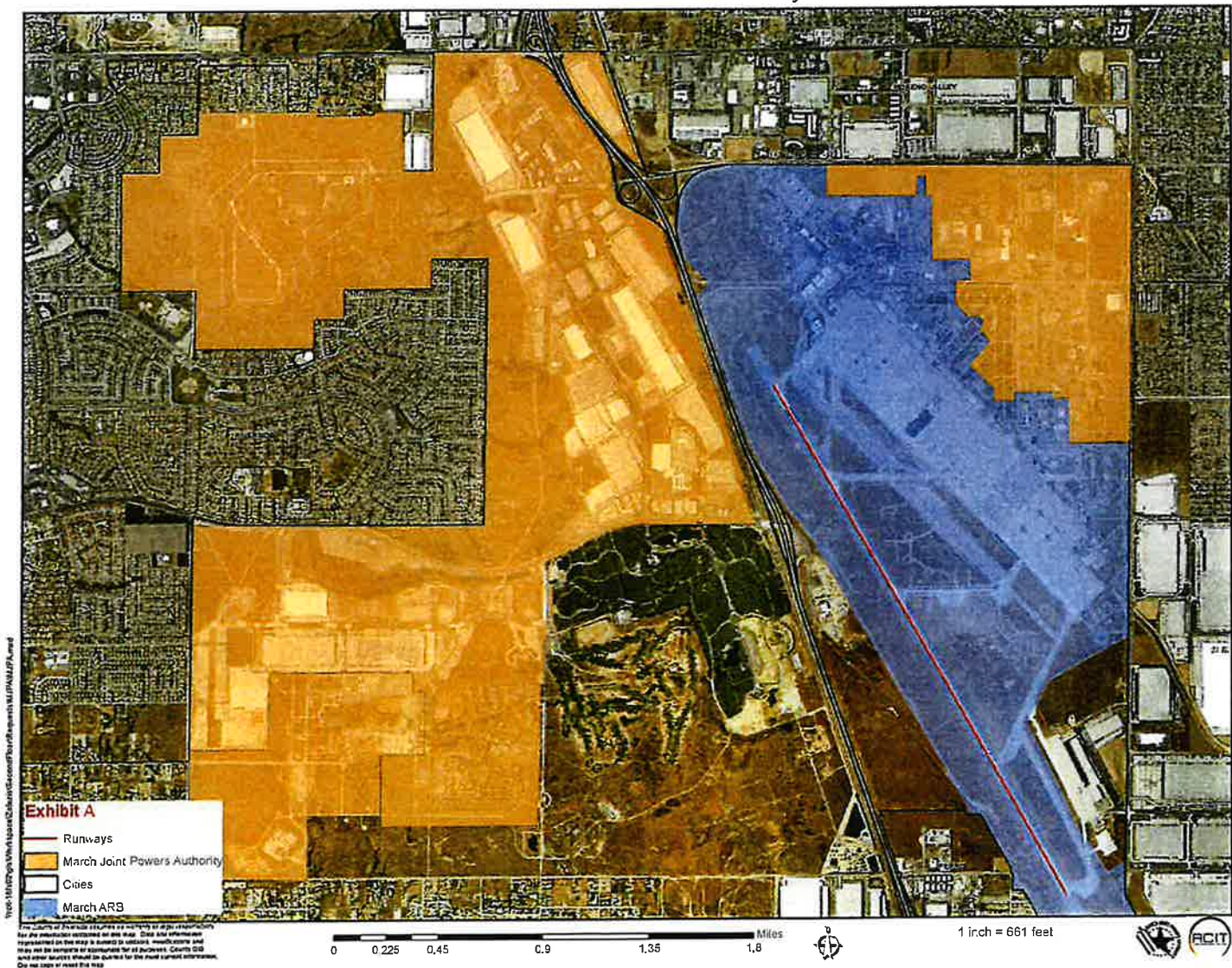


EXHIBIT B
AIRPORT AUTHORITY TERRITORY

March Joint Powers Authority



Attachment 2

**TAX AND REVENUE SHARING AGREEMENT AMONG
THE CITY OF MORENO VALLEY, THE CITY OF PERRIS,
THE CITY OF RIVERSIDE, AND THE COUNTY OF
RIVERSIDE REGARDING THE MARCH JOINT POWERS
AUTHORITY TERRITORY**

This **TAX AND REVENUE SHARING AGREEMENT** (“Agreement”) among the CITY OF MORENO VALLEY (“Moreno Valley”), a municipal corporation, the CITY OF PERRIS (“Perris”), a municipal corporation, the CITY OF RIVERSIDE (“Riverside”), a charter city and municipal corporation, and the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“County”) is made and entered into as of the 18th day of April, 2023 (“Effective Date”). Moreno Valley, Perris, and Riverside are sometimes collectively referred to hereafter as “Cities.” Moreno Valley, Perris, Riverside, and County are sometimes individually referred to as “Party” and collectively as “Parties.”

1. Recitals

1.1 WHEREAS, in 1993, the Base Realignment and Closure Commission recommended, and the President approved, the inclusion of March Air Force Base in the third round of base closures or realignments, resulting in the re-designation of the base as March Air Reserve Base and a significant reduction in its territory; and

1.2 WHEREAS, in response, in September 1993, the Parties adopted an agreement (the “Joint Powers Agreement”) establishing the March Joint Powers Authority (“Authority”) for the joint exercise of powers to dispose of and govern the former territory of the March Air Force Base in accordance with Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California; and

1.3 WHEREAS, since 1993, the Parties collectively administered the Authority for the benefit of the territory served by the Authority (“Authority Territory”, which is further defined in Exhibit A, attached hereto and incorporated herein by this reference); and

1.4 WHEREAS, since that time, the Parties have amended the Agreement thirteen times, though the Seventh Amendment, establishing the March Joint Powers Utilities Authority, was only adopted by the Cities; and

1.5 WHEREAS, now, the Parties wish to amend the Joint Powers Agreement for a fourteenth time to generally remove the Authority’s land use and municipal obligations, leaving these obligations to the County because the Authority Territory is unincorporated; and

1.6 WHEREAS, in connection with this proposed amendment, to recognize the County’s increased duties in the Authority Territory, due to the desire by the Parties to keep the area unincorporated for the duration of the agreement term, the Parties’ collective efforts to redevelop the Authority Territory, and to prevent costly legal and land disputes among the Parties, the Parties have negotiated this Agreement to ensure an equitable distribution of revenues associated with the Authority and the Authority Territory.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants

hereinafter contained and for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

2. Terms of Agreement

2.1 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated into this Agreement by this reference.

2.2 Distribution of Property Taxes.

(a) Definitions. For the purposes of this Section 2.2, the following definitions shall apply:

(i) Property Tax Revenues. Property Tax Revenues shall mean the moneys distributed to the County during the term of this Agreement from the Redevelopment Property Tax Trust Funds related to the former March Joint Powers Redevelopment Agency (or "RPTTF") for the properties identified in the map attached hereto and incorporated herein as Exhibit B and which are paid to the County as determined by the Riverside County Auditor Controller ("Auditor-Controller") pursuant to Health and Safety Code Section 34183(a)(4) and as reported by the Auditor-Controller pursuant to Health and Safety Code Section 34183. Property Tax Revenues shall be exclusive of allowable charges of the Auditor-Controller for administering the RPTTF pursuant to Health and Safety Code Section 34182(e) and Revenue and Taxation Code Section 95.3.

(b) Distribution. Property Tax Revenues shall be distributed as follows:

(i) County Services Payment. First, and prior to any distribution from Property Tax Revenues, beginning the effective date of this Agreement, the County shall subtract an amount equal to \$2,450,975 for the fiscal year that this Agreement is executed, and thereafter shall subtract \$2,450,975 plus the summation of any annual adjustments as described in this section, from the total Property Tax Revenues to cover its cost of providing services, including municipal services, within the Authority Territory. This amount, and successive amounts as adjusted each year thereafter, shall be adjusted annually based on the annual change in the Riverside-San Bernardino-Ontario, CA Consumer Price Index (CPI-U) for all items published by the U.S. Bureau of Labor Statistics (or equivalent successor index) with a baseline of the July 2023 index.

(ii) Property Tax Payment to Moreno Valley and Riverside. Second, if Property Tax Revenues remain after amounts deducted under subdivision (b)(i) herein, the County shall issue a reimbursement payment to Moreno Valley and Riverside in an amount equal to their proportionate share of RPTTF used to pay enforceable obligations of the March Joint Powers Authority Successor Agency from the assessed value of property within their respective jurisdictions (as shown in Exhibit B), as reported by the Auditor-Controller. These payments shall be calculated as follows by jurisdiction as currently reported by the Auditor-Controller: RPTTF gross growth generated within respective jurisdictional area, less pass-through payments, less both County administrative fees, and residual receipts.

(iii) Remainder. Finally, if Property Tax Revenues still remain after amounts deducted in accordance with (b)(i) and (b)(ii) herein, the County shall retain seventy five percent (75%) of the remaining amount and shall distribute the remaining twenty five percent (25%) equally among the Cities.

2.3 Distribution of Sales Taxes, Transient Occupancy Taxes, and Franchise Fees.

(a) Definitions. For the purposes of this Section 2.3, the following definitions shall apply:

(i) Sales Tax Revenues. Sales Tax Revenues shall include Bradley Burns Local 1% sales or use taxes paid by any businesses within the Authority Territory (see Exhibit A) upon taxable sales and uses attributable to the operations of businesses within the Authority Territory and allocated and actually paid to, and received by, County under the Uniform Local Sales and Use Tax Law (Part 1.5, Division 2 of the California Revenue and Taxation Code). Local Sales Tax Revenues shall not include (i) penalties, assessments, collection costs, and other costs, fees, or charges resulting from late or delinquent payments of sales or use tax and which are levied, assessed, or otherwise collected from business within the Authority Territory; (ii) any sales or use tax levied by, collected for, or allocated to the State of California, a district, or any entity (including an allocation to a statewide or countywide pool) other than County; (iii) any administrative fee charged by the California Department of Tax Fee Administration (or any successor agency); (iv) any sales or use tax subject to any sharing, rebate, offset, or other charge imposed pursuant to any applicable provision of federal, state, or local (except the County's) law, rule, or regulation; or (v) any sales or use tax (or other funds measured by sales or use taxes) required by the State of California to be paid over to another public entity (including the State), or set aside and/or pledged to a specific use other than for deposit into or payment from the County's general funds, including retroactively..

(ii) Transient Occupancy Tax Revenues shall include any tax charge on the rent paid by transient guests of hotels, motels, short-term rentals, or any other lodging facility within the Authority Territory (see Exhibit A) to the County under the County's local laws.

(iii) Franchise Fee Revenues shall include any fees paid by a franchisee of the County for the use of governmental facilities within the Authority Territory (see Exhibit A). Franchise Fee Revenues shall be calculated as follows: Total Actual Franchise Fee Revenue generated within the county unincorporated area during the fiscal year, divided by unincorporated area Service Population for the year, then multiplied by Authority Territory Service Population for the year. Service Population shall be calculated as one half of the area employment, added to area population. Source data for this calculation shall be from a reputable source (e.g. Department of Finance, County of Riverside Budget Book, etc.)

(b) Distribution. Sales Tax Revenues, Transient Occupancy Tax Revenues, and Franchise Fee Revenues shall be distributed evenly among the Parties such that the County shall pay to each of the Cities a total of twenty five percent (25%) of such revenues.

(c) Data. County agrees to take any lawful actions necessary to permit Cities to receive sales tax, transient occupancy tax, and franchise fee revenue data for the Authority Territory.

2.4 Distribution of Land Sale Proceeds. The proceeds of any land sales by the Authority are distributed equally among the Parties in accordance with Section 5(j) of the Joint Powers Agreement.

2.5 Annexation of Property.

(a) City-Initiated Annexations. Cities shall not take any City-initiated steps toward the annexation of Authority Territory during the term of this Agreement. For example, Cities shall not initiate the following actions: any pre-zoning or pre-planning of Authority Territory, the preparation of any municipal service reviews for the Authority Territory, the preparation of any environmental document associated with considering annexation of any Authority Territory, or the submission of any applications to annex any Authority Territory. Cities shall not provide funding for, solicit or encourage property owners, developers, or any third parties to seek annexation of any Authority Territory into a City's jurisdiction.

(i) Penalty for Violation. Should any Party violate this subsection of the Agreement, that Party shall reimburse to County any payments made under this Agreement to date and shall not receive any further payments under this Agreement. Reimbursed payments shall be redistributed by County equally among the non-violating Parties (i.e., one third each assuming only one Party is in violation).

(b) Property Owner-Initiated Annexations. If, in the absence of a violation of subdivision (a) of this Section 2.5, a third party initiates and successfully completes proceedings to annex property within the Authority Territory into one of the Cities' jurisdictions, the Party annexing property shall make a payment to the County of all property, sales, and transient occupancy taxes received by that Party in connection with the annexed property within 30 days following receipt of said taxes. The payment shall be accompanied by a detailed statement setting forth the amount and type of taxes received from annexed properties within the Authority Territory. The County shall then distribute said payment to all Parties within 30 days following receipt in accordance with the applicable formula under this Agreement as if the County had received the taxes directly. If the legislative body of a City votes to approve an annexation initiated by a property owner, where the City has not encouraged, solicited, or incentivized the annexation, it shall not be considered a violation of subdivision (a) of this Section 2.5.

2.6 Term and Termination. This Agreement shall remain in effect until August 1, 2041. No Party may terminate this Agreement in advance of that date.

2.7 Payment Terms. On a twice-annual basis, on or before April 1 and October 1 each year, County shall make a payment to each of the Cities for their share of revenues received under Sections 2.2 and 2.3 during the periods July 1 through December 31 and January 1 through June 30 respectively (i.e., the first payment under this Agreement shall be made on or before April 1, 2024 for receipts during the period July 1 through December 31, 2023).

2.8 Insurance Requirements. The Parties shall each maintain adequate insurance coverage for the activities contemplated herein for the duration of this Agreement.

3. Miscellaneous Terms

3.1 Amendment. This Agreement may be amended at any time by the mutual consent of the Parties by an instrument in writing signed by all Parties.

3.2 Construction: References: Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.3 Entire Agreement. This Agreement constitutes the entire and integrated agreement with respect to the subject matter hereof and supersedes any and all prior and contemporaneous oral or written negotiations, representations or agreements.

3.4 Notices, Demands and Communications Between the Parties.

(a) Formal notices, demands and communications between Parties shall be deemed sufficiently given if: (i) by commercial overnight delivery; (ii) by messenger service for immediate personal delivery; or (iii) by electronic transmittal, including electronic mail and/or fax transmissions, subject to written verification of receipt by the receiving party. Such written notices, demands and communications may be sent in the same manner to such other addresses as either Party may from time to time designate by written notice to the other Party.

All notices, demands and communications shall be sent, as follows:

TO MORENO VALLEY:

City of Moreno Valley
Attn: City Manager
P.O. Box 88005
Moreno Valley, CA 92552

Copy to:

City of Moreno Valley
Attn: City Attorney
P.O. Box 88005
Moreno Valley, CA 92552

TO RIVERSIDE:

City of Riverside

TO PERRIS:

City of Perris
Attn: City Manager
101 N "D" St.
Perris, CA 92570

Copy to:

City of Perris
Attn: City Attorney
101 N "D" St.
Perris, CA 92570

TO COUNTY:

County of Riverside

Attn: City Manager
3900 Main Street, 7th Floor
Riverside, CA 92501

Attn: County Executive Officer
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

Copy to:

Copy to:

City of Riverside
Attn: City Attorney
3900 Main Street, 7th Floor
Riverside, CA 92501

County of Riverside
Attn: County Counsel
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

(b) Notices shall be deemed effective upon receipt or with respect to electronic transmission, upon receipt of written verification from the receiving party.

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

3.6 Laws and Regulations. Each Party shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of this Agreement, and shall give all notices required by law. Each Party shall be liable for all violations of such laws and regulations in connection with this Agreement. If either Party performs any of its obligations hereunder knowing that its actions are contrary to such laws, rules and regulations and without giving written notice to the other, the violating Party shall be solely responsible for all costs arising therefrom.

3.7 Approvals. Approvals required by Parties, or any officers, agents or employees thereof, shall not be unreasonably withheld and approval or disapproval shall be given within a reasonable time.

3.8 Mutual Cooperation; Further Actions and Instruments. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement.

3.9 Third Party Beneficiaries. This Agreement and the performance of the Parties obligations hereunder are for the sole and exclusive benefit of the Parties only. No person or entity who or which is not a signatory to this Agreement shall be deemed to be benefited or intended to be benefited by any provision hereof, and no such person or entity shall acquire any rights or causes of action against any Party hereunder as a result of any Party's performance or non-performance of its obligations under this Agreement.

3.10 Relationship of Parties. The Parties agree and intend that they are independent contracting entities and do not intend by this Agreement to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

3.11 Governing Law. This Agreement shall be governed by the laws of the State of California without regard to conflicts of laws principles. This Agreement shall be deemed to have been made in the County of Riverside, California, regardless of the order of the signatures of the Parties affixed hereto. Any litigation or other legal proceedings which arise under or in connection with this Agreement shall be conducted in a federal or state court located within or for Riverside County, California. The Parties consent to the personal jurisdiction and venue in federal or state court located within the County of Riverside, California, and hereby waive any defenses or objections thereto including defenses based on the doctrine of forum non conveniens.

3.12 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Either Parties' consent or approval of any act by the other Party requiring its consent or approval shall not be deemed to waive or render unnecessary its consent to or approval of any subsequent act of the other Party. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

3.13 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

3.14 Legal Counsel. Each Party acknowledges that: (i) it has read this Agreement; (ii) it has had the opportunity to have this Agreement explained to it by legal counsel of its choice; (iii) it is aware of the content and legal effect of this Agreement; and (iv) it is not relying on any representations made by the other Party or any of the employees, agents, representatives, or attorneys of the other Party, except as expressly set forth in this Agreement.

3.15 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

3.16 Binding Effect. The terms of this Agreement shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective successors and assigns.

3.17 Authorized Representatives. The person or persons executing this Agreement on behalf the each Party warrant and represent that they have the authority to execute this Agreement on behalf of that Party and that they have the authority to bind that Party to the performance of its obligations hereunder.

3.18 Effective Date. This Agreement shall become effective on the date the later of the following events occur: (1) the execution of this Agreement by all Parties; and (2) the execution by all Parties of the Fourteenth Amendment to the Joint Powers Agreement.

SIGNATURES ON FOLLOWING PAGE

**SIGNATURE PAGE TO
TAX AND REVENUE SHARING AGREEMENT AMONG THE CITY OF
MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
RIVERSIDE, AND THE COUNTY OF RIVERSIDE REGARDING THE
MARCH JOINT POWERS AUTHORITY TERRITORY**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be entered into as of the date set forth above.

CITY OF MORENO VALLEY

By: 
Mike Lee, City Manager

Date: 3/2/23

APPROVED AS TO LEGAL FORM:

By: 
Donald Terrell, City Attorney

ATTEST:

By: 
James Ables, City Clerk

CITY OF RIVERSIDE

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF PERRIS

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

COUNTY OF RIVERSIDE

By: _____
_____, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, County Counsel

ATTEST:

By: _____
_____, Clerk of the Board

**SIGNATURE PAGE TO
TAX AND REVENUE SHARING AGREEMENT AMONG THE CITY OF
MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
RIVERSIDE, AND THE COUNTY OF RIVERSIDE REGARDING THE
MARCH JOINT POWERS AUTHORITY TERRITORY**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be entered into as of the date set forth above.

CITY OF MORENO VALLEY

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF RIVERSIDE

By: Mike Futrell
Mike Futrell, City Manager

Date: 3/8/23

APPROVED AS TO LEGAL FORM:

By: Susan Wilson
Susan Wilson, for, City Attorney

ATTEST:

By: Donesia Gause
Donesia Gause, City Clerk

CITY OF PERRIS

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

COUNTY OF RIVERSIDE

By: _____
_____, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, County Counsel

ATTEST:

By: _____
_____, Clerk of the Board

**SIGNATURE PAGE TO
TAX AND REVENUE SHARING AGREEMENT AMONG THE CITY OF
MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
RIVERSIDE, AND THE COUNTY OF RIVERSIDE REGARDING THE
MARCH JOINT POWERS AUTHORITY TERRITORY**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be entered into as of the date set forth above.

CITY OF MORENO VALLEY

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF RIVERSIDE

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF PERRIS

By: 
_____, City Manager

Date: 3/19/23

APPROVED AS TO LEGAL FORM:

By: 
_____, City Attorney

ATTEST:

By: 
_____, City Clerk

COUNTY OF RIVERSIDE

By: _____
_____, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, County Counsel

ATTEST:

By: _____
_____, Clerk of the Board

**SIGNATURE PAGE TO
TAX AND REVENUE SHARING AGREEMENT AMONG THE CITY OF
MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
RIVERSIDE, AND THE COUNTY OF RIVERSIDE REGARDING THE
MARCH JOINT POWERS AUTHORITY TERRITORY**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be entered into as of the date set forth above.

CITY OF MORENO VALLEY

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF RIVERSIDE

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF PERRIS

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

COUNTY OF RIVERSIDE

By: _____
~~J. VAN WAGEN~~, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
Krisitne Bell-Valdez, Deputy, County Counsel

ATTEST:

By: _____
KIMBERLY A. RECTOR, Clerk of the Board

SIGNATURE PAGE

APR 18 2023 3:10

EXHIBIT A
AUTHORITY TERRITORY

EXHIBIT A – AUTHORITY TERRITORY

March Joint Powers Authority

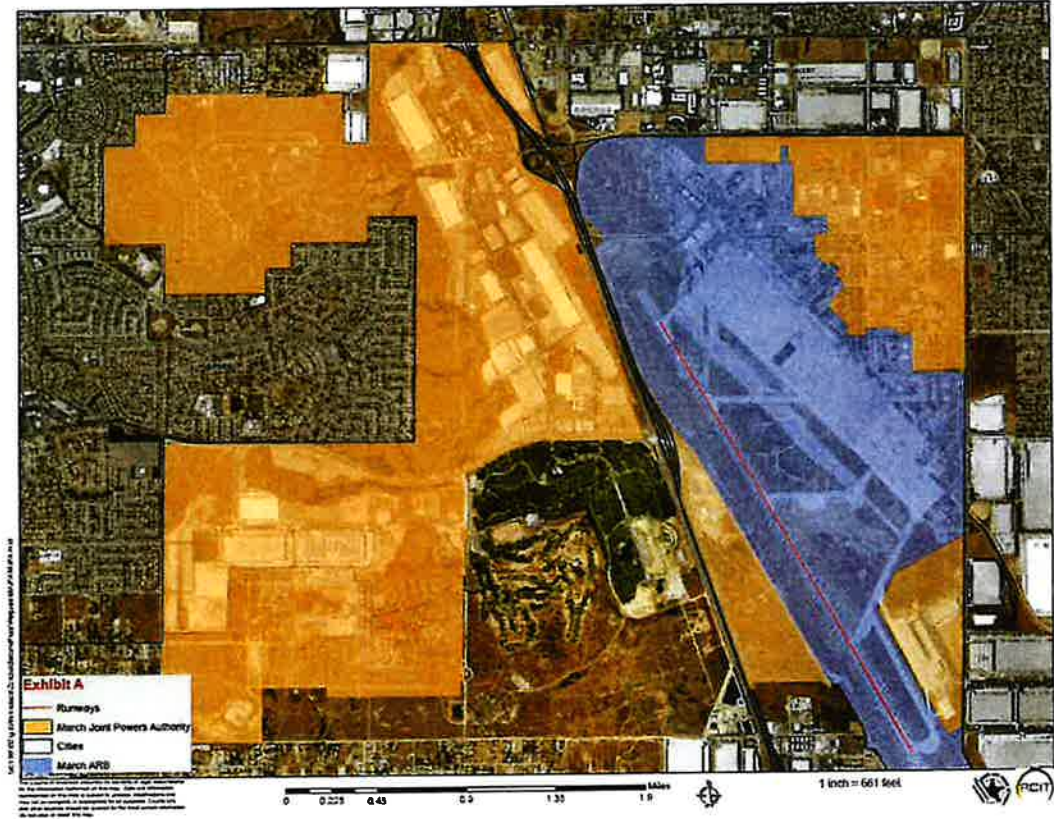
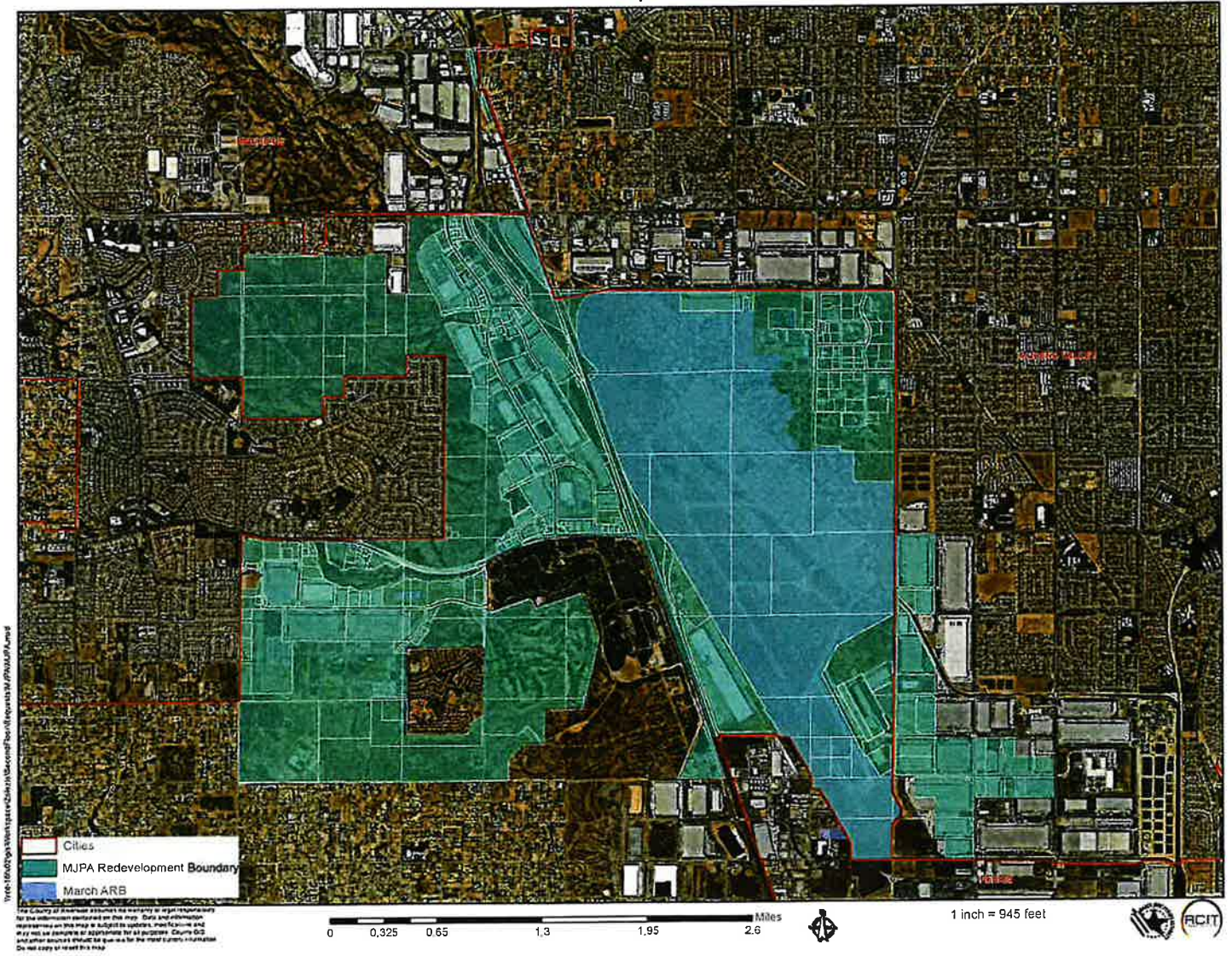


EXHIBIT B
PROPERTY TAX REVENUE AREA

EXHIBIT B – AUTHORITY TERRITORY

MJPA Redevelopment Area



Attachment 3

**SECOND AMENDMENT
TO
WEST MARCH DISPOSITION AND DEVELOPMENT AGREEMENT**

This SECOND AMENDMENT TO WEST MARCH DISPOSITION AND DEVELOPMENT AGREEMENT ("**Second Amendment**") is made and entered into as of October 26, 2022 by and between MARCH JOINT POWERS AUTHORITY, a California joint powers agency ("**Authority**"), and MERIDIAN PARK, LLC, a Delaware limited liability company ("**Meridian Park**"), with respect to the following:

R E C I T A L S :

A. Authority, March Joint Powers Redevelopment Agency, a California public agency ("**Agency**"), and Meridian Park's predecessor-in-interest, LNR Riverside, LLC, a California limited liability company ("**LNR**"), entered into that certain West March Disposition and Development Agreement dated December 27, 2001, a memorandum of which was recorded in the Official Records of Riverside County, California ("**Official Records**") on February 11, 2002 as Instrument No. 2002-74167, as amended by that certain First Amendment to West March Disposition and Development Agreement dated May 1, 2006, a memorandum of which was recorded in the Official Records on May 11, 2006 as Instrument No. 2006-0344466, and as assigned in part to Meridian Park pursuant to that certain Assignment of Agreement (Disposition and Development Agreement) by and between LNR and Meridian Park dated August 7, 2015 and recorded in the Official Records on August 7, 2015 as Instrument No. 2015-0351192 (as amended and assigned, the "**Disposition and Development Agreement**").

B. Following certain state legislation dissolving redevelopment agencies in 2011, Agency assigned all of its interest in the Disposition and Development Agreement to Authority. Authority serves as the successor entity to Agency.

C. The Disposition and Development Agreement set forth certain rights and obligations of Authority and Meridian Park with respect to the development of certain real property commonly known as the West March Business Park (aka "**Meridian**", formerly "**March Business Center**") located in the unincorporated portion of Riverside County, as more particularly described in the Disposition and Development Agreement (the "**Property**").

D. Pursuant to the Disposition and Development Agreement, Meridian Park has the right and option to purchase the Property in successive options from Authority (each, individually, an "**Option**"), and Meridian Park shall pay to Authority consideration for the Property as more particularly set forth in the Disposition and Development Agreement.

E. Authority desires to provide for more clarity regarding the amount of any payments it may receive from Meridian Park and desires to amend the Disposition and Development Agreement to, among other matters, provide for such additional clarity, as more particularly set forth herein.

F. Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Disposition and Development Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree to amend, modify and supplement the Disposition and Development Agreement as follows:

1. **Consideration Payments.** All existing and future payment obligations under Article 4 or elsewhere in the Disposition and Development Agreement that may exist as of the date of this Second Amendment, or that would accrue after the date hereof based on the current terms of the Disposition and Development Agreement, are hereby terminated. In lieu of such payment obligations, Meridian Park shall pay to Authority: (1) the General Fund Payments (as defined below) for the Authority's General Fund and (2) the amounts set forth on the payment schedule attached hereto as Schedule 1 (the "**Payment Schedule**") within thirty (30) days after the completion of each milestone identified on the Payment Schedule ("**Milestones**"). For the purposes hereof, the "**General Fund Payments**" means (i) a payment of \$1,200,000.00 within thirty (30) days after the complete execution of this Second Amendment, and (ii) a reoccurring payment not to exceed \$1,200,000.00 as of July 1, 2023, July 1, 2024 and July 1, 2025, to the extent necessary to fund any deficiency in the Authority's General Fund for each respective fiscal year beginning on such dates as determined by the Authority in its reasonable discretion based upon its annual projected budget. For the avoidance of doubt, Meridian Park shall not have any obligation to pay any money to Authority pursuant to the Disposition and Development Agreement unless the Milestones identified on the Payment Schedule are completed except for the General Fund Payments in accordance with this Section 1.

2. **Deletion of Provisions.** The parties agree that certain provisions under the Disposition and Development Agreement have been completed and/or are no longer applicable, and therefore the following sections or articles are hereby deleted from the Disposition and Development Agreement in their entirety: Article 4 (Approved Participation Model Matters); Article 5 (Preliminary Tasks); Section 6.14 (Project Management Fee); Section 6.15 (Audits); Section 9.05(a) (Preliminary Task Period Termination); Section 9.05(b) (Recalculation Event Termination); Section 9.06(a) (Preliminary Task Period Termination); Section 9.06(b) (Recalculation Event Termination); Exhibit B (Approved Participation Model); Exhibit C (Entitlement Schedule); and Exhibit E (Performance Schedule). In addition, the parties acknowledge and agree that as of the date of this Second Amendment, Meridian Park has satisfied its obligations under Section 6.02 and Section 6.03 of the Disposition and Development Agreement.

3. **Amendment to Section 13.08 of the Disposition and Development Agreement.** Section 13.08 of the Disposition and Development Agreement shall be amended to read as follows:

Section 13.08. Notices. Any notice or communication required hereunder between the parties must be in writing, and may be given either personally, by facsimile or electronic .pdf transmittal (with original forwarded by regular United States Mail), by registered or certified United States mail, postage prepaid, return receipt requested, or by overnight courier service. If personally delivered, a notice shall be deemed to have been given when delivered to the party to whom it is addressed. If given by facsimile or electronic .pdf transmission, a notice shall be deemed to have been given and received upon actual receipt of the entire document by the receiving party. Notices transmitted by facsimile or electronic .pdf transmittal after 5:00 p.m. on a normal business day or on a Saturday,

Sunday or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the actual receipt by any of the addressees designated below as to a party to whom notices are to be sent. If given by overnight courier service, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any party hereto may at any time, by giving ten (10) days written notice to the other party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the parties at their addresses below:

To Meridian Park: Meridian Park, LLC
c/o Waypoint Property Group
567 San Nicolas Drive, Suite 270
Newport Beach, CA 92660
Email: DTeam@waypointgp.com

and: Meridian Park, LLC
c/o Lewis Management Corp.
1156 North Mountain Avenue
Upland, CA 91786
Attn: John Goodman
Email: john.goodman@lewismc.com

and: Lewis Management Corp.
1156 North Mountain Avenue
Upland, CA 91786
Attn: General Counsel
Email: jj.dupre@lewismc.com

With a copy to: Allen Matkins Leck Gamble Mallory & Natsis LLP
2010 Main Street, Suite 800
Irvine, California 92614-7321
Attention: Drew Emmel, Esq.
Telephone: (949) 553-1313
Facsimile: (949) 553-8354
Email: demmel@allenmatkins.com

To Authority: March Joint Powers Authority
Attn: Dr. Grace Martin, Executive Director
14205 Meridian Parkway, Suite 140
Riverside, California 92518
Email: martin@marchjpa.com

With a copy to: Best Best & Krieger LLP
2855 E. Guasti Road, Suite 400
Ontario, California 91761

Attention: Thomas Rice, General Counsel
Telephone: (909) 989-8584
Facsimile: (909) 944-1441
Email: thomas.rice@bbklaw.com

4. Miscellaneous.

(a) Effect of Amendment. Except as expressly modified by this Second Amendment, the Disposition and Development Agreement shall continue in full force and effect according to its terms, and Authority and Meridian Park hereby ratify and affirm all their respective rights and obligations under the Disposition and Development Agreement. In the event of any conflict between this Second Amendment and the Disposition and Development Agreement, the provisions of this Second Amendment shall govern.

(b) Memorandum. A memorandum of this Second Amendment in the form attached hereto as Schedule 2 (the "**Memorandum of Second Amendment**") shall be recorded by Authority against the Property within ten (10) days of the effective date of this Second Amendment. Upon Meridian Park's written request made following the expiration or termination of the Disposition and Development Agreement or upon the terms of the Disposition and Development ceasing to apply to any portion of the Property after Meridian Park's acquisition of the same, both parties shall execute in recordable form any documents that may be necessary to remove the Disposition and Development Agreement and the Memorandum of Second Amendment Agreement from record title to the Property.

(c) Counterparts. This Second Amendment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one in the same document.

[Signature Page Follows]

IN WITNESS WHEREOF, this Second Amendment has been entered into by and between Authority and Meridian Park as of the date and year first above written.

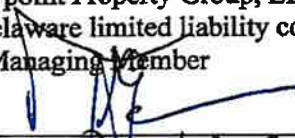
MERIDIAN PARK:

MERIDIAN PARK, LLC,
a Delaware limited liability company,

By: **Meridian Park Holdings, LLC,**
a Delaware limited liability company,
its Sole Member

By: **WPG Meridian Park, LLC,**
a California limited liability company,
its Managing Member

By: **Waypoint Property Group, LLC,**
a Delaware limited liability company,
its Managing Member

By: 
Name: David O. Team
Title: President

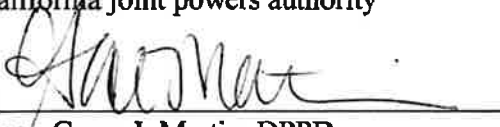
[Signature Page follows]

AUTHORITY:

Dated: 11/01/2022

AUTHORITY:

MARCH JOINT POWERS AUTHORITY,
a California joint powers authority

By: 

Name: Grace I. Martin, DPPD


Title: Executive Director

ATTEST:

By: 
Authority Secretary

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: 
Agency Counsel

JPC Approval 102622 item 9(1).

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Riverside

On November 1, 2022, before me, Cindy Camargo, Notary Public, personally appeared **Grace I. Martin**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Cindy Camargo (Seal)
Cindy Camargo, Notary Public
Commission #2362702
Commission Expires Jul 23, 2025

Attached to: Second Amendment to West March Disposition and Development Agreement (DDA)

SCHEDULE 1
CONSIDERATION PAYMENTS AND MILESTONES

| | |
|--|---------------------|
| The following are referred to in the Second Amendment as the "Milestones": | |
| Temporary Certificate of Occupancy – South Campus Lot DJT6 | \$15,500,000 |
| Building Permit Issuance – South Campus Building H | \$1,250,000 |
| Any Certificate of Occupancy – South Campus Building H | \$1,250,000 |
| Building Permit Issuance – South Campus Building I | \$1,250,000 |
| Any Certificate of Occupancy – South Campus Building I | \$1,250,000 |
| Building Permit Issuance – South Campus Building F | \$1,250,000 |
| Any Certificate of Occupancy – South Campus Building F | \$1,250,000 |
| Building Permit Issuance – South Campus Building E | \$1,250,000 |
| Any Certificate of Occupancy – South Campus Building E | \$1,250,000 |
| Building Permit Issuance – South Campus Building K | \$1,250,000 |
| Any Certificate of Occupancy – South Campus Building K | \$1,250,000 |
| *Mass Grading Permit Issuance – New Development | \$14,000,000 |
| *Building Permit Issuance – New Development First New Building | \$4,750,000 |
| *Any Certificate of Occupancy – New Development First New Building | \$4,750,000 |
| *Building Permit Issuance – New Development Second New Building | \$4,750,000 |
| *Any Certificate Occupancy Permit Issuance – New Development Second New Building | \$4,750,000 |
| *Building Permit Issuance – New Development Third New Building | \$4,750,000 |
| *Any Certificate Occupancy Permit Issuance – New Development Third New Building | \$4,750,000 |
| *Building Permit Issuance – New Development Fourth New Building | \$4,750,000 |
| *Any Certificate Occupancy Permit Issuance – New Development Fourth New Building | \$4,750,000 |
| | \$80,000,000 |

The asterisk (*) marks any future developments that may occur within the West March Area and in no way commits the March Joint Powers Commission into approving those future projects.

SCHEDULE 1
-2-

Recording Requested By:
First American Title Insurance Company
National Commercial Services, Ontario, CA

**This document was electronically submitted
to the County of Riverside for recording**
Received by: MARY #420

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

March Joint Powers Authority
Attn: Executive Director
14205 Meridian Parkway, Suite 140
Riverside, California 92518

NCS-1155505

APNs: 276-120-001; 276-170-007; 294-020-001; (Space Above For Recorder's Use)
297-110-036; 297-080-002, 003, 004; 297-090-001; 002, 003, 004;
297-090-007, 008, 009

**MEMORANDUM OF SECOND AMENDMENT TO WEST MARCH DISPOSITION
AND DEVELOPMENT AGREEMENT**

This MEMORANDUM OF SECOND AMENDMENT TO WEST MARCH DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Memorandum of Second Amendment**") is made as of December 6, 2022 by and between MARCH JOINT POWERS AUTHORITY, a California joint powers agency ("**Authority**"), and MERIDIAN PARK, LLC, a Delaware limited liability company ("**Meridian Park**").

1. Authority, March Joint Powers Redevelopment Agency, a California public agency ("**Agency**"), and Meridian Park's predecessor-in-interest, LNR Riverside, LLC, a California limited liability company ("**LNR**"), entered into that certain West March Disposition and Development Agreement dated December 27, 2001, a memorandum of which was recorded in the Official Records of Riverside County, California ("**Official Records**") on February 11, 2002 as Instrument No. 2002-74167, as amended by that certain First Amendment to West March Disposition and Development Agreement dated May 1, 2006, a memorandum of which was recorded in the Official Records on May 11, 2006 as Instrument No. 2006-0344466, and as assigned in part to Meridian Park pursuant to that certain Assignment of Agreement (Disposition and Development Agreement) by and between LNR and Meridian Park dated August 7, 2015 and recorded in the Official Records on August 7, 2015 as Instrument No. 2015-0351192 (as amended and assigned, the "**Disposition and Development Agreement**").

2. Following certain state legislation dissolving redevelopment agencies in 2011, Agency assigned all of its interest in the Disposition and Development Agreement to Authority. Authority serves as the successor entity to the Agency.

3. On October 26, 2022, Authority and Meridian Park entered into that certain Second Amendment to West March Disposition and Development Agreement ("the "**Second Amendment to DDA**").

4. The purpose of this Memorandum of Second Amendment is to give notice of the rights and obligations of the parties hereto under the Second Amendment to DDA, and all the terms

**"Exempt from fee per GC 27399.1(a) (1);
fee cap of \$225.00 reached"**

and conditions of the Second Amendment to DDA are incorporated herein by reference as if they were fully set forth herein and encumber the Property identified on **Exhibit "A"** attached hereto.

5. Subject to the terms of the Second Amendment to DDA, this Memorandum of Second Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest and assigns.

6. Upon Meridian Park's written request made following the expiration or termination of the Disposition and Development Agreement or upon the terms of the Disposition and Development Agreement ceasing to apply to any portion of the Property after Meridian Park's acquisition of the same, both parties shall execute in recordable form any documents that may be necessary to remove the Disposition and Development Agreement and this Memorandum of Second Amendment from record title to the Property.

[Signature Pages follow]

IN WITNESS WHEREOF, this Memorandum of Second Amendment has been entered into by and between Authority and Meridian Park as of the date and year first above written.

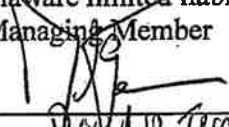
MERIDIAN PARK:

MERIDIAN PARK, LLC,
a Delaware limited liability company

By: MERIDIAN PARK HOLDINGS, LLC,
a Delaware limited liability company,
its Sole Member

By: WPG Meridian Park, LLC,
a California limited liability company,
its Managing Member

By: Waypoint Property Group,
a Delaware limited liability company,
its Managing Member

By: 
Name: David V. Tenn
Title: President

[Signature Page continues]

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On 12/2/22, before me, Rachael Fortney
(insert name of notary)

Notary Public, personally appeared David D. Team
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Rachael Fortney


(Seal)



AUTHORITY:

Dated: 11/01/2022

MARCH JOINT POWERS AUTHORITY,
a California joint powers authority


By: 
Name: Grace I. Martin, DPPD
Its: Executive Director

ATTEST:

By: 
Authority Secretary

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: 
Agency Counsel

JPC Approval 102622 item 9(1).

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Riverside

On November 1, 2022, before me, Cindy Camargo, Notary Public, personally appeared **Grace I. Martin**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Cindy Camargo (Seal)
Cindy Camargo, Notary Public
Commission #2362702
Commission Expires Jul 23, 2025

Attached to: Second Amendment to West March Disposition and Development Agreement (DDA)

EXHIBIT "A"
LEGAL DESCRIPTION

[SEE ATTACHED]

EXHIBIT "A"

-1-

EXHIBIT "A"

LEGAL DESCRIPTION

IN THE PLANNING JURISDICTION OF MARCH JOINT POWERS AUTHORITY WITHIN THE UNINCORPORATED TERRITORY OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, BEING A PORTION OF THE LAND DESCRIBED IN THE QUITCLAIM DEED FROM THE UNITED STATES OF AMERICA TO MARCH JOINT POWERS AUTHORITY, RECORDED MAY 25, 2001 AS DOCUMENT NO. 2001-234433 OF OFFICIAL RECORDS IN THE OFFICE OF THE ASSESSOR-COUNTY CLERK-RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL "A"

BEGINNING AT THE SECTION CORNER COMMON TO SECTIONS 8, 9, 16 AND 17, TOWNSHIP 3 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, SAID CORNER ALSO SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 110, PAGES 30 THROUGH 40, INCLUSIVE, OF RECORDS OF SURVEY IN THE OFFICE OF THE ASSESSOR-COUNTY CLERK-RECORDER OF SAID COUNTY;

THENCE, ALONG THE COMMON SECTION LINE BETWEEN SAID SECTIONS 16 AND 17, SOUTH 00°31'20" WEST, 1323.56 FEET TO THE MOST NORTHERLY WEST CORNER OF PARCEL 2 AS SHOWN ON SAID RECORD OF SURVEY, SAID CORNER BEING THE **TRUE POINT OF BEGINNING**;

THENCE, ALONG THE NORTH LINE OF SAID PARCEL, NORTH 89°53'35" EAST, 77.00 FEET;

THENCE, LEAVING SAID NORTH LINE, THE FOLLOWING FIVE (5) COURSES:

- 1) SOUTH 00°31'35" EAST, 31.77 FEET;
- 2) SOUTH 01°28'03" EAST, 384.64 FEET;
- 3) SOUTH 00°43'02" WEST, 366.93 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "A"**;
- 4) NORTH 89°46'49" EAST, 210.27 FEET;
- 5) NORTH 00°00'07" EAST, 482.79 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET SOUTHERLY FROM THAT CERTAIN COURSE IN THE NORTH LINE OF SAID PARCEL 2, SHOWN ON SAID RECORD OF SURVEY AS "N89°53'27"E 2660.12'";

THENCE, ALONG SAID PARALLEL LINE, NORTH 89°53'35" EAST, 2064.18 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET WESTERLY FROM THAT CERTAIN COURSE IN THE GENERALLY NORTH LINE OF SAID PARCEL 2, SHOWN ON SAID RECORD OF SURVEY AS "N00°36'25"E 99.04'";

THENCE, ALONG SAID PARALLEL LINE, SOUTH 00°36'21" WEST, 98.96 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET SOUTHERLY FROM THAT CERTAIN COURSE IN THE GENERALLY NORTH LINE OF SAID PARCEL 2 SHOWN ON SAID RECORD OF SURVEY AS "N89°54'26"E 1330.01'";

THENCE, ALONG SAID PARALLEL LINE, NORTH 89°54'25" EAST, 1294.65 FEET;

THENCE, LEAVING SAID PARALLEL LINE, THE FOLLOWING TWELVE (12) COURSES:

- 1) SOUTH 00°39'51" WEST, 1743.64 FEET;
- 2) SOUTH 74°16'54" EAST, 165.80 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "B"**;
- 3) SOUTH 15°43'06" WEST, 24.90 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 1285.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS NORTH 16°26'48" EAST;

SHEET 1 OF 6

L:\2020\20-250 Lewis Upper Plateau\DDA Legal Description\20-750bwh1G1 - DDA Legal.dwg, Sep. 01, 2022 - 5:19pm

EXHIBIT "A"
LEGAL DESCRIPTION
COUNTY OF RIVERSIDE, CALIFORNIA


ORC Engineering, Inc.
Civil Engineering/Land Surveying/Land Planning

160 S. Oak Springs Road, Ste. 210
Anaheim Hills, California 92808
(714) 685-6860

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL "A" (CONTINUED)

- 4) EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°20'38" AN ARC LENGTH OF 456.26 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "C"**;
- 5) NORTH 86°06'10" EAST, 544.66 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "D"**;
- 6) NORTH 03°53'50" WEST, 50.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 50.00 FEET NORTHERLY FROM SAID **COURSE "D"**;
- 7) ALONG SAID PARALLEL LINE, NORTH 86°06'10" EAST, 100.00 FEET;
- 8) LEAVING SAID PARALLEL LINE, SOUTH 03°53'50" EAST, 50.00 FEET TO THE EASTERLY PROLONGATION OF SAID **COURSE "D"**;
- 9) ALONG SAID PROLONGATION, NORTH 86°06'10" EAST, 362.44 FEET;
- 10) NORTH 03°53'50" WEST, 237.14 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "E"**, TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 1067.00 FEET;
- 11) NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03°59'12" AN ARC LENGTH OF 74.24 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "F"**;
- 12) NORTH 89°20'06" WEST, 30.05 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 108.00 FEET WESTERLY FROM THE COMMON SECTION LINE BETWEEN SAID SECTION 16 AND SECTION 15, TOWNSHIP 3 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, AS SHOWN ON SAID RECORD OF SURVEY

THENCE ALONG SAID PARALLEL LINE, NORTH 00°39'54" EAST, 120.00 FEET;

THENCE LEAVING SAID PARALLEL LINE, SOUTH 89°20'06" EAST, 30.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 78.00 FEET WESTERLY FROM THE COMMON SECTION LINE BETWEEN SAID SECTIONS 16 AND 15 AS SHOWN ON SAID RECORD OF SURVEY;

THENCE ALONG SAID PARALLEL LINE, NORTH 00°39'54" EAST, 442.68 FEET TO A POINT ON THAT CERTAIN COURSE IN THE NORTH LINE OF SAID PARCEL 2, SHOWN ON SAID RECORD OF SURVEY AS "N89°52'53"E 664.90' "; SAID POINT BEING DISTANT 78.01' WESTERLY FROM THE EASTERLY TERMINUS OF SAID LAST MENTIONED COURSE, MEASURED ALONG SAID LAST MENTIONED COURSE;

THENCE ALONG SAID NORTH LINE AND ITS EASTERLY PROLONGATION, NORTH 89°50'57" EAST, 269.72 FEET;

THENCE, LEAVING SAID EASTERLY PROLONGATION, THE FOLLOWING TWO (2) COURSES:

- 1) SOUTH 00°39'54" WEST, 54.54 FEET;
- 2) NORTH 89°20'06" WEST, 135.70 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 56.00 FEET EASTERLY FROM THE COMMON SECTION LINE BETWEEN SAID SECTIONS 16 AND 15 AS SHOWN ON SAID RECORD OF SURVEY;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 00°39'54" WEST, 472.21 FEET;

THENCE, LEAVING SAID PARALLEL LINE, NORTH 89°59'36" EAST, 60.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 116.00 FEET EASTERLY FROM THE COMMON SECTION LINE BETWEEN SAID SECTIONS 16 AND 15 AS SHOWN ON SAID RECORD OF SURVEY;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 00°39'54" WEST, 80.01 FEET;

SHEET 2 OF 6

EXHIBIT "A"
LEGAL DESCRIPTION
COUNTY OF RIVERSIDE, CALIFORNIA

**ORC** Engineering, Inc.
Civil Engineering/Land Surveying/Land Planning

1119 S. Old Springs Road, Ste. 210
Anaheim Hills, California 92809
(714) 685-6850

L:\2020\20-750 Lewis Upper Plateau (Enr) \DDA Legal Description\20-750enr\101 - DDA Legal.dwg; Sep 01, 2022 - 5:10pm

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL "A" (CONTINUED)

THENCE, LEAVING SAID PARALLEL LINE, SOUTH 89°59'36" WEST, 58.61 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 933.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS NORTH 87°32'10" EAST, SAID CURVE BEING CONCENTRIC WITH AND DISTANT 134.00 FEET EASTERLY FROM SAID **COURSE "F"**;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 01°26'00" AN ARC LENGTH OF 23.34 FEET TO A POINT OF TANGENCY WITH A LINE THAT IS PARALLEL WITH DISTANT 134.00 FEET EASTERLY FROM SAID **COURSE "E"**;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 03°53'50" EAST, 211.90 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 1260.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS NORTH 02°47'34" WEST;

THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15°52'43" AN ARC LENGTH OF 349.19 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "G"**;

THENCE NORTH 71°19'42" EAST, 735.85 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "H"**, TO A POINT ON THE WEST LINE OF LOT 2 OF TRACT NO. 37107, FILED IN BOOK 463, PAGES 1 THROUGH 9, INCLUSIVE OF MAPS, IN THE OFFICE OF THE ASSESSOR-COUNTY CLERK-RECORDER OF SAID COUNTY, SAID POINT BEING DISTANT NORTH 14°23'49" WEST 95.12 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 2;

THENCE, ALONG SAID WEST LINE, SOUTH 14°23'49" EAST, 95.12 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2, SAID CORNER BEING BEGINNING OF A CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 86.00 FEET;

THENCE CONTINUING ALONG THE SOUTHWESTERLY, SOUTHERLY AND SOUTHEASTERLY BOUNDARY OF LOT "C" OF SAID TRACT NO. 37107 THE FOLLOWING FOUR (4) COURSES:

- 1) SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 101°30'43" AN ARC LENGTH OF 152.37 FEET;
- 2) NORTH 64°05'28" EAST, 50.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 96.00 FEET;
- 3) EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 17°39'50" AN ARC LENGTH OF 29.60 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 906.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS NORTH 08°14'42" WEST;
- 4) EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10°25'43" AN ARC LENGTH OF 164.90 FEET;

THENCE LEAVING THE SOUTHEASTERLY BOUNDARY OF SAID LOT "C" THE FOLLOWING FOUR (4) COURSES:

- 1) SOUTH 18°29'48" EAST, 43.94 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 240.00 FEET SOUTHEASTERLY FROM SAID **COURSE "H"**;

SHEET 3 OF 6

L:\2022\20-759-Lewis-Upper-Placer-Plateau\Exh\004 Legal Description [20-759]vch101 - ODA Legal.dwg, Sep 01, 2022 - 5:11pm

EXHIBIT "A"
LEGAL DESCRIPTION
COUNTY OF RIVERSIDE, CALIFORNIA



EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL "A" (CONTINUED)

- 2) ALONG SAID PARALLEL LINE, SOUTH 71°19'42" WEST, 1068.29 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 1500.00 FEET, SAID CURVE BEING CONCENTRIC WITH AND DISTANT 240.00 FEET SOUTHEASTERLY FROM SAID **COURSE "G"**;
- 3) WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 14°46'28" AN ARC LENGTH OF 386.79 FEET TO A POINT OF TANGENCY WITH A LINE THAT IS PARALLEL WITH AND DISTANT 215.00 FEET SOUTHERLY FROM SAID **COURSE "D"**;
- 4) ALONG SAID PARALLEL LINE, SOUTH 86°06'10" WEST, 849.73 FEET;

THENCE SOUTH 03°53'50" EAST, 50.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 265.00 FEET SOUTHERLY FROM SAID **COURSE "D"**;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 86°06'10" WEST, 130.00 FEET;

THENCE NORTH 03°53'50" WEST, 50.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 215.00 FEET SOUTHERLY FROM SAID **COURSE "D"**;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 86°06'10" WEST, 185.66 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 1500.00 FEET, SAID CURVE BEING CONCENTRIC WITH AND DISTANT 215.00 FEET SOUTHERLY FROM SAID **COURSE "C"**;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03°40'52" AN ARC LENGTH OF 96.37 FEET;

THENCE SOUTH 00°09'58" WEST, 60.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 1560.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS NORTH 00°12'05" WEST, SAID CURVE BEING CONCENTRIC WITH AND DISTANT 275.00 FEET SOUTHERLY FROM SAID **COURSE "C"**;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15°55'11" AN ARC LENGTH OF 433.45 FEET TO A POINT OF TANGENCY WITH A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET SOUTHWESTERLY FROM SAID **COURSE "B"**;

THENCE, ALONG SAID PARALLEL LINE, NORTH 74°16'54" WEST, 192.49 FEET;

THENCE SOUTH 15°43'06" WEST, 20.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 320.00 FEET SOUTHWESTERLY FROM SAID **COURSE "B"**;

THENCE, ALONG SAID PARALLEL LINE, NORTH 74°16'54" WEST, 83.82 FEET;

THENCE, LEAVING SAID PARALLEL LINE, THE FOLLOWING SIX (6) COURSES:

- 1) SOUTH 38°52'30" WEST, 2452.87 FEET;
- 2) SOUTH 89°54'57" WEST, 1289.30 FEET;
- 3) NORTH 28°17'34" WEST, 708.10 FEET;

SHEET 4 OF 6

EXHIBIT "A"
LEGAL DESCRIPTION
COUNTY OF RIVERSIDE, CALIFORNIA


ORC Engineering, Inc.
Civil Engineering/Land Surveying/Land Planning

100 S. Old Springs Road, Ste. 210
Anaheim Hills, California 92804
(714) 685-6860

L: 120220 20-750 Lewis Upper Plateau [Exh] LDDA Legal Description 20-750-sh101 - DDA Legal.dwg Sep 01, 2022 - 5:11pm

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL "A" (CONTINUED)

- 4) SOUTH 81°58'35" WEST, 305.72 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 1067.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS SOUTH 78°56'02" WEST;
- 5) SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°58'15" AN ARC LENGTH OF 222.93 FEET, SAID COURSE HEREINAFTER REFERRED TO AS **COURSE "1"**;
- 6) SOUTH 89°51'07" WEST, 21.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 21.00 FEET EASTERLY FROM THAT CERTAIN COURSE IN THE WEST LINE OF SAID PARCEL 2, SHOWN ON SAID RECORD OF SURVEY AS "N00°58'16"E 1321.17' ";

THENCE, ALONG SAID PARALLEL LINE, SOUTH 00°58'24" WEST, 789.33 FEET;

THENCE SOUTH 02°48'26" WEST, 532.52 FEET TO A POINT ON THAT CERTAIN COURSE ON THE SOUTH LINE OF SAID PARCEL 2, SHOWN ON SAID RECORD OF SURVEY AS "N89°58'15"E 2657.96' ";

THENCE, ALONG SAID SOUTH LINE, NORTH 89°59'26" WEST, 3.96 FEET TO THE MOST SOUTHERLY WEST CORNER OF SAID PARCEL 2;

THENCE, ALONG THE SOUTHERLY AND WESTERLY BOUNDARY OF SAID PARCEL 2, THE FOLLOWING TWO (2) COURSES:

- 1) NORTH 00°58'24" EAST, 1321.30 FEET TO AN ANGLE POINT THEREIN;
- 2) CONTINUING ALONG SAID BOUNDARY, SOUTH 89°46'16" WEST, 102.02 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 923.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS NORTH 88°55'35" WEST, SAID CURVE BEING CONCENTRIC WITH AND DISTANT 144.00 FEET WESTERLY FROM SAID **COURSE "1"**;

THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 18°53'53" AN ARC LENGTH OF 304.44 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET NORTHERLY FROM THAT CERTAIN COURSE IN THE SOUTH LINE OF SAID PARCEL 2, SHOWN ON SAID RECORD OF SURVEY AS "N89°46'32"E 1700.03' ";

THENCE, ALONG SAID PARALLEL LINE, SOUTH 89°46'16" WEST, 1251.24 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET EASTERLY FROM THAT CERTAIN COURSE IN THE WEST LINE OF SAID PARCEL 2 SHOWN ON SAID RECORD OF SURVEY AS "N00°31'26"E 2647.59' "

THENCE, ALONG SAID PARALLEL LINE, NORTH 00°31'10" EAST, 2047.68 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET SOUTHERLY FROM THAT CERTAIN COURSE IN THE NORTH LINE OF SAID PARCEL 2 SHOWN ON SAID RECORD OF SURVEY AS "N89°47'13"E 860.02' ";

THENCE, ALONG SAID PARALLEL LINE, NORTH 89°46'50" EAST, 860.09 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET EASTERLY FROM THAT CERTAIN COURSE IN THE WEST LINE OF SAID PARCEL 2 SHOWN ON SAID RECORD OF SURVEY AS "N00°31'26"E 840.03' ";

THENCE, ALONG SAID PARALLEL LINE, NORTH 00°31'03" EAST, 840.09 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300.00 FEET SOUTHERLY FROM THAT CERTAIN COURSE IN THE NORTH LINE OF SAID PARCEL 2 SHOWN ON SAID RECORD OF SURVEY AS "N89°47'12"E 840.01' ";

SHEET 5 OF 6

L:\2020\20-750 Lewis Upper Platrol\Ex 1004 Legal Description\20-750-ent101 - DDA Legal.dwg, Sup 01, 2022 - 5:11pm

EXHIBIT "A"
LEGAL DESCRIPTION
COUNTY OF RIVERSIDE, CALIFORNIA

**ORC** Engineering, Inc.
Civil Engineering/Land Surveying/Land Planning

180 S. 0th Springs Road, Ste. 210
Anaheim Hills, California 92808
(714) 685-6850

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL "A" (CONTINUED)

THENCE, ALONG SAID PARALLEL LINE, NORTH 89°46'49" EAST, 454.07 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 176.00 FEET WESTERLY FROM SAID COURSE "A";

THENCE, ALONG SAID PARALLEL LINE, NORTH 00°43'02" EAST, 74.94 FEET;

THENCE SOUTH 89°16'58" EAST, 20.00 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 156.30 FEET WESTERLY FROM SAID COURSE "A";

THENCE, ALONG SAID PARALLEL LINE, NORTH 00°43'02" EAST, 225.43 FEET TO A POINT ON THAT CERTAIN COURSE ON THE NORTH LINE OF SAID PARCEL 2, SHOWN ON SAID RECORD OF SURVEY AS "N89°47'12"E 840.01'";

THENCE, ALONG SAID NORTH LINE, NORTH 89°46'49" EAST, 65.31 FEET TO AN ANGLE POINT THEREIN;

THENCE, ALONG THE WEST LINE OF SAID PARCEL 2, NORTH 00°31'20" EAST, 483.40 FEET TO THE TRUE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 383.042 ACRES, MORE OR LESS.

ALL AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

THIS DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYORS ACT.

L:\2022\10-750 Land Usage Pictorial\CA\1\2022 Legal Description\10-750\10-750\10-750.dwg Sep 01, 2022 8:11am



JAKE W. LAPPERT 9/1/2022
PLS 9303 DATE



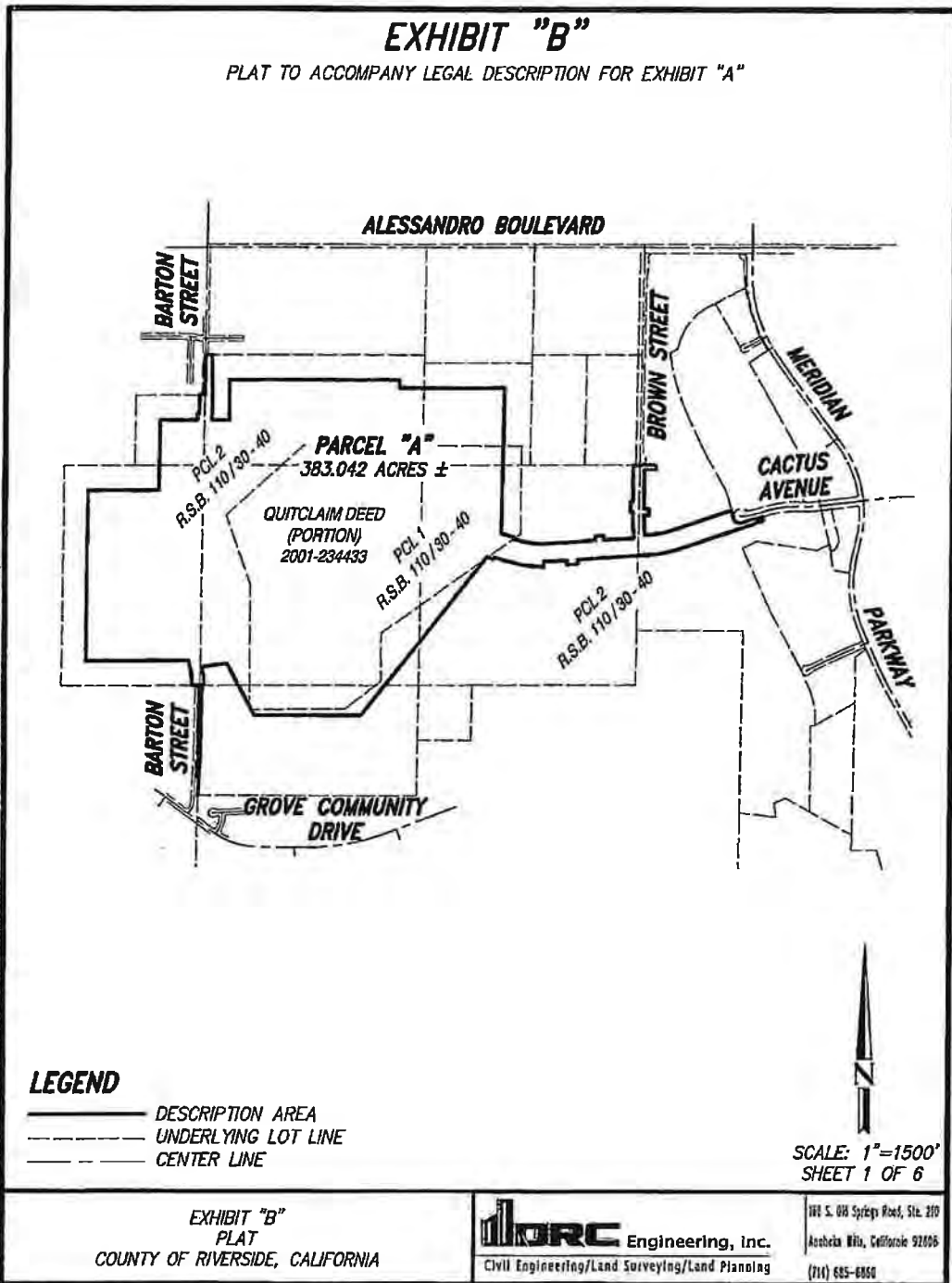
SHEET 6 OF 6

EXHIBIT "A"
LEGAL DESCRIPTION
COUNTY OF RIVERSIDE, CALIFORNIA

**ORC** Engineering, Inc.
Civil Engineering/Land Surveying/Land Planning

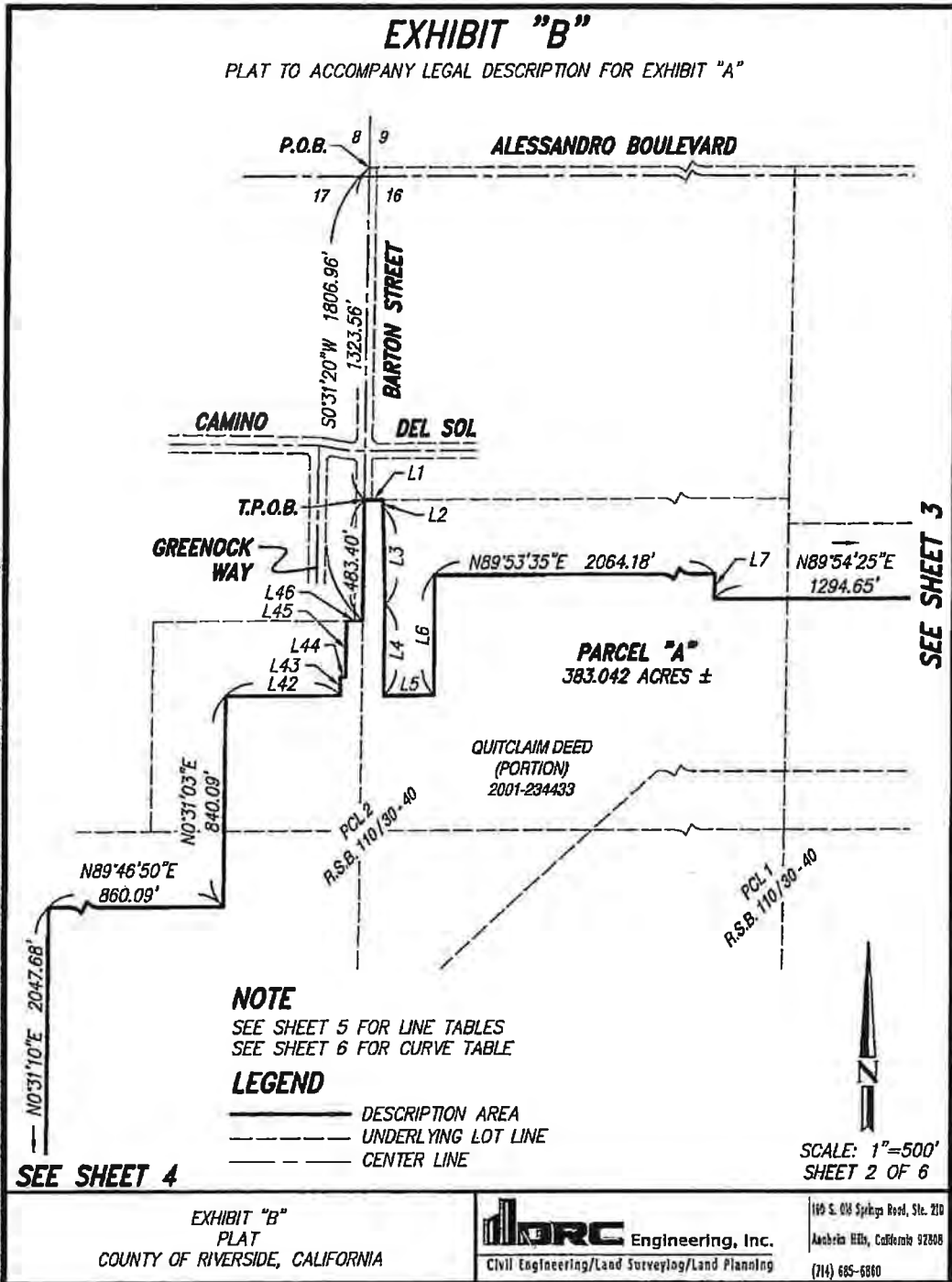
110 S. 6th Street, Ste. 110
Anaheim, CA 92805
(714) 485-4888

EXHIBIT "A"



L:\2020\20-750 Lewis Upper Plot\cadd\YODA Legal Description\20-750\sheet101 - DDA Legal.dwg, Sep 01, 2022 - 5:13pm

EXHIBIT "B"



L:\2020\140-750 Lewis Upper Plateau\csh\DDA Legal Description\20-750m\101 - DDA Legal.dwg, Sep 01, 2022 - 5:16pm

EXHIBIT "B"

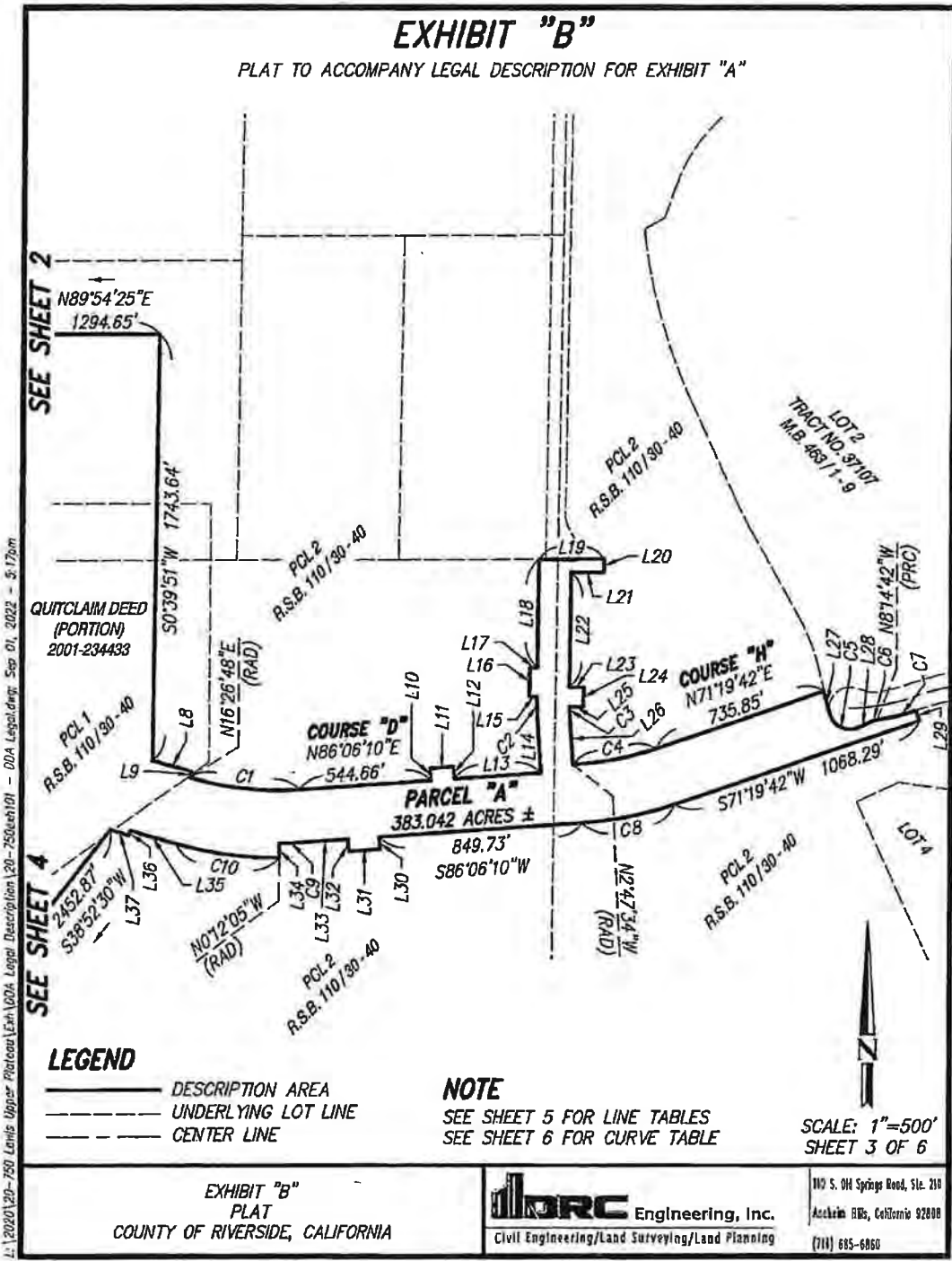
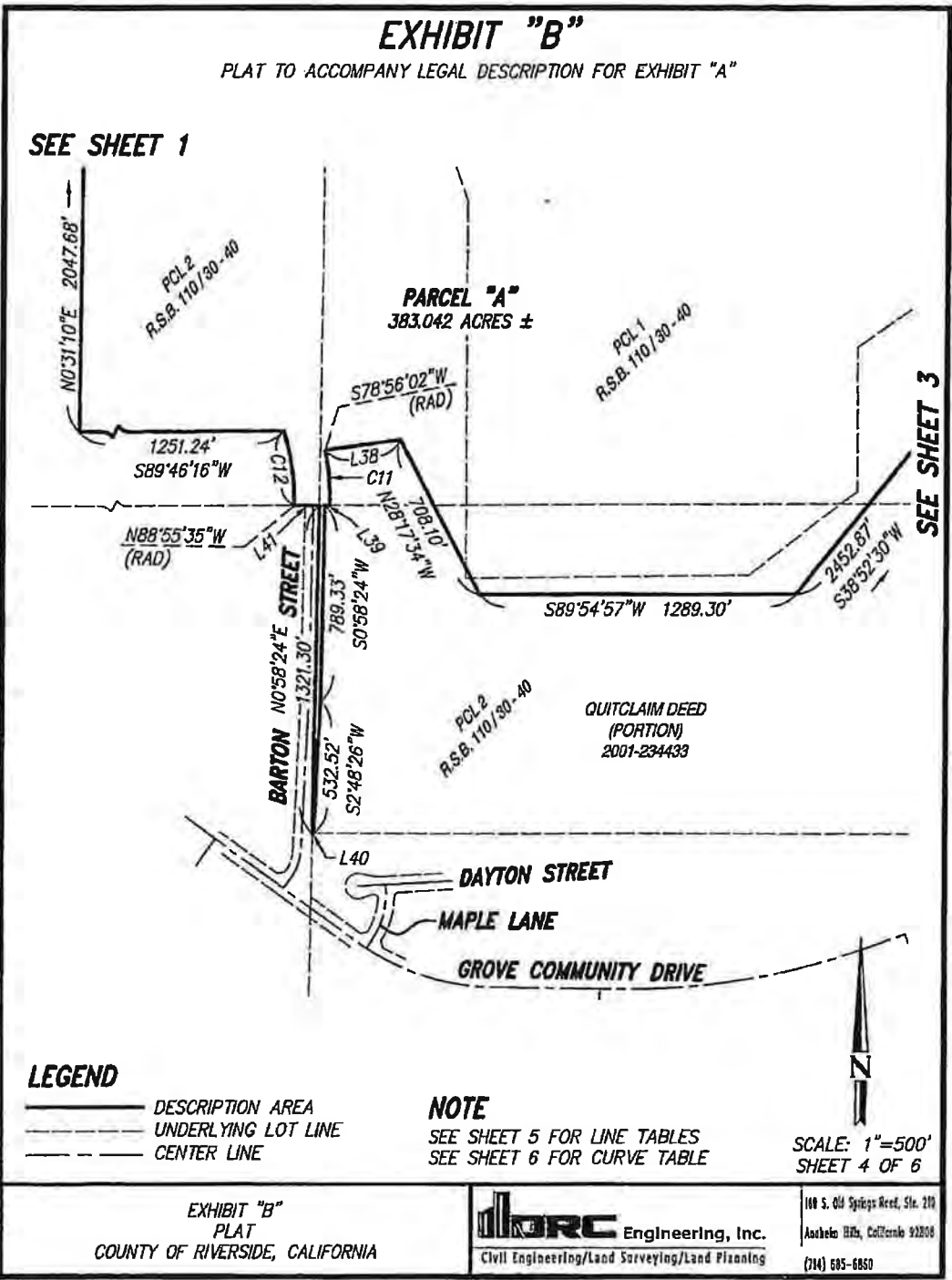


EXHIBIT "B"



L:\2020\20-750-Lewis-Upper-Plateau\5A\1\ODA Legal Description\20-750\mh1D1 - ODA Legal Desc. Sep 01, 2022 - 3:17pm

EXHIBIT "B"

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

| LINE TABLE | | |
|------------|-------------|----------|
| LINE | BEARING | DISTANCE |
| L1 | N89°53'35"E | 77.00' |
| L2 | S00°31'35"E | 31.77' |
| L3 | S01°28'03"E | 384.64' |
| L4 | S00°43'02"W | 366.93' |
| L5 | N89°46'49"E | 210.27' |
| L6 | N00°00'07"E | 482.79' |
| L7 | S00°36'21"W | 98.96' |
| L8 | S74°16'54"E | 165.80' |
| L9 | S15°43'06"W | 24.90' |
| L10 | N03°53'50"W | 50.00' |
| L11 | N86°06'10"E | 100.00' |
| L12 | S03°53'50"E | 50.00' |
| L13 | N86°06'10"E | 362.44' |
| L14 | N03°53'50"W | 237.14' |
| L15 | N89°20'06"W | 30.05' |
| L16 | N00°39'54"E | 120.00' |
| L17 | S89°20'06"E | 30.00' |
| L18 | N00°39'54"E | 442.68' |
| L19 | N89°50'57"E | 269.72' |
| L20 | S00°39'54"W | 54.54' |
| L21 | N89°20'06"W | 135.70' |
| L22 | S00°39'54"W | 472.21' |
| L23 | N89°59'36"E | 60.00' |

COURSE "A"

COURSE "B"

COURSE "E"

| LINE TABLE | | |
|------------|-------------|----------|
| LINE | BEARING | DISTANCE |
| L24 | S00°39'54"W | 80.01' |
| L25 | S89°59'36"W | 58.61' |
| L26 | S03°53'50"E | 211.90' |
| L27 | S14°23'49"E | 95.12' |
| L28 | N64°05'28"E | 50.00' |
| L29 | S18°29'48"E | 43.94' |
| L30 | S03°53'50"E | 50.00' |
| L31 | S86°06'10"W | 130.00' |
| L32 | N03°53'50"W | 50.00' |
| L33 | S86°06'10"W | 185.66' |
| L34 | S00°09'58"W | 60.00' |
| L35 | N74°16'54"W | 192.49' |
| L36 | S15°43'06"W | 20.00' |
| L37 | N74°16'54"W | 83.82' |
| L38 | S81°58'35"W | 305.72' |
| L39 | S89°51'07"W | 21.00' |
| L40 | N89°59'26"W | 3.96' |
| L41 | S89°46'16"W | 102.02' |
| L42 | N89°46'49"E | 454.07' |
| L43 | N00°43'02"E | 74.94' |
| L44 | S89°16'58"E | 20.00' |
| L45 | N00°43'02"E | 225.43' |
| L46 | N89°46'49"E | 65.31' |

L:\2020\20-759 Lewis Upper Platfile\Exh\00A Legal Description\20-759b-h101 - 00A Legal.dwg: Sep 01, 2022 - 5:10pm

SHEET 5 OF 6

EXHIBIT "B"
PLAT
COUNTY OF RIVERSIDE, CALIFORNIA



140 S. Old Springs Road, Ste. 210
Anaheim Hills, California 92808
(714) 685-6810

EXHIBIT "B"

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

| CURVE TABLE | | | | |
|-------------|------------|----------|---------|-------------------|
| CURVE | DELTA | RADIUS | LENGTH | |
| C1 | 20°20'38" | 1285.00' | 456.26' | COURSE "C" |
| C2 | 3°59'12" | 1067.00' | 74.24' | COURSE "F" |
| C3 | 1°26'00" | 933.00' | 23.34' | |
| C4 | 15°52'43" | 1260.00' | 349.19' | COURSE "G" |
| C5 | 101°30'43" | 86.00' | 152.37' | |
| C6 | 17°39'50" | 96.00' | 29.60' | |
| C7 | 10°25'43" | 906.00' | 164.90' | |
| C8 | 14°46'28" | 1500.00' | 386.79' | |
| C9 | 3°40'52" | 1500.00' | 96.37' | |
| C10 | 15°55'11" | 1560.00' | 433.45' | |
| C11 | 11°58'15" | 1067.00' | 222.93' | COURSE "I" |
| C12 | 18°53'53" | 923.00' | 304.44' | |

L:\2020\10-750 Lewis Upper Platool\Exh\DDA Legal Description\10-750sh01 - DDA Legal.dwg; Sep 01, 2022 - 5:10pm

SHEET 6 OF 6

EXHIBIT "B"
PLAT
COUNTY OF RIVERSIDE, CALIFORNIA



169 S. Old Springs Road, Ste. 210
Arcadia, CA 91709, California 91709
(714) 885-8880

EXHIBIT "B"

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 8 (10)

Meeting Date: June 14, 2023

Action: **APPROVE A VOLUNTEER AND INTERNSHIP PROGRAM POLICY FOR WORKFORCE DEVELOPMENT OPPORTUNITIES AT MARCH**

Motion: Move to approve a volunteer and internship program policy for workforce development opportunities at March.

Background:

March is home to more than one hundred employers, and one of the largest federal employers in the region that is March Air Reserve Base. March JPA employers support more than 15,000 jobs in western Riverside County. Given the continued growth in March's employment center, the need for a skilled workforce continues to be a topic of interest among local, state and federal leaders.

March JPA has been an avid supporter of workforce development efforts in the county. The agency has experienced success through partnerships like the MARS program that helped develop a welding program at a continuation high school in Perris that has benefited manufacturers at March. To continue our efforts in bringing good jobs to Riverside County, JPA staff wishes to host summer internship programs at March, in partnership with local high schools, in order to provide learning opportunities for Riverside county's future workforce. Given that the military is also evolving, summer internship programs at March would allow for exposure opportunities to our federal partners at the base.

To support the JPA's ongoing mission of bringing good jobs to Riverside County, which would continue beyond 2025, staff recommends approval of attached volunteer and internship program policy.

Attachments:

- 1) Volunteer Program Policy
- 2) Internship Application

Attachment 1

MARCH JOINT POWERS AUTHORITY VOLUNTEER PROGRAM POLICY

I. OVERVIEW

The Volunteer Program is designed to coordinate and manage all volunteer efforts, which support existing services provided to the community. The purpose of this Volunteer Program Policy (“Policy”) is to provide direction to staff and volunteers alike. This Policy is intended to give you the information necessary to help make your time spent volunteering a positive experience.

II. MISSION

The March Joint Powers Authority (“Authority”) Volunteer Program is committed to encouraging community participation and the comprehensive coordination of volunteers to enhance the services provided by the Authority.

The objectives of the Volunteer Program are:

- A. To develop a reliable and varied skilled network of human resources to support the delivery of services to the community.
- B. To provide opportunities for all segments of the community to participate in local government.

III. COORDINATION OF VOLUNTEER SERVICES

Executive Director or Assignee is responsible for the coordination of staff and volunteers so that their combined efforts jointly enrich and expand opportunities for the delivery of quality services to the community.

A. What Volunteers Can Expect from the Authority

Volunteers are individuals who contribute time, energy, and service to the Authority, which the Authority acknowledges and supports as valuable resources. Volunteers can expect the Authority to:

1. Provide a clear understanding of the assignment.
2. Provide orientation, training, and supervision for the task(s) assigned.
3. Provide an appropriate workspace.
4. Provide necessary information about the workplace and program goals needed to carry out assignments.
5. Treat volunteers with courtesy and respect.
6. Respect the value of a volunteer’s time by providing tasks that best match the volunteer’s interests, talents, and skills.
7. Be receptive to suggestions and comments from volunteers.
8. Respond promptly to any complaints that are brought to the attention of the supervisor or Human Resources.
9. Be treated as a valued member of the Authority’s team.

B. What the Authority Expects from Volunteers

Volunteers who make a commitment to the Authority are accountable to the Authority supervisor(s), coworkers, and the people they serve. The Authority expects volunteers to:

1. Read and follow this Policy.
2. Perform assigned responsibilities and duties to the best of one's ability.
3. Report to an assignment on time and as scheduled.
4. Keep confidential or sensitive information confidential.
5. Accept the authority of the assigned supervisor.
6. Work cooperatively with fellow volunteers, Authority employees, and others.
7. Practice safety at all times and immediately report all on-the-job accidents, injuries, and unsafe procedures or conditions to the supervisor.
8. Provide adequate notice before terminating the volunteer relationship.
9. Return all Authority property in a timely fashion.
10. Share ideas and suggestions with Authority staff.

IV. BECOMING A VOLUNTEER

Each volunteer must complete a Volunteer Application and accompanying liability waiver form. It is important for us to know of any limitations based on medical conditions which may affect your volunteering. If you are a minor, your parents must also sign these forms. No one may volunteer unless a completed liability waiver form is on file with the Authority.

All volunteers go through a formal screening process and must be accepted by the Authority as a volunteer. The level of screening will depend upon the type of volunteer opportunity you choose. Upon completion of the screening process, you will receive an orientation.

V. BEING A VOLUNTEER

A. Authority Policies

Several Authority policies apply to volunteers. Please refer to Section VI for information regarding these policies. Complete copies of these policies are available from your supervisor.

B. Workers' Compensation

Volunteers are covered through the Authority's workers' compensation insurance program for physical injuries while performing their volunteer responsibilities for the Authority. The Authority wants to ensure that if a volunteer is physically injured while performing an assigned duty the volunteer will receive any necessary aid. It is important that the volunteer immediately report to Authority staff any injury received while volunteering.

C. Volunteer Hours

The Authority must keep track of the hours you volunteer to assure coverage under our workers' compensation insurance program. Timesheets are to be filled out each time a volunteer works.

D. Placement and Schedules

Volunteer assignment schedules are diverse and varied depending on the department, program and or location of volunteers. Volunteers should work with their supervisor to set a schedule that is mutually acceptable. If a volunteer cannot make it to his or her assignment on a scheduled day, the volunteer should notify his or her job supervisor as soon as possible.

E. Volunteer Duties

A description of your assignment will be developed prior to your volunteer placement so that you are provided a clear, complete and current description of the duties and responsibilities of your assignment.

You may not perform professional services for which certification is required, unless you already hold the appropriate certificate or license, and have received approval from Human Resources. Upon seeking approval, please make sure to provide copies of any certificates or licenses, including any special driving licenses, first aid or CPR certification.

F. Problem Solving

If a problem should arise concerning any condition of your volunteering with the Authority, you should attempt to reconcile the matter with your supervisor. However, if you feel that a satisfactory solution to your problem has not been reached from discussion with you supervisor, then notify Human Resources.

If you have questions about any of this information, you should speak with your supervisor.

VI. AUTHORITY POLICIES

A. Risk Management

The supervisor work to minimize any potential risks to the volunteer or Authority. This means that before volunteers begin their service, the supervisor is responsible for informing the volunteer of safe work practices as required for all employees and volunteers. Any injury to the volunteer or losses to any third party which involve a volunteer must be reported and processed in accordance with existing Authority policies on matters of this nature.

B. Smoking

Smoking is prohibited in all Authority facilities, including all Authority vehicles.

C. Alcohol

Volunteers shall not consume, possess, or be under the influence of alcoholic beverages while conducting Authority business. Volunteers who violate this policy are subject to immediate dismissal.

D. Drugs

Any volunteer who uses, brings, possesses or is suspected of being under the influence of any form of controlled substance, except legally prescribed drugs taken as directed, is subject to immediate removal from the volunteer program. In addition, any volunteer who transfers, sells, or attempts to sell a controlled substance on Authority property or while on Authority business, at any time, is subject to immediate removal. Volunteers who are taking legally prescribed controlled substances or over-the-counter medications which may affect their ability to safely perform their volunteer duties must notify the supervisor of their volunteer assignment.

E. Attendance and Punctuality

Volunteers are expected to report on time to their assignments. The supervisor should be notified of any absence in a timely manner. Unexcused absences may lead to removal from the program. For those times when a volunteer is ill and unable to complete their assignment, a volunteer is responsible for notifying the supervisor as soon as possible.

F. Authority Equipment

Volunteers may use Authority equipment (i.e., telephones, computers, printers, copiers, etc.) per applicable Authority policy.

G. Confidentiality

Private, sensitive, or confidential information discussed or handled within the course of a volunteer assignment must be kept strictly confidential. Any questions about what information is appropriate to release or discuss should be communicated between the volunteer and the supervisor.

H. Customer Relations

A volunteer is a Authority ambassador, and should conduct Authority business with staff and the public in a customer-friendly manner.

I. Dress Policy

Volunteers are expected to dress and groom in accordance with accepted business standards, particularly if the assignment involves dealing with the public. Volunteer attire must be clean and non-offensive, and may not interfere with safety in the work environment.

J. Harassment

In accordance with Authority policies, all Authority workers and volunteers have a right to work in an environment free from all forms of discrimination and conduct which can be considered harassing, coercive, or disruptive. Consistent with the Authority's respect for the rights and dignity of each employee and volunteer, discrimination or harassment based on race, color, religion, sex

(including pregnancy status), gender, gender identity and/or expression, sexual orientation, marital status, age (over 40 years), genetic information, mental or physical disability (whether perceived or actual), ancestry, citizenship status, uniformed service member status, medical condition, and/or national origin, or any characteristic protected by law, will not be sanctioned or tolerated.

K. Record-Keeping and Reporting

Accurate records of time and attendance must be kept for all volunteers, and ensures coverage under the Authority's workers' compensation program. One-time volunteers should sign a sign-in sheet. Regular volunteers should fill out a timesheet each time they work.

L. Reporting Emergencies

In case of a medical emergency, accident, or injury, a volunteer is required to report it immediately to the assigned supervisor. The supervisor is responsible for completing any related forms and reports required by the Authority. Though the volunteer is not an employee of the Authority, a volunteer is covered under the Authority's worker's compensation program while acting within the scope and course of assigned duties.

M. Safety

Safety is everyone's responsibility. Volunteers are to be trained to be alert at all times to safety precautions and hazards. Unsafe conditions should be reported to a supervisor immediately.

N. Software, Internet, Email Policy

1. The Authority requires computer-using volunteers to adhere to applicable Authority policy regarding the use of computers and telecommunications equipment.
2. Volunteers acknowledge that all computers, software, and computer information or data is Authority property. There is no expectation of personal privacy in the use of the Authority's computer resources.
3. Volunteers are prohibited from unauthorized copying of software from Authority computers, or downloading or installing software of any kind. Volunteers are expected to adhere to all Authority policies involving computers and electronic devices, which includes prohibiting the use of unauthorized copies of software on Authority computers.
4. Volunteers must adhere to applicable Authority policy governing appropriate use of the Internet.
5. Volunteers acknowledge that use of Authority email is a public record and that there should be no expectation of privacy in such use.

O. Theft/Property Loss

Theft of any kind will not be tolerated and is grounds for removal and prosecution.

P. Removal from Volunteer Program

Volunteers who do not adhere to the rules, policies and regulations of the Authority, or fail to perform their assignments satisfactorily, are subject to removal from the Volunteer Program. A volunteer may be removed at any time with or without reason.

VII CODE OF ETHICS

We encourage you to read and practice the following code of ethics for volunteers:

As a volunteer, I realize that I am subject to a code of ethics similar to that which binds the professionals in the fields in which I am volunteering. Like them, I assume certain responsibilities and expect to account for the activities I perform as a volunteer.

A. I understand 'volunteer' to mean that I have agreed to work without compensation, but having been accepted as a worker, I expect to do my work according to standards.

B. I promise to work with an attitude of open-mindedness; to be willing to be trained for the assignment; to bring to the assignment interest and attention.

C. I understand that I am expected to live up to my work commitment, and I will give ample notice if I cannot fulfill it.

D. I will keep confidential matters confidential.

E. I believe that I have an obligation to my work, to those who direct it, to my colleagues, to those for whom it is done, and to the public.

VIII. VOLUNTEER RIGHTS

Each volunteer in the Authority is viewed as an important part of the organization's ability to get the job done. As a volunteer you are accorded rights as individuals and volunteers. Below are some of the rights volunteers may expect during their tenure with the Authority.

A. Volunteers are to be treated with respect and courtesy and valued for their contribution.

B. Volunteers are to receive proper training for the job to be done.

C. Volunteers are not to be discriminated against because of race, ethnicity, religion, gender, age, handicap, marital status, family, or sexual orientation or any other protected category.

D. Volunteers will receive information on issues regarding legal protection, liability and other concerns.

E. Volunteers will be recognized for their efforts in providing program services.

F. Volunteers will know as much about the organization as possible.

**MARCH JOINT POWERS AUTHORITY
VOLUNTEER PROGRAM
VOLUNTEER SERVICE STATEMENT**

In performing the service specified in my volunteer assignment description, I acknowledge:

- I have attended the Authority's volunteer orientation program and have been given a copy of the Volunteer Program Policy;
- I understand that the Volunteer Program Policy contains important information on the Authority's policies and my obligations and responsibilities as a volunteer.
- I acknowledge that I have read, understand, and promise to adhere to the Authority's policies stated in the Volunteer Program Policy. I understand that provisions in the policies govern certain provisions of my volunteer assignment and that the Authority, in its sole and absolute discretion, may change, rescind, or add to any of these policies from time to time, with or without prior notice to me.
- I will adhere to the safety training provided by the supervisor and assume full responsibility for my own safety;
- I will perform my volunteer service in compliance with the standards and specifications established for my position.

Volunteer's Signature: _____ Date: _____

Print Name: _____

**MARCH JOINT POWERS AUTHORITY
VOLUNTEER TIME SHEET**

| | | | | | | | | | | | |
|--------------|-----|-----|-------|-----|--------------------|------|-----|------|-----|--------------|-----|
| Name: | | | | | Assignment: | | | | | Date: | |
| Jan | Feb | Mar | April | May | Jun | July | Aug | Sept | Oct | Nov | Dec |

| Day | Description | Total Daily Hours | Comments |
|--------------------|-------------|-------------------|----------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |
| 11 | | | |
| 12 | | | |
| 13 | | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | | | |
| 19 | | | |
| 20 | | | |
| 21 | | | |
| 22 | | | |
| 23 | | | |
| 24 | | | |
| 25 | | | |
| 26 | | | |
| 27 | | | |
| 28 | | | |
| 29 | | | |
| 30 | | | |
| 31 | | | |
| TOTAL HOURS | | | |

Volunteer's Signature: _____ Date: _____

Supervisor's Signature: _____ Date: _____

Attachment 2

**MARCH JOINT POWERS AUTHORITY
VOLUNTEER PROGRAM
VOLUNTEER APPLICATION**

If you are interested in becoming an active volunteer, you must complete and submit a Volunteer Application. Once all paperwork is complete, please email *****INSERT EMAIL***** or hand-deliver to the March Joint Powers Authority offices at 14205 Meridian Parkway, Suite 140, Riverside, CA 92518.

1. Personal Information

Name: _____

Address: _____

City: _____ State: _____ ZIP: _____

Phone: _____

Special Skills, Talents and Languages:

Emergency Contact: _____ Phone: _____

Do you have a driver's license? _____ Transportation: _____

Driver's License #: _____

How did you become interested in the volunteer program?

2. Previous Experience

Previous Volunteer Experience:

Other Applicable Experience:

3. Additional Information

Have you ever been convicted of a violation or attempted violation of Section 243.4 of the Penal Code, a sex offense against a minor, or of any felony, which requires registration pursuant to Section 290 of the Penal Code? Yes _____ No _____

Have you ever been convicted or plead guilty to any felony or to any misdemeanor? Note you do not have to disclose diversions for which you were sent to pre-trial or post-trial diversion programs, and you do not have to list marijuana possession, drug paraphernalia and being “under the influence” of marijuana convictions unless they occurred within the last two years.

Yes ____ No _____

If yes, please give the following information for each offense on a separate sheet: date, charge, location, and action taken.

4. Availability

Hours Available:

Sunday: _____ Monday: _____ Tuesday: _____

Wednesday: _____ Thursday: _____ Friday: _____

Saturday: _____

[SIGNATURES ON FOLLOWING PAGE]

BY SIGNING BELOW:

I certify that the answers given by me to the foregoing questions and statements are true and correct without consequential omissions of any kind whatsoever. I understand that any false statements in my application will subject me to disqualification.

I understand that I am applying to volunteer my services to the March Joint Powers Authority and will not be an employee of the March Joint Powers Authority, and that as a volunteer I will not be entitled to compensation of any kind. I am freely submitting this application because of my desire to volunteer my services without any payment.

I understand that before performing the duties of a volunteer with the March Joint Powers Authority, all paperwork must be submitted and approval must be received by Human Resources. I also understand that, depending on my volunteer assignment, I may be subject to a formal screening process, including but not limited to, background checks, and cannot begin the volunteer position until cleared.

I understand that the March Joint Powers Authority reserves the right to use photos taken during events/projects for promotional purposes, including publishing in newsletters, brochures, and the March Joint Powers Authority's website.

Applicant Signature: _____ Date: _____

Print Name: _____

PARENTAL/GUARDIAN RELEASE

BY SIGNING BELOW

I hereby give permission for my child to serve as a volunteer for the March Joint Powers Authority. In the event of an emergency during the duration of performing volunteer activities, I hereby give consent to a licensed physician to hospitalize, secure proper treatment, anesthesia and/or surgery for my child named above. I understand I am responsible for her own medical insurance and will not hold the March Joint Powers Authority liable for any injury or damage to my child while engaged in volunteer activities.

Parent or Guardian Signature: _____ Date: _____

Print Name: _____

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA - Reports, Discussions and Action Items
Agenda Item No. 9 (1)

Meeting Date: June 14, 2023

Report: **RECEIVE AND FILE NAVY RESERVE CENTER RIVERSIDE REPORT BY CDR AYMAN MOTTALEB**

Motion: Receive and file Navy Reserve Center Riverside report by CDR Ayman Mottaleb.

Background:

Here to provide an updated overview of the Navy Reserve Command Center and its activities out of March, is Commander Ayman Mottaleb. CDR Mottaleb served as the director of the Information Technology Department N-6 for the US. Navy Region Mid-Atlantic, RCC Norfolk. He also teaches Language, Culture, and Comparative Jurisprudence of the Middle East in higher education institutes in United States. He earned his LL.M. from University of San Diego School of Law. He previously taught: International business and Economics. In the beginning of his professional career, he represented multi-national firms and practiced business law before the Egyptian High Appeal Courts and arbitration tribunals.

Attachment: None.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA - Reports, Discussions and Action Items
Agenda Item No. 9 (2)

Meeting Date: June 14, 2023

Report: **TECHNICAL ADVISORY COMMITTEE MEETING**

Motion: Receive and file the monthly Technical Advisory Committee - Regular Meeting report for June 5, 2023.

Background:

The Technical Advisory Committee (TAC) is comprised of city managers, or designated representatives, from the Cities of Perris, Moreno Valley and Riverside, as well as a representative from the County Administrative Office. Representing Congressman Mark Takano's office as TAC Chair is Tisa Rodriguez.

The TAC's role is to focus on major development issues facing the March JPA. The Commission also appointed the TAC members as the ad-hoc to work with staff on the JPA sunseting process.

The May 1st TAC meeting was cancelled.

On June 5th, the TAC held its regular meeting and received reports from JPA staff regarding the LLMD; a new car wash at the Veterans Plaza Center; a storm drain extension project related to the Perris Valley Drainage Area Plan; an extension of Village West Drive between Van Buren Boulevard and Nandina Avenue; an update on a former Signature Healthcare Services LLC parcel within the March LifeCare Campus Specific Plan; a report on an audit of MJPA entities; and a presentation by ALUC's Simon Housman regarding the status of the March Compatibility Use Study.

The March JPA Commission will receive a meeting summary from TAC Member, Juan Perez.

Attachment: None

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA - Reports, Discussions and Action Items
Agenda Item No. 9 (3)

Meeting Date: June 14, 2023

Report: **RECEIVE AND FILE 2022 AUDIT (ALL MJPA ENTITIES)**

Motion: Receive and file 2022 Audit of all MJPA Entities.

Background:

The 2022 audit of the March JPA entities was completed by Rogers, Anderson, Malody & Scott, LLP (“RAMS”). Here to present the results of the audit is Scott Manno of RAMS.

Attachments:

- 1) March Joint Powers Authority Annual Financial Report
- 2) March Inland Port Airport Authority Annual Audit Report
- 3) March Joint Powers Utilities Authority Annual Audit Report

Attachment 1

MARCH JOINT POWERS AUTHORITY
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2022

This page intentionally left blank

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|-------------|
| Independent Auditor's Report | 1 |
| Management's Discussion and Analysis | 4 |
| Basic Financial Statements: | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 14 |
| Statement of Activities | 15 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 17 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | 18 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 19 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 20 |
| Statement of Net Position - Proprietary Funds | 21 |
| Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds | 23 |
| Statement of Cash Flows - Proprietary Funds | 25 |
| Statement of Fiduciary Net Position - Fiduciary Funds | 27 |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds | 28 |
| Notes to Financial Statements | 30 |
| Required Supplementary Information: | |
| Schedule of Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date | 67 |
| Schedule of Pension Plan Contributions | 68 |
| Schedule of Changes in the Net OPEB Liability and Related Ratios | 69 |
| Schedule of OPEB Plan Contributions | 70 |
| Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual: | |
| General Fund | 71 |
| Meridian LLMD No. 1 Special Revenue Fund | 72 |
| March Lifecare Campus CFD 2013-1 | 73 |
| Notes to Required Supplementary Information | 74 |

This page intentionally left blank



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr, Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

Independent Auditor's Report

To the Board of Commissioners
March Joint Powers Authority
Riverside, California

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradford A. Welebur, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Bianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKenna, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the March Joint Powers Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Our opinions are not modified with respect to this matter



Responsibilities of Management for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability and related ratios as of the measurement date, the schedule of pension plan contributions, the schedule of changes in the net OPEB liability and related ratios, the schedule of OPEB plan contributions and budgetary comparison schedules for the General Fund and major special revenue funds as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
May 10, 2023

This page intentionally left blank

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

As management of the March Joint Powers Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here.

Financial Highlights

- The assets and the deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$210,394,987 (net position). Of this amount, \$34,969,878 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The Authority's total net position increased \$2,701,247. This is mostly due to a \$2,016,411 increase in total revenues and an increase of \$837,134 in total expenses.
- At the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$33,921,290, an increase of \$569,791 in comparison with the prior year. Approximately 82% of this amount (\$27,661,815) is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the General Fund was \$27,661,815 or approximately 650% of total General Fund expenditures.
- The Authority's total outstanding long-term debt decreased by (\$75,000) during the current fiscal year due to the decrease in the loan payable due from the Golf Course.

Overview of the Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. *The government-wide financial statements* are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Authority's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

The *statement of activities* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Authority include only general government activities. The business-type activities of the Authority include the March Inland Port Airport Authority, Green Acres, Golf Course and the Utilities Authority operations.

The government-wide financial statements include not only the Authority (known as the primary government), but also two legally separate entities, the March Inland Port Airport Authority and the March Joint Powers Utilities Authority. The Authority is financially accountable for these entities and therefore has been included as an integral part of the primary government as blended component units.

Please see the table of contents for the location of the government-wide financial statements within this document.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Authority maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Meridian LLMD No. 1 fund, and the March Lifecare Campus CFD 2013-1 fund, which are considered to be major funds.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

The Authority adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Please see the table of contents for the location of the governmental fund financial statements within this document.

Proprietary Funds. The Authority maintains only one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Authority uses enterprise funds to account for its March Inland Port Airport Authority, Green Acres, Golf Course and March Joint Powers Utilities Authority.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the March Inland Port Airport Authority, Green Acres, Golf Course and March Joint Powers Utilities Authority, all of which are considered to be major funds of the Authority.

Please see the table of contents for the location of the proprietary fund financial statements within this document.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Authority's own program. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Authority maintains one type of fiduciary fund. The Private-purpose trust fund is used to report resources held in trust for the Successor Agency of the former Redevelopment Agency.

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-67 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Authority's proportionate share of the net pension liability, schedule of pension plan contributions, schedule of changes in the net OPEB liability and related ratios, schedule of OPEB plan contributions and budget to actual schedules of the General Fund and major special revenue funds. Please see the table of contents for the location of the required supplementary information within this document.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$210,394,987 at the close of the most recent fiscal year.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

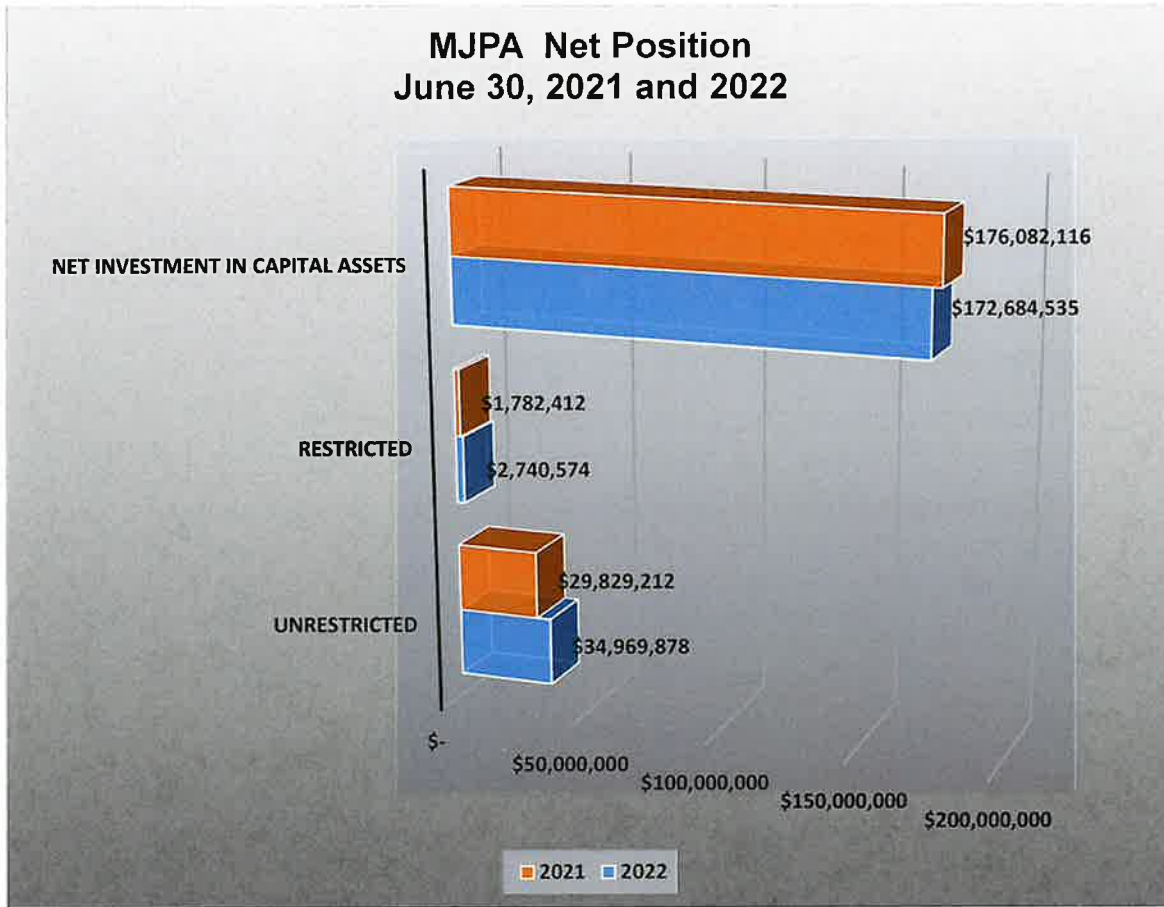
The Authority's Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|--------------------------------------|-------------------------|----------------|--------------------------|---------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Current and other assets | \$ 42,823,653 | \$ 37,026,897 | \$ 17,945,612 | \$ 7,094,421 | \$ 60,769,265 | \$ 44,121,318 |
| Internal balances | 3,137,896 | 3,137,896 | (3,137,896) | (3,137,896) | - | - |
| Capital assets | 106,588,830 | 106,948,295 | 66,095,705 | 69,133,821 | 172,684,535 | 176,082,116 |
| Total assets | 152,550,379 | 147,113,088 | 80,903,421 | 73,090,346 | 233,453,800 | 220,203,434 |
| Total deferred outflows of resources | 505,286 | 565,653 | 284,223 | 318,180 | 789,509 | 883,833 |
| Long-term liabilities | 725,715 | 1,634,997 | 2,494,213 | 3,024,403 | 3,219,928 | 4,659,400 |
| Other liabilities | 10,034,843 | 6,728,131 | 2,218,179 | 1,941,249 | 12,253,022 | 8,669,380 |
| Total liabilities | 10,760,558 | 8,363,128 | 4,712,392 | 4,965,652 | 15,472,950 | 13,328,780 |
| Total deferred inflows of resources | 2,347,973 | 41,438 | 6,027,399 | 23,309 | 8,375,372 | 64,747 |
| Net position: | | | | | | |
| Net investment in capital assets | 106,588,830 | 106,948,295 | 66,095,705 | 69,133,821 | 172,684,535 | 176,082,116 |
| Restricted | 2,740,574 | 1,782,412 | - | - | 2,740,574 | 1,782,412 |
| Unrestricted | 30,617,730 | 30,543,468 | 4,352,148 | (714,256) | 34,969,878 | 29,829,212 |
| Total net position | \$ 139,947,134 | \$ 139,274,175 | \$ 70,447,853 | \$ 68,419,565 | \$ 210,394,987 | \$ 207,693,740 |

By far the largest portion of the Authority's net position (82.1%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment, vehicles, and infrastructure), less any related debt that was used to acquire those assets. The Authority uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Authority's net position (1.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$34,969,878 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the Authority is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities, except for the business-type activities unrestricted net position. The same situation held true for the prior fiscal year.



The Authority's overall net position increased \$2,701,247 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

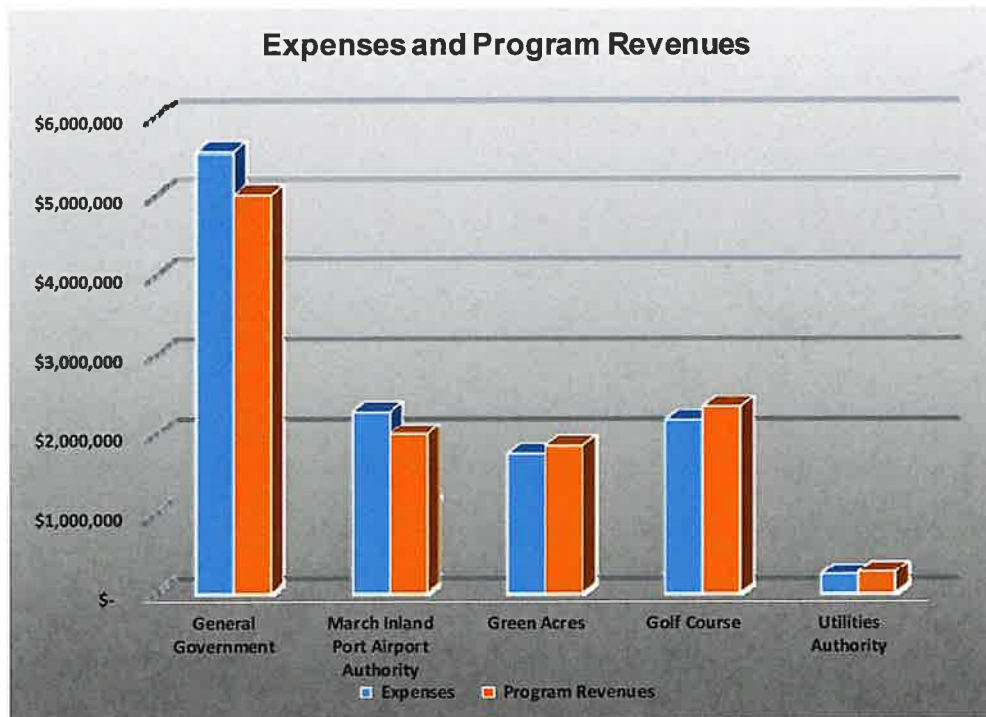
Governmental Activities. During the current fiscal year, net position for governmental activities increased \$672,959 from the prior fiscal year for an ending balance of \$139,947,134. This is mostly due to a \$3,785,445 increase in Cash and Investments (restricted and unrestricted) offset by an increase in Deposits Payable of \$2,665,142.

Business-type Activities. For the Authority's business-type activities, the results for the current fiscal year were positive in that overall net position had an ending balance of \$70,447,853. The total increase in net position for business-type activities was \$2,028,288 or 2.96% from the prior fiscal year. The Airport Authority had an increase in net position of \$1,834,246 mostly due to an increase a gain on the sale of capital assets. Green Acres also increased slightly due to no transfer of monies to the Authority's General Fund. The Golf Course also had an increase in net position of \$162,215 due to a \$83,527 increase in charges for services offset by an increase in operating costs of \$179,586. The Utility Authority had a decrease in net position of \$30,782 similar to prior years.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

The Authority's Change in Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|----------------|--------------------------|---------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 4,719,116 | \$ 5,070,312 | \$ 5,933,045 | \$ 6,290,771 | \$ 10,652,161 | \$ 11,361,083 |
| Capital grants and contributions | 278,179 | 16,706 | 512,271 | 157,000 | 790,450 | 173,706 |
| General revenues: | | | | | | |
| Taxes | 600,000 | 600,000 | - | - | 600,000 | 600,000 |
| Investment earnings | 35,993 | 164,580 | 16,240 | 3,452 | 52,233 | 168,032 |
| Gain on sale of capital assets | - | - | 2,000,000 | - | - | - |
| Other | 576,388 | 352,000 | - | - | 576,388 | 352,000 |
| Total revenues | 6,209,676 | 6,203,598 | 8,461,556 | 6,451,223 | 14,671,232 | 12,654,821 |
| Expenses: | | | | | | |
| General government | 5,536,717 | 5,004,900 | - | - | 5,536,717 | 5,004,900 |
| March Inland Port Airport Authority | - | - | 2,271,040 | 2,097,787 | 2,271,040 | 2,097,787 |
| Green Acres | - | - | 1,754,531 | 1,792,842 | 1,754,531 | 1,792,842 |
| Golf Course | - | - | 2,175,877 | 1,992,611 | 2,175,877 | 1,992,611 |
| Utilities Authority | - | - | 231,820 | 244,711 | 231,820 | 244,711 |
| Total expenses | 5,536,717 | 5,004,900 | 6,433,268 | 6,127,951 | 11,969,985 | 11,132,851 |
| Increase (decrease) in net position before transfers | 672,959 | 1,198,698 | 2,028,288 | 323,272 | 2,701,247 | 1,521,970 |
| Transfers | - | - | - | - | - | - |
| Increase (decrease) in net position | 672,959 | 1,198,698 | 2,028,288 | 323,272 | 2,701,247 | 1,521,970 |
| Net position, beginning | 139,274,175 | 137,988,357 | 68,419,565 | 68,911,631 | 207,693,740 | 206,899,988 |
| Prior period adjustment | - | 87,120 | - | - | - | 87,120 |
| Net position, beginning, as restated | 139,274,175 | 138,075,477 | 68,419,565 | 68,096,293 | 207,693,740 | 206,171,770 |
| Net position, ending | \$ 139,947,134 | \$ 139,274,175 | \$ 70,447,853 | \$ 68,419,565 | \$ 210,394,987 | \$ 207,693,740 |



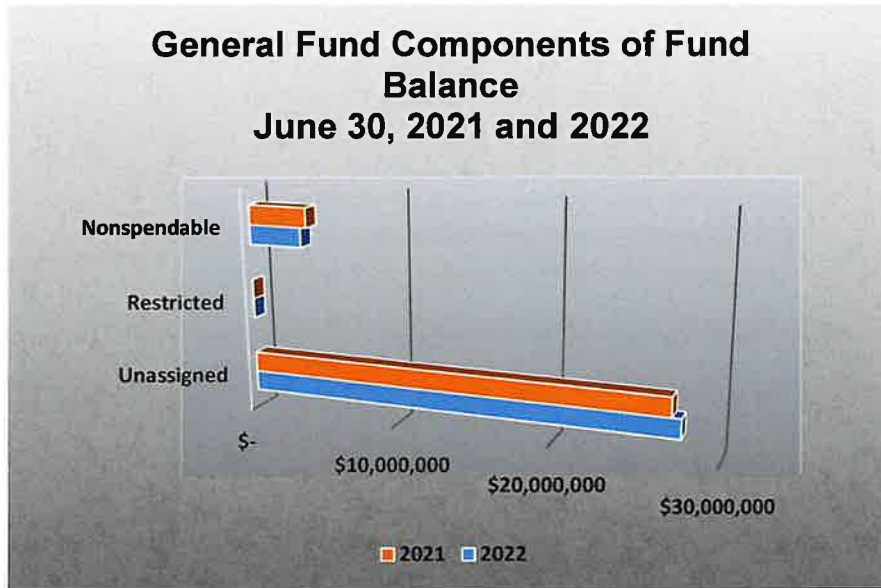
MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

Financial Analysis of the Government's Funds

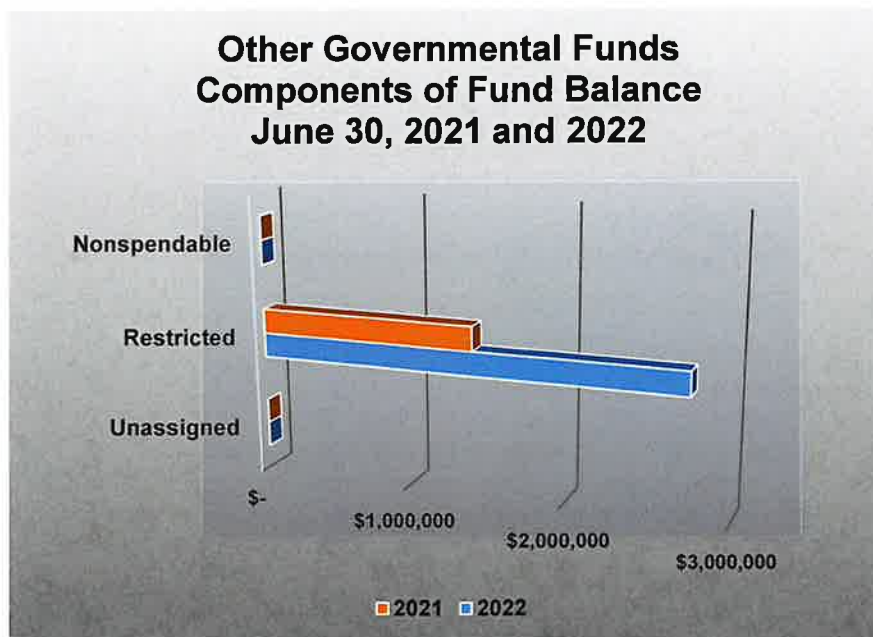
As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Authority itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Authority's Board of Commissioners.

As of June 30, 2022, the Authority's governmental funds reported combined fund balances of \$33,921,290, an increase of \$569,791 in comparison with the prior year. Approximately 82% of this amount (\$27,661,815) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable* or *restricted* to indicate that it is 1) not in spendable form (\$3,518,901) or 2) restricted for particular purposes (\$2,740,574).



The General Fund is the chief operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$27,661,815, while total fund balance decreased to \$31,180,716. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 650% of total General Fund expenditures, while total fund balance represents approximately 732% of that same amount.



The fund balance of the Authority's General Fund decreased by \$388,371 during the current fiscal year. This is primarily due to a decrease in Licenses, Permits and Fees \$564,120 revenue. In addition, total expenditures increased by \$560,065.

The Meridian LLM No. 1 Fund, a major fund, had a \$912,627 increase in fund balance during the current fiscal year to bring the year end fund balance to \$2,549,149. This is mostly due to the District receiving more Special Assessments (\$413,045 increase over prior year) than expenditures that will be used for future expenditures and capital costs.

The March Lifecare Campus CFD 2013-1 Fund had an increase in fund balance during the current year of \$45,535 to bring the year end fund balance to \$191,425. This is mostly due to the District receiving more special assessments than expenditures that will be used for future expenditures and capital costs.

Proprietary Funds. The Authority's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the March Inland Port Airport Authority at the end of the year was \$2,811,054, Green Acres was \$3,515,687, the Golf Course was \$(1,748,998) and the Utilities Authority was \$(225,595). The total increase, (decrease) in net position from operations for March Inland Port Airport Authority was \$1,834,246 (primarily from the sale of capital assets), Green Acres \$1,045, Golf Course \$162,215 and Utilities Authority \$30,782.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

General Fund Budgetary Highlights

Original Budget Compared to Final Budget. The Authority adopts budgets that cover two fiscal years. For the 2022 fiscal year, there were no amendments to the budget.

Final Budget Compared to Actual Results. The most significant differences between estimated revenues and actual revenues were as follows:

| Revenue source | Estimated Revenues | Actual Revenues | Difference |
|---------------------|--------------------|-----------------|--------------|
| Investment earnings | \$ 300,000 | \$ 35,993 | \$ (264,007) |
| Other revenue | 2,299,000 | 576,388 | (1,722,612) |

Licenses, permits and fees were lower than estimated. These revenues are based solely on the amount of redevelopment activity in the given year. Investment earnings were more than estimated due to investments performing better than expected throughout the fiscal year.

A review of actual expenditures compared to the appropriations in the final budget had significant variances. Appropriations of \$1,272,500 for planning costs were exceeded by the actual expenditures by \$290,833. This is due to the timing of development activity being less than what is forecasted at the time the budget was made.

Capital Asset and Debt Administration

Capital Assets. The Authority's investment in capital assets for its governmental and business type activities as of June 30, 2022, amounts to \$172,684,535 (net of accumulated depreciation). This investment in capital assets includes land, beverage rights, construction in progress, vehicles, office furniture and equipment, building and improvements, and infrastructure. The total decrease in capital assets for the current fiscal year was approximately 1.91%.

**The Authority's Capital Assets
(net of depreciation)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|--------------------------------|-------------------------|----------------|--------------------------|---------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Land | \$ 100,232,840 | \$ 100,232,840 | \$ 37,480,265 | \$ 39,480,265 | \$ 137,713,105 | \$ 139,713,105 |
| Beverage rights | - | - | 17,518 | 17,518 | 17,518 | 17,518 |
| Construction in progress | 46,118 | 46,118 | - | - | 46,118 | 46,118 |
| Vehicles | 11,022 | 15,430 | 36,352 | 36,352 | 47,374 | 51,782 |
| Office furniture and equipment | 28,952 | 36,677 | 71,141 | 29,277 | 100,093 | 65,954 |
| Building and improvements | 5,910,277 | 6,167,732 | 26,912,987 | 27,952,604 | 32,823,264 | 34,120,336 |
| Infrastructure | 359,621 | 449,498 | 1,582,635 | 1,617,805 | 1,942,256 | 2,067,303 |
| Total | \$ 106,588,830 | \$ 106,948,295 | \$ 66,100,898 | \$ 69,133,821 | \$ 172,689,728 | \$ 176,082,116 |

Major capital asset events during the current fiscal year included the following:

- March Inland Port disposed of \$2,000,000 worth of land.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Long-term obligations. At the end of the current fiscal year, the Authority had total debt outstanding of \$2,013,927. The long-term debt consists of a loan payable.

The Authority's Outstanding Debt

| | Governmental Activities | | Business-Type Activities | | Total | |
|--------------|-------------------------|------|--------------------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Loan payable | \$ - | \$ - | \$ 2,013,927 | \$ 2,088,927 | \$ 2,013,927 | \$ 2,088,927 |
| Total | \$ - | \$ - | \$ 2,013,927 | \$ 2,088,927 | \$ 2,013,927 | \$ 2,088,927 |

The Authority's total debt decreased by \$75,000 during the current fiscal year due to the decrease in the loan payable due from the Golf Course.

Other long-term obligations were as follows:

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------|-------------------------|--------------|--------------------------|------------|--------------|--------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Compensated absences | \$ 83,114 | \$ 202,101 | \$ 142,848 | \$ 134,734 | \$ 225,962 | \$ 336,835 |
| Net pension liability | 652,216 | 1,346,120 | 366,871 | 757,193 | 1,019,087 | 2,103,313 |
| Net OPEB liability/(asset) | 11,164 | 137,301 | 6,280 | 77,232 | 17,444 | 214,533 |
| Total | \$ 746,494 | \$ 1,685,522 | \$ 515,999 | \$ 969,159 | \$ 1,262,493 | \$ 2,654,681 |

Other long-term obligations decreased by \$1,392,188, primarily due to a decrease of \$1,084,226 for the net pension liability.

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Economic Factors and Next Year's Budgets and Rates:

The following economic factors currently affect the Authority and were considered in developing the 2022-23 fiscal year budget:

- Continued high demand for new large commercial property within the Inland Empire.
- Continued increase in commercial flight activity at March Inland Port.
- Interest rates are expected moderately rise through fiscal year 2022-23.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

This page intentionally left blank

MARCH JOINT POWERS AUTHORITY
Statement of Net Position
June 30, 2022

| | Governmental Activities | Business-type Activities | Total |
|---|------------------------------------|-------------------------------------|-----------------------|
| ASSETS | | | |
| Cash and investments | \$ 29,769,499 | \$ 11,891,979 | \$ 41,661,478 |
| Restricted cash and investments | 5,610,695 | - | 5,610,695 |
| Receivables: | | | |
| Accounts | 898,538 | 218,455 | 1,116,993 |
| Grants | - | 148,506 | 148,506 |
| Loans | 2,982,438 | - | 2,982,438 |
| Interest | 1,567,867 | - | 1,567,867 |
| Leases | 1,612,328 | 5,613,599 | 7,225,927 |
| Deposits | 1,283 | - | 1,283 |
| Due from Successor Agency | 381,005 | - | 381,005 |
| Internal balances | 3,137,896 | (3,137,896) | - |
| Inventory | - | 73,073 | 73,073 |
| Capital assets, not being depreciated | 100,278,958 | 37,497,783 | 137,776,741 |
| Capital assets, net of depreciation | 6,309,872 | 28,597,922 | 34,907,794 |
| Total assets | <u>152,550,379</u> | <u>80,903,421</u> | <u>233,453,800</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension related items | 340,900 | 191,756 | 532,656 |
| OPEB related items | 164,386 | 92,467 | 256,853 |
| Total deferred outflows of resources | <u>505,286</u> | <u>284,223</u> | <u>789,509</u> |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | 769,273 | 433,531 | 1,202,804 |
| Interest payable | - | 1,567,867 | 1,567,867 |
| Deposits and other liabilities | 3,566,691 | 179,618 | 3,746,309 |
| Unavailable revenues | - | 1,450 | 1,450 |
| Liabilities payable from restricted assets: | | | |
| Other payables | 5,678,100 | - | 5,678,100 |
| Long-term liabilities: | | | |
| Due in one year | 20,779 | 35,713 | 56,492 |
| Due in more than one year | 62,335 | 2,121,062 | 2,183,397 |
| Net pension liability | 652,216 | 366,871 | 1,019,087 |
| Net OPEB liability | 11,164 | 6,280 | 17,444 |
| Total liabilities | <u>10,760,558</u> | <u>4,712,392</u> | <u>15,472,950</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Leases receivable related | 1,612,328 | 5,613,599 | 7,225,927 |
| Pension related items | 617,202 | 347,176 | 964,378 |
| OPEB related items | 118,443 | 66,624 | 185,067 |
| Total deferred inflows of resources | <u>2,347,973</u> | <u>6,027,399</u> | <u>8,375,372</u> |
| NET POSITION | | | |
| Net investment in capital assets | 106,588,830 | 66,095,705 | 172,684,535 |
| Restricted for maintenance and landscaping | 2,740,574 | - | 2,740,574 |
| Unrestricted | 30,617,730 | 4,352,148 | 34,969,878 |
| Total net position | <u>\$ 139,947,134</u> | <u>\$ 70,447,853</u> | <u>\$ 210,394,987</u> |

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Activities
Year Ended June 30, 2022

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | |
|-------------------------------------|-----------------|-------------------------------------|---|---|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| Governmental activities: | | | | |
| General government | \$ 5,536,717 | \$ 4,719,116 | \$ - | \$ 278,179 |
| Total governmental activities | 5,536,717 | 4,719,116 | - | 278,179 |
| Business-type activities: | | | | |
| March Inland Port Airport Authority | 2,271,040 | 1,481,923 | - | 512,271 |
| Green Acres | 1,754,531 | 1,850,428 | - | - |
| Golf Course | 2,175,877 | 2,338,092 | - | - |
| Utilities Authority | 231,820 | 262,602 | - | - |
| Total business-type activities | 6,433,268 | 5,933,045 | - | 512,271 |
| Total primary government | \$ 11,969,985 | \$ 10,652,161 | \$ - | \$ 790,450 |

General Revenues:

Taxes
Investment earnings
Gain on sale of capital asset
Other

Total general revenues and transfers

Change in net position

Net position, beginning

Net position, ending

The accompanying notes are an integral part of the financial statements.

**Net (Expense) Revenue and
Changes in Net Position**

| Governmental Activities | Business-type Activities | Total |
|------------------------------------|-------------------------------------|-----------------------|
| \$ (539,422) | \$ - | \$ (539,422) |
| (539,422) | - | (539,422) |
| - | (276,846) | (276,846) |
| - | 95,897 | 95,897 |
| - | 162,215 | 162,215 |
| - | 30,782 | 30,782 |
| - | 12,048 | 12,048 |
| (539,422) | 12,048 | (527,374) |
| 600,000 | - | 600,000 |
| 35,993 | 16,240 | 52,233 |
| - | 2,000,000 | 2,000,000 |
| 576,388 | - | 576,388 |
| 1,212,381 | 2,016,240 | 3,228,621 |
| 672,959 | 2,028,288 | 2,701,247 |
| 139,274,175 | 68,419,565 | 207,693,740 |
| <u>\$ 139,947,134</u> | <u>\$ 70,447,853</u> | <u>\$ 210,394,987</u> |

MARCH JOINT POWERS AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2022

| | General Fund | Special Revenue | | Total |
|---|----------------------|------------------------|--|----------------------|
| | | Meridian LLMD No. 1 | March Lifecare Campus CFD 2013-1 | |
| ASSETS | | | | |
| Cash and investments | \$ 26,912,561 | \$ 2,665,640 | \$ 191,298 | \$ 29,769,499 |
| Restricted cash and investments | 5,610,695 | - | - | 5,610,695 |
| Receivables: | | | | |
| Accounts | 786,515 | 104,369 | 7,654 | 898,538 |
| Loans | 2,982,438 | - | - | 2,982,438 |
| Interest | 1,567,867 | - | - | 1,567,867 |
| Leases | 1,612,328 | - | - | 1,612,328 |
| Deposits | 1,283 | - | - | 1,283 |
| Due from Successor Agency | 381,005 | - | - | 381,005 |
| Advances to other funds | 3,137,896 | - | - | 3,137,896 |
| Total assets | \$ 42,992,588 | \$ 2,770,009 | \$ 198,952 | \$ 45,961,549 |
| LIABILITIES | | | | |
| Accounts payable and accrued liabilities | \$ 575,908 | \$ 193,143 | \$ 222 | \$ 769,273 |
| Deposits payable | 3,559,317 | 7,374 | - | 3,566,691 |
| Liabilities payable from restricted assets: | | | | |
| Other payables | 5,678,100 | - | - | 5,678,100 |
| Total liabilities | 9,813,325 | 200,517 | 222 | 10,014,064 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - intergovernmental | 386,219 | 20,343 | 7,305 | 413,867 |
| Leases receivable related | 1,612,328 | - | - | 1,612,328 |
| Total deferred inflows of resources | 1,998,547 | 20,343 | 7,305 | 2,026,195 |
| FUND BALANCE | | | | |
| Nonspendable: | | | | |
| Long-term successor agency loans | 381,005 | - | - | 381,005 |
| Long-term advances to other funds | 3,137,896 | - | - | 3,137,896 |
| Restricted: | | | | |
| Maintenance and landscaping | - | 2,549,149 | 191,425 | 2,740,574 |
| Unassigned | 27,661,815 | - | - | 27,661,815 |
| Total fund balances | 31,180,716 | 2,549,149 | 191,425 | 33,921,290 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 42,992,588 | \$ 2,770,009 | \$ 198,952 | \$ 45,961,549 |

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

| | |
|---|-----------------------|
| Fund balances of governmental funds | \$ 33,921,290 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | |
| Capital assets, net of depreciation, have not been included as financial resources in governmental fund activity. | 106,588,830 |
| Liabilities that are not due and payable in the current period and are not reported in the funds. | |
| Compensated absences | (83,114) |
| Net pension liability | (652,216) |
| Net OPEB liability | (11,164) |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. | 413,867 |
| Deferred outflows and inflows of resources related to pensions and OPEB that are required to be recognized over a defined closed period. | |
| Pension related deferred outflows of resources | 340,900 |
| OPEB related deferred outflows of resources | 164,386 |
| Pension related deferred inflows of resources | (617,202) |
| OPEB related deferred inflows of resources | <u>(118,443)</u> |
| Net position of governmental activities | <u>\$ 139,947,134</u> |

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2022

| | General Fund | Special Revenue | | Total |
|--------------------------------------|------------------|------------------------|--|------------------|
| | | Meridian LLMD No. 1 | March Lifecare Campus CFD 2013-1 | |
| REVENUES | | | | |
| Taxes | \$ 600,000 | \$ - | \$ - | \$ 600,000 |
| Licenses, permits and fees | 2,395,538 | - | - | 2,395,538 |
| Investment earnings | 35,993 | - | - | 35,993 |
| Lease revenue | 260,758 | - | - | 260,758 |
| Special assessments | - | 2,010,135 | 52,684 | 2,062,819 |
| Other revenue | 576,388 | - | - | 576,388 |
| Total revenues | 3,868,677 | 2,010,135 | 52,684 | 5,931,496 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 406,197 | 46,563 | - | 452,760 |
| Salaries and benefits | 1,276,464 | 97,660 | - | 1,374,124 |
| Police patrols/security | 216,495 | - | - | 216,495 |
| Contractual/professional services | 419,862 | 929,927 | 7,149 | 1,356,938 |
| Project improvement costs | - | 23,358 | - | 23,358 |
| Legal | 205,762 | - | - | 205,762 |
| Planning | 1,563,333 | - | - | 1,563,333 |
| Maintenance and lease services | 108,445 | - | - | 108,445 |
| Buildings and grounds maintenance | 60,490 | - | - | 60,490 |
| Total expenditures | 4,257,048 | 1,097,508 | 7,149 | 5,361,705 |
| Excess of revenues over expenditures | (388,371) | 912,627 | 45,535 | 569,791 |
| Net change in fund balances | (388,371) | 912,627 | 45,535 | 569,791 |
| Fund balances, beginning | 31,569,087 | 1,636,522 | 145,890 | 33,351,499 |
| Fund balances, ending | \$ 31,180,716 | \$ 2,549,149 | \$ 191,425 | \$ 33,921,290 |

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2022

| | |
|--|-------------------|
| Net change in fund balances - total governmental funds | \$ 569,791 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. | |
| Intergovernmental revenues | 278,179 |
| Governmental funds report capital outlay as an expenditure in the full amount as current financial resources are used. However, in the Statement of Activities the cost of these assets is allocated over the estimated useful life as depreciation expense. | |
| Depreciation expense | (359,465) |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as governmental fund expenditures. | |
| Net change in compensated absences | 118,987 |
| Net change in net OPEB liability expenses | 71,527 |
| Net change in net pension liability expenses | <u>(6,060)</u> |
| Change in net position of governmental activities | <u>\$ 672,959</u> |

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Net Position
Proprietary Funds
June 30, 2022

| | March Inland Port Airport Authority | Green Acres | Golf Course |
|--|--|----------------------|-----------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 7,448,372 | \$ 3,989,657 | \$ 289,846 |
| Receivables, net: | | | |
| Accounts | 136,430 | - | 4,190 |
| Grants | 148,506 | - | - |
| Leases | 215,371 | - | - |
| Inventory | - | - | 73,073 |
| Total current assets | <u>7,948,679</u> | <u>3,989,657</u> | <u>367,109</u> |
| Noncurrent assets: | | | |
| Leases receivable | 5,398,228 | - | - |
| Capital assets, not being depreciated | 36,221,477 | 1,258,788 | 17,518 |
| Capital assets, net of depreciation | <u>22,412,566</u> | <u>6,118,567</u> | <u>66,789</u> |
| Total noncurrent assets | <u>64,032,271</u> | <u>7,377,355</u> | <u>84,307</u> |
| Total assets | <u>71,980,950</u> | <u>11,367,012</u> | <u>451,416</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension related items | 122,511 | 69,245 | - |
| OPEB related items | <u>59,076</u> | <u>33,391</u> | <u>-</u> |
| Total deferred outflows of resources | <u>181,587</u> | <u>102,636</u> | <u>-</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | 212,076 | 101,741 | 102,180 |
| Interest payable | 1,567,867 | - | - |
| Deposits | - | 179,618 | - |
| Compensated absences - current portion | <u>32,945</u> | <u>2,768</u> | <u>-</u> |
| Total current liabilities | <u>1,812,888</u> | <u>284,127</u> | <u>102,180</u> |
| Noncurrent liabilities: | | | |
| Loan payable | - | - | 2,013,927 |
| Compensated absences | 98,833 | 8,302 | - |
| Unavailable revenues | 1,450 | - | - |
| Net pension liability | 234,390 | 132,481 | - |
| Net OPEB liability | 4,012 | 2,268 | - |
| Advances from other funds | <u>2,687,896</u> | <u>-</u> | <u>-</u> |
| Total noncurrent liabilities | <u>3,026,581</u> | <u>143,051</u> | <u>2,013,927</u> |
| Total liabilities | <u>4,839,469</u> | <u>427,178</u> | <u>2,116,107</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Leases receivable related | 5,613,599 | - | - |
| Pension related items | 221,807 | 125,369 | - |
| OPEB related items | <u>42,565</u> | <u>24,059</u> | <u>-</u> |
| Total deferred inflows of resources | <u>5,877,971</u> | <u>149,428</u> | <u>-</u> |
| NET POSITION (deficit) | | | |
| Net investment in capital assets | 58,634,043 | 7,377,355 | 84,307 |
| Unrestricted | <u>2,811,054</u> | <u>3,515,687</u> | <u>(1,748,998)</u> |
| Total net position | <u>\$ 61,445,097</u> | <u>\$ 10,893,042</u> | <u>\$ (1,664,691)</u> |

The accompanying notes are an integral part of the financial statements.

| <u>Utilities Authority</u> | <u>Total</u> |
|--------------------------------|----------------------|
| \$ 164,104 | \$ 11,891,979 |
| 77,835 | 218,455 |
| - | 148,506 |
| - | 215,371 |
| - | 73,073 |
| <u>241,939</u> | <u>12,547,384</u> |
| - | 5,398,228 |
| - | 37,497,783 |
| - | 28,597,922 |
| <u>-</u> | <u>71,493,933</u> |
| <u>241,939</u> | <u>84,041,317</u> |
| - | 191,756 |
| - | 92,467 |
| - | 284,223 |
| 17,534 | 433,531 |
| - | 1,567,867 |
| - | 179,618 |
| - | 35,713 |
| <u>17,534</u> | <u>2,216,729</u> |
| - | 2,013,927 |
| - | 107,135 |
| - | 1,450 |
| - | 366,871 |
| - | 6,280 |
| <u>450,000</u> | <u>3,137,896</u> |
| <u>450,000</u> | <u>5,633,559</u> |
| <u>467,534</u> | <u>7,850,288</u> |
| - | 5,613,599 |
| - | 347,176 |
| - | 66,624 |
| <u>-</u> | <u>6,027,399</u> |
| - | 66,095,705 |
| <u>(225,595)</u> | <u>4,352,148</u> |
| <u>\$ (225,595)</u> | <u>\$ 70,447,853</u> |

MARCH JOINT POWERS AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2022

| | March Inland Port Airport Authority | Green Acres | Golf Course |
|--|--|----------------------|-----------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,240,837 | \$ 52,496 | \$ 2,338,092 |
| Rental income | - | 1,795,480 | - |
| Lease income | 239,031 | - | - |
| Permit fees | 2,000 | - | - |
| Other | 55 | 2,452 | - |
| Total operating revenues | <u>1,481,923</u> | <u>1,850,428</u> | <u>2,338,092</u> |
| OPERATING EXPENSES | | | |
| Administrative | 256,019 | 41,366 | - |
| Professional services | 50,168 | 291,196 | 2,170,649 |
| Salaries and employee benefits | 636,335 | 1,232 | - |
| Purchased water/utilities | - | 614,407 | - |
| Insurance/claims | - | 34,277 | - |
| Repairs and maintenance | 92,373 | 412,502 | - |
| Project improvement costs | 337,901 | 26,064 | - |
| Depreciation | 778,698 | 301,616 | 5,228 |
| Services and fees | 15,046 | - | - |
| Other | - | 31,871 | - |
| Total operating expenses | <u>2,166,540</u> | <u>1,754,531</u> | <u>2,175,877</u> |
| Operating income (loss) | <u>(684,617)</u> | <u>95,897</u> | <u>162,215</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Gain on sale of capital asset | 2,000,000 | - | - |
| Investment earnings | 111,092 | (94,852) | - |
| Interest expense | (104,500) | - | - |
| Total nonoperating revenues (expenses) | <u>2,006,592</u> | <u>(94,852)</u> | <u>-</u> |
| Income (loss) before capital contributions and transfers | <u>1,321,975</u> | <u>1,045</u> | <u>162,215</u> |
| CAPITAL CONTRIBUTIONS | <u>512,271</u> | <u>-</u> | <u>-</u> |
| Change in net position | 1,834,246 | 1,045 | 162,215 |
| Net position (deficit), beginning | <u>59,610,851</u> | <u>10,891,997</u> | <u>(1,826,906)</u> |
| Net position (deficit), ending | <u>\$ 61,445,097</u> | <u>\$ 10,893,042</u> | <u>\$ (1,664,691)</u> |

The accompanying notes are an integral part of the financial statements.

| <u>Utilities Authority</u> | <u>Total</u> |
|----------------------------|----------------------|
| \$ 262,602 | \$ 3,894,027 |
| - | 1,795,480 |
| - | 239,031 |
| - | 2,000 |
| - | 2,507 |
| <u>262,602</u> | <u>5,933,045</u> |
| 6,798 | 304,183 |
| - | 2,512,013 |
| - | 637,567 |
| 209,057 | 823,464 |
| - | 34,277 |
| 15,965 | 520,840 |
| - | 363,965 |
| - | 1,085,542 |
| - | 15,046 |
| - | 31,871 |
| <u>231,820</u> | <u>6,328,768</u> |
| <u>30,782</u> | <u>(395,723)</u> |
| - | 2,000,000 |
| - | 16,240 |
| - | (104,500) |
| <u>-</u> | <u>1,911,740</u> |
| <u>30,782</u> | <u>1,516,017</u> |
| <u>-</u> | <u>512,271</u> |
| 30,782 | 2,028,288 |
| <u>(256,377)</u> | <u>68,419,565</u> |
| <u>\$ (225,595)</u> | <u>\$ 70,447,853</u> |

MARCH JOINT POWERS AUTHORITY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022

| | March Inland Port Airport Authority | Green Acres | Golf Course |
|---|--|---------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash received from customers | \$ 1,372,019 | \$ 1,852,426 | \$ 2,340,196 |
| Cash payments for employee services (salaries) | (629,599) | (62,010) | - |
| Cash payments to suppliers for goods and services | (597,458) | (1,422,917) | (2,160,117) |
| Net cash provided by (used for) operating activities | <u>144,962</u> | <u>367,499</u> | <u>180,079</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Proceeds from sale of capital assets | 4,000,000 | - | - |
| Acquisition of capital assets | - | - | (47,426) |
| Capital contributions | 363,765 | - | - |
| Payment on JPA operating advances | - | - | (75,001) |
| Net cash provided by (used for) capital and related financing activities | <u>4,363,765</u> | <u>-</u> | <u>(122,427)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Interest earnings | 111,092 | (94,852) | - |
| Net cash provided by (used for) investing activities | <u>111,092</u> | <u>(94,852)</u> | <u>-</u> |
| INCREASE IN CASH AND CASH EQUIVALENTS | 4,619,819 | 272,647 | 57,652 |
| Cash and cash equivalents - beginning of year | 2,828,553 | 3,717,010 | 232,194 |
| Cash and cash equivalents - end of year | <u>\$ 7,448,372</u> | <u>\$ 3,989,657</u> | <u>\$ 289,846</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES | | | |
| Operating income (loss) | \$ (684,617) | \$ 95,897 | \$ 162,215 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | |
| Depreciation | 778,698 | 301,616 | 5,228 |
| (Increase) decrease in accounts receivable | (111,354) | 1,998 | 2,104 |
| (Increase) decrease in inventory | - | - | (15,784) |
| (Increase) decrease in pension/OPEB related deferred outflows | 21,694 | 12,263 | - |
| Increase (decrease) in accounts payable and accrued liabilities | 136,745 | 13,644 | 26,316 |
| (Increase) decrease in compensated absences | 47,569 | (39,455) | - |
| Increase (decrease) in unavailable revenues | 1,450 | - | - |
| Increase (decrease) in deposits | - | 7,096 | - |
| Increase (decrease) in net pension liability | (249,372) | (140,950) | - |
| Increase (decrease) in net OPEB liability | (45,331) | (25,621) | - |
| Increase (decrease) in pension/OPEB related deferred inflows | 249,480 | 141,011 | - |
| Total cash provided by (used for) operating activities | <u>\$ 144,962</u> | <u>\$ 367,499</u> | <u>\$ 180,079</u> |

The accompanying notes are an integral part of the financial statements.

| Utilities Authority | Total |
|------------------------|----------------------|
| \$ 253,254 | \$ 5,817,895 |
| - | (691,609) |
| <u>(246,670)</u> | <u>(4,427,162)</u> |
| 6,584 | 699,124 |
| - | 4,000,000 |
| - | (47,426) |
| - | 363,765 |
| <u>-</u> | <u>(75,001)</u> |
| - | 4,241,338 |
| - | 16,240 |
| <u>-</u> | <u>16,240</u> |
| 6,584 | 4,956,702 |
| <u>157,520</u> | <u>6,935,277</u> |
| <u>\$ 164,104</u> | <u>\$ 11,891,979</u> |

| | |
|-----------------|-------------------|
| \$ 30,782 | \$ (395,723) |
| - | 1,085,542 |
| (9,348) | (116,600) |
| - | (15,784) |
| - | 33,957 |
| (14,850) | 161,855 |
| - | 8,114 |
| - | 1,450 |
| - | 7,096 |
| - | (390,322) |
| - | (70,952) |
| <u>-</u> | <u>390,491</u> |
| <u>\$ 6,584</u> | <u>\$ 699,124</u> |

MARCH JOINT POWERS AUTHORITY
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

| | Successor Agency Private-purpose Trust Fund |
|--|--|
| ASSETS | |
| Cash and investments | \$ 2,553,017 |
| Cash and investments with fiscal agent | 15,940 |
| Prepaid items | 234,875 |
| | <hr/> |
| Total assets | 2,803,832 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred charge on refunding | 6,956,404 |
| | <hr/> |
| Total deferred outflows of resources | 6,956,404 |
| LIABILITIES | |
| Interest payable | 479,977 |
| Due to General Fund | 381,005 |
| Loans payable - due in one year | 541,820 |
| Loans payable - due in more than one year | 426,691 |
| Bonds payable - due in one year | 955,000 |
| Bonds payable - due in more than one year | 30,945,495 |
| | <hr/> |
| Total liabilities | 33,729,988 |
| NET POSITION (DEFICIT) | |
| Net position held in trust for redevelopment | (23,969,752) |
| | <hr/> |
| Total net position | \$ (23,969,752) |
| | <hr/> <hr/> |

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2022

| | Successor Agency Private-purpose Trust Fund |
|-----------------------------------|--|
| ADDITIONS | |
| Taxes | \$ 2,463,596 |
| Investment earnings | 10 |
| Total additions | <u>2,463,606</u> |
| DEDUCTIONS | |
| Administration | 267,308 |
| Contractual/professional services | 7,175 |
| Interest expense | <u>1,383,253</u> |
| Total deductions | <u>1,657,736</u> |
| Change in net position | <u>805,870</u> |
| Net position (deficit), beginning | <u>(24,775,622)</u> |
| Net position (deficit), ending | <u><u>\$ (23,969,752)</u></u> |

The accompanying notes are an integral part of the financial statements.

This page intentionally left blank

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

| <u>NOTE</u> | <u>DESCRIPTION</u> | <u>PAGE</u> |
|-------------|---|-------------|
| 1 | Reporting Entity and Summary of Significant Accounting Policies | 30 |
| 2 | Cash and Investments | 41 |
| 3 | Fair Value Measurements | 44 |
| 4 | Loans Receivable | 45 |
| 5 | Interfund Receivables, Payables and Transfers | 45 |
| 6 | Capital Assets | 46 |
| 7 | Long-Term Liabilities | 48 |
| 8 | Deficit Fund Balances/Net Position | 48 |
| 9 | Leases | 48 |
| 10 | Risk Management | 49 |
| 11 | Employees' Retirement Plan | 50 |
| 12 | Deferred Compensation Plan | 57 |
| 13 | Other Post Employment Benefits | 58 |
| 14 | Commitments and Contingencies | 62 |
| 15 | Successor Agency of Former Redevelopment Agency | 64 |

This page intentionally left blank

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Description of the Reporting Entity

The March Joint Powers Authority (the "Authority") was formed on November 14, 1993, under a joint exercise of powers agreement among the Cities of Perris, Moreno Valley and Riverside and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of the property formerly known as March Air Force Base.

The Authority's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Authority Commissioners are as follows:

| <u>Name</u> | <u>Title</u> | <u>Representing</u> |
|-----------------------|--------------|-----------------------|
| Jeff Hewitt | Chairman | County of Riverside |
| Chuck Conder | Vice Chair | City of Riverside |
| Rita Rogers | Commissioner | City of Perris |
| Kevin Jeffries | Commissioner | County of Riverside |
| Jim Perry | Commissioner | City of Riverside |
| Michael Vargas | Commissioner | City of Perris |
| Edward Delgado | Commissioner | City of Moreno Valley |
| Dr. Yxstian Gutierrez | Commissioner | City of Moreno Valley |

The Joint Powers Commission meets on the second and fourth Wednesday of each month.

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies reflected in the financial statements are summarized as follows:

The financial statements of the March Joint Powers Authority include the financial activities of the Authority, the March Inland Port Airport Authority and the March Joint Powers Utilities Authority. In accordance with GASB, the basic criteria for including an agency, institution, authority or other organization in a governmental unit's financial reporting entity is financial accountability. Financial accountability includes, but is not limited to: 1) selection of the governing body, 2) imposition of will, 3) ability to provide a financial benefit to or impose a financial burden on and 4) fiscal dependency.

There may, however, be factors other than financial accountability that are so significant that exclusion of a particular agency from a reporting entity's financial statements would be misleading. These other factors include scope of public service and special financing relationships.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

A) Description of the Reporting Entity (continued)

Based upon the application of these criteria, an agency, institution, authority or other organization may be included as a component unit in the primary government's financial statements. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There are no discretely presented component units in these financial statements. Each blended component unit presented has a June 30 year end.

The following is a brief review of each component unit included in the primary government's reporting entity.

March Inland Port Airport Authority

The March Inland Port Airport Authority (the "Airport Authority") was formed on June 18, 1997 under a joint exercise of powers agreement between the Cities of Perris, Moreno Valley and Riverside and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of March Air Force Base. The March Inland Port Airport Authority will be used to market and promote the economic development opportunity associated with the creation of the joint use airport and for the associated development or redevelopment of adjacent and nearby vacant properties. The March Inland Port Airport Authority's activities are blended with those of the Authority in these financial statements and are reported as an enterprise fund. Separate component financial statements can be obtained from the Authority's office.

March Joint Powers Utilities Authority

The March Joint Powers Utilities Authority (the "Utilities Authority") was formed on August 8, 2002 by the City of Moreno Valley, a general law city of the State of California, the City of Perris, a general law city of the State of California and the City of Riverside, a charter city and municipal corporation of the State of California. The purpose of the Utility Authority is to provide construction, completion, reconstruction, extension, change, enlargement, acquisition, leasing, operation, maintenance, repair and control of facilities for the generation, transmission, distribution and sale of utilities and utilities service. The sale and service of Utilities will be to municipalities, public utility districts, corporations, businesses or persons located at the property formerly known as March Air Force Base. Separate component financial statements can be obtained from the Authority's office.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

B) Basis of Presentation

Generally accepted accounting principles in the United States of America (GAAP) require that the financial statements described below be presented:

Government-wide Statements: The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the Authority include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items that are properly not included among program revenues are reported instead as general revenues.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and private-purpose trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for property taxes. Property taxes are recognized in the year for which they are levied. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Authority.

The Authority reports the following major governmental funds:

The *General Fund* is used to account for all financial resources of the Authority, except those required to be accounted for in another fund.

The *Meridian LLMD No. 1 Special Revenue Fund* is used to account for special assessments through property tax collections and the expenditures for the maintenance and landscaping of the Meridian Business Park.

The *March Lifecare Campus CFD 2013-1 Special Revenue Fund* is used to account for special assessments through property tax collection and the expenditures for the maintenance of the March Lifecare Campus.

The Authority reports the following major proprietary funds:

The *March Inland Port Airport Authority Fund* accounts for the activities of the Airport Authority, a blended component unit of the Authority. The Authority operates the joint use of the airport as well as development of the airport and adjacent properties.

The *Green Acres Fund* accounts for the activities of the Green Acres Housing Area.

The *Golf Course Fund* accounts for the activities of the Authority's golf course operations.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

The *Utility Authority Fund* accounts for the activities of the Authority's utility operations.

The *Enterprise Funds* are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Revenues are fully accrued to include unbilled services at year end.

Additionally, the Authority reports the following fund types:

The *Fiduciary Funds* are used to account for resources held in the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Authority's own programs. The accounting used by the fiduciary funds are much like that used for proprietary funds.

The Authority reports the following fiduciary activities:

The *Private-purpose trust fund* is used to report resources held in trust for the Successor Agency of the former Redevelopment Agency.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grant and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the policy of the Authority to use restricted resources first, and then use unrestricted resources as they are needed.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

D) Encumbrances

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

E) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents. For financial statement presentation purposes cash and cash equivalents are shown as cash in the Proprietary Funds.

F) Cash and Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Authority's investments are stated at fair value except for interest-earning investment contracts.

Restricted cash and investments consist of \$3,867,311 for Meridian drainage fee deposits, and \$1,743,384 for fire department impact fees.

G) Uncollectible Accounts

The Authority uses the allowance method of recording uncollectible accounts. Currently, the Authority believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

H) Inventory and Prepaid Items

Inventory is valued at cost, using the first-in, and first-out basis.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

I) Capital Assets

Capital assets, which include land, buildings, building improvements, machinery, vehicles, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired. Donated or transferred capital assets are valued at their estimated acquisition value at the date of donation or transfer.

Capital assets, with an initial cost of \$5,000, used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the proprietary funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet. The range of lives used for depreciation purposes for each capital asset class is as follows:

| | |
|--------------------------------|----------------|
| Buildings and improvements | 7 – 50 years |
| Vehicles | 5 years |
| Office equipment and furniture | 5 years |
| Infrastructure | 30 – 100 years |

J) Liabilities Payable from Restricted Assets

Liabilities payable from restricted assets consist of the following: \$1,739,041 for County fire facilities, \$3,856,816 for the Meridian drainage fee deposits and \$82,243 for Lifecare Campus Drainage Fees.

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Authority has deferred outflows related to pensions, other post-employment benefits (OPEB), and leases receivable.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

K) Deferred Outflows/Inflows of Resources (continued)

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Authority has deferred outflows related to pensions, other post-employment benefits (OPEB), and leases receivable.

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority has several types of deferred inflows of resources. One item arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from intergovernmental revenues and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L) Compensated Absences

In accordance with generally accepted accounting principles, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement.

All leave benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported if they have matured, for example, as result of employee resignations and retirements. Leave benefits are generally liquidated by the General Fund, March Inland Port Airport Authority and Green Acres funds.

M) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

M) Pensions (continued)

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 2020 |
| Measurement Date | June 30, 2021 |
| Measurement Period | July 1, 2020 to June 30, 2021 |

N) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 2019 |
| Measurement Date | June 30, 2021 |
| Measurement Period | July 1, 2019 to June 30, 2021 |

O) Net Position

Generally accepted accounting principles requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

P) Fund Balance

Fund balance in governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The Authority considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

Restricted Fund Balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (though constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority. The Joint Powers Commission is the highest level of decision-making authority for the Authority that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Assigned Fund Balance - Amounts that are constrained by the Authority's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body, or by an official to whom the authority has been given.

Unassigned Fund Balance - These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other categories, or negative balances in all other funds.

Q) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

R) Property Tax

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

| | | |
|-----------------|-------------------|-------------------------------|
| Lien Date | January 1 | |
| Levy Date | July 1 to June 30 | |
| Due Date | November 1 | - 1 st installment |
| | February 1 | - 2 nd installment |
| Delinquent Date | December 10 | - 1 st installment |
| | April 10 | - 2 nd installment |

Under California law, property taxes are assessed and collected by the counties up to 1%, of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the agencies based on complex formulas prescribed by the state statutes.

S) Other Revenue

The General Fund's other revenue includes \$73,400 for foreign trade zone fees, \$250,000 for Successor Agency administration fees and \$252,988 for miscellaneous revenues.

T) Reclassification

The Authority has reclassified certain prior year information to conform with current year presentation, with no effect on net position.

U) New Accounting Pronouncement

GASB Statement No. 87 – As of July 1, 2021, the Authority adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. As a result of implementing this standard, the Authority recognized a lease receivable and deferred inflow of resources in the amount of \$7,225,927 and \$7,225,927 as of July 1, 2021. As a result of these adjustments there was no effect on beginning net position or fund balance. The additional disclosures required by this standard are included in Note 9.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

| | |
|--|---------------------------------|
| Statement of Net Position: | |
| Cash and investments | \$ 41,661,478 |
| Restricted cash and investments | 5,610,695 |
| Statement of Fiduciary Net Position: | |
| Cash and investments | 2,553,017 |
| Cash and investments with fiscal agent | <u>15,940</u> |
| Total cash and investments | <u><u>\$ 49,841,130</u></u> |

Cash and investments consist of the following:

| | |
|--------------------------------------|---------------------------------|
| Petty cash | \$ 407 |
| Deposits with financial institutions | 25,990,934 |
| Investments | <u>23,849,789</u> |
| Total cash and investments | <u><u>\$ 49,841,130</u></u> |

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investment Type | Maximum Maturity | Percentage of Portfolio ⁽¹⁾ | Investment in One Issuer |
|---------------------------------------|---------------------|---|-----------------------------|
| Local agency bonds | 5 years | None | None |
| U.S. Treasury obligations | 5 years | None | None |
| U.S. agency securities | 5 years | None | None |
| State of California notes/bonds | 5 years | None | None |
| Banker's acceptances | 180 days | 40% | 30% |
| Prime commercial paper ⁽²⁾ | 270 days | 25% | 10% |
| Negotiable certificates of deposit | 5 years | 30% | None |
| Repurchase agreements | 1 year | None | None |
| Reverse repurchase agreements | 92 days | 20% of Base Value | None |
| Medium - Term Notes ⁽³⁾ | 5 years | 30% | None |
| Mutual funds | N/A | 20% | 10% |
| Money market mutual funds | N/A | 20% | 10% |
| Mortgage pass-through securities | 5 years | 20% | None |
| Local Agency Investment Fund (LAIF) | N/A | None | \$75m |

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS (continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy. For additional information refer to the original bond issuance documents.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing money market funds.

Information about the sensitivity of the fair values of the Authority's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

| Investment Type | Fair Value | 12 Months or Less | 13 to 24 Months | 25 to 60 Months | More than 60 Months |
|-------------------------------|----------------------|----------------------|--------------------|---------------------|------------------------|
| Money market and mutual funds | \$ 1,175,978 | \$ 1,175,978 | \$ - | \$ - | \$ - |
| U.S. Treasury obligations | 16,416,862 | 16,416,862 | - | - | - |
| Medium-term notes | 843,846 | 547,344 | 98,834 | 197,668 | - |
| U.S. Agency securities | 5,397,163 | 346,512 | 895,853 | 4,154,798 | - |
| Held by Bond Trustee: | | | | | |
| Money market funds | 15,940 | 15,940 | - | - | - |
| Total | \$ 23,849,789 | \$ 18,502,636 | \$ 994,687 | \$ 4,352,466 | \$ - |

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the Authority's investment policy and the actual rating as of year-end for each investment type.

| Investment Type | Amount | Minimum Legal Rating | Exempt from Disclosure | Rating as of Year End | | |
|-------------------------------|----------------------|----------------------------|------------------------------|-----------------------|-------------------|----------------------|
| | | | | AA | A | Not Rated |
| Money market and mutual funds | \$ 1,175,978 | N/A | \$ - | \$ - | \$ - | \$ 1,175,978 |
| U.S. Treasury obligations | 16,416,862 | N/A | - | - | - | 16,416,862 |
| Medium-term notes | 843,846 | A | - | 546,315 | 297,531 | - |
| U.S. Agency securities | 5,397,163 | N/A | - | 3,813,626 | - | 1,583,537 |
| Held by Bond Trustee: | | | | | | |
| Money market funds | 15,940 | N/A | - | - | - | 15,940 |
| Total | \$ 23,849,789 | | \$ - | \$ 4,359,941 | \$ 297,531 | \$ 19,192,317 |

2) CASH AND INVESTMENTS (continued)

Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code. Investments in any one issue (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total Authority's investments are as follows:

| <u>Issuer</u> | <u>Investment Type</u> | <u>Reported Amount</u> |
|-------------------|------------------------|------------------------|
| Fannie Mae | U.S. Agency securities | \$ 1,300,382 |
| Federal Home Loan | U.S. Agency securities | 1,915,398 |

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, no deposits of the Authority's with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts, and none of the Authority's investments were held by the broker-dealer (counterparty) that was used by the Authority to buy the securities.

Cash and Investments with Fiscal Agent

Included in cash and investments with fiscal agent are the debt securities issued by the Successor Agency. These are obligations of the Successor Agency and, therefore, are not obligations of the Authority.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

3) FAIR VALUE MEASUREMENTS

Generally accepted accounting principles provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 inputs are unobservable inputs for the asset or liability.

Fair value of assets measured on a recurring basis at June 30, 2022, are as follows:

| | Fair Value | Significant Other Observable Inputs (Level 2) | Uncategorized |
|---------------------------|----------------------|---|---------------------|
| Investments: | | | |
| Money market mutual funds | \$ 1,175,978 | \$ - | \$ 1,175,978 |
| U.S. Treasury obligations | 16,416,862 | 16,416,862 | - |
| Medium-term notes | 843,846 | 843,846 | - |
| Federal securities | 5,397,163 | 5,397,163 | - |
| Held by Bond Trustee: | | | |
| Money market funds | 15,940 | - | 15,940 |
| Total Investments | <u>\$ 23,849,789</u> | <u>\$ 22,657,871</u> | <u>\$ 1,191,918</u> |

Fair values for investments are determined by using a matrix pricing technique. Matrix pricing is used to value securities based on the security's relationship to benchmark quoted prices. Uncategorized investments are not subject to the fair value hierarchy.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

4) LOANS RECEIVABLE

The aforementioned loans were made by the Authority to provide operating funds to the March Joint Powers Redevelopment Agency. The loans will be repaid from tax increment at such time as excess funds exist. On February 1, 2012, the redevelopment agency was dissolved (see Note 15) and the Successor Agency to the March Joint Powers Redevelopment Agency oversees the remaining activities of the former redevelopment agency. The balance outstanding as of June 30, 2022 for all loans is \$968,511. The loans have a 5% simple interest rate.

The Authority has also accumulated a receivable from the Golf Course in order to support operations. The loan will be repaid at such time excess revenues from operations exist. The balance outstanding as of June 30, 2022 is \$2,013,927.

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

There were no amounts due to/from other funds as of June 30, 2022.

Advances to/from other funds are as follows:

| <u>Advance To</u> | <u>Advance From General Fund</u> |
|---------------------------|--|
| March Inland Port Airport | \$ 2,687,896 |
| Utilities Authority | <u>450,000</u> |
| Total | <u>\$ 3,137,896</u> |

March Inland Port Airport Advance

The aforementioned loan was made by the General Fund to provide operating funds for the March Inland Port Airport Authority. The loan will be repaid from airport revenues at such time excess funds become available.

Utilities Authority Advance

The aforementioned loan was made by the General Fund to provide operating funds for the Utilities Authority. The loan will be repaid from utility revenues at such time excess funds become available.

There were no interfund transfers as of June 30, 2022.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

6) CAPITAL ASSETS

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|-----------------------|---------------------|-------------|-----------------------|
| Governmental Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 100,232,840 | \$ - | \$ - | \$ 100,232,840 |
| Construction in progress | 46,118 | - | - | 46,118 |
| Total capital assets, not being depreciated | 100,278,958 | - | - | 100,278,958 |
| Capital assets, being depreciated: | | | | |
| Vehicles | 167,893 | - | - | 167,893 |
| Office furniture and equipment | 121,256 | - | - | 121,256 |
| Building and improvements | 12,070,590 | - | - | 12,070,590 |
| Infrastructure | 1,226,084 | - | - | 1,226,084 |
| Total capital assets, being depreciated | 13,585,823 | - | - | 13,585,823 |
| Less accumulated depreciation: | | | | |
| Vehicles | (152,463) | (4,408) | - | (156,871) |
| Office furniture and equipment | (84,579) | (7,725) | - | (92,304) |
| Building and improvements | (5,902,858) | (257,455) | - | (6,160,313) |
| Infrastructure | (776,586) | (89,877) | - | (866,463) |
| Total accumulated depreciation | (6,916,486) | (359,465) | - | (7,275,951) |
| Total capital assets, being depreciated, net | 6,669,337 | (359,465) | - | 6,309,872 |
| Governmental activities capital assets, net of depreciation | \$ 106,948,295 | \$ (359,465) | \$ - | \$ 106,588,830 |

Depreciation expense of \$359,465 was charged to the general government function in the Statement of Activities.

The remainder of this page left intentionally blank.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

6) CAPITAL ASSETS (continued)

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|----------------------|-----------------------|-----------------------|----------------------|
| Business-type Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 39,480,265 | \$ - | \$ (2,000,000) | \$ 37,480,265 |
| Beverage rights | 17,518 | - | - | 17,518 |
| Construction in progress | - | - | - | - |
| Total capital assets, not being depreciated | 39,497,783 | - | (2,000,000) | 37,497,783 |
| Capital assets, being depreciated: | | | | |
| Office furniture and equipment | 31,160 | 47,426 | - | 78,586 |
| Building and improvements | 42,782,399 | - | - | 42,782,399 |
| Vehicles | 36,352 | - | - | 36,352 |
| Infrastructure | 2,817,370 | - | - | 2,817,370 |
| Total capital assets, being depreciated | 45,667,281 | 47,426 | - | 45,714,707 |
| Less accumulated depreciation: | | | | |
| Office furniture and equipment | (1,883) | (5,562) | - | (7,445) |
| Building and improvements | (14,829,795) | (1,039,617) | - | (15,869,412) |
| Vehicles | - | (5,193) | - | (5,193) |
| Infrastructure | (1,199,565) | (35,170) | - | (1,234,735) |
| Total accumulated depreciation | (16,031,243) | (1,085,542) | - | (17,116,785) |
| Total capital assets, being depreciated, net | 29,636,038 | (1,038,116) | - | 28,597,922 |
| Business-type activities capital assets, net of depreciation | \$ 69,133,821 | \$ (1,038,116) | \$ (2,000,000) | \$ 66,095,705 |

Depreciation was charged to functions/programs as follows:

| | |
|--|---------------------|
| Business-type Activities: | |
| March Inland Port Airport Authority | \$ 778,698 |
| Green Acres | 301,616 |
| Golf Course | 5,228 |
| Total depreciation expense - Business-type activities | \$ 1,085,542 |

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

7) LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

| Governmental Activities: | | | | | |
|----------------------------------|-------------------|----------------------|-----------------------|----------------|---------------------|
| Description | Beginning Balance | Obligations Incurred | Obligations Satisfied | Ending Balance | Due Within One Year |
| Compensated absences | \$ 202,101 | \$ - | \$ (118,987)* | \$ 83,114 | \$ 20,779 |
| Business type Activities: | | | | | |
| Description | Beginning Balance | Obligations Incurred | Obligations Satisfied | Ending Balance | Due Within One Year |
| Loan payable | \$ 2,088,927 | \$ - | \$ (75,000) | \$ 2,013,927 | \$ - |
| Compensated absences | 134,734 | 8,114* | - | 142,848 | 35,713 |
| Total Business-type Activities | \$ 2,223,661 | \$ - | \$ (75,000) | \$ 2,156,775 | \$ 35,713 |

*The change in the compensated absences liability is presented as a net change.

8) DEFICIT FUND BALANCES/NET POSITION

The Authority reported the following fund balance/net position deficit for the year ended June 30, 2022:

| Fund | Amount |
|---------------------|----------------|
| Major Fund | |
| Golf Course | \$ (1,664,691) |
| Utilities Authority | (225,595) |

Management is very much aware of the seriousness of the above deficit and is currently taking steps to eliminate it. This deficit is expected to be eliminated by future revenues.

9) LEASES

Long-term Leases

During the year, the Authority had the following lease activity:

The Authority entered into several long-term leases with various private entities. The leases vary in length from 18 months to 516 months. Payments on the leases are due monthly, except for one lease which has semi-annual payments. In addition, one other lease requires only half of the monthly payment to be paid with the other half accruing during the year with a balloon payment due after twelve months. During the year, the Authority recognized \$167,257 and \$499,789 in interest and lease revenue, respectively. As of June 30, 2022, the lease receivable and deferred inflows of resources related to leases were \$7,225,927, respectively.

9) LEASES (continued)

Short-term Leases

The Authority also leases 111 housing units in the area known as Green Acres. The leases are considered month-to-month leases; therefore, no lease receivable or related deferred amounts have been recorded in the financial statements.

10) RISK MANAGEMENT

General Liability Insurance

The Authority is a member of the Public Entity Risk Management Authority (PERMA) a joint powers Authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. The governing Board of Directors consists of one member from each participating agency.

The Authority has liability coverage as follows:

- A. \$1,000,000 inclusive of the Member's self-insured retention of \$0.
- B. \$50,000,000, subject to PERMA's retained limit of \$1,000,000 for Coverage A, in accordance with the terms of the Memorandum of Liability Coverage for the California Joint Powers Risk Management Authority.

Workers Compensation Insurance

The Authority is insured up to \$1,000,000 per occurrence.

The remainder of this page left intentionally blank.

11) EMPLOYEES' RETIREMENT PLAN

General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Authority participates in one plan (miscellaneous). Benefit provisions under the Plan are established by State statute and the Authority resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

General Information about the Pension Plan (continued)

The Plan's provisions and benefits in effect as of June 30, 2022 are summarized as follows:

| | Miscellaneous | |
|---|-----------------------------|--------------------------------|
| | Prior to January 1, 2013 | On or After January 1, 2013 |
| Hire date | | |
| Benefit formulas | 2.7% at 55 | 2% at 62 |
| Benefit vesting schedule | 5 Years service | 5 Years service |
| Benefit payments | Monthly for life | Monthly for life |
| Retirement age | 50 - 55+ | 52 - 67+ |
| Monthly benefits, as a % of eligible compensation | 2.0% - 2.7% | 1.0% - 2.5% |
| Required employer contribution rates | 14.02% | 7.59% |

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2022 were \$306,243. The actual employer payments of \$286,390 made to CalPERS by the District during the measurement period ended June 30, 2021 differed from the District's proportionate share of the employer's contributions of \$326,083 by \$39,693, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

Net Pension Liability

The Authority's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

11) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website, at www.calpers.ca.gov.

| | |
|-------------------------------------|---|
| Valuation date | June 30, 2020 |
| Measurement date | June 30, 2021 |
| Actuarial cost method | Entry age normal in accordance with the requirements of GASB |
| Asset valuation method | Market value of assets |
| Actuarial Assumptions: | |
| Discount rate | 7.15% |
| Inflation | 2.50% |
| Salary increases ⁽¹⁾ | Varies by entry age and service |
| Mortality rate table ⁽¹⁾ | Derived using CalPERS' membership data for all funds |
| Post retirement benefit increase | Contract COLA up to 2.5% until purchasing power protection allowance floor on purchasing power applies, 2.5% thereafter |

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

11) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

The expected real rates of return by asset class are as follows:

| Asset Class ¹ | Allocation | Years 1-10 ² | Years 11+ ³ |
|--------------------------|------------|-------------------------|------------------------|
| Public equity | 50.0% | 4.80% | 5.98% |
| Fixed income | 28.0% | 1.00% | 2.62% |
| Inflation assets | - | 0.77% | 1.81% |
| Private equity | 8.0% | 6.30% | 7.23% |
| Real assets | 13.0% | 3.75% | 4.93% |
| Liquidity | 1.0% | - | -0.92% |

(1) In the System's ACFR, fixed income is included in global debt securities; liquidity is included in short-term investments; inflation assets are included in both global equity securities and global debt securities.

(2) An expected inflation of 2.0% used for this period

(3) An expected inflation of 2.92% used for this period

Change of Assumptions

There were no change of assumptions for measurement date June 30, 2021.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Proportionate Share of Net Pension Liability

The following table shows the Authority's proportionate share of the Plan's net pension liability over the measurement period.

| | Increase (Decrease) | | |
|----------------------------|--|--|---|
| | Proportionate Share of Total Pension Liability | Proportionate Share of Plan Fiduciary Net Position | Proportionate Share of Plan Net Pension Liability |
| Balance at: 6/30/2020 (VD) | \$ 9,401,565 | \$ 7,298,252 | \$ 2,103,313 |
| Balance at: 6/30/2021 (MD) | 10,050,177 | 9,031,090 | 1,019,087 |
| Net Changes during 2020-21 | <u>\$ 648,612</u> | <u>\$ 1,732,838</u> | <u>\$ (1,084,226)</u> |

Valuation Date (VD), Measurement Date (MD).

The Authority's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Proportionate Share of Net Pension Liability (continued)

The Authority's proportionate share of the miscellaneous plan net pension liability for the miscellaneous Plan as of the June 30, 2020 and 2021 measurement dates was as follows:

| | |
|------------------------------|----------|
| Proportion - June 30, 2021 | 0.04986% |
| Proportion - June 30, 2022 | 0.05367% |
| Change - increase (decrease) | 0.00381% |

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability of the Miscellaneous Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

| | Discount Rate - 1% (6.15%) | Current Discount Rate (7.15%) | Discount Rate + 1% (8.15%) |
|-----------------------|-------------------------------|----------------------------------|-------------------------------|
| Net Pension Liability | \$ 2,346,021 | \$ 1,019,087 | \$ (77,870) |

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

| | |
|--|---|
| Net difference between projected and actual earnings on pension plan investments | 5-year straight-line amortization |
| All other amounts | Straight-line amortization over the expected average remaining service lives (EARSLS) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period |

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Proportionate Share of Net Pension Liability (continued)

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement period ending June 30, 2021 is 3.7 years, which was obtained by dividing the total service years of 561,622 (the sum of remaining service lifetimes of the active employees) by 150,648 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2020), the Authority's net pension liability was \$2,103,313. For the measurement period ending June 30, 2021 (the measurement date), the Authority incurred a pension expense of \$194,482.

As of June 30, 2022 the Authority has deferred outflows and deferred inflows of resources related to pensions as follows:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Changes of assumptions | \$ - | \$ - |
| Differences between expected and actual experience | 114,280 | - |
| Differences between projected and actual investment earnings | - | 889,609 |
| Differences between employer's contributions and proportionate share of contributions | - | 74,769 |
| Change in employer's proportion | 112,133 | - |
| Pension contributions made subsequent to the measurement date | 306,243 | - |
| | <u>306,243</u> | <u>-</u> |
| Total | <u>\$ 532,656</u> | <u>\$ 964,378</u> |

These amounts above are net of outflows and inflows recognized in the 2020-21 measurement period expense. Contributions subsequent to the measurement date of \$306,243 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

11) EMPLOYEES' RETIREMENT PLAN (continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

| Fiscal Year Ended June 30, | Deferred Outflows/ (Inflows) of Resources |
|-------------------------------|--|
| 2023 | \$ (125,074) |
| 2024 | (169,213) |
| 2025 | (197,836) |
| 2026 | (245,842) |
| 2025 | - |
| Thereafter | - |

Payable to the Pension Plan

At June 30, 2022, the Authority reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year then ended.

12) DEFERRED COMPENSATION PLAN

On August 20, 1996, the provisions of Internal Revenue Code (IRC) Section 457 were amended to require new plans to place all assets and income of the Plan in trust for the exclusive benefit of participants and their beneficiaries. Plans in existence as of the date of this change must place the Plan assets and income in trust by January 1, 1999. Once the assets and income are placed in trust the Authority no longer owns the amounts deferred by employees and related income. Prior to this IRC Section 457 Amendment, the deferred amounts and related income remained as property of the Authority until withdrawn by the employee.

During the 1997-98 fiscal years, March Joint Powers Authority created its Deferred Compensation Plan with assets and related income in trust as allowed by IRC Section 457 and as a result the asset and corresponding liability are not presented in these financial statements.

13) OTHER POST EMPLOYMENT BENEFITS

Plan Description

The Authority's defined benefit postemployment healthcare plan, (JPA Retiree Healthcare Plan "JRHP"), provides medical benefits to eligible retired employees and qualified dependents. JRHP is part of the Public Agency portion of the California Employers' Retiree Benefit Trust Fund (CERBT), an agent multiple-employer plan administered by California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statute within the Public Employees' Retirement Law. JRHP selects optional benefit provisions from the benefit menu by contract with CalPERS. CalPERS issues an Annual Comprehensive Financial Report (ACFR). The ACFR is issued in aggregate and includes the sum of all CalPERS plans. Copies of the CalPERS ACFR may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Employees Covered

As of June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

| | |
|--|------------------|
| Active employees | 14 |
| Inactive employees or beneficiaries currently receiving benefits | 3 |
| Inactive employees entitled to, but not yet receiving benefits | <u>0</u> |
| Total | <u><u>17</u></u> |

Contributions

The contribution requirements of plan members and the Authority are established and may be amended by the Joint Powers Commission. The Authority contributes the CalPERS minimum monthly contribution for the retiree or surviving dependent.

The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2022, the Authority's estimated implied subsidy was \$33,187.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

13) OTHER POST EMPLOYMENT BENEFITS (continued)

Net OPEB Liability (Asset)

The Authority's net OPEB liability (asset) was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2021 based on the following actuarial methods and assumptions:

Actuarial Assumptions:

| | |
|---------------------------------|--|
| Valuation Date | June 30, 2021 |
| Actuarial Cost Method | Entry Age |
| Discount Rate | 6.75% |
| Investment Rate of Return | 6.75% |
| Inflation | 2.50% per year |
| Salary Increases | 2.75% per year |
| Medical Trend | 4% |
| Mortality Rate ⁽¹⁾ | 2017 CalPERS Active Mortality for Miscellaneous and School Employees |
| Retirement Rates ⁽²⁾ | Hired 2013 and later: 2017 CalPERS 2.0%@62 Rates for Miscellaneous Employees Hired 2012 and earlier: 2017 CalPERS 2.7%@55 Rates for Miscellaneous Employees |

⁽¹⁾ The mortality assumptions are based on the 2017 CalPERS Retiree Mortality for Miscellaneous and School Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

⁽²⁾ The retirement rates information was developed based on 2017 CalPERS's specific data for each category.

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset are summarized in the following table:

| Asset Class | Target Allocation | Real Return Years 1-10 ¹ | Real Return Years 11+ ¹ |
|--|-------------------|-------------------------------------|------------------------------------|
| All Equities | 59% | 4.80% | 5.98% |
| All Fixed Income | 25% | 1.10% | 2.62% |
| Real Estate (REITs) | 8% | 3.20% | 5.00% |
| Treasury Inflation Protected Securities (TIPS) | 5% | 0.25% | 1.46% |
| All Commodities | 3% | 1.50% | 2.87% |

¹ An expected inflation of 2.0% used for this period

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

13) OTHER POST EMPLOYMENT BENEFITS (continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the OPEB Liability (Asset)

The changes in the net OPEB liability (asset) for the Plan are as follows:

| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability/(Asset) (c) = (a) - (b) |
|---|-----------------------------|---------------------------------------|--|
| Balance at June 30, 2021 (Measurement Date June 30, 2020) | \$ 504,131 | \$ 289,598 | \$ 214,533 |
| Changes recognized for the measurement period: | | | |
| Service Cost | 21,619 | - | 21,619 |
| Interest on the Total OPEB Liability | 36,046 | - | 36,046 |
| Employer Contributions | - | 41,283 | (41,283) |
| Changes in assumptions | 16,952 | - | 16,952 |
| Expected Investment Income | - | 20,267 | (20,267) |
| Investment Gains/Losses | - | 59,354 | (59,354) |
| Administrative expense | - | (110) | 110 |
| Benefit Payments | (41,283) | (41,283) | - |
| Experience Gains/Losses | (153,061) | - | (153,061) |
| Expected Minus Actual Benefit Payments | 2,149 | - | 2,149 |
| Net Changes | (117,578) | 79,511 | (197,089) |
| Balance at June 30, 2022 (Measurement Date June 30, 2021) | \$ 386,553 | \$ 369,109 | \$ 17,444 |

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the Authority if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

| | 1% Decrease (5.75%) | Current Discount Rate (6.75%) | 1% Increase (7.75%) |
|--------------------|------------------------|-------------------------------------|------------------------|
| Net OPEB Liability | \$ 61,867 | \$ 17,444 | \$ (19,677) |

13) OTHER POST EMPLOYMENT BENEFITS (continued)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability (asset) of the Authority if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

| | <u>1% Decrease</u> | <u>Current Healthcare Cost Trend Rates</u> | <u>1% Increase</u> |
|--------------------|--------------------|--|--------------------|
| Net OPEB Liability | \$ (28,969) | \$ 17,444 | \$ 74,384 |

OPEB Plan Fiduciary Net Position

CERBT issues a publicly available financial report that may be obtained from the California Public Employees Retirement System Executive Office, 400 P Street, Sacramento, California 95814.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2022, the Authority recognized OPEB expense of \$36,866. As of June 30, 2022, the Authority reported deferred outflows of resources related to OPEB from the following services:

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

13) OTHER POST EMPLOYMENT BENEFITS (continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| OPEB contributions subsequent to measurement date | \$ 27,388 | \$ - |
| Changes of assumptions | 220,645 | - |
| Differences between expected and actual experience | 2,010 | 137,433 |
| Net difference between projected and actual earnings on OPEB plan investments | 6,810 | 47,634 |
| Total | <u>\$ 256,853</u> | <u>\$ 185,067</u> |

The \$27,388 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as follows:

| Fiscal Year Ended June 30: | Deferred Outflows/(Inflows) of Resources |
|----------------------------------|--|
| 2023 | \$ (650) |
| 2024 | (500) |
| 2025 | (996) |
| 2026 | (2,934) |
| 2027 | 8,936 |
| Thereafter: | 40,542 |

Changes in Assumptions

The interest assumption changed from 7.00% to 6.75%. Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems

14) COMMITMENTS AND CONTINGENCIES

The Authority is involved with various potential litigation matters. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the financial condition of the Authority.

14) COMMITMENTS AND CONTINGENCIES (continued)

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

The Authority and the former March Joint Powers Redevelopment Agency have entered into developer agreements to attract new business to the areas formerly known as March Air Force Base. The following represents the Authority's significant commitments with certain developers.

LNR Riverside, LLC

On December 28, 2001, the West March Disposition and Development Agreement was entered into between the March Joint Powers Redevelopment Agency, LNR Riverside, LLC and the March Joint Powers Authority. The agreement is to develop 1,290 acres of property as West March Business Park. In consideration for the Agency transferring the property to LNR, in accordance with the agreement, LNR agrees to incur substantial costs in developing the property, including but not limited to installation of public infrastructure to service the property. The expected cost of such infrastructure will exceed \$100 million during the term of the agreement. The Agency will benefit from LNR's development of the property, as a result of sales and other tax revenues generated by the property and project and the jobs created by the project. No provision has been made for this commitment on the combined financial statements, as the project is not complete.

March Healthcare Development, LLC

On April 7, 2010, the March Lifecare Campus Disposition and Development Agreement was entered into between the March Joint Powers Redevelopment Agency and March Healthcare Development, LLC (MHD). In consideration for the Agency transferring the property to MHD, MHD will pay fair market value for the property as defined in the Disposition and Development Agreement. The Agency will benefit from March Healthcare's development of the property, as a result of sales and other tax revenues generated by the property and project and the jobs the project will create. The Agency will reimburse the Developer for the cost of certain Horizontal Improvements pursuant to the Agency Note in the principal amount of Twenty Million, Five Hundred Thousand Dollars (\$20,500,000), together with interest thereon at six percent (6%) per annum, payable from 80% of Net Property Tax Increment generated solely by the March LifeCare Campus project. Currently, no provision has been made for this commitment on the financial statements, as the project is not complete.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of March Joint Powers Authority that previously had reported a redevelopment agency within the reporting entity of the Authority as a blended component unit. The Bill provides that upon dissolution of a redevelopment agency, either the Authority or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 18, 2012, the Joint Powers Commission elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of Authority Resolution Number JPA 12-04. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Successor Agency Long-term Obligations

The following is a summary of the changes in the Successor Agency long-term obligations for the year:

| Description | Beginning Balance | Obligations Incurred | Obligations Satisfied | Ending Balance | Due within 1 year |
|---|-------------------|----------------------|-----------------------|----------------|-------------------|
| Loans payable | \$ 1,061,802 | \$ - | \$ (93,291) | \$ 968,511 | \$ 541,820 |
| 2016 Series A Tax Allocation Bond Refunding Bond | 29,500,000 | - | (920,000) | 28,580,000 | 955,000 |
| Bond premiums (2016A Tax Allocation Refunding Bond) | 3,494,495 | - | (174,000) | 3,320,495 | - |
| Total Long-term Obligations | \$ 34,056,297 | \$ - | \$ (1,187,291) | \$ 32,869,006 | \$ 1,496,820 |

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY (continued)

Loans Payable

The aforementioned loans were made by the March Joint Powers Authority (the "Authority") to provide operating funds to the former March Joint Powers Redevelopment Agency. The loans will be repaid from tax increment at such time as excess funds exist. Interest expense incurred during the fiscal year ended June 30, 2022 is \$37,714. The balance outstanding as of June 30, 2022 for all loans is \$968,512.

| <u>Date</u> | <u>Interest Rate</u> | <u>Amount of Issue</u> | <u>Outstanding at End of Year</u> |
|-------------------|----------------------|----------------------------|---------------------------------------|
| June 20, 2007 | 5% | \$ 700,000 | \$ 149,555 |
| June 18, 2008 | 5% | 850,000 | 382,688 |
| June 17, 2009* | 5% | 600,000 | 183,900 |
| March 17, 2010 | 5% | 500,000 | 46,318 |
| February 17, 2011 | 5% | 700,000 | 206,050 |
| Total | | <u>\$ 3,350,000</u> | <u>\$ 968,511</u> |

*This note payable was approved in 2009 for the 2010 fiscal year.

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------------|-------------------|------------------|---------------------|
| 2023 | \$ 541,820 | \$ 43,840 | \$ 585,660 |
| 2024 | 125,878 | 19,224 | 145,102 |
| 2025 | 86,021 | 13,978 | 99,999 |
| 2026 | 90,376 | 9,624 | 100,000 |
| 2027 | 94,951 | 5,049 | 100,000 |
| 2028 | 29,465 | 736 | 30,201 |
| Total | <u>\$ 968,511</u> | <u>\$ 92,451</u> | <u>\$ 1,060,962</u> |

2016 Tax Allocation Refunding Bonds - Series A, Direct Borrowing

On September 28, 2016, the Successor Agency to the March Joint Powers Redevelopment Agency issued \$33,095,000 2016 Tax Allocation Refunding Bonds, Series A. The proceeds of these bonds will be used to refinance certain outstanding obligations of the Successor Agency. Interest on the bond is payable August 1st and February 1st of each year. Interest on the bond accrues at rates varying from 1.5% to 5% per annum. Principal on the serial bonds is payable in annual installments ranging from \$840,000 to \$2,030,000, commencing August 1, 2018 through August 1, 2041. The reserve requirement is covered by a bond insurance policy. Interest paid during the fiscal year ended June 30, 2022 was \$1,155,010.

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY (continued)

2016 Tax Allocation Refunding Bonds - Series A, Direct Borrowing (continued)

Under the bond indenture, the principal due on the bonds is subject to an acceleration upon the occurrence of an event of default. If an event of default occurs, bond owners will be limited to enforcing the obligation of the Successor Agency to repay the bonds on an annual basis to the extent of the tax revenues. No real or personal property in the project area is pledged to secure the bonds and it is not anticipated that the Successor Agency will have available moneys sufficient to redeem all of the bonds upon the occurrence of an event of default.

Future debt service requirements are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|-------------------------|----------------------|----------------------|----------------------|
| 2023 | \$ 955,000 | \$ 1,132,844 | \$ 2,087,844 |
| 2024 | 995,000 | 1,093,844 | 2,088,844 |
| 2025 | 1,030,000 | 1,053,344 | 2,083,344 |
| 2026 | 1,075,000 | 1,011,244 | 2,086,244 |
| 2027 | 1,125,000 | 967,244 | 2,092,244 |
| 2028-2032 | 6,290,000 | 4,122,216 | 10,412,216 |
| 2033-2037 | 7,720,000 | 2,674,000 | 10,394,000 |
| 2038-2042 | 9,390,000 | 968,800 | 10,358,800 |
| Total | <u>\$ 28,580,000</u> | <u>\$ 13,023,534</u> | <u>\$ 41,603,534</u> |

Contingencies

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the Authority are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The Authority's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date, by an appropriate judicial authority that would resolve this issue unfavorably to the Authority.

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION

This page intentionally left blank

MARCH JOINT POWERS AUTHORITY
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
as of the Measurement Date
Last Ten Years*

| Measurement Date | Proportion of the Net Pension Liability ¹ | Proportionate Share of the Net Pension Liability | Covered Payroll | Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|------------------|--|--|-----------------|---|--|
| 6/30/2014 | 0.014720% | \$ 915,852 | \$ 1,285,648 | 71.24% | 80.60% |
| 6/30/2015 | 0.016049% | 1,101,618 | 1,356,768 | 81.19% | 79.18% |
| 6/30/2016 | 0.016199% | 1,401,724 | 1,409,298 | 99.46% | 76.98% |
| 6/30/2017 | 0.016917% | 1,677,703 | 1,338,176 | 125.37% | 77.93% |
| 6/30/2018 | 0.016719% | 1,611,042 | 1,394,381 | 115.54% | 80.18% |
| 6/30/2019 | 0.018789% | 1,925,299 | 1,335,661 | 144.15% | 77.44% |
| 6/30/2020 | 0.019331% | 2,103,313 | 1,485,395 | 141.60% | 77.63% |
| 6/30/2021 | 1.018400% | 1,019,087 | 1,459,946 | 69.80% | 89.86% |

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

MARCH JOINT POWERS AUTHORITY
Schedule of Pension Plan Contributions
Last Ten Years*

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|----------------------------------|-----------------|--|
| 6/30/2015 | \$ 246,125 | \$ (246,125) | \$ - | \$ 1,356,768 | 18.14% |
| 6/30/2016 | 221,020 | (221,020) | - | 1,409,298 | 15.68% |
| 6/30/2017 | 215,802 | (215,802) | - | 1,338,176 | 16.13% |
| 6/30/2018 | 225,561 | (225,561) | - | 1,394,381 | 16.18% |
| 6/30/2019 | 240,596 | (240,596) | - | 1,335,661 | 18.01% |
| 6/30/2020 | 286,390 | (286,390) | - | 1,485,395 | 19.28% |
| 6/30/2021 | 288,096 | (288,096) | - | 1,459,946 | 19.73% |
| 6/30/2022 | 306,243 | (306,243) | - | 1,465,266 | 20.90% |

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2020 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

MARCH JOINT POWERS AUTHORITY
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Years*

| Measurement Period | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|--------------------|--------------------|-------------------|-------------------|------------------|
| Total OPEB Liability | | | | | |
| Service cost | \$ 8,144 | \$ 8,368 | \$ 8,598 | \$ 21,040 | \$ 21,619 |
| Interest on the Total OPEB Liability | 11,209 | 12,337 | 13,531 | 33,447 | 36,046 |
| Changes in assumptions | - | - | 273,148 | - | 16,952 |
| Benefit payments | (3,389) | (3,525) | (4,028) | (32,986) | (41,283) |
| Experience gains/losses | - | - | 2,676 | (2,303) | (150,912) |
| Net change in Total OPEB Liability | 15,964 | 17,180 | 293,925 | 19,198 | (117,578) |
| Total OPEB Liability, beginning | 157,864 | 173,828 | 191,008 | 484,933 | 504,131 |
| Total OPEB Liability, ending (a) | 173,828 | 191,008 | 484,933 | 504,131 | 386,553 |
| Plan Fiduciary Net Position | | | | | |
| Employer contributions | 30,189 | 37,525 | 34,028 | 32,986 | 41,283 |
| Net investment income | 15,722 | 14,211 | 17,491 | 19,584 | 20,267 |
| Investment gains/losses | - | 759 | (2,484) | (9,695) | 59,354 |
| Benefit payments | (3,389) | (3,525) | (4,028) | (32,986) | (41,283) |
| Administrative expense | (131) | (348) | (51) | (137) | (110) |
| Other | - | 75 | - | - | - |
| Net change in Plan Fiduciary Net Position | 42,391 | 48,697 | 44,956 | 9,752 | 79,511 |
| Plan Fiduciary Net Position, beginning | 143,802 | 186,193 | 234,890 | 279,846 | 289,598 |
| Plan Fiduciary Net Position, ending (b) | 186,193 | 234,890 | 279,846 | 289,598 | 369,109 |
| Net OPEB Liability/(Asset), ending (a) - (b) | \$ (12,365) | \$ (43,882) | \$ 205,087 | \$ 214,533 | \$ 17,444 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 107.11% | 122.97% | 57.71% | 57.44% | 95.49% |
| Covered-employee payroll ¹ | \$ 1,380,853 | \$ 1,567,809 | \$ 1,320,141 | \$ 1,452,353 | \$ 1,628,605 |
| Net OPEB liability as a percentage of covered-employee ¹ payroll | -0.90% | -2.80% | 15.54% | 14.77% | 1.07% |

¹Contributions are fixed and not based on a measure of pay.

* Measurement date 6/30/2017 (fiscal year 2018) was the first year of implementation. Additional years will be presented as information becomes available.

MARCH JOINT POWERS AUTHORITY
Schedule of OPEB Plan Contributions
Last Ten Years*

| Fiscal Year Ended June 30 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|--------------|--------------|--------------|--------------|--------------|
| Statutorily required contributions | \$ 7,187 | \$ 4,028 | \$ 4,896 | \$ 3,432 | \$ 1,788 |
| Contributions in relation to the statutorily required contributions | (37,539) | (34,028) | (39,134) | (3,432) | (1,788) |
| Contribution deficiency/(excess) | \$ (30,352) | \$ (30,000) | \$ (34,238) | \$ - | \$ - |
| Covered-employee payroll ¹ | \$ 1,567,809 | \$ 1,320,141 | \$ 1,452,353 | \$ 1,628,605 | \$ 1,699,022 |
| Contribution as a percentage of covered-employee ¹ payroll | 2.39% | 2.58% | 2.69% | 0.21% | 0.11% |

* Measurement date 6/30/2017 (fiscal year 2018) was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule:

¹Contributions are fixed and not based on a measure of pay.

Methods and assumptions used to determine contributions:

| | |
|---------------------------|---|
| Actuarial cost method | Entry age |
| Discount rate | 6.75% |
| Investment rate of return | 6.75% |
| General inflation | 2.50% |
| Medical trend | 4% |
| Mortality | 2017 CalPERS Retiree Mortality for miscellaneous and school employees |

MARCH JOINT POWERS AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – General Fund
Year Ended June 30, 2022

| | Budgeted Amounts | | Actual | Variance Favorable (Unfavorable) |
|--------------------------------------|---------------------|---------------------|----------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 600,000 | \$ 600,000 | \$ 600,000 | \$ - |
| Licenses, permits and fees | 2,400,500 | 2,400,500 | 2,395,538 | (4,962) |
| Investment earnings | 300,000 | 300,000 | 35,993 | (264,007) |
| Lease revenue | 400,000 | 400,000 | 260,758 | (139,242) |
| Other revenue | 2,299,000 | 2,299,000 | 576,388 | (1,722,612) |
| Total revenues | <u>5,999,500</u> | <u>5,999,500</u> | <u>3,868,677</u> | <u>(2,130,823)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 341,600 | 341,600 | 406,197 | (64,597) |
| Salaries and benefits | 1,251,500 | 1,251,500 | 1,276,464 | (24,964) |
| Police patrols/security | 215,000 | 215,000 | 216,495 | (1,495) |
| Contractual/professional services | 442,250 | 442,250 | 419,862 | 22,388 |
| Legal | 190,000 | 190,000 | 205,762 | (15,762) |
| Planning | 1,272,500 | 1,272,500 | 1,563,333 | (290,833) |
| Maintenance and lease services | 130,700 | 130,700 | 108,445 | 22,255 |
| Buildings and grounds maintenance | 129,000 | 129,000 | 60,490 | 68,510 |
| Total expenditures | <u>3,972,550</u> | <u>3,972,550</u> | <u>4,257,048</u> | <u>(284,498)</u> |
| Excess of revenues over expenditures | <u>2,026,950</u> | <u>2,026,950</u> | <u>(388,371)</u> | <u>(2,415,321)</u> |
| Net change in fund balance | <u>\$ 2,026,950</u> | <u>\$ 2,026,950</u> | <u>(388,371)</u> | <u>\$ (2,415,321)</u> |
| Fund balance, beginning | | | <u>31,569,087</u> | |
| Fund balance, ending | | | <u>\$ 31,180,716</u> | |

MARCH JOINT POWERS AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Special Revenue – Meridian LLMD No. 1
Year Ended June 30, 2022

| | Budgeted Amounts | | Actual | Variance Favorable (Unfavorable) |
|--------------------------------------|------------------|--------------|--------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Special assessments | \$ 1,749,810 | \$ 1,749,810 | \$ 2,010,135 | \$ 260,325 |
| Total revenues | 1,749,810 | 1,749,810 | 2,010,135 | 260,325 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 68,766 | 68,766 | 46,563 | 22,203 |
| Salaries and benefits | 175,780 | 175,780 | 97,660 | 78,120 |
| Contractual/professional services | 1,240,413 | 1,240,413 | 929,927 | 310,486 |
| Project improvement costs | 41,371 | 41,371 | 23,358 | 18,013 |
| Total expenditures | 1,526,330 | 1,526,330 | 1,097,508 | 428,822 |
| Excess of revenues over expenditures | \$ 223,480 | \$ 223,480 | 912,627 | \$ 689,147 |
| Fund balance, beginning | | | 1,636,522 | |
| Fund balance, ending | | | \$ 2,549,149 | |

MARCH JOINT POWERS AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Special Revenue – March Lifecare Campus CFD 2013-1
Year Ended June 30, 2022

| | Budgeted Amounts | | Actual | Variance |
|--------------------------------------|------------------|-----------|------------|----------------------------|
| | Original | Final | | Favorable (Unfavorable) |
| REVENUES | | | | |
| Special assessments | \$ 74,061 | \$ 74,061 | \$ 52,684 | \$ (21,377) |
| Total Revenues | 74,061 | 74,061 | 52,684 | (21,377) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Contractual/professional services | 59,345 | 59,345 | 7,149 | 52,196 |
| Total Expenditures | 59,345 | 59,345 | 7,149 | 52,196 |
| Excess of revenues over expenditures | \$ 14,716 | \$ 14,716 | 45,535 | \$ 30,819 |
| Fund balance, beginning | | | 145,890 | |
| Fund balance, ending | | | \$ 191,425 | |

MARCH JOINT POWERS AUTHORITY
Notes to Required Supplementary Information
June 30, 2022

1. BUDGETARY DATA

The Authority uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The budget is prepared on a triennial basis, every three years.
2. Before the beginning of each triennial budget cycle, the Executive Director submits to the Finance Committee a proposed budget for the year commencing the following July 1 and the next two fiscal years.
3. The committee reviews the proposed budget and approves submittal to the Commission.
4. The budget is subsequently adopted through passage of a resolution by the Commission.
5. All appropriated amounts are as originally adopted or as amended by the Commissioners and lapse at each fiscal year-end.
6. Original appropriations are modified by supplementary appropriations and transfers among budget categories. The Commission approves all significant changes.
7. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds.
8. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
9. Budget information is presented for the General and Special Revenue Fund Types.

Expenditures for the year ended June 30, 2022, that exceeded the appropriations of the major funds are as follows:

| Fund | Expenditures | Appropriations | Excess |
|-------------------------|---------------------|-----------------------|---------------|
| General Fund: | | | |
| Administration | \$ 406,197 | \$ 341,600 | \$ (64,597) |
| Salaries and benefits | 1,276,464 | 1,251,500 | (24,964) |
| Police patrols/security | 216,495 | 215,000 | (1,495) |
| Legal | 205,762 | 190,000 | (15,762) |
| Planning | 1,563,333 | 1,272,500 | (290,833) |

Attachment 2

MARCH INLAND PORT AIRPORT AUTHORITY

ANNUAL AUDIT REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| Independent Auditor's Report | 1 |
| Basic Financial Statements: | |
| Statement of Net Position | 4 |
| Statement of Revenues, Expenses, and Changes in Net Position | 5 |
| Statement of Cash Flows | 6 |
| Notes to Financial Statements | 7 |



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

Independent Auditor's Report

735 E. Carnegie Dr., Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

To the Board of Commissioners
March Inland Port Airport Authority
Riverside, California

Report on the Audit of the Financial Statements

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradford A. Welebur, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

Opinion

We have audited the financial statements of the March Inland Port Airport Authority (the Airport), a component unit of the March Joint Powers Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise of the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Airport, as of June 30, 2022, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Airport are intended to present the financial position, the changes in financial position and, where applicable, cash flows of only that portion of the business-type activities and the proprietary fund types of the Authority that are attributable to the transactions of the Airport. They do not purport, and do not present fairly the financial position of the Authority as of June 30, 2022, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Our opinion is not modified with respect to this matter

Responsibilities of Management for the Financial Statements

The Airport's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted *Management's Discussion and Analysis* for the Airport that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
May 10, 2023

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Net Position June 30, 2022

ASSETS

| | |
|---------------------------------------|-------------------|
| Current assets: | |
| Cash and cash equivalents | \$ 7,448,372 |
| Receivable, net: | |
| Accounts | 136,430 |
| Grants | 148,506 |
| Leases | 215,371 |
| Total current assets | <u>7,948,679</u> |
| Noncurrent assets: | |
| Leases receivable | 5,398,228 |
| Capital assets, not being depreciated | 36,221,477 |
| Capital assets, net of depreciation | 22,412,566 |
| Total noncurrent assets | <u>64,032,271</u> |
| Total assets | <u>71,980,950</u> |

DEFERRED OUTFLOWS OF RESOURCES

| | |
|--------------------------------------|----------------|
| Pension related items | 122,511 |
| OPEB related items | 59,076 |
| Total deferred outflows of resources | <u>181,587</u> |

LIABILITIES

| | |
|--|------------------|
| Current liabilities: | |
| Accounts payable and accrued liabilities | 212,076 |
| Interest payable | 1,567,867 |
| Compensated absences - current portion | 32,945 |
| Total current liabilities | <u>1,812,888</u> |
| Noncurrent liabilities: | |
| Compensated absences | 98,833 |
| Unavailable revenues | 1,450 |
| Net pension liability | 234,390 |
| Net OPEB liability | 4,012 |
| Advances from March Joint Powers Authority | 2,687,896 |
| Total noncurrent liabilities | <u>3,026,581</u> |
| Total liabilities | <u>4,839,469</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|-------------------------------------|------------------|
| Leases receivable related items | 5,613,599 |
| Pension related items | 221,807 |
| OPEB related items | 42,565 |
| Total deferred inflows of resources | <u>5,877,971</u> |

NET POSITION

| | |
|----------------------------------|----------------------|
| Net investment in capital assets | 58,634,043 |
| Unrestricted | 2,811,054 |
| Total net position | <u>\$ 61,445,097</u> |

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2022

| | |
|--|----------------------|
| OPERATING REVENUES | |
| Charges for services | \$ 1,240,837 |
| Lease income | 239,031 |
| Permit fees | 2,000 |
| Other | <u>55</u> |
| Total operating revenues | <u>1,481,923</u> |
| OPERATING EXPENSES | |
| Administrative | 256,019 |
| Professional services | 50,168 |
| Salaries and employee benefits | 636,335 |
| Repairs and maintenance | 92,373 |
| Project improvement costs | 337,901 |
| Depreciation | 778,698 |
| Services and environmental fees | <u>15,046</u> |
| Total operating expenses | <u>2,166,540</u> |
| Operating income (loss) | (684,617) |
| NONOPERATING REVENUES (EXPENSES) | |
| Gain on sale of capital asset | 2,000,000 |
| Investment earnings | 111,092 |
| Interest expense | <u>(104,500)</u> |
| Total nonoperating revenues (expenses) | <u>2,006,592</u> |
| Income (loss) before capital contributions | 1,321,975 |
| CAPITAL CONTRIBUTIONS | <u>512,271</u> |
| Change in net position | 1,834,246 |
| Net position, beginning | <u>59,610,851</u> |
| Net position, ending | <u>\$ 61,445,097</u> |

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Cash Flows Year Ended June 30, 2022

| | |
|--|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash received from customers | \$ 1,372,019 |
| Cash payments for employee services (salaries) | (629,599) |
| Cash payments to suppliers for goods and services | <u>(597,458)</u> |
| Net cash provided by (used for) operating activities | <u>144,962</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Proceeds from sale of capital assets | 4,000,000 |
| Capital contributions | <u>363,765</u> |
| Net cash provided by (used for) capital and related financing activities | <u>4,363,765</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest earnings | <u>111,092</u> |
| Net cash provided by (used for) investing activities | <u>111,092</u> |
| Net increase in cash and cash equivalents | 4,619,819 |
| Cash and cash equivalents, beginning of year | <u>2,828,553</u> |
| Cash and cash equivalents, end of year | <u>\$ 7,448,372</u> |
| RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES | |
| Operating loss | \$ (684,617) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities | |
| Depreciation | 778,698 |
| (Increase) decrease in accounts receivable, net | (111,354) |
| (Increase) decrease in pension/OPEB related deferred outflows | 21,694 |
| (Increase) decrease in compensated absences | 47,569 |
| Increase (decrease) in accounts payable and accrued liabilities | 136,745 |
| Increase (decrease) in unavailable revenues | 1,450 |
| Increase (decrease) in net pension liability | (249,372) |
| Increase (decrease) in net OPEB liability | (45,331) |
| Increase (decrease) in pension/OPEB related deferred inflows | <u>249,480</u> |
| Total cash provided by (used for) operating activities | <u>\$ 144,962</u> |

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The March Inland Port Airport Authority (the Airport) was formed on June 18, 1997 under a joint exercise of powers agreement between the cities of Perris, Moreno Valley, Riverside, and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of the property formerly known as March Air Force Base.

The Airport's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Airport Commissioners are as follows:

| <u>Name</u> | <u>Title</u> | <u>Representing</u> |
|-----------------------|--------------|-----------------------|
| Jeff Hewitt | Chairman | County of Riverside |
| Chuck Conder | Vice Chair | City of Riverside |
| Rita Rogers | Commissioner | City of Perris |
| Kevin Jeffries | Commissioner | County of Riverside |
| Jim Perry | Commissioner | City of Riverside |
| Michael Vargas | Commissioner | City of Perris |
| Edward Delgado | Commissioner | City of Moreno Valley |
| Dr. Yxstian Gutierrez | Commissioner | City of Moreno Valley |

The Joint Powers Commission meets on the second and fourth Wednesday of each month.

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Airport's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Airport reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Airport is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and space rentals. The Airport financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period in which are earned and expenses are recognized in the period incurred regardless of the timing of related cash flows.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Proprietary funds, distinguishes operating revenues and expenses from those revenues and expenses that are nonoperating. Operating revenues are those revenues that are generated by airport services, rents and leases while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of airport services, rents, and leases.

When both restricted and unrestricted resources are available for use, it is the Airport's policy to use restricted first.

C) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents.

D) Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Airport's investments are stated at fair value except for interest-earning investment contracts. As of June 30, 2022, the Airport held no investments therefore, no adjustment is reflected in these financial statements.

E) Uncollectible Accounts Receivable

The Airport uses the allowance method for uncollectible accounts receivable. Currently, the Airport believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

F) Capital Assets

Capital assets, which include land, buildings, building improvements, machinery, vehicles, and infrastructure assets, are reported in the statement of net position. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F) Capital Assets (continued)

Donated capital assets are valued at their estimated acquisition value at the date of donation.

Capital assets with an initial cost of \$5,000 or more, used in operations, are depreciated over their estimated useful lives using the straight-line method. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the statement of net position. The range of lives used for depreciation purposes for each capital asset class is as follows:

| | |
|--------------------------------|----------------|
| Building and improvements | 7 - 50 Years |
| Vehicles | 5 Years |
| Office equipment and furniture | 5 Years |
| Infrastructure | 30 - 100 Years |

G) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Airport has deferred outflows related to pensions, OPEB, and leases. This includes pension and OPEB contributions subsequent to the measurement date of the net pension liability and other amounts (see Notes 4, 6, and 7), which are amortized by an actuarial determined period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Airport has deferred inflows related to pensions, OPEB, and leases. These amounts (see Notes 4, 6, and 7) are amortized by an actuarial determined period.

H) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

MARCH INLAND PORT AIRPORT AUTHORITY

**Notes to Financial Statements
Year Ended June 30, 2022**

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

I) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Airport's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. The Airport's net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, represents the Airport's proportionate share of the March Joint Powers Airport's related amounts. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 1899 |
| Measurement Date | June 30, 1899 |
| Measurement Period | July 1, 1899 to June 30, 2022 |

J) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Airport's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value. The Airport's net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, represents the Airport's proportionate share of the March Joint Powers Airport's related amounts. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 1899 |
| Measurement Date | June 30, 1899 |
| Measurement Period | July 1, 1899 to June 30, 2022 |

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K) Net Position

Generally accepted accounting principles requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

L) Relationship to the March Joint Powers Authority

The Airport is an integral part of the reporting entity of the March Joint Powers Authority (herein referred to as the Authority). The funds of the Airport have been blended within the financial statements of the March Joint Powers Authority because the Board of Commissioners is the governing board of the Airport and exercises control over the operations of the Airport. Only the funds of the Airport are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the March Joint Powers Authority.

M) Compensated Absences

In accordance with generally accepted accounting principles, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement. All leave benefits are accrued when incurred. The balance as of June 30, 2022 was \$131,778.

| | <u>Beginning balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending balance</u> | <u>Due within one year</u> |
|----------------------|------------------------------|------------------|--------------------|---------------------------|--------------------------------|
| Compensated absences | <u>\$ 84,209</u> | <u>\$181,101</u> | <u>\$(133,532)</u> | <u>\$131,778</u> | <u>\$ 32,945</u> |

MARCH INLAND PORT AIRPORT AUTHORITY

**Notes to Financial Statements
Year Ended June 30, 2022**

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

N) New Accounting Pronouncement

GASB Statement No. 87 – As of July 1, 2021, the Authority adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. As a result of implementing this standard, the Authority recognized a lease receivable and deferred inflow of resources in the amount of \$5,613,599 and \$5,613,599 as of July 1, 2021. As a result of these adjustments there was no effect on beginning net position or fund balance. The additional disclosures required by this standard are included in Note 4.

NOTE 2: CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

| | |
|----------------------------|---------------------|
| Statement of Net Position: | |
| Cash and cash equivalents | <u>\$ 7,448,372</u> |

Cash and investments consist of the following:

| | |
|--------------------------------------|---------------------|
| Deposits with financial institutions | <u>\$ 7,448,372</u> |
|--------------------------------------|---------------------|

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (continued)

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investment Type | Maximum Maturity | Percentage of Portfolio ⁽¹⁾ | Investment in One Issuer |
|--|---------------------|---|-----------------------------|
| Local agency bonds | 5 years | None | None |
| U.S. Treasury obligations | 5 years | None | None |
| U.S. agency securities | 5 years | None | None |
| State of California notes/bonds | 5 years | None | None |
| Banker's acceptances | 180 days | 40% | 30% |
| Prime commercial paper ⁽²⁾⁽³⁾ | 270 days | 25% | 10% |
| Negotiable certificates of deposit | 5 years | 30% | None |
| Repurchase agreements | 1 year | None | None |
| Reverse repurchase agreements | 92 days | 20% of Base Value | None |
| Medium - Term Notes ⁽³⁾ | 5 years | 30% | None |
| Mutual funds | N/A | 20% | 10% |
| Money market mutual funds | N/A | 20% | 10% |
| Mortgage pass-through securities | 5 years | 20% | None |
| Local Agency Investment Fund (LAIF) | N/A | None | \$75m |

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, no deposits of the Authority with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2022, the Airport held no investments.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 3: CAPITAL ASSETS

| | Beginning balance | Increases | Decreases | Ending balance |
|--|----------------------|--------------|--------------|-------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 38,221,477 | \$ - | \$ 2,000,000 | \$ 36,221,477 |
| Total capital assets, not being depreciated | 38,221,477 | - | 2,000,000 | 36,221,477 |
| Capital assets, being depreciated: | | | | |
| Building and improvements | 27,679,399 | - | - | 27,679,399 |
| Equipment | 1,435 | - | - | 1,435 |
| Vehicle | 36,352 | - | - | 36,352 |
| Infrastructure | 2,110,182 | - | - | 2,110,182 |
| Total capital assets, being depreciated | 29,827,368 | - | - | 29,827,368 |
| Less accumulated depreciation: | | | | |
| Buildings and improvements | (6,143,632) | (743,432) | - | (6,887,064) |
| Equipment | (96) | (96) | - | (192) |
| Infrastructure | (492,376) | (35,170) | - | (527,546) |
| Total accumulated depreciation | (6,636,104) | (778,698) | - | (7,414,802) |
| Total capital assets, being depreciated, net | 23,191,264 | (778,698) | - | 22,412,566 |
| Capital assets, net of depreciation | \$ 61,412,741 | \$ (778,698) | \$ 2,000,000 | \$ 58,634,043 |

NOTE 4: LEASES

The Authority has entered into several leases with various other entities. The leases vary in length from 87 months to 516 months. During the year, the Authority recognized \$111,092 and \$239,031 in interest and lease revenue, respectively. As of June 30, 2022, the lease receivable and deferred inflows of resources related to leases were \$5,613,599, respectively.

NOTE 5: ADVANCES PAYABLE

The Airport received temporary cash advances from the primary government (March Joint Powers Authority) to fund administrative costs until development of the March Inland Port reaches a point that it is self-sustaining. There is no stipulated due date on the \$2,687,896 advance amount. The \$2,687,896 advance is made up of several advances from previous years. Of this amount, \$597,896 is non-interest bearing and the amount of \$2,090,000 carries an interest rate of 5%. The outstanding interest related to the advances is \$1,567,867.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 6: PENSION PLAN

The Airport participates in the Public Employees' Retirement System of the State of California covering all of its permanent employees. The excess, if any, of the actuarially computed value of vested benefits over the amounts available in the pension fund would be a liability of the March Joint Powers Authority as a whole, not of the Airport. Information regarding the plan description, funding status, actuarially determined contribution requirements and contributions made, and trend information may be found in the March Joint Powers Authority basic financial statements. The Airport's share of the net pension liability at June 30, 2022 was \$234,390, with related deferred outflows of resources of \$122,511 and deferred inflows of resources of \$221,807.

NOTE 7: OTHER POST EMPLOYMENT BENEFITS (OPEB)

The Airport participates in the Public Agency portion of the California Employers' Retiree Benefit Trust Fund (CERBT), administered by California Public Employees' Retirement System covering all eligible retired employees and qualified dependents. The excess, if any, of the actuarially computed value of vested benefits over the amounts available in the CERBT fund would be a liability of the March Joint Powers Authority as a whole, not of the Airport. Information regarding the plan description, funding status, actuarially determined contribution requirements and contributions made, and trend information may be found in the March Joint Powers Authority basic financial statements. The Airport's share of the net OPEB liability at June 30, 2022 was \$4,012, with related deferred outflows of resources of \$59,076 and deferred inflows of resources of \$42,565.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Grant Awards

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, however, the Airport believes that such disallowances, if any, would not be significant. Grant purchased or contributed properties, when sold, are required to be used for airport operations.

Attachment 3

MARCH JOINT POWERS UTILITIES AUTHORITY

ANNUAL AUDIT REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| Independent Auditor's Report | 1 |
| Basic Financial Statements: | |
| Statement of Net Position | 4 |
| Statement of Revenues, Expenses, and Changes in Net Position | 5 |
| Statement of Cash Flows | 6 |
| Notes to Financial Statements | 7 |



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

Independent Auditor's Report

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

To the Board of Commissioners
March Joint Powers Utilities Authority
Riverside, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the March Joint Powers Utilities Authority (the Utilities Authority), a component unit of the March Joint Powers Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Utilities Authority, as of June 30, 2022, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Utilities Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The Utilities Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradford A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utilities Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Utilities Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utilities Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Utilities Authority are intended to present the financial position, the changes in financial position and, where applicable, cash flows of only that portion of the business-type activities and the proprietary fund types of the Authority that are attributable to the transactions of the Utilities Authority. They do not purport, and do not present fairly the financial position of the Authority as of June 30, 2022, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Management has omitted *Management's Discussion and Analysis* for the Utilities Authority that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the Utilities Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
May 10, 2023

MARCH JOINT POWERS UTILITIES AUTHORITY

**Statement of Net Position
June 30, 2022**

ASSETS

| | |
|---------------------|----------------|
| Cash | \$ 164,104 |
| Accounts receivable | <u>77,835</u> |
| Total assets | <u>241,939</u> |

LIABILITIES

| | |
|--|----------------|
| Current liabilities: | |
| Accounts payable | 17,534 |
| Noncurrent liabilities: | |
| Advances from the March Joint Powers Authority | <u>450,000</u> |
| Total liabilities | <u>467,534</u> |

NET POSITION (DEFICIT)

| | |
|--------------------|---------------------|
| Unrestricted | <u>(225,595)</u> |
| Total net position | <u>\$ (225,595)</u> |

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

**Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2022**

OPERATING REVENUES

| | |
|--------------------------|----------------|
| Charges for services | \$ 262,602 |
| Total operating revenues | <u>262,602</u> |

OPERATING EXPENSES

| | |
|---------------------------|----------------|
| Administrative | 6,798 |
| Purchased water/utilities | 209,057 |
| Maintenance | <u>15,965</u> |
| Total operating expenses | <u>231,820</u> |

Operating income 30,782

NET POSITION (DEFICIT)

| | |
|-------------------------|---------------------|
| Net position, beginning | <u>(256,377)</u> |
| Net position, ending | <u>\$ (225,595)</u> |

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

Statement of Cash Flows
Year Ended June 30, 2022

| | |
|--|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash received from customers | \$ 253,254 |
| Cash payments to suppliers for goods and services | <u>(246,670)</u> |
| Net cash provided by operating activities | <u>6,584</u> |
| Net increase in cash and cash equivalents | 6,584 |
| Cash and cash equivalents, beginning of year | <u>157,520</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 164,104</u></u> |
| RECONCILIATION OF NET OPERATING INCOME/TO NET CASH PROVIDED BY OPERATING ACTIVITIES | |
| Operating income | \$ 30,782 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| (Increase) decrease in accounts receivable | (9,348) |
| Increase (decrease) in accounts payable | <u>(14,850)</u> |
| Net cash provided by operating activities | <u><u>\$ 6,584</u></u> |

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The March Joint Powers Utilities Authority (the "Utilities Authority") was formed on August 8, 2002 by the City of Moreno Valley, a general law city of the State of California, the City of Perris, a general law city of the State of California, and the City of Riverside, a charter city and municipal corporation of the State of California. The purpose of the Utilities Authority is to provide construction, completion, reconstruction, extension, change, enlargement, acquisition, leasing, operation, maintenance, repair, and control of facilities for the generation, transmission, distribution, and sale of utilities and utilities service. The sale and service of utilities will be to municipalities, public utility districts, corporations, businesses, or persons located at the property formerly known as March Air Force Base.

The Utilities Authority's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Authority Commissioners, as of June 30, 2022, are as follows:

| <u>Name</u> | <u>Title</u> | <u>Representing</u> |
|-----------------------|--------------|-----------------------|
| Jeff Hewitt | Chairman | County of Riverside |
| Chuck Conder | Vice Chair | City of Riverside |
| Rita Rogers | Commissioner | City of Perris |
| Kevin Jeffries | Commissioner | County of Riverside |
| Jim Perry | Commissioner | City of Riverside |
| Michael Vargas | Commissioner | City of Perris |
| Edward Delgado | Commissioner | City of Moreno Valley |
| Dr. Yxstian Gutierrez | Commissioner | City of Moreno Valley |

The Joint Powers Commission meets on the second and fourth Wednesday of each month.

The County of Riverside is a member agency of the March Joint Powers Authority, the primary government of the Utilities Authority. However, the County of Riverside elected not to be a member agency of the Utilities Authority.

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Utilities Authority's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Utilities Authority reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Utilities Authority is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and space rentals. The Utilities Authority financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period earned and expenses are recognized in the period incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from those revenues and expenses that are non-operating. Operating revenues are those revenues that are generated by utility services while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of utility services.

When both restricted and unrestricted resources are available for use, it is the Utilities Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

C) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents.

D) Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Utilities Authority's investments are stated at fair value except for interest-earning investment contracts. As of June 30, 2022, the Utilities Authority held no investments therefore, no adjustment is reflected in these financial statements.

E) Uncollectible Accounts Receivable

The Utilities Authority uses the allowance method for uncollectible accounts receivable. Currently, the Utilities Authority believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

MARCH JOINT POWERS UTILITIES AUTHORITY

**Notes to Financial Statements
Year Ended June 30, 2022**

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

F) Net Position

Generally accepted accounting principles requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted. Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

G) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

H) Relationship to the March Joint Powers Authority

The Utilities Authority is an integral part of the reporting entity of the March Joint Powers Authority. The funds of the Utilities Authority have been blended within the financial statements of the March Joint Powers Authority because the Board of Commissioners, excluding the County of Riverside Commissioners, is the governing board of the Utilities Authority and exercises control over the operations of the Utilities Authority. Only the funds of the Utilities Authority are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the March Joint Powers Authority.

NOTE 2: CASH AND INVESTMENTS

Cash and Investments are classified in the accompanying financial statements as follows:

| | |
|----------------------------|-------------------|
| Statement of Net Position: | |
| Cash | <u>\$ 164,104</u> |

Cash and investment consist of the following:

| | |
|--------------------------------------|-------------------|
| Deposits with financial institutions | <u>\$ 164,104</u> |
|--------------------------------------|-------------------|

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Utilities Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Utilities Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investment Type | Maximum Maturity | Percentage of Portfolio ⁽¹⁾ | Investment in One Issuer |
|--|---------------------|---|-----------------------------|
| Local agency bonds | 5 years | None | None |
| U.S. Treasury obligations | 5 years | None | None |
| U.S. agency securities | 5 years | None | None |
| State of California notes/bonds | 5 years | None | None |
| Banker's acceptances | 180 days | 40% | 30% |
| Prime commercial paper ⁽²⁾⁽³⁾ | 270 days | 25% | 10% |
| Negotiable certificates of deposit | 5 years | 30% | None |
| Repurchase agreements | 1 year | None | None |
| Reverse repurchase agreements | 92 days | 20% of Base Value | None |
| Medium - Term Notes ⁽³⁾ | 5 years | 30% | None |
| Mutual funds | N/A | 20% | 10% |
| Money market mutual funds | N/A | 20% | 10% |
| Mortgage pass-through securities | 5 years | 20% | None |
| Local Agency Investment Fund (LAIF) | N/A | None | \$75m |

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee, are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Utilities Authority's investment policy.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the Utilities Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, no deposits of the Utilities Authority with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2022, the Utilities Authority held no investments.

Fair Value Measurements

The Utilities Authority has no investments subject to the fair value hierarchy.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 3: ADVANCES PAYABLE

The Utilities Authority received temporary cash advances from the primary government (March Joint Powers Authority) to fund administrative costs until development of the March Joint Powers Utilities reaches a point that it is self-sustaining. There is no stipulated due date on the advances. The \$450,000 advance is made up of a prior year advance of \$150,000 and the remaining \$300,000 is made up of several advances from previous years. On June 15, 2011, the March Joint Powers Authority forgave all interest on the advances and waived any future interest earned on the advances.

NOTE 4: DEFICIT NET POSITION

The Utilities Authority has a deficit net position of \$225,595 for the year ending June 30, 2022. This deficit is expected to be eliminated by revenue in future periods.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA - Reports, Discussions and Action Items
Agenda Item No. 9 (4)

Meeting Date: June 14, 2023

Action: **APPROVE A MEMORANDUM OF UNDERSTANDING FOR THE CONSTRUCTION OF THE VILLAGE WEST DRIVE EXTENSION**

Motion: Move to approve a Memorandum of Understanding for the construction of the Village West Drive extension.

Background:

In 2018, the Veterans Administration (“VA”) approved acquisition from March JPA of approximately 314 acres of land contiguous to Riverside National Cemetery that is associated with the General Old Golf Course. Subsequently, through a 2019 addendum to the Offer to Sell, the parties outlined the alignment and terms for an extended Village West Drive through Riverside National Cemetery to Nandina Avenue.

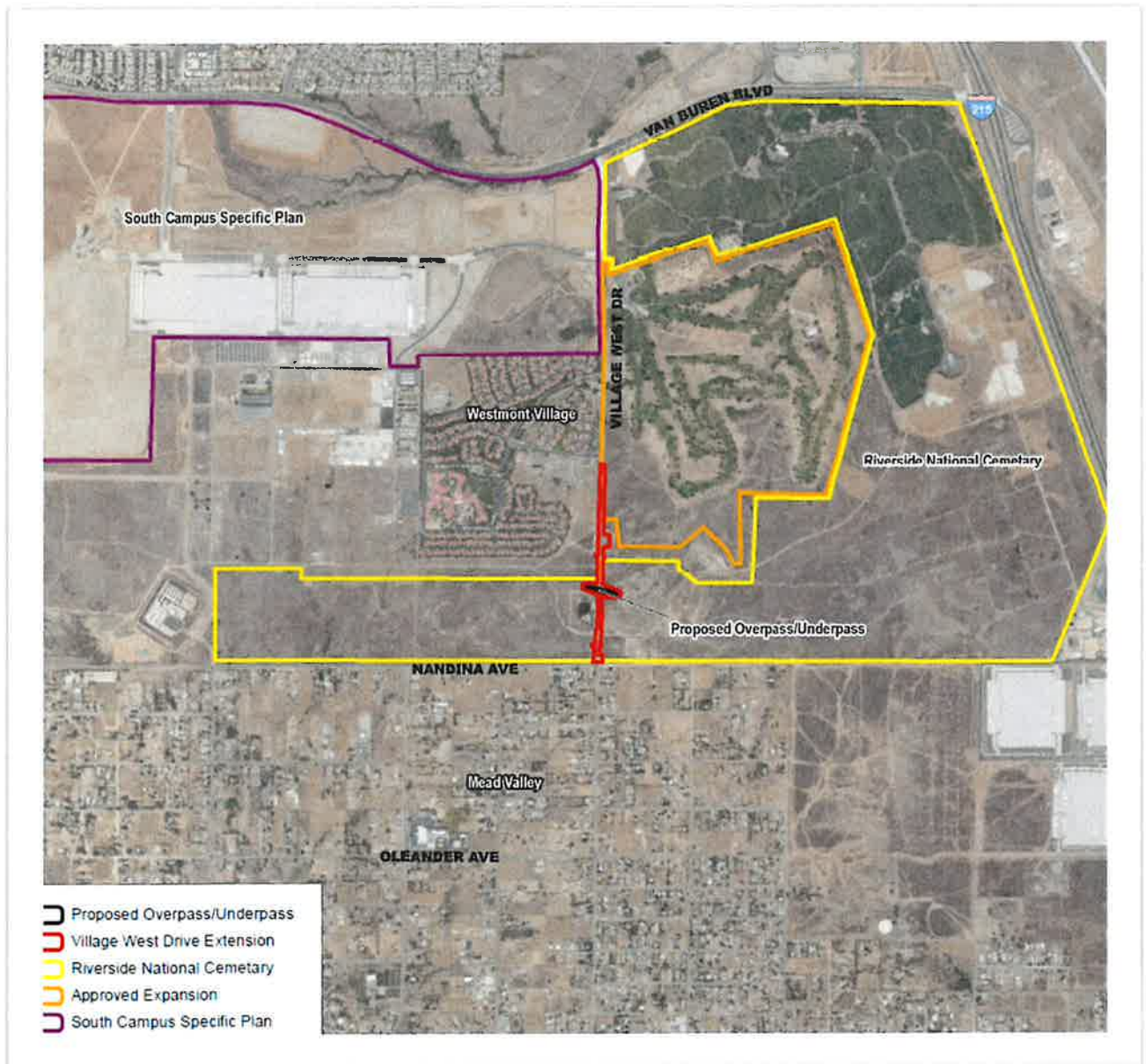
The construction of the Village West Drive extension was not a requirement of the Meridian South Campus development, but rather a request by the County of Riverside to Meridian Park, LLC (master developer) to improve fire and life safety response times to the Westmont Village retirement community located approximately 1,500’ north of Nandina Avenue. Currently, the Fire Department utilizes an access easement on the Allen Avenue alignment through Riverside National Cemetery, to access Westmont Village from Station 59 in Mead Valley. Once the extension of Village West Drive is constructed as a public right-of-way, the Allen Avenue access easement through Riverside National Cemetery will be revoked.

Project review of the Village West Drive extension began in January 2020. Discussion with the County of Riverside and Veterans Administration staff occurred on several occasions regarding the design details of the road extension. Public outreach and engagement occurred during the entitlement phase of the Project, including a neighborhood meeting on February 19, 2020, a scoping meeting, several TAC meetings, notices published in the newspaper per State CEQA guidelines and local zoning code requirements, and notices were mailed to all property owners within 1,000 feet, where the March JPA zoning code requires 300 feet. On January 27, 2021, the March Joint Powers Commission certified the Meridian South Campus Specific Plan and Village West Drive Extension Subsequent Environmental Impact Report (SCH#2020059028) (“Final SEIR”) and approved the Meridian South Campus Specific Plan and Village West Drive Extension Project. Final approval of the project occurred on February 10, 2021. Notices of Determination were filed with the County of Riverside on February 2, 2021, and March 5, 2021.

Project Location:

The improved portions of Village West Drive extend from Van Buren Boulevard to Lemay Drive, south of Krameria Avenue (adjacent to Westmont Village). Street improvements do not currently exist to the south from Lemay Drive to Nandina Avenue, as the alignment exists as a barricaded dirt road. The Project would include paved street improvements and fencing from Lemay Drive to Nandina Avenue, to provide a through connection from Van Buren Boulevard to the north to Nandina Avenue to the south. The roadway will bisect the Riverside National Cemetery property, which will be developed over the next 75 years.

FIGURE 1: PROJECT LOCATION



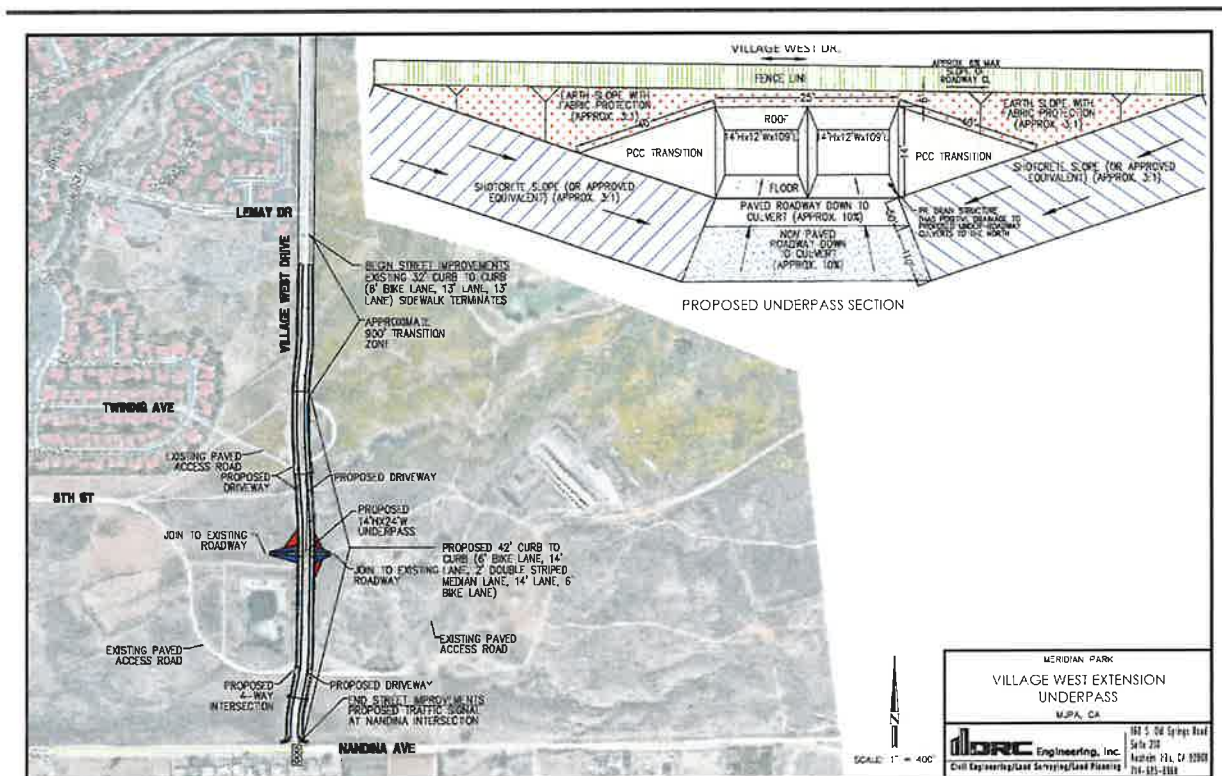
Project Description:

Roadway:

The extension of Village West Drive would include the removal of an abandoned water tank currently owned by Western Municipal Water District that formally served March Air Force Base, followed by the construction of two through lanes, a center striped median, and a bike lane. Sidewalks would also be provided on either side of the roadway, along with a 6-foot bioswale and 8-foot-tall black aluminum wrought iron fencing to match what is existing along Van Buren Boulevard. The total roadway width would be 54 feet, and the improvements are expected to run 4,330 linear feet (approximately 1,720 linear feet of which is the existing roadway that runs in front of the Westmont Village retirement community development). Additionally, a traffic signal will be installed at the intersection of Village West Drive and Nandina Avenue.

“No Trucks” signage will be posted along the existing southbound portion of Village West Drive to deter trucks from attempting to travel south via the extension to Mead Valley. Also, speed limit signage will be posted and visible to those traveling north and southbound along the extension. Street improvement plans for this road extension are in review by the County of Riverside who has committed to maintaining the new roadway section and traffic signal at Nandina Ave. Any new design details for the roadway will require approval by the County of Riverside.

FIGURE 2: VILLAGE WEST DRIVE EXTENSION ALIGNMENT MAP AND UNDERPASS CROSS SECTION DETAIL



Underpass:

The Final SEIR analyzed the impacts associated with the proposed roadway, a structure consisting of an underpass or overpass, and the associated construction limits. The VA determined that an underpass would be suitable but would like the location to be determined through the Riverside National Cemetery Master Plan Expansion project. The underpass would serve as an east/west connector and prevent disruption to Cemetery operations. Meridian Park, LLC prepared a draft concept of the underpass with options for the VA to consider for erosion control. The design concept includes two 12-foot wide, 14-foot tall, and 109-foot long concrete box structures with a section of paved roadway. The estimated total cost for construction of the roadway and underpass would be 7.5 million dollars.

National Environmental Policy Act (NEPA):

After CEQA approval in January 2021, administrative draft review of an Environmental Assessment (“EA”) under NEPA began in May 2021. This draft was submitted to the VA team in November 2021, however they had concerns with reviewing the draft as the details of the underpass were not yet known. Since that time, March JPA has undergone four (4) underpass design concepts with the VA team, with the latest concept, identified in Figure 2 above, submitted in April 2023. Once the underpass design is agreed to, all exhibits to the EA will be updated and the finalized document will be resubmitted to the VA team for review. The VA will act as the Lead Agency under NEPA and will ultimately approve the Environmental Assessment for the road extension and underpass.

Current Review Status:

What has occurred to-date:

- May 2021: First Submittal of Admin Draft NEPA document Environmental Assessment (EA) submitted to MJPA by Meridian Park. Reviewers included MJPA Legal Counsel, MJPA Planning and MJPA contract consultant Webb and Associates. This document went through 4 rounds of review between May and September 2021.
- September 14, 2021: JPA receives a comment letter from the VA team listing concerns about the upcoming NEPA EA submittal.
- October 13, 2021: JPA provides the VA team with a response to comments.
- October 25, 2021: Conference call with VA regarding the response to comments letter to iron out any concerns from their letter.
- November 23, 2022: Dudek submits final Admin draft of the NEPA EA to the VA for review.
- November 24, 2021: VA provides Dudek 1st round comments of the NEPA EA
- May 25, 2022: March JPA resubmitted the revised NEPA EA to the VA team
- October 05, 2022: Meridian Park, LLC submitted the first street improvement plans to the County of Riverside for plan check.
- December 6, 2022: National VA representative met with March JPA Staff and the local VA Cemetery staff for a site visit. This visit discussed alignment of the road, demolition of the water tank, and alignment of the underpass. Further discussions with Senior VA officials were required to determine the way ahead.
- January 25, 2023: After discussion with the VA staff and further review of the National Cemetery Design Guide, the VA agreed to the placement of the underpass and Meridian Park, LLC provided updated technical drawings to the VA for review.
- March 19, 2023: VA staff provided comments on the latest technical drawings for the underpass design to March JPA and Meridian Park, LLC.
- April 4, 2023: March JPA and Meridian Park, LLC provided a draft right of entry and plans to begin demolition of the water tank.

- April 10, 2023: Street improvement plans resubmitted to the County of Riverside for likely its final plan check.
- April 18, 2023: March JPA Commissioners and staff met with VA officials via MS Teams. The Commissioners made it clear to the VA staff that we appreciate their continued support in this matter and asked that they would continue to keep the project moving forward.
- April 26, 2023: VA staff tentatively approved the easement and right of way for the demolition of the water tank pending further VA legal review. VA legal staff began internal coordination.
- April 27, 2023: March JPA and Meridian Park, LLC provided updated underpass design drawings (see Figure 2 above) to the VA based on their latest comments.
- May 22, 2023: CGRME approves the Water Quality Management Plan (WQMP) for the roadway improvements only.
- May 23, 2023: March JPA Staff, Meridian Park, LLC, and Cemetery staff met at the construction site to determine the work area for the demolition of the water tank. The Cemetery staff was amenable to the laydown area and promised to check on the status of the easement that was under review by the VA Office of General Counsel. It is expected that the easement for demolition should be complete in the next two weeks and demolition would commence in September 2023.

What still needs to happen:

- VA staff to begin the Categorical Exclusion process for the demolition of the water tank.
- VA team to provide March JPA with draft construction easement documentation for the demolition of the water tank for Executive Director signature.
- Confirmation from VA that the April 27, 2023, underpass design concept is acceptable, so Meridian Park LLC can begin updating the Environmental Assessment document for MIPA review and resubmittal to VA.
- If the VA team approves the updated EA, they will begin consultation with Native American tribes per NEPA, NHPA, NAGPRA, and EO 13175.
- Meridian Park, LLC. to submit construction easement documentation for the roadway and underpass for review by VA.
- Once consultation with the Tribes is complete, the NEPA document is approved by the VA, the construction easements are issued by the VA, the construction drawings are approved by the VA and Riverside County, permits are issued, and funding is secured, Meridian Park can begin the street improvements.

Memorandum of Understanding:

Today, the Commission will consider authorizing the March JPA Executive Director to execute the attached draft Memorandum of Understanding, which memorializes the rights and obligations of the County of Riverside, March JPA and Meridian Park, LLC for both the road extension and underpass.

Attachment: Village West Drive Extension Memorandum of Understanding

Attachment 1

**MEMORANDUM OF UNDERSTANDING
VILLAGE WEST DRIVE EXTENSION**

This Memorandum of Understanding (“MOU”), dated as of June X, 2023, is entered into by and between the County of Riverside, a political subdivision of the State of California (“County”), the March Joint Powers Authority, a joint powers authority established under the laws of the State of California (“MJPA”), and Meridian Park, LLC, a limited liability company (“Developer”). County, MJPA, and Developer may be individually referred to as “Party” or collectively as the “Parties.”

RECITALS

A. WHEREAS, the MJPA is a joint powers agency created by a joint powers agreement dated September 7, 1993 to act as the federally recognized reuse authority, local land use authority, redevelopment agency, and airport authority for the former March Air Force Base; and

B. WHEREAS, in February 2003, the MJPA approved the March Business Center Specific Plan (SP-1) to guide land use decisions within a 1,290-acre portion of the former March Air Force Base generally located westerly of the I-215 freeway, easterly of Barton Street, southerly of Alessandro Boulevard and northerly of the Riverside County Ben Clark Training Facility; and

C. WHEREAS, Developer proposed the development on 15.33 acres in the Business Park zoning district of the March Business Center Specific Plan (SP-1, Amendment No. 8) (the “Development Project”); and

D. WHEREAS, the Development Project also includes the expansion of Village West Drive (the “Extension Road”) to provide a through connection between Van Buren Boulevard to the north and Nandina Avenue to the south, which is more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (the “Extension Road Project”); and

E. WHEREAS, the Extension Road bifurcates properties owned by the VA Riverside National Cemetery (the “Cemetery”). Concurrently with, but as a separate and distinct project, an underpass (the “Underpass”) to provide a through connection for the Cemetery. The location of the Underpass is more particularly described in Exhibit “B”, attached hereto to this MOU and incorporated herein by this reference (the “Underpass Project”).

F. WHEREAS, the purpose of this MOU is to describe the rights and obligations of the County, MJPA, and the Developer for the Extension Road Project and Underpass Project.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, it is mutually understood and agreed by County, Developer, and MJPA as follows.

TERMS

1. INCORPORATION OF RECITALS.

The recitals set forth above are true and correct and are incorporated into this MOU as though fully set forth herein.

2. DEVELOPER OBLIGATIONS

2.1 Developer shall, at its sole cost and expense, prepare Extension Road and Underpass plans and specifications (the "Improvement Plans") in accordance with applicable MJPA standards, and submit to the MJPA and County for their respective review and approval.

2.2 Developer shall not commence construction of the Extension Road Project or the Underpass Project until the MJPA have been furnished with original certificate(s) of insurance and original certified copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments. Upon approval of the Improvement Plans, an original certificate of insurance evidencing the required insurance coverage shall be provided to MJPA. At minimum, the procured insurance coverages should adhere to the required insurance provided in Exhibit "C", attached hereto and incorporated herein by this reference. Failure to maintain the insurance required by this paragraph shall be deemed a material breach of this MOU and shall authorize and constitute authority for MJPA, at its sole discretion, to exercise any and all rights it may have under law following written notice to Developer of such failure and Developer does not cure such breach withing ten (10) days after receipt of the written notice from the MJPA and/or the County.

2.3 Developer shall secure, at its sole cost and expense, all necessary licenses, agreements, permits, approvals and rights of entry as may be needed for the construction, and maintenance of the Extension Road and Underpass (the "Approvals"). This includes, but is not limited to, approvals by County Transportation Department and federal Department of Veterans Affairs (the "VA").

2.4 Prior to commencing construction, Developer shall furnish the MJPA and County with copies of all permits, approvals or agreements required by any federal, state or local resource and/or regulatory agency for the construction, operation and maintenance of the Extension Road and Underpass. Such documents include but are not limited to those issued by the U.S. Army Corps of Engineers, California Regional Water Quality Control Board, California State Department of Fish and Wildlife, State Water Resources Control Board, and Western Riverside County Regional Conservation Authority (the "Regulatory Permits").

2.5 Developer shall not permit any change to or modification of the MJPA-approved Improvement Plans without the prior written permission and consent of the MJPA and the County, which consent shall not be unreasonably withheld, conditioned or delayed.

2.6 Developer shall comply with all applicable Cal/OSHA safety regulations including regulations concerning confined space and maintain a safe working environment for Developer and MJPA employees on the site.

2.7 Developer shall construct or cause to be constructed, the Extension Road Project and Underpass Project at Developer's sole cost and expense, in accordance with the MJPA approved Improvement Plans.

2.8 Within two (2) weeks of completing the Extension Road Project and Underpass Project construction, Developer shall provide the MJPA with written notice that the Extension Road and Underpass construction is substantially complete and requesting the MJPA to conduct a final inspection of the Extension Road and Underpass.

2.9 Developer shall accept sole responsibility for the operation and maintenance of the Extension Road and Underpass until the County accepts ownership and responsibility for the operation and maintenance of the Extension Road and Underpass.

2.10 Developer shall ensure that all work performed pursuant to this MOU by Developer, its agents or contractors is done in accordance with all applicable laws and regulations, including but not limited to all applicable provisions of the Labor Code, Business and Professions Code, and Water Code. Developer shall be solely responsible for all costs associated with compliance with applicable laws and regulations.

2.11 Developer shall pay, if suit is brought upon this MOU or any bond guaranteeing the completion of this Extension Road Project and Underpass Project, all costs and reasonable expenses and fees, including reasonable attorneys' fees, and acknowledge that, upon entry of judgment, all such costs, expenses and fees shall be computed as costs and included in any judgment rendered.

2.12 Developer shall complete construction of the Extension Road Project and Underpass Project within eighteen (18) months of execution of this MOU. Developer shall complete construction of the Extension Road Project and Underpass Project within eighteen (18) months of execution of this MOU. Reasonable delays may be allowed if such delays are caused by the pending issuance of easements or approvals by the VA or other governmental agencies, which are necessary for the construction of the Extension Road and Underpass Project. Developer shall provide timely information to VA or other governmental agencies as necessary.

2.13 The Parties acknowledge that Developer will be constructing the Extension Road Project as a separate project from the Underpass Project.

3. MJPA OBLIGATIONS

3.1 MJPA shall cooperate and help facilitate in causing the Extension Road Project and Underpass Project to be built.

3.2 MJPA and its consultants shall be responsible for performing design reviews and construction inspection of the Extension Road Project and Underpass Project work, in coordination with the County, to ensure conformance with MJPA and County standards and the construction contract including, but not limited to, the technical provisions of said contract.

3.3 MJPA shall act promptly in providing all necessary support and approvals for the Extension Road Project and the Underpass Project.

4. COUNTY OBLIGATIONS

4.1 Solely in connection with the Underpass Project, County shall reimburse to MJPA 50% of costs not to exceed the sum of \$1,250,000 to cover potential costs of the grade separation portion related to the construction of the Underpass Project for the Riverside National Cemetery; this amount may be revised only per written agreement by MJPA and County.

4.1.1 Procedures for Distribution of Reimbursement Funds to MJPA. The MJPA shall be responsible for the initial payment of the costs related to the grade separation portion construction of the Underpass Project as they are incurred. Following payment of such costs, the MJPA shall submit invoices to County requesting reimbursement of these costs. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to the MJPA, and other documents evidencing the MJPA's payment of the invoices or demands for payment. Documents evidencing the MJPA's payment of the invoices shall be retained for two (2) years and shall be made available for review by County. The MJPA shall submit invoices not more often than monthly and not less often than quarterly. Developer will provide all appropriate documentation set forth herein to the MJPA. The MJPA will pay the reimbursement received by the County, or portions thereof, pursuant to this Section 4.1 to the Developer upon the Developer's request.

4.1.2 Review and Reimbursement by County. Upon receipt of an invoice from the MJPA, County may request additional documentation or explanation of the costs for which reimbursement is sought. Undisputed amounts shall be paid by County to the MJPA within thirty (30) days. In the event that County disputes the eligibility of the MJPA for reimbursement of all or a portion of an invoiced amount, the Parties shall meet and confer in an attempt to resolve the dispute. If the meet and confer process is unsuccessful in resolving the dispute, each Party shall be free to pursue any and all legal remedies it may have at law.

4.2 County shall act promptly in providing all necessary support and approvals for the Extension Road Project and Underpass Project;

4.3 Upon completion of the Extension Road Project and Underpass Project, County shall accept ownership and sole responsibility for the operation and maintenance of the Extension Road Project and Underpass Project.

4.4 Beginning July 1, 2025, land use authority will transfer from MJPA to the County.

5. GENERAL CONDITIONS

5.1 Term. This MOU shall be effective as of the date first set forth above and shall continue in effect until the completion of the Extension Road and Underpass Projects

5.2 All construction work involved with the Extension Road Project and Underpass Project shall be inspected by the MJPA and County but shall not be deemed complete until the MJPA receives County approval, and agrees in writing that construction is completed in accordance with MJPA and County approved Improvement Plans.

5.3 Extension Road Project and Underpass Project construction work shall be on a five (5) day, forty (40) hour work week with no work on Saturdays, Sundays or MJPA designated legal holidays, unless otherwise approved in writing by MJPA. If Developer feels it is necessary to work more than the normal forty (40) hour work week or on holidays, Developer shall make a written request for permission from MJPA to work the additional hours. The request shall be submitted to MJPA at least seventy-two (72) hours prior to the requested additional work hours and state the reasons for the overtime and the specific time frames required. The decision of granting permission for overtime work shall be made by MJPA at its sole discretion and shall be final.

5.4 Developer shall indemnify and hold harmless County, the MJPA, their Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as "Indemnitees") from any liability, claim, damage, proceeding or action, present or future, incurred by the Indemnitees to the extent arising from Developer's (including its officers, employees, contractors, subcontractors and agents) acts or omissions related to this MOU, performance under this MOU, or failure to comply with the requirements of this MOU, including but not limited to: (a) property damage; (b) bodily injury or death; or (c) any other element of any kind or nature whatsoever arising from the performance of Developer, its officers, employees, contractors, subcontractors, agents or representatives ("Indemnitors") from this MOU. Developer shall not be responsible for (and such indemnity shall not apply to) any claims, damages, proceedings or actions, present or future arising out of the sole negligence of the Indemnitees.

5.4.1 Developer shall defend, at its sole expense, including all costs and fees (including but not limited to attorney fees, cost of investigation, defense and settlements or awards), the Indemnitees in any claim, proceeding or action for which indemnification is required.

5.4.2 With respect to any action or claim subject to indemnification herein by Developer, Developer shall, at its sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, compromise any such claim, proceeding or action without the prior consent of County and MJPA; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Developer's indemnification obligations to Indemnitees as set forth herein.

5.4.3 Developer's indemnification obligations hereunder shall be satisfied when Developer has provided to County and MJPA the appropriate form of dismissal (or similar document) relieving Developer or MJPA from any liability for the claim, proceeding or action involved.

5.4.4 The specified insurance limits required in this MOU shall in no way limit or circumscribe Developer's obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

5.4.5 In the event there is conflict between this section and California Civil Code Section 2782, this section shall be interpreted to comply with California Civil Code Section 2782.

Such interpretation shall not relieve Developer from indemnifying the Indemnitees to the fullest extent allowed by law.

6. MISCELLANEOUS TERMS

6.1 Waiver. Any waiver by any party hereto of any breach of any one or more of the terms of this MOU shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of any party hereto to require exact, full and complete compliance with any terms of this MOU shall not be construed as in any manner changing the terms hereof, or stopping such party from enforcement hereof.

6.2 Notices. Any and all notices sent or required to be sent to the Parties of this MOU will be mailed by first class mail, postage prepaid, to the following addresses:

COUNTY OF RIVERSIDE

4080 Lemon Street 1st Floor
Riverside CA, 92501
Attn: Clerk of the Board

MARCH JOINT POWERS AUTHORITY

14205 Meridian Parkway, #140
Riverside, CA 92518

MERIDIAN PARK LLC

c/o Lewis Operating Corp.
1156 North Mountain Avenue
Upland, California 91786
Attention: David Team

With a copy to:
Allen Matkins Leck Gamble Mallory & Natsis
2010 Main Street, 8th Floor
Irvine, California 92614-7321
Attention: Drew Emmel, Esq.

6.3 Controlling Law. This MOU is to be construed in accordance with the laws of the State of California.

6.4 Venue. Any action at law or in equity brought by any of the Parties hereto for the purpose of enforcing a right or rights provided for by the MOU, shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the Parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.

6.5 Interpretation. This MOU is the result of negotiations between the Parties hereto, and the advice and assistance of their respective counsel. The fact that this MOU was prepared as a matter of convenience by MJPA shall have no importance or significance. Any uncertainty or ambiguity in this MOU shall not be construed against MJPA because MJPA prepared this MOU in its final form.

6.6 Binding. The rights and obligations of the Parties shall inure to and be binding upon all heirs, successors and assignees.

6.7 Assignment. No Party may assign, sublet, or transfer this MOU or any rights under or interest in this MOU without the written consent of the other Parties, not to be unreasonably withheld, conditioned or delay.

6.8 Authority. The individual(s) executing this MOU on behalf of Developer certify that they have the authority within their respective company(ies) to enter into and execute this MOU, and have been authorized to do so by all boards of directors, legal counsel, and/or any other board, committee or other entity within their respective company(ies) which have the authority to authorize or deny entering into this MOU.

6.9 Integrated Agreement. This MOU is intended by the Parties hereto as a final expression of their understanding with respect to the subject matters hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This MOU may be changed or modified only upon the written consent of the Parties hereto.

6.10 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this MOU shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this MOU which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

6.11 Counterparts. This MOU may be executed in one or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

6.12 Force Majeure. If any Party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties hereto have executed this MOU on

_____.

COUNTY OF RIVERSIDE

RECOMMENDED FOR APPROVAL:

By _____
KEVIN JEFFRIES, Chair
Riverside County Board of Supervisors

APPROVED AS TO FORM:

MINH TRAN
County Counsel

ATTEST:

KIMBERLY RECTOR
Clerk of the Board

By _____
Bruce G. Fordon
Deputy County Counsel

By _____
Deputy
(SEAL)

[SIGNED IN COUNTERPART]

MARCH JOINT POWERS AUTHORITY

By: _____
GRACE I. MARTIN, DPPD
Executive Director

APPROVED AS TO FORM:

ATTEST:

By: _____
BEST, BEST & KRIEGER LLP
MJPA General Counsel

By: _____
CINDY CAMARGO
Clerk, March Joint Powers Commission

(SEAL)

DRAFT

MERIDIAN PARK LLC,
A Delaware limited liability company

By: Meridian Park Holdings, LLC
A Delaware limited liability company
its Sole Member

By: WPG Meridian Park, LLC
a California limited liability company
its Managing Member

By: Waypoint Property Group, LLC,
a Delaware limited liability company,
its Managing Member

By: _____
Name: _____
Title: _____

EXHIBIT A

EXTENSION PROJECT LOCATION/DEPICTION

[ATTACHED]

DRAFT

EXHIBIT B

UNDERPASS PROJECT LOCATION/DEPICTION

[ATTACHED]

DRAFT

EXHIBIT C

INSURANCE

1. INSURANCE.

1.1 Time for Compliance. Developer shall not commence work under this MOU until it has provided evidence satisfactory to the MJPA/COUNTY that it has secured all insurance required under this section. In addition, Developer shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the MJPA/COUNTY that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the MJPA/COUNTY to terminate this MOU for cause.

1.2 Types of Insurance Required. As a condition precedent to the effectiveness of this MOU for work to be performed hereunder, and without limiting the indemnity provisions of the MOU, the Developer, in partial performance of its obligations under such MOU, shall procure and maintain in full force and effect during the term of the MOU the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Developer agrees to amend, supplement or endorse the policies to do so.

1.2.1 Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than \$2,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this MOU.

1.2.2 Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

1.2.3 Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

1.2.4 Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Developer's profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the MOU and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial MOU and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five

(5) years from termination or expiration of this MOU.

1.3 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Developer shall provide endorsements on forms approved by the MJPA/COUNTY to add the following provisions to the insurance policies:

1.3.1 Commercial General Liability (1) Additional Insured: The MJPA/COUNTY, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the MOU. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Developer; or (4) contain any other exclusions contrary to the terms or purposes of this MOU. For all policies of Commercial General Liability insurance, Developer shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the MJPA/COUNTY except ten (10) days shall be allowed for non-payment of premium.

1.3.2 Automobile Liability. (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the MJPA/COUNTY except ten (10) days shall be allowed for non-payment of premium.

1.3.3 Workers' Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the MJPA/COUNTY except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the MJPA/COUNTY, its officials, officers, employees, agents, and volunteers.

1.4 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the MJPA/COUNTY, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

1.5 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the MJPA/COUNTY, its officials, officers, employees, agents, and volunteers or shall specifically allow Developer or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Developer hereby waives its own right of recovery against MJPA/COUNTY, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

1.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the MJPA/COUNTY and shall protect the MJPA/COUNTY, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as

they would have been protected had the policy or policies not contained a deductible or self-insured retention.

1.7 Evidence of Insurance. Developer, concurrently with the execution of the MOU, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the MJPA/COUNTY, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the MJPA/COUNTY for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the MJPA/COUNTY. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Developer shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the MJPA/COUNTY evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

1.8 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

1.9 Enforcement of MOU Provisions (non estoppel). Developer acknowledges and agrees that actual or alleged failure on the part of the MJPA/COUNTY to inform Developer of non-compliance with any requirement imposes no additional obligation on the MJPA/COUNTY nor does it waive any rights hereunder.

1.10 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

1.11 Additional Insurance Provisions

1.11.1 The foregoing requirements as to the types and limits of insurance coverage to be maintained by Developer, and any approval of said insurance by the MJPA/COUNTY, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Developer pursuant to this MOU, including but not limited to, the provisions concerning indemnification.

1.11.2 If at any time during the life of the MOU, any policy of insurance required under this MOU does not comply with these specifications or is canceled and not replaced, MJPA/COUNTY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by MJPA/COUNTY will be promptly reimbursed by Developer or MJPA/COUNTY will withhold amounts sufficient to pay premium from Developer payments. In the alternative, MJPA/COUNTY may cancel this MOU.

1.11.3 The MJPA/COUNTY may require the Developer to provide complete

copies of all insurance policies in effect for the duration of the Project.

1.11.4 Neither the MJPA/COUNTY nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this MOU.

1.11.5 The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Developer from liability in excess of such coverage, nor shall it limit the Developer's indemnification obligations to the MJPA/COUNTY and shall not preclude the MJPA/COUNTY from taking such other actions available to the MJPA/COUNTY under other provisions of the MOU or law.

1.11.6 Developer shall report to the MJPA/COUNTY, in addition to Developer's insurer, any and all insurance claims submitted by Developer in connection with the Services under this MOU.

1.12 Insurance for Subconsultants. Developer shall include all subconsultants engaged in any work for Developer relating to this MOU as additional insureds under the Developer's policies, or the Developer shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the MJPA/COUNTY, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Developer's subconsultants performing work relating to this MOU shall be endorsed to name the MJPA/COUNTY, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Developer shall not allow any subconsultant to commence work on any subcontract relating to this MOU until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this MOU, to the extent applicable. The Developer shall provide satisfactory evidence of compliance with this section upon request of the MJPA/COUNTY.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA - Reports, Discussions and Action Items
Agenda Item No. 9 (5)

Meeting Date: June 14, 2023

Action: **AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ANY AND ALL ACTION NECESSARY TO CONFIRM THE MJPA'S OWNERSHIP OF THE FORMER SIGNATURE HEALTHCARE PROPERTY AND TO BEGIN TAKING STEPS TO DISPOSE OF THE SIGNATURE HEALTHCARE PROPERTY IN COMPLIANCE WITH THE SURPLUS PROPERTY ACT**

Motion: Move to authorize the Executive Director to take any and all action necessary to confirm the MJPA's ownership of the former Signature Healthcare Property and to begin taking steps to dispose of the Signature Healthcare Property in compliance with the Surplus Property Act.

Background:

On December 2, 2009, the March Joint Powers Commission ("Commission") certified the March LifeCare Campus Specific Plan Final Program Environmental Impact Report (SCH No. 2008071021) ("Final EIR") pursuant to the California Environmental Quality Act (CEQA) and the State CEQA Guidelines. The March LifeCare Campus project involved the development of 3.555 million square foot of habitable uses within a medical campus, with a broad range of healthcare-related and supporting uses. These include acute-care hospitals; medical offices; research and education, imaging, and surgery facilities; medical-related retail uses; supporting mixed uses that are non-medical in nature; and residential care uses including independent living, assisted care, skilled nursing, and memory care centers.

In addition to the development of 3.555 million square feet of habitable space, the March LifeCare Campus includes the development of supporting facilities, for a total development of 6.055 million square feet of structures. These supporting facilities include a helistop; all necessary utilities including storm water management detention/retention basins; a 25,000 square-foot central utility plan; and up to 2.5 million square feet of parking structure(s).

The March Joint Powers Authority ("MJPA") and March Healthcare Development, LLC ("MHD") subsequently executed a Disposition and Development Agreement dated April 7, 2010, which was amended on March 7, 2012, providing the MJPA and MHD certain contractual rights as to certain properties within the March LifeCare Campus Specific Plan.

On May 12, 2014, MHD entered into a Purchase Sales Agreement ("Purchase Agreement") with Signature Healthcare Services, LLC ("Signature") to sell seven (7) acres of vacant land located

at the intersection of N Street and 6th Street in the County of Riverside (the “Property”). Subsequently, three (3) amendments were executed by MHD and Signature correcting, revising and/or updating the PSA. MHD’s obligation to sell the property to Signature was conditioned on MHD’s acquisition of title and ownership of the property from the MJPA.

In February 2015, the Commission approved an Acquisition and Development Agreement with March Healthcare Development, LLC for a 7.11 acre parcel of land to be developed by Signature. As a component to the Acquisition and Development Agreement, an Addendum/Initial Study was prepared analyzing the reasonable foreseeable impacts to the environment that would result through development of this site. The analysis presented in the Addendum substantiated the determination that the purchase and sale of 7.11 acres between the March JPA and Buyer, the installation of certain Phase 1 backbone infrastructure improvements, and a potential 100,000 square foot facility, would not result in any significant new, different, additional, or substantially increased environmental impacts than were previously considered and addressed in the March LifeCare Campus Specific Plan EIR (MLCSP Certified EIR). Pursuant to State CEQA Guidelines a Notice of Determination was filed with the Riverside County Clerk Office.

After the approval of the Acquisition and Development Agreement, Signature submitted a Plot Plan application proposing a two-story, approximately 118,078 square foot acute behavioral health hospital facility on 7.11 acres to be named Riverside Behavioral Healthcare Hospital. Concurrent with MJPA plot plan review, Signature submitted construction plans to the State of California Office of Statewide Health Planning and Development (OSHPD) for review.

On March 31, 2017, the Commission found that, subject to the Conditions of Approval, the Plot Plan met all requirements of the March LifeCare Campus Specific Plan and of Section 9.02.070 of the March JPA Development Code. Furthermore, the analysis presented in the Addendum to the Certified Final EIR for the March LifeCare Campus was sufficient to satisfy CEQA requirements for the proposed Signature Development. That is, the Riverside Behavioral Healthcare Hospital Project would not result in any significant new, different, additional, or substantially increased environmental impacts than were previously considered and addressed in the Certified EIR. As such, environmental assessment of the Signature Development did not require any major revision of the Certified EIR, nor would the Signature Development result in conditions that would require preparation of a Subsequent or Supplemental EIR as described in the CEQA Guidelines.

Reentry

After this 2017 approval, Signature implemented several design changes that triggered the need for a Plot Plan Amendment and additional review by the MJPA Planning Department. On January 8, 2020, Signature requested an extension of time on approvals for a period of one year. On January 29, 2020, the MJPA authorized the one-year extension of time. After the extension expired, no further time extensions were requested by Signature. At this time, the Project entitlements have since expired and are no longer valid. In light of the lack of action on the Signature Project, staff began to investigate potential options for recourse.

The Signature Project is subject to a number of foundational documents, including a Grant Deed. The Grant Deed outlines certain construction-related requirements on Signature, with certain penalties applicable if Signature failed to meet its obligations. Specifically, Section 11 of the Grant Deed provides that the following:

“The Grantor has the right, at its election, to reenter and take possession of the Property, with all Improvements thereon, and terminate and revest in the Grantor the estate

conveyed to the Grantee and its successors and assigns, if, after the recordation of this Grant Deed but prior to the earlier of: (i) recordation of the Release, or (ii) the date that the End User (or its successor) has obtained (or have been entitled to have obtained) a certificate of occupancy for the Signature-Related Vertical Improvements, the Grantee or its successors and assigns shall:

- (a) fail to start the construction of the Signature-Related Vertical Improvements as required by the Amended DDA for a period of thirty (30) days after written Notice thereof from the Grantor. “Construction” is defined in the Grant Deed to mean the obtaining of the first mass grading permit for the Signature-Related Vertical Improvements; or
- (b) abandon or substantially suspend construction of the Improvement required by the Amended DDA for a period of thirty (30) days after written Notice thereof from the Grantor; or
- (c) contrary to the provisions of Article 10 of the Amended DDA, Transfer or suffer any involuntary Transfer in violation of the Amended DDA.”

As provided in the Grant Deed, if Signature fails to start construction or abandons construction for a period of thirty (30) days after notice has been provided by the MJPA, the MJPA has the right to reenter and take possession of the Property.

On April 24, 2023, the MJPA notice was issued via certified mail that the MJPA intended to reenter and take possession of the Property. Based on the provisions of the Grant Deed, the thirty (30) day cure period was set to end on May 24, 2023.

On May 17, 2023, the MJPA received a call from Brian Renaud with Foster Swift Collins & Smith PC who serves as Signature's legal counsel on this matter. Mr. Renaud, on behalf of Signature, requested a time extension regarding the thirty (30) day cure period. Given the significant length of time that has passed, the Signature Project would be subject to a new planning and environmental review process which would add a substantial amount of time to property redevelopment. Based on the aforementioned, Signature’s request for an extension was denied.

The MJPA has since received interest from other parties on the potential use of this site, including the development of a veteran hospital.

Based on the aforementioned, staff recommends that the Joint Powers Commission authorize the Executive Director to take any and all action necessary to confirm the MJPA’s ownership of the former Signature Healthcare Property and to begin taking steps to dispose of the Signature Healthcare Property in compliance with the Surplus Property Act.

Attachments:

- 1) Property
- 2) Acquisition and Development Agreement
- 3) Grant Deed

Attachment 1

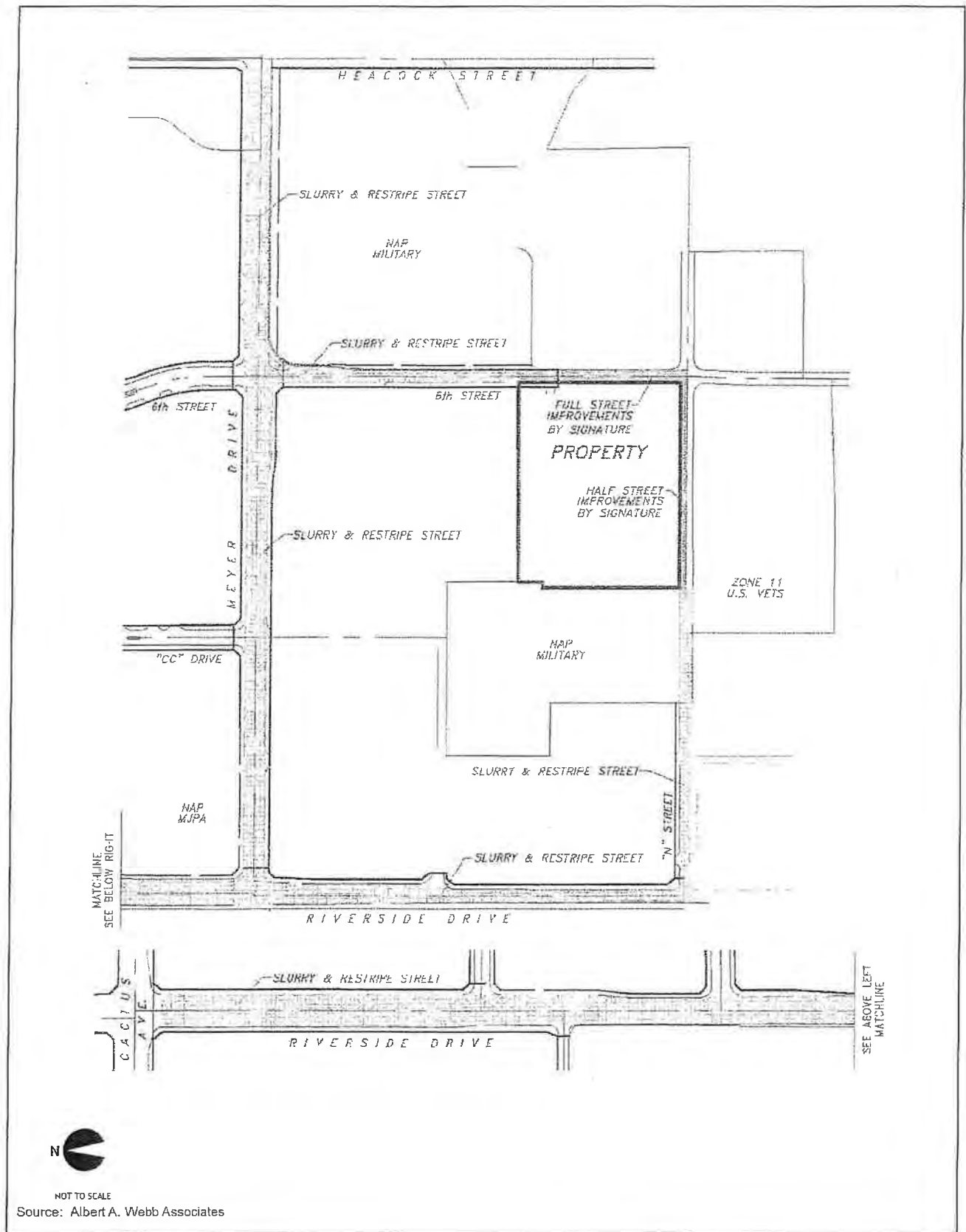


Figure 1.5-1
Street Improvements

Attachment 2

ACQUISITION AND DEVELOPMENT AGREEMENT

between

**MARCH HEALTHCARE DEVELOPMENT, LLC,
a California limited liability company
("BUYER")**

and

**THE MARCH JOINT POWERS AUTHORITY,
a California joint powers authority
("SELLER")**

**[Dated as of February 18, 2015
for reference purposes only]**

TABLE OF CONTENTS

ARTICLE I – Purchase - Purchase Price 2

 1.1 Purchase 2

 1.2 Purchase Price 2

 1.3 Payment of Purchase Price 3

ARTICLE II – Process of Conveyance 3

 2.1 Opening Escrow 3

 2.2 Escrow Funds 3

 2.3 Escrow Documents 3

 2.4 Cost of Escrow 3

 2.5 Closing 3

 2.6 Condition of the Acquisition Parcel 3

 2.7 Review of Title 6

 2.8 Title and Deed 7

 2.9 Conditions to Closing 7

 2.10 Termination by Buyer for Failure of Conditions Precedent 9

 2.11 Termination by Seller for Failure of Conditions Precedent 9

 2.12 Seller Representations and Warranties 9

 2.13 Buyer’s Representations and Warranties 10

 2.14 Post-Closing Obligations and Indemnity 11

ARTICLE III – Additional Buyer Obligations 12

 3.1 Buyer Obligations 12

 3.2 Signature-Related Horizontal Improvements 12

 3.3 Authority and Other Governmental Permits; Governmental Requirements 13

 3.4 Antidiscrimination During Construction 13

 3.5 Insurance 13

 3.6 Buyer’s Indemnity 14

ARTICLE IV – Use of the Acquisition Parcel 15

 4.1 Uses 15

ARTICLE V – Default - Remedies 15

 5.1 Default 15

 5.2 Default by Buyer 15

 5.3 Default by Seller 15

 5.4 Notice of Default 15

| | |
|---------------------------------------|----|
| ARTICLE VI – Closing Costs | 16 |
| 6.1 Closing Costs | 16 |
| ARTICLE VII – Miscellaneous | 16 |
| 7.1 Brokerage Fees | 16 |
| 7.2 Confidentiality | 16 |
| 7.3 Notices | 17 |
| 7.4 Severability | 17 |
| 7.5 Entire Agreement; Amendment | 17 |
| 7.6 Successors and Assigns | 17 |
| 7.7 Waivers | 17 |
| 7.8 Survival | 18 |
| 7.9 Further Acts | 18 |
| 7.10 No Partnership | 18 |
| 7.11 Attorneys’ Fees | 18 |
| 7.12 Time of the Essence | 18 |
| 7.13 Counterparts | 18 |
| 7.14 Days; Dates of Performance | 18 |
| 7.15 Jurisdiction and Venue | 18 |
| 7.16 Governing Law | 18 |
| 7.17 Third Party Beneficiaries | 18 |
| 7.18 DDA | 18 |
| 7.19 Construction | 18 |
| 7.20 Headings | 19 |
| 7.21 Number and Gender | 19 |

TABLE OF EXHIBITS

| | |
|--|-----------|
| LEGAL DESCRIPTION OF ACQUISITION PARCEL | Exhibit A |
| SITE MAP OF ACQUISITION PARCEL | Exhibit B |
| GRANT DEED | Exhibit C |
| DEPICTION OF SIGNATURE-RELATED HORIZONTAL IMPROVEMENTS | Exhibit D |

ACQUISITION AND DEVELOPMENT AGREEMENT

This ACQUISITION AND DEVELOPMENT AGREEMENT (“**Agreement**”), is entered into by and between MARCH HEALTHCARE DEVELOPMENT, LLC, a California limited liability company (“**Buyer**”), and THE MARCH JOINT POWERS AUTHORITY, a California joint powers authority, acting in its own capacity and as the successor entity to the March Joint Powers Redevelopment Agency (“**Seller**”). Hereafter, Seller and Buyer are sometimes individually referred to as a “**Party**” and collectively as the “**Parties**”. This Agreement is dated February 18, 2015, for reference purposes only and will become effective on the date (the “**Effective Date**”) on which it has been approved and executed by both Parties.

RECITALS

This Agreement is made with reference to the following facts:

A. Buyer has the contractual right to purchase certain unimproved real property (“**DDA Property**”) located in the County of Riverside, State of California, that is more particularly described on Exhibit A to that certain Disposition and Development Agreement (“**Original DDA**”) between Buyer and the March Joint Powers Redevelopment Agency (“**Agency**”) dated April 7, 2010, as amended by that certain First Amendment to March LifeCare Campus Disposition and Development Agreement dated March 7, 2012 (“**First Amendment to DDA**”) (the Original DDA as so amended, the “**Amended DDA**”), concerning the development of Healthcare Facilities. Capitalized terms not defined herein shall have the meaning set forth in the Amended DDA unless the context dictates otherwise.

B. The DDA Property is included within the boundaries of the Redevelopment Project Area described in the Redevelopment Plan for the March Air Force Base Redevelopment Project by Ordinance No. 96-2 (“**Redevelopment Plan**”).

C. Buyer desires to purchase from Seller an approximately 7-acre parcel of land (the “**Acquisition Parcel**” as defined in Section 1.1) and to sell the Acquisition Parcel to Signature Healthcare Services LLC (the “**End User**”) to develop the Signature-Related Vertical Improvements (defined below), and Seller desires to sell to Buyer the Acquisition Parcel pursuant to the terms and conditions set forth herein and in the Amended DDA. Buyer and the End User have entered into an agreement (“**Acquisition Agreement**”) dated May 16, 2014 (as subsequently amended), for Buyer’s sale of the Acquisition Parcel to the End User.

D. Approximately 1.2 acres of the Acquisition Parcel (“**DDA Portion**”) are located within the boundaries of the DDA Property; the approximately 5.8-acre balance of the Acquisition Parcel (“**ROFR Portion**”) lies outside the boundaries of the DDA Property. Under section 11.21 of the Amended DDA, Buyer has the right of first refusal (“**ROFR**”) to acquire any of the property that is located within the area described in Amended DDA section 11.21 (“**ROFR Property**”) for which Seller receives a Healthcare Facilities development proposal. The ROFR Portion is located within the ROFR Property.

E. On February 6, 2015, the Authority received a proposal (“**Proposal**”) to acquire and develop the ROFR Portion. On or about February 17, 2015, Buyer exercised its ROFR to acquire the ROFR Portion. For ease of administration, the Parties have agreed to consolidate the DDA Portion and the ROFR Portion so as to create the Acquisition Parcel and to sell and purchase the Acquisition Parcel in accord with this Agreement. Seller acknowledges that the terms and conditions on which Buyer will acquire the ROFR Portion are the same or better than those contained in the Proposal.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the foregoing Recitals, which Recitals are incorporated herein by this reference, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual covenants contained herein, the Parties agree as follows:

ARTICLE I Purchase - Purchase Price

1.1. Purchase. Seller shall sell, and Buyer shall purchase, the property legally described on the attached Exhibit A and shown on the site map attached as Exhibit B (the "Acquisition Parcel"), on the terms and conditions set forth in this Agreement.

1.2. Purchase Price. The Purchase Price of the Acquisition Parcel ("Purchase Price") will be the sum of the purchase costs determined under Subsections 1.2.1 and 1.2.2, below.

1.2.1. DDA Portion. The purchase cost of the DDA Portion will be the product of Two Dollars and 898/1000 (\$2.898) (the amount determined under Amended DDA section 4.02) multiplied by the "net square footage" of the DDA Portion. The term "net square footage" means the gross square footage of the DDA Portion (or ROFR Portion, defined below, as applicable), less the square footage of any land within that Portion to be dedicated as right of way for Backbone Infrastructure. The gross square footage of the DDA Portion and the net square footage of the DDA Portion will be determined by an ALTA survey ("Survey") obtained in accord with Section 2.7; and

1.2.2. ROFR Portion. The purchase cost of the ROFR Portion will be the product of Two Dollars and 898/1000 (\$2.898) multiplied by the net square footage (as defined in Subsection 1.2.1, above) of the ROFR Portion. The gross square footage of the ROFR Portion and the net square footage of the ROFR Portion will be determined by the Survey. Buyer and Seller agree that the purchase price of the ROFR Portion represents no less than the fair market value of the ROFR Portion as of the Effective Date of this Agreement.

1.2.3. At the Closing, Buyer will be entitled to a credit ("DDA Portion Credit") against that amount of the Purchase Price attributable to the DDA Portion (calculated under Section 1.2.1) equal to the product of \$412,000 multiplied by the "Applicable Discount Factor" in effect as of the Closing Date, pursuant to section 5.05 of the Amended DDA.

For purposes of this Agreement, the term "Applicable Discount Factor" means the following:

- (a) If the Closing Date occurs in the period between September 11, 2014 through and including December 11, 2014, the Applicable Discount Factor will be seventy-five percent (75%);
- (b) If the Closing Date occurs in the period between December 12, 2014 through and including March 13, 2015, the Applicable Discount Factor will be will be fifty percent (50%);
- (c) If the Closing Date occurs in the period between March 14, 2015 through and including April 7, 2015, the Applicable Discount Factor will be twenty-five percent (25%); or
- (d) If the Closing Date occurs after April 7, 2015, the Applicable Discount Factor will be zero percent (0%).

1.3. Payment of Purchase Price. To the extent funds are due after application of the DDA Portion Credit (defined in Section 1.2.3) and the End User Escrow Credit (defined in Section 2.3), the Purchase Price shall be paid on the date of the Closing by certified check or wire transfer.

ARTICLE II Process of Conveyance

2.1 Opening Escrow. The Parties shall open escrow (“Escrow”) with Ticor Title Company of California, 18302 Irvine Boulevard, Tustin, CA or another escrow holder mutually satisfactory to both Parties (the “Escrow Agent”) by depositing one (1) fully executed copy of this Agreement with Escrow Agent within ten (10) days after the Effective Date. This Agreement shall constitute Escrow instructions to the Escrow Agent. In the event of any inconsistency between any supplemental instructions required by Escrow Agent and this Agreement, this Agreement shall control, notwithstanding the fact that either Party may have intentionally or inadvertently executed such inconsistent instructions.

2.2 Escrow Funds. All funds received in the Escrow shall, at the option and sole cost of the Party depositing such funds, be deposited in a federally insured interest bearing general escrow account(s). All disbursements shall be made by check or wire transfer from such account.

2.3 Escrow Documents. The Parties agree to execute such other and further documents related to the Escrow as may be reasonably necessary, helpful or appropriate to effectuate the provisions of this Agreement. Without limiting the generality of the foregoing, Seller will cooperate with Buyer, at no cost to Seller, in executing such further documents, including escrow instructions, as may be necessary to enable Buyer to obtain a credit (“End User Escrow Credit”) against the Purchase Price of the Acquisition Parcel in the amount of the net proceeds from the concurrently-closing sale of the Acquisition Parcel by Buyer to the End User, so long as Seller is to receive those net proceeds at the Closing. Escrow Agent is instructed to release Seller’s escrow closing statements and Buyer’s escrow closing statements to the Parties for their respective prior written approval.

2.4 Costs of Escrow. Seller and Buyer shall pay their respective portions of the premium for the Title Policy (as defined in Section 2.7, below) and other Escrow costs and expenses in accord with Section 6.1.

2.5 Closing. Subject to satisfaction or written waiver of all applicable conditions precedent in this Agreement and the purchase and sale agreement between Buyer and the End User, the conveyance of the Acquisition Parcel must occur concurrently with the closing of the escrow between Buyer and End User for the End User’s purchase of the Acquisition Parcel (the “End User Closing”). Seller and Buyer agree to reasonably cooperate with each other and Escrow Agent to cause the Closing to occur concurrently with the End User Closing by taking actions including, but not limited to, executing any documents reasonably requested by either Party and delivering funds and other closing deliveries as reasonably requested by either Party. The “Closing” or the “Close of Escrow” shall mean the recordation of the Grant Deed (as defined in Section 2.8, below) in the Official Records of Riverside County with respect to the Acquisition Parcel. The “Closing Date” shall mean the day on which the Closing occurs.

2.6 Condition of the Acquisition Parcel. The Acquisition Parcel shall be conveyed from Seller to Buyer in an “As-Is” condition, without relying upon any representations or warranties that are not expressly set forth in this Agreement, whether implied, by statute, or otherwise. Without limiting the foregoing, Buyer acknowledges that Seller has not made any representations or warranties, express or implied, on which Buyer is relying as to any matters, directly or indirectly, concerning the Acquisition Parcel, including but not limited to, the land, the square footage of the Acquisition Parcel, improvements

and infrastructure, if any, development rights and exactions, expenses associated with the Acquisition Parcel, taxes, assessments, bonds, permissible uses, title exceptions, water or water rights, topography, utilities, zoning of the Acquisition Parcel or any buildings located thereon, soil, subsoil, the purposes for which the Acquisition Parcel are to be used, drainage, environmental or building laws, rules or regulations, toxic waste or Hazardous Materials (as defined herein below), required scope of Remediation (as defined in Section 3.1, below), or any other matters affecting or relating to the Acquisition Parcel or any buildings located thereon (collectively, the **“Physical and Environmental Condition of the Acquisition Parcel”**).

As used herein, **“Hazardous Materials”** shall mean any substance or material that is described as a toxic or hazardous substance, waste, or material, or a pollutant or contaminant, or words of similar import, in any of the Environmental Laws, and includes asbestos, petroleum, petroleum products, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive matter, and chemicals which may cause cancer or reproductive toxicity. **“Environmental Laws”** shall mean all federal, state, and local laws, ordinances, rules and regulations now or hereafter in force, as amended from time to time, in any way relating to or regulating human health or safety, or industrial hygiene or environmental conditions, or protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, and includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq., the Solid Waste Disposal Act, 42 U.S.C. § 6901, et seq., the Hazardous Substance Account Act, California Health and Safety Code § 25300, et seq., the Hazardous Waste Control Law, California Health and Safety Code § 25100, et seq., and the Porter-Cologne Water Quality Control Act, California Water Code § 13000, et seq.

Buyer acknowledges that, prior to the Effective Date, Buyer reviewed and approved the Physical and Environmental Condition of the Acquisition Parcel; however, if, prior to the Close of Escrow, there is a material change in the Physical and Environmental Condition of the Acquisition Parcel previously approved by Buyer, Buyer shall have five (5) days from the date Buyer first learns of such change, to approve or disapprove of such change. If Buyer approves of such matters, Buyer shall provide written notice of such approval to Seller and Escrow Agent (**“Approval Notice”**), in which event this Agreement shall continue in full force and effect. If Buyer provides Seller and Escrow Agent Written notice disapproving of such matters (**“Disapproval Notice”**), thereafter, this Agreement shall terminate and neither Party shall have any further rights or obligations hereunder, except those obligations which expressly survive the Closing or earlier termination of this Agreement. In the event that Buyer fails to provide an Approval Notice or Disapproval Notice with respect to any such new matters within five (5) days from the date Buyer first learns of such change, Buyer shall be deemed to have provided an Approval Notice.

Buyer shall have relied solely upon its own investigation concerning its intended use of the Acquisition Parcel, the Acquisition Parcel's fitness for Buyer's intended use, and the availability of such intended use under applicable statutes, ordinances, and regulations. Buyer further acknowledges and agrees that Seller's cooperation with Buyer in connection with Buyer's due diligence review of the Acquisition Parcel, whether by providing documents or permitting inspection of the Acquisition Parcel, has not and shall not be construed as any warranty or representation, express or implied, of any kind with respect to the Acquisition Parcel or, with respect to the accuracy, completeness, or relevancy of any such document.

Seller shall not be responsible for any Improvements. It shall be the sole responsibility of Buyer, at Buyer's sole expense, to investigate and determine the soil conditions, building conditions and other constraints related to the use of the Acquisition Parcel and the improvements to be constructed by Buyer. If the Physical and Environmental Condition of the Acquisition Parcel is not in all respects entirely suitable for the use or uses to which the Acquisition Parcel will be put, Buyer may determine in its sole

discretion whether development of the Acquisition Parcel is financially feasible. If Buyer determines that development is not financially feasible, it shall be under no obligation to accept conveyance of the Acquisition Parcel and may terminate this Agreement and the Escrow at any time prior to the Close of Escrow, without cost or liability, except that Buyer will pay all of the Escrow Agent's cancellation fees and charges.

Furthermore, without limiting the generality of the foregoing, Buyer hereby expressly waives, releases and relinquishes any and all claims, causes of action, rights and remedies Buyer may now or hereafter have against Seller and its officials, officers, employees, and agents, whether known or unknown, with respect to any past, present or future presence or existence of Hazardous Materials on, under or about the Acquisition Parcel or any improvements thereon or thereunder or with respect to the Environmental Laws and any and all claims, whether known or unknown, based on nuisance, trespass or any other common law or statutory provisions.

Nothing in this Agreement shall operate as a release of any rights or remedies of Buyer against Seller or its officials, officers, employees and agents arising from the migration or release of Hazardous Materials from an adjacent property owned by Seller.

Nothing in this Agreement shall operate as a release or waiver of or limitation upon Seller's representations and warranties as set forth in Section 2.12. Each and every release in this Section 2.6 excludes any liabilities and claims related to a breach of Seller's representations and warranties under Section 2.12.

IN CONNECTION WITH THE FOREGOING RELEASE OF SELLER, BUYER AGREES, REPRESENTS, AND WARRANTS THAT BUYER REALIZES AND ACKNOWLEDGES THAT FACTUAL MATTERS NOW UNKNOWN TO IT MAY HAVE GIVEN OR MAY HEREAFTER GIVE RISE TO CAUSES OF ACTION, CLAIMS, DEMANDS, DEBTS, CONTROVERSIES, DAMAGES, COSTS, LOSSES, AND EXPENSES WHICH ARE PRESENTLY UNKNOWN, UNANTICIPATED, AND UNSUSPECTED, AND BUYER FURTHER AGREES, REPRESENTS AND WARRANTS THAT THE WAIVERS AND RELEASES HEREIN HAVE BEEN NEGOTIATED AND AGREED ON IN LIGHT OF THAT REALIZATION, AND BUYER WOULD NEVERTHELESS RELEASE, DISCHARGE, AND ACQUIT SELLER AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AND AGENTS FROM ANY SUCH UNKNOWN CAUSES OF ACTION, CLAIMS, DEMANDS, DEBTS, CONTROVERSIES, DAMAGES, COSTS, LOSSES, AND EXPENSES WHICH MIGHT IN ANY WAY BE INCLUDED IN THE WAIVERS AND MATTERS RELEASED AS SET FORTH IN THIS AGREEMENT. BUYER ALSO AGREES THAT THE AFOREMENTIONED PROVISIONS ARE MATERIAL AND WOULD BE INCLUDED AS A MATERIAL PORTION OF THE CONSIDERATION GIVEN TO SELLER BY BUYER IN EXCHANGE FOR SELLER'S PERFORMANCE UNDER THIS AGREEMENT, IN THAT REGARD, BUYER EXPRESSLY WAIVES THE BENEFITS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH, IF KNOWN TO HIM OR HER, MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BUYER HAS SET FORTH ITS INITIALS BELOW TO INDICATE ITS AWARENESS AND ACCEPTANCE OF EACH AND EVERY PROVISION OF THIS SECTION 2.6. THE PROVISIONS

OF THIS SECTION 2.6 SHALL SURVIVE THE CLOSING OR EARLIER TERMINATION OF THIS AGREEMENT.

BUYER'S INITIALS _____



The waivers and releases by Buyer herein contained shall survive the Closing and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

Notwithstanding the foregoing, nothing in this Agreement is intended to relieve the United States from liability, if any, to Buyer with respect to the Physical and Environmental Condition of the Acquisition Parcel resulting from the prior ownership of and use by the United States of the DDA Property or the Acquisition Parcel. In this regard, Seller will cooperate with Buyer in enforcing such rights, if any, against the United States including, without limitation, joining with Buyer in any legal action taken against the United States; provided that Seller does not incur any costs or liabilities in connection therewith; nor is anything in this Agreement intended to relieve Seller of liabilities arising from the migration or release of Hazardous Materials from property adjacent to the Acquisition Parcel owned by Seller.

2.7 Review of Title. Within five (5) days from the Effective Date, Seller shall cause the Title Company to deliver to Buyer a standard preliminary title report (the "**Report**") with respect to title to the Acquisition Parcel, together with legible copies of the documents underlying the exceptions (the "**Report Exceptions**") set forth in the Report. Buyer shall have the right to approve or disapprove (the "**Title Review**") the Report Exceptions in its sole and absolute discretion; provided, however, that Buyer hereby and automatically disapproves any monetary encumbrances and approves the following Report Exceptions:

- (a) The Redevelopment Plan.
- (b) The lien of any non-delinquent property taxes and assessments (to be prorated at close of Escrow).
- (c) The Avigation Easement.

Buyer shall have forty-five (45) days from the date of its receipt of the Report and legible copies of all Report Exceptions (the "**Report Approval Period**") to give written notice to Seller and Escrow Holder of Buyer's approval or disapproval of any such Report Exceptions.

Buyer will obtain, at its expense, the Survey. Buyer shall have the right to approve or disapprove (the "**Survey Review**") the Survey and all matters and exceptions (the "**Survey Exceptions**") in its sole and absolute discretion. Buyer shall have forty-five (45) days after Buyer's receipt of the Survey (the "**Survey Approval Period**") to give written notice to Seller and Escrow Holder of Buyer's approval or disapproval of any such Survey Exceptions.

Buyer's failure to give written approval or disapproval of the Report Exceptions or Survey Exceptions within the Report Approval Period or the Survey Approval Period (as applicable) shall be deemed disapproval of the Report or the Survey (as applicable). If Buyer notifies Seller of its disapproval of any Report Exceptions or Survey Exceptions, Seller shall have until the expiration of fifteen (15) days following its receipt of Buyer's notice of disapproval to determine whether or not it will undertake the removal of any disapproved Exceptions. If Seller elects to remove such Exceptions, it shall provide Buyer with written notice of such election prior to the expiration of the applicable fifteen (15)-day period and shall diligently proceed to effect the removal of such Exceptions at its sole cost. If Seller cannot or

does not elect to remove any of the disapproved Exceptions on or before the expiration of the fifteen (15)-day period, Buyer shall have thirty (30) days after the expiration of the fifteen (15)-day period to either give Seller written notice that Buyer elects to proceed with the purchase of the Acquisition Parcel subject to the disapproved Exceptions or to give Seller written notice that Buyer elects to terminate this Agreement. The Report Exceptions and Survey Exceptions approved by Buyer as provided herein shall hereinafter be referred to as the “**Approved Condition of Title.**”

Except for Exceptions created by Buyer, Buyer shall have the right to approve or disapprove any additional and previously unreported Report Exceptions or Survey Exceptions reported by the Title Company or surveyor after Buyer has approved the Approved Condition of Title. Seller shall not voluntarily create any new Exceptions following the Effective Date. If, following Buyer’s approval of the Approved Condition of Title, the End User disapproves of an Exception previously approved by Buyer, Seller agrees to work in good faith with Buyer to reasonably cure said matters, at no cost to Seller, in order to allow the Acquisition Agreement with the End User to proceed.

2.8 Title and Deed. Fee simple title to the Acquisition Parcel shall be conveyed to Buyer by grant deed from Seller (“**Grant Deed**” or “**Deed**”) (in the form attached as Exhibit C) in the Approved Condition of Title. It is a condition to the Closing for Buyer’s benefit that Buyer must be able to obtain an ALTA Extended Owner’s Title Insurance Policy issued by the Title Company, insuring marketable title to Buyer in the full amount of the Purchase Price in the Approved Condition of Title and containing all endorsements that Buyer or the End User shall require (the “**Title Policy**”).

2.9 Conditions to Closing. The Closing is conditioned upon the satisfaction of the following terms and conditions within the times designated below (the “**Conditions Precedent to the Closing**”). Except in the event of a breach under this Agreement, the failure of any condition set forth in this Section 2.9 to be either satisfied or waived prior to the Closing Date shall not constitute a default pursuant to Article V hereof, but shall be cause for termination of this Agreement by the Party for whose benefit such condition has been imposed.

2.9.1 Seller’s Conditions to Closing. Seller’s obligation to proceed with the Closing is subject to the fulfillment, or waiver by Seller, of each of the conditions precedent described below (“**Seller’s Conditions Precedent to Closing**”), which are solely for the benefit of Seller, and which shall be fulfilled, or waived in its sole discretion, prior to the Closing:

(a) **Horizontal Improvements.** Buyer shall have provided Seller evidence reasonably satisfactory to Seller that Buyer will complete so much of the Horizontal Improvements (the “**Signature-Related Horizontal Improvements**”) as are necessary to serve the Vertical Improvements to be developed on the Acquisition Parcel (the “**Signature-Related Vertical Improvements**”) prior to the completion of the Signature-Related Vertical Improvements. The Signature-Related Horizontal Improvements are more specifically described (and limited to those so described) on the attached Exhibit D and in Section 3.2 of this Agreement. This condition will be deemed satisfied if (i) Buyer establishes a holdback escrow account as of the Closing and places into the holdback account the net proceeds from the sale of the Acquisition Parcel from Buyer to the End User, and (ii) the instructions establishing the holdback escrow do not permit Buyer to withdraw funds for any purpose other than payment of Signature-Related Horizontal Improvements construction costs until the Signature-Related Horizontal Improvements are completed.

(b) **Right of Entry.** Buyer shall have obtained from the End User, if necessary, in a form reasonably satisfactory to Buyer and Seller, a right of entry onto the Acquisition Parcel after Close of Escrow to complete the Signature-Related Horizontal Improvements.

(c) **Approval of the End User.** Buyer shall have submitted and Seller shall have approved the identity of the End User, exercising reasonable discretion, based upon the End User's financial capability and development and/or operating experience, as applicable, with respect to the Signature-Related Vertical Improvements. Seller's approval will be based on Seller's receipt of a copy of the Acquisition Agreement evidencing the End User's right to purchase the Acquisition Parcel and reasonable evidence that the End User has equity and/or debt capital available to complete the purchase of the Acquisition Parcel and develop the Signature-Related Vertical Improvements.

(d) **Notice of Public Safety CFD.** Buyer shall have delivered a copy of correspondence from Buyer to the End User advising the End User that (i) Seller intends to form a public safety community facilities district ("CFD") following the Closing; (ii) that the Acquisition Parcel will be located within the boundaries of the CFD, and (iii) that Seller has advised Buyer that it will condition approval of the Signature-Related Vertical Improvements on the End User's agreement that the Acquisition Parcel will be subject to the CFD and the payment of special taxes imposed by the CFD.

Any waiver by Seller of any of the preceding conditions must be expressly made in writing.

2.9.2 Buyer's Conditions to Closing. Buyer's obligation to proceed with the Closing is subject to the fulfillment or waiver by Buyer of each of the conditions precedent described below ("**Buyer's Conditions Precedent to Closing**"), which are solely for the benefit of Buyer, and which shall be fulfilled, or waived in its sole discretion, prior to the Closing:

(a) **Physical and Environmental Condition of the Acquisition Parcel.** Buyer shall have approved the Physical and Environmental Condition of the Acquisition Parcel pursuant to Section 2.6, above.

(b) **Title Insurance.** The Title Company shall have agreed that, upon payment of Title Company's regularly scheduled premium, it shall provide to Buyer the Title Policy.

Any waiver by Buyer of any of the preceding conditions must be expressly made in writing.

2.9.3 Conditions Precedent to the Closing for Both Parties' Benefit. The obligation of either Seller or Buyer to proceed with the Closing is also subject to the fulfillment, or waiver by such Party, of each of the conditions precedent described below, which are for the benefit of both Parties, and which shall be fulfilled, or waived in their respective sole discretion, prior to the Closing Date:

(a) **No Default.** The other Party shall not be in default of any of its obligations under the terms of this Agreement.

(b) **Execution and Delivery of Documents.** The other Party shall have executed and, as necessary for recordation, shall have acknowledged, any documents required hereunder.

(c) **Payment of Funds.** The other Party shall have deposited into Escrow all of the required costs of the Closing pursuant to this Agreement or the DDA.

(d) **No Litigation.** No litigation is pending or threatened challenging the validity of the DDA, this Agreement, or the implementation thereof.

Any waiver by the Parties of any of the preceding conditions must be expressly made in writing.

2.10 Termination by Buyer for Failure of Conditions Precedent. If any of Buyer's Conditions Precedent to Closing are not satisfied or waived on or before the Closing Date for reasons other than default by Seller, then Buyer shall provide Seller with written notice of those conditions that have not been satisfied or otherwise waived by Buyer ("**Conditions Precedent Failure Notice**"). Seller shall have twenty (20) business days after Buyer has delivered to Seller the Conditions Precedent Failure Notice to notify Buyer in writing of Seller's election either to (a) take such actions as may be necessary to cure such matters to Buyer's satisfaction prior to the Closing Date, or (b) advise Buyer that Seller will not cure such matters (the "**Seller's Conditions Notice**"). If Seller elects to cure such matters as set forth in the Conditions Precedent Failure Notice, Seller shall promptly take any and all actions as may be necessary to cure same, and the Closing shall be extended accordingly if such extension is necessary in order to accomplish such cure. If Seller has advised Buyer that it elects not to cure a matter or matters that has not been deemed satisfied by Buyer or the non-satisfaction thereof waived by Buyer, then Buyer shall have the right at its sole election either to waive the contingency(ies) in question and proceed with the Closing or, in the alternative, terminate this Agreement, and neither Party shall have any further rights or obligations hereunder, except those obligations which survive the Closing or earlier termination of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, in no event shall Seller be liable to Buyer for any damages whatsoever.

2.11 Termination by Seller for Failure of Conditions Precedent. If Seller's Conditions Precedent to Closing are not satisfied or waived on or before the Closing Date for any reason other than a default by Buyer, then Seller may deliver to Buyer a Conditions Precedent Failure Notice. Buyer shall have twenty (20) business days after Seller has delivered to Buyer the Conditions Precedent Failure Notice to deliver to Seller a notice stating whether or not Buyer will cure such matters. If Buyer elects to cure such matters as set forth in the Conditions Precedent Failure Notice, Buyer shall promptly take any and all actions as may be necessary to cure same, and the Closing shall be extended for ten (10) business days if such extension is necessary in order to accomplish such cure. If Buyer has advised Seller that it elects not to cure a matter or matters that has not been deemed satisfied by Seller or the non-satisfaction thereof waived by Seller, then Seller shall have the right at its sole election either to waive the contingency(ies) in question and proceed with the Closing or, in the alternative, terminate this Agreement, and neither Party shall have any further rights or obligations hereunder, except those obligations which survive the Closing or earlier termination of this Agreement.

2.12 Seller Representations and Warranties. Seller represents and warrants to Buyer, that, to Seller's Actual Knowledge:

(a) **Authority.** Seller is a California joint powers authority, established and operating in accord with California Government Code Section 6500, *et seq.* The execution, performance and delivery of this Agreement by Seller have been fully authorized by all requisite actions on the part of Seller and all other local, state and federal authorities with jurisdiction over Seller or the Acquisition Parcel.

(b) **No Conflict.** Seller's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which Seller is a party or by which it is bound.

(c) **Litigation.** Seller is not aware of, nor has Seller received any notice of or know of any basis for, any actual or pending litigation or proceeding by any organization, person, individual or governmental agency with respect to the Acquisition Parcel that could adversely affect Buyer's acquisition or development of the Acquisition Parcel.

(d) **Notices of Violation.** Seller is not aware of, nor has Seller received any notice of or knows of any basis for, any violations of laws, statutes, regulations, ordinances, other legal requirements with respect to the Acquisition Parcel, or any part thereof, or with respect to the use, occupancy or construction thereof, or any investigations by any governmental or quasi-governmental authority into potential violations thereof. In the event Seller receives notice of any such violations or investigations affecting the Acquisition Parcel prior to the Closing, Seller promptly shall notify Buyer thereof. Seller has disclosed to Buyer all documentation in Seller's possession regarding the Physical and Environmental Condition of the Acquisition Parcel, consisting of: Findings of Suitability to Transfer, Asbestos Surveys and Lead Based Paint Surveys, if any.

As used herein, "Seller's Actual Knowledge" shall mean the actual knowledge of Lori Stone (Executive Director), as of the date such representation is made, without having undertaken any independent inquiry or investigation for the purpose of making such representation or warranty and without any duty of inquiry or investigation.

Seller shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section not to be true as of the Closing, immediately give written notice of such fact or condition to Buyer. Such exception(s) to a representation shall not be deemed a breach by Seller hereunder, but shall constitute an exception which Buyer shall have the right to approve or disapprove if Buyer, in its sole discretion, determines such exception would materially and adversely affect the value, development, financing, maintenance, and/or operation of the Signature-Related Horizontal Improvements or the Signature-Related Vertical Improvements. If Buyer elects, acting in its sole discretion, to Close Escrow following disclosure of such information, Seller's representations and warranties contained herein shall be deemed to have been made as of the Closing, subject to such exception(s). If, following the disclosure of such information, Buyer, acting in its sole discretion, elects to not Close Escrow, then Buyer shall give written notice to Seller of such election within ten (10) days after disclosure of such information, and this Agreement and the Escrow shall thereafter automatically terminate, and neither Party shall have any further rights, obligations or liabilities hereunder, except those obligations which survive the Closing or earlier termination of this Agreement. The representations and warranties set forth in this Section, subject to any such exceptions, shall survive the Closing.

2.13 Buyer's Representations and Warranties. Buyer represents and warrants to Seller, that, to Buyer's Actual Knowledge:

(a) **Authority.** Buyer is a duly organized limited liability company in good standing under the laws of the State of California, and is authorized to do business in the State of California. The copies of the documents evidencing the organization of Buyer which have been delivered to Seller are true and complete copies of the originals, as amended to the Effective Date of this Agreement. The execution, performance and delivery of this Agreement by Buyer have been fully authorized by all requisite actions on the part of Buyer.

(b) **FIRPTA.** Buyer is not a "foreign person" within the parameters of FIRPTA or any similar state statute, is exempt from the provisions of FIRPTA or any similar state statute, or has otherwise complied with FIRPTA.

(c) **No Conflict.** Buyer's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which Buyer is a party or by which it is bound.

(d) **No Buyer Bankruptcy.** Buyer is not the subject of a bankruptcy proceeding.

(e) **Litigation.** Buyer is not aware of, nor has Buyer received any notice of or know of any basis for, any actual or pending litigation or proceeding by any organization, person, individual or governmental agency against Buyer that could adversely affect Buyer's acquisition or development of the Acquisition Parcel.

As used herein, "**Buyer's Actual Knowledge**" shall mean the actual knowledge of Stephen Tomassi, as of the date such representation is made, without having undertaken any independent inquiry or investigation for the purpose of making such representation or warranty and without any duty of inquiry or investigation.

Buyer shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section not to be true as of Closing, immediately give written notice of such fact or condition to Seller. Such exception(s) to a representation shall not be deemed a breach by Buyer hereunder, but shall constitute an exception which Seller shall have the right to approve or disapprove if Seller, in its sole discretion, determines that such exception would adversely affect Seller's interests. If Seller, acting in its sole discretion, elects to Close Escrow following disclosure of such information, Buyer's representations and warranties contained herein shall be deemed to have been made as of the Closing, subject to such exception(s). If, following the disclosure of such information, Seller elects, acting in its sole discretion, to not Close Escrow, then Seller shall give notice to Buyer of such election within ten (10) days after disclosure of such information and this Agreement and the Escrow shall thereafter automatically terminate, and neither Party shall have any further rights, obligations or liabilities hereunder, except those obligations which survive the Closing or earlier termination of this Agreement. The representations and warranties set forth in this Section, subject to such exception(s), shall survive the Closing.

2.14 Post-Closing Obligations and Indemnity.

2.14.1 Buyer Precautions After the Closing. Upon and after the Closing, Buyer shall take all necessary precautions to prevent the release into the environment of any Hazardous Materials which are located in, on or under the Acquisition Parcel. Such precautions shall include compliance with all Governmental Requirements (as defined herein below) with respect to Hazardous Materials. In addition, Buyer shall install and utilize such equipment and implement and adhere to such legally required or commercially reasonable procedures for the disclosure, storage, use, removal and disposal of any Hazardous Materials. This provision shall survive the termination, expiration, invalidation or performance in full or in part of this Agreement, and, without limiting the foregoing, shall survive the Closing. As used herein, the "**Governmental Requirements**" shall mean all laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the State, the County of Riverside, or any other political subdivision in which the Acquisition Parcel is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over Seller, Buyer, or the Acquisition Parcel, including all applicable state labor standards, zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions applicable to the Improvements, including without limitation disabled and handicapped access requirements under the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Sections 51, *et seq.* Buyer and its contractors and subcontractors shall comply with all Governmental Requirements related to public works, including without limitation, the payment of prevailing wages in compliance with Labor Code Section 1770, *et seq.*, keeping of all records pursuant to Labor Code Section 1776, complying with the maximum hours requirements of Labor Code Sections 1810 through 1815, and complying with all regulations and statutory requirements pertaining thereto. However, nothing contained herein shall require compliance with such Governmental Requirements if and to the extent compliance is not required by applicable law.

2.14.2 Indemnity. Except to the extent attributable to acts or omissions by Seller or its employees, officers, volunteers, representatives, consultants, attorneys and agents, Buyer agrees to indemnify, defend and hold Seller and its employees, officers, volunteers, representatives, consultants, attorneys and agents harmless from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense (including, without limitation, reasonable attorneys' fees) resulting from, arising out of, or based upon (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about, or the transportation of any such Hazardous Materials to or from, the Acquisition Parcel, and (ii) the violation, or alleged violation, of any statute, ordinance, order, rule, regulation, permit, judgment or license relating to the use, generation, release, discharge, storage, disposal or transportation of Hazardous Materials on, under, in or about, to or from, the Acquisition Parcel based on facts arising after the Close of Escrow (collectively, "**Environmental Liabilities**"). This indemnity shall include, without limitation, any damage, liability, fine, penalty, parallel indemnity after Closing, cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death), tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, contamination, leak, spill, release or other adverse effect on the environment. At the request of Buyer, Seller shall cooperate with and assist Buyer in its defense of any such claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense; provided that Seller shall not be obligated to incur any expense in connection with such cooperation or assistance. This indemnity shall survive the termination, expiration, invalidation, or performance in full or in part of this Agreement, and, without limiting the foregoing, shall survive the Closing.

ARTICLE III Additional Buyer Obligations

3.1 Buyer Obligations. Buyer shall have the responsibility for the remediation of any contamination within the existing structures and structure materials located on the Acquisition Parcel (to the extent legally required) (collectively "**Remediation**") and the design and construction of the Signature-Related Horizontal Improvements, with utilities stubbed to close proximity to the Acquisition Parcel.

3.2 Signature-Related Horizontal Improvements.

3.2.1 Payment. Buyer shall be responsible for the construction of the Signature-Related Horizontal Improvements required for the development of the Acquisition Parcel.

3.2.2 Detention Basin and Sewer Improvements.

(a) **Zone 8 Detention Basin.** As approved by Seller, through its entitlement and permitting process, Buyer will, as part of the Signature-Related Horizontal Improvements, construct any offsite stormwater detention basin ("**Basin**") (the maximum size of which is as described on Exhibit D) required by Seller and supported by a hydrological study prepared in connection with the entitlement process on land adjacent to the Acquisition Parcel (referred to as Specific Plan Zone 8) of sufficient size and design to accommodate treated stormwater flows from the Acquisition Parcel. The Basin will be vegetated to provide landscaping adjacent to the public right-of-way and to maintain applicable discharge water quality standards. The Basin, as envisioned within the Specific Plan, will discharge to the Heacock Channel as approved by Seller and appropriate regulatory agencies.

(b) **Sewer Improvements.** To the extent necessary, as determined by the analysis prepared in connection with the development entitlements required in connection with the

Signature-Related Vertical Improvements (as approved by Seller), Buyer will, as part of the Signature-Related Horizontal Improvements, construct such sanitary sewer infrastructure improvements of sufficient size and capacity to transport sewer flows from the Signature-Related Vertical Improvements. These improvements will be consistent with the Specific Plan.

3.2.3 Completion of Signature-Related Horizontal Improvements. Except for water supply infrastructure needed to provide fire suppression flows, which will be completed prior to issuance of the first building permit for construction of the Signature-Related Vertical Improvements, all of the Signature-Related Horizontal Improvements will be completed prior to issuance of certificates of occupancy for the Signature-Related Vertical Improvements.

3.3 Authority and Other Governmental Permits; Governmental Requirements. Before commencement of construction or development of the Signature-Related Horizontal Improvements on the Acquisition Parcel, Buyer shall, at its own expense, secure or cause to be secured any and all permits which may be required by any governmental agency affected by such construction, development or work. Buyer shall develop and construct the Signature-Related Horizontal Improvements in conformity with all Governmental Requirements.

3.4 Antidiscrimination During Construction. Buyer, for itself and its successors and assigns, agrees that in the construction of the Signature-Related Horizontal Improvements, Buyer will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

3.5 Insurance.

3.5.1 General Liability Insurance Requirements. Without limiting Seller's right to indemnification, Buyer shall, prior to commencing any activities upon the Acquisition Parcel, secure or cause to be secured from a company or companies licensed to conduct insurance business in the State of California, pay for, and maintain in full force and effect from and after the Closing, and continuing until completion of the Signature-Related Horizontal Improvements, a policy of commercial general liability insurance issued by an "A:VII" or better rated insurance carrier as rated by A.M. Best Company as of the date that Buyer obtains or renews its insurance policies, on an occurrence basis, in which Seller and its respective officers, employees, agents and representatives are named as additional insureds. Similar insurance shall be required by the Right of Entry Agreement. Buyer shall furnish a certificate of insurance to Seller prior to the Closing; and shall furnish complete copies of such policy or policies upon request by Seller. Notwithstanding any inconsistent statement in the policy or any subsequent endorsement attached thereto, the protection offered by the policy shall:

(a) Include an endorsement naming Seller and its officers, employees, agents, representatives and attorneys as additional insureds;

(b) Provide a combined single limit policy for both personal injury and property damage in the amount of \$5,000,000, which will be considered equivalent to the required minimum limits;

(c) Bear an endorsement or shall have attached a rider providing that Seller shall be notified not less than thirty (30) days before any expiration, cancellation, nonrenewal, reduction in coverage, increase in deductible, or other material modification of such policy or policies, and shall be notified not less than ten (10) days after any event of nonpayment of premium.

(d) Provide for waivers of subrogation for the benefit of Seller.

3.5.2 Workers' Compensation Insurance. Buyer shall provide to Seller certificates of insurance evidencing that Buyer maintains workers' compensation insurance covering its respective employees, as required by California law. Also, Buyer (i) shall ensure that any contractors hired by Buyer that are involved in construction of the Signature-Related Horizontal Improvements carry workers' compensation insurance on their respective employees, and (ii) shall require said contractors to ensure that their subcontractors, if any, carry workers' compensation covering their respective employees.

3.5.3 Builder's Risk Insurance: Signature-Related Horizontal Improvements. Prior to the start of construction and continuing until the completion of the Signature-Related Horizontal Improvements, Buyer shall secure, maintain, and pay for all-risk builder's risk (course of construction) insurance coverage in an amount equal to the full cost of the Signature-Related Horizontal Improvements. Such insurance shall be written on an all-risk form, but may exclude earthquake coverage, and shall cover, at a minimum: all work, materials, and equipment to be incorporated into the Signature-Related Horizontal Improvements during construction; and storage and transportation risks. Such insurance shall protect/insure the interests of Buyer and Buyer's construction contractor, and other contractor(s), and all subcontractors, as each of their interests may appear. If such insurance includes an exclusion for "design error," such exclusion shall only be for the object or portion which failed. Such insurance shall include the insurer's waiver of subrogation in favor of each protected/insured party thereunder. Seller shall be named as an additional loss payee with a loss payable endorsement, which shall be delivered to Seller prior to the start of construction.

3.5.4 Builder's Risk Insurance: Signature-Related Vertical Improvements. Prior to the start of construction and continuing until the completion of the Signature-Related Vertical Improvements, Buyer will require the End User to secure, maintain, and pay for all-risk builder's risk (course of construction) insurance coverage in an amount equal to the full cost of the Signature-Related Vertical Improvements. Such insurance shall be written on an all-risk form, but may exclude earthquake coverage, and shall cover, at a minimum: all work, materials, and equipment to be incorporated into the Signature-Related Vertical Improvements during construction; and storage and transportation risks. Such insurance shall protect/insure the interests of End User and End User's construction contractor, and other contractor(s), and all subcontractors, as each of their interests may appear. If such insurance includes an exclusion for "design error," such exclusion shall only be for the object or portion which failed. Such insurance shall include the insurer's waiver of subrogation in favor of each protected/insured party thereunder. Seller shall be named as additional loss payee with a loss payable endorsement, which shall be delivered to Seller prior to the start of construction.

3.6 Buyer's Indemnity. Buyer shall defend, indemnify, assume all responsibility for, and hold Seller, its volunteers, officers, employees, consultants, attorney and agents, harmless from all claims, demands, damages, defense costs or liability for any damages to property or injuries to persons, including accidental death (including reasonable attorneys' fees and costs), which may be caused by any acts or omissions of Buyer under this Agreement, whether such activities or performance thereof be by Buyer, or by anyone directly or indirectly employed or contracted with by Buyer, and whether such damage shall accrue or be discovered before or after termination or expiration of this Agreement. Notwithstanding the foregoing, Buyer shall not be liable for property damage or bodily injury to the extent caused by the negligence or willful misconduct of Seller, its employees, officers, volunteers, representatives, consultants, attorneys and agents. This indemnity shall survive the termination, expiration, invalidation or performance in full or in part of this Agreement and, without limiting the foregoing, shall survive the Closing.

In addition, the Buyer shall indemnify, protect, defend, and hold harmless Seller and its constituent public agency members, officers, employees, attorneys, and agents from any and all actual or alleged claims, actions, proceedings, against Seller to attack, set aside, void, annul, or seek monetary

damages arising out of the approval of the Agreement or related approvals, including but not limited to CEQA approvals, permits, variances, plot plans, design plans, maps, licenses and amendments. Seller shall promptly notify the Buyer of any and all claims, actions, and proceedings, covered by this Agreement. This indemnification shall include, but not be limited to, damages, fees and/or costs awarded against Seller, if any, and cost of suit, attorney's fees and other costs, liabilities and expenses incurred in connection with such claim, action, or proceeding whether incurred by Buyer, Seller, and/or any parties bringing such forth. This indemnity shall survive the termination, expiration, invalidation or performance in full or in part of this Agreement and, without limiting the foregoing, shall survive the Closing.

Notwithstanding Section 7.18, in the event of any conflict between the indemnification terms of the Amended DDA and this Agreement, the terms of this Agreement shall govern.

ARTICLE IV Use of the Acquisition Parcel

4.1 Uses. Buyer agrees to limit the use of the Acquisition Parcel to those uses permitted by the March LifeCare Campus Specific Plan No. 7, subject to such amendments as to which the Parties may agree from time to time.

ARTICLE V Default - Remedies

5.1 Default. Time is of the essence of this Agreement and failure to comply with this Agreement or the Amended DDA, following notice and opportunity to cure as provided herein, shall be a material breach of this Agreement. If the Escrow fails to close as provided herein, Buyer or Seller may at any time thereafter give written notice to Escrow Agent to cancel the Escrow. Escrow Agent shall comply with such notice without further consent from any other Party to the Escrow or from any broker involved in the transaction. Cancellation of Escrow as provided herein shall be without prejudice to whatever legal rights Buyer and Seller may have against each other.

5.2 Default by Buyer. If Buyer defaults under the terms of this Agreement and such default continues after the delivery of written notice and expiration of the cure period specified in Section 5.4 below, Seller's sole remedy shall be the termination of this Agreement. Thereafter, neither Party shall have any further rights or obligations hereunder, except those obligations which survive the Closing or earlier termination of this Agreement. In no event shall Seller be entitled to any remedy other than as set forth in this Agreement and in no event shall Buyer be liable to Seller for any incidental or consequential damages whatsoever.

5.3 Default by Seller. If Seller defaults under the terms of this Agreement and such default continues after the delivery of written notice and expiration of the cure period specified in Section 5.4, below, Buyer's sole remedy shall be the termination of this Agreement. Thereafter, neither Party shall have any further rights or obligations hereunder, except those obligations which survive the Closing or earlier termination of this Agreement. In no event shall Buyer be entitled to any remedy other than as set forth in this Agreement and in no event shall Seller be liable to Buyer for any monetary damages whatsoever.

5.4 Notice of Default. In the event that either Party is in default of any provision hereof, the non-defaulting Party, as a condition precedent to its remedies, must give the defaulting Party written notice of the default. The defaulting Party shall have ten (10) business days from the receipt of such notice to cure the default. If the default is timely cured, this Agreement shall continue in full force and

effect. If the default is not timely cured, the non-defaulting Party may pursue its applicable remedies set forth in this Agreement.

ARTICLE VI Closing Costs

6.1 Closing Costs. Notwithstanding anything to the contrary contained herein, or in the Escrow instructions, the Closing costs shall be paid as follows:

6.1.1 By Seller:

- (a) Title insurance premium for a standard form CLTA policy; and
- (b) One half (1/2) the Escrow fee, if any.

6.1.2 By Buyer:

- (a) Cost of the Survey;
- (b) Title insurance premium for the cost difference between a CLTA standard coverage policy and an ALTA extended coverage policy and the cost of any endorsements requested by Buyer that are not related to Report Exceptions or Survey Exceptions which Seller has agreed to cure under Section 2.7;
- (c) Preparation of mortgage, deed of trust or other applicable financing instruments;
- (d) All documentary, stamp and transfer taxes;
- (e) Recording fees for financing instruments; and
- (f) One half (1/2) the Escrow fee, if any.

ARTICLE VII Miscellaneous

7.1 Brokerage Fees. Both Parties represent that no broker has been involved in connection with this Agreement or the sale of the Acquisition Parcel and each Party agrees to indemnify the other against brokerage or commission claims arising out of the indemnifying Party's actions.

7.2 Confidentiality. Subject to the limitations under state law applicable to Seller, for the purpose of avoiding the dissemination of market information that would be detrimental to the maximization of the benefits of the Project to the Parties, the Parties shall establish an appropriate procedure to maintain the confidentiality of documents, financial statements, reports or other information, including, without limitation, strategies and development concepts, and Seller's and Buyer's respective proprietary information, provided to, or generated for or relating to the Acquisition Parcel and the Project and not otherwise publicly available, and deemed "confidential" by a Party. Notwithstanding the foregoing, disclosure shall be permitted when (a) required by order of a court of competent jurisdiction, (b) in the reasonable opinion of Seller's legal counsel, following notice to Buyer and opportunity to object, such disclosure is required by relevant provisions of state or federal law, or (c) as required during

the course of litigation between Seller and Buyer. The provisions of this Section 7.2 shall survive the Closing or earlier termination of this Agreement.

7.3 Notices. Any and all communications required or permitted to be given hereunder shall be in writing and shall be sent by: (i) certified or registered mail, postage prepaid, return receipt requested, (ii) personal delivery, or (iii) a recognized overnight carrier that provides proof of delivery, and shall be addressed as follows:

If to Buyer:

March Healthcare Development, LLC
9731 Janice Circle
Villa Park, CA 92861
Attn: Stephen J. Tomassi

With a copy to:

Gresham Savage Nolan and Tilden
a Professional Corporation
550 East Hospitality Lane, Suite 300
San Bernardino, CA 92408-4205
Attn: Mark A. Ostoich, Esq.

If to Seller:

March Joint Powers Authority
23555 Meyer Drive
Riverside, CA 92518
Attn: Executive Director

With a copy to:

Best, Best & Krieger
2855 East Guasti Road
Ontario, CA 91761
Attn: John Brown, Esq.

Notices shall be deemed effective upon receipt or rejection only.

7.4 Severability. If any provision of this Agreement is found by any court of competent jurisdiction to be invalid, illegal, or unenforceable, then such portion shall be deemed severed from this Agreement and the Parties shall negotiate in good faith to modify this Agreement to fulfill as closely as possible the original intent and purpose of this Agreement.

7.5 Entire Agreement; Amendment. This Agreement contains the entire agreement between the Parties with respect to the subject matter herein and supersedes any and all prior or contemporaneous negotiations, correspondence, or oral or written agreements between the Parties. No supplement, amendment, or modification of any provision of this Agreement shall be effective unless it is in writing and executed by both Parties.

7.6 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of the Parties hereto and their respective successors, heirs, administrators, and permitted assigns.

7.7 Waivers. A waiver of any provision hereof shall not be binding, unless such waiver is made in writing and executed by the Party making the waiver. Notwithstanding the foregoing, no waiver

of any provision hereof shall be deemed a waiver of any other provision hereof, or of any subsequent breach by either Party of the same or any other provision.

7.8 Survival. All covenants, agreements, representations, warranties, and indemnities contained herein shall survive the Closing or earlier termination of this Agreement.

7.9 Further Acts. The Parties shall take such further actions and execute any additional documents as may be required from time to time to carry out the intent of this Agreement.

7.10 No Partnership. Nothing in this Agreement shall be construed to create a partnership or joint venture between the Parties.

7.11 Attorneys' Fees. In the event of a suit by either Party against the other arising out of this Agreement, the prevailing Party shall be entitled to recover from the other Party all reasonable costs and expenses of suit, including attorneys' fees and the fees of other professionals.

7.12 Time of the Essence. Time is strictly of the essence with respect to each and every term, condition, obligation, and provision of this Agreement.

7.13 Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original, but both of which, taken together, shall constitute one and the same Agreement.

7.14 Days; Dates of Performance. All references in this Agreement to days shall be deemed to be references to calendar days, unless expressly stated otherwise. In the event that any date for performance by either Party of any obligation hereunder required to be performed by such Party falls on a Saturday, Sunday, or nationally-established holiday, the time for performance of such obligation shall be deemed extended until the next business day following such date.

7.15 Jurisdiction and Venue. Any legal action or proceeding concerning this Agreement shall be filed and prosecuted in the appropriate California state court in the County of Riverside, California. Each Party hereto irrevocably consents to the personal jurisdiction of that court.

7.16 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

7.17 Third Party Beneficiaries. Except as may otherwise be expressly provided hereinabove, this Agreement is made solely for the benefit of the Parties and their respective successors and assigns, and no other person, firm, or entity shall be entitled to rely upon or receive any benefit from this Agreement or any provision herein.

7.18 Amended DDA. In the event of any conflict between the terms of the Amended DDA and the terms of this Agreement, including without limitation, a conflict in terms with regard to brokerage fees, the terms of the Amended DDA shall govern.

7.19 Construction. No provision of this Agreement shall be construed in favor of, or against, any particular Party by reason of any presumption with respect to the drafting of this Agreement; both Parties, having the opportunity to consult legal counsel, having fully participated in the negotiation of this Agreement.

7.20 Headings. The headings herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this document nor in any way affect the terms and provisions hereof.


7.21 Number and Gender. As used in this Agreement, the singular and the plural shall each be deemed to include the other, and the masculine, the feminine, and the neuter shall each be deemed to include the others, where the context so indicates.

[Signatures begin on following page]

**SIGNATURE PAGE TO
ACQUISITION AND DEVELOPMENT AGREEMENT**

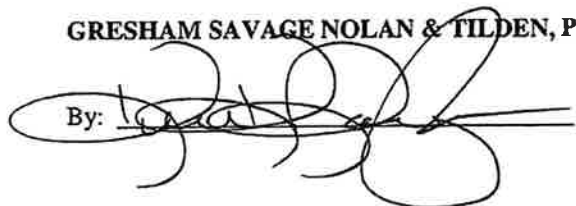
BUYER:

MARCH HEALTHCARE DEVELOPMENT, LLC,
a California limited liability company

By: 
Name: Stephen J. Tomasi
Its: CEO & Chairman

APPROVED AS TO LEGAL FORM:

GRESHAM SAVAGE NOLAN & TILDEN, PC

By: 

**SIGNATURE PAGE TO
ACQUISITION AND DEVELOPMENT AGREEMENT**

SELLER:

MARCH JOINT POWERS AUTHORITY, a
California joint powers authority, acting in its own
capacity and as the successor agency to the March Joint
Powers Redevelopment Agency

By: 
Lori M. Stone, Executive Director

[Seal]

ATTEST:


Authority Secretary

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER, LLP

By: 

EXHIBIT A

LEGAL DESCRIPTION OF ACQUISITION PARCEL

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOTS 6 AND 7, BLOCK 281 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, AS SHOWN ON THE MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 24, TOWNSHIP 3 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, AND AS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 23 OF PARCEL MAP 36035, IN THE PLANNING JURISDICTION OF MARCH JOINT POWERS AUTHORITY WITHIN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 235, PAGES 28 THROUGH 42, INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE SOUTH 00° 26' 59" WEST ALONG THE EASTERLY LINE OF SAID PARCEL 23, A DISTANCE OF 545.29 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 00° 26' 59" WEST ALONG SAID EASTERLY LINE, A DISTANCE OF 110.34 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 23, SAID POINT ALSO BEING ON THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL J-4-B960 OF QUITCLAIM DEED BY AND BETWEEN THE UNITED STATES OF AMERICA AND THE MARCH JOINT POWERS AUTHORITY, RECORDED NOVEMBER 5, 2007 AS DOCUMENT NO. 2007-0674220 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 89° 38' 33" EAST ALONG SAID NORTHERLY LINE, A DISTANCE OF 0.99 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL J-4-B960;

THENCE SOUTH 00° 31' 17" WEST ALONG SAID EASTERLY LINE, A DISTANCE OF 362.37 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 20.00 FEET;

THENCE SOUTHERLY, SOUTHWESTERLY AND WESTERLY ALONG SAID EASTERLY LINE AND ALONG SAID CURVE, TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 89° 53' 16", AN ARC DISTANCE OF 31.38 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID PARCEL J-4-B960;

THENCE NORTH 89° 35' 27" WEST ALONG SAID SOUTHERLY LINE, A DISTANCE OF 354.02 FEET TO AN ANGLE POINT THEREON;

THENCE NORTH 89° 35' 47" WEST CONTINUING ALONG SAID SOUTHERLY LINE, A DISTANCE OF 256.99 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL J-4-B960;

THENCE NORTH 00° 21' 11" EAST ALONG THE WESTERLY LINE OF SAID PARCEL J-4-B960 AND ALONG THE WESTERLY LINE OF SAID PARCEL 23, A DISTANCE OF 425.59 FEET TO AN ANGLE POINT ON SAID WESTERLY LINE OF PARCEL 23;

THENCE SOUTH 89° 45' 19" EAST CONTINUING ALONG SAID WESTERLY LINE, A DISTANCE OF 18.14 FEET TO AN ANGLE POINT ON SAID WESTERLY LINE OF PARCEL 23;

THENCE NORTH 00° 20' 40" EAST CONTINUING ALONG SAID WESTERLY LINE A DISTANCE, A DISTANCE OF 66.50 FEET TO A POINT THEREON;

THENCE SOUTH 89° 38' 33" EAST, A DISTANCE OF 613.16 FEET OT THE TRUE POINT OF BEGINNING.

SAID LAND IS ALSO SHOWN AS PARCEL B ON LOT LINE ADJUSTMENT NO. 14-01, A1 RECORDED SEPTEMBER 29, 2014 AS INSTRUMENT NO. 2014-0369397 OF OFFICIAL RECORDS.

EXHIBIT B
SITE MAP OF ACQUISITION PARCEL



Site Plan of Acquisition Parcel

EXHIBIT C
GRANT DEED

[attached behind this page]

EXHIBIT C

M815-022 - 1538699.1

Attachment 3

DOC # 2015-0137399
04/06/2015 02:35 PM Fees: \$51.00
Page 1 of 13 Doc T Tax Paid
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor, County Clerk & Recorder

**RECORDING REQUESTED BY:
TICOR TITLE**

**WHEN RECORDED MAIL TO AND
MAIL TAX STATEMENTS TO:**

March Healthcare Development, LLC
Attn: Stephen J. Tomassi
9731 Janice Circle
Villa Park, CA 92861

**This document was electronically submitted
to the County of Riverside for recording**
Received by: CMORRIS

APN 294-080-009 and portion
294-660-005

305079 (1)
TRA: 080-011

The undersigned Grantor declares:
Documentary Transfer Tax is \$ 972.40
 Computed on the consideration or value of property conveyed; or
 Computed on the consideration or value less liens or encumbrances
remaining at time of sale.
Property located in unincorporated area, Riverside County, California.

GRANT DEED

FOR VALUE RECEIVED, THE MARCH JOINT POWERS AUTHORITY, a joint powers authority established under the laws of the State of California ("Grantor"), grants to MARCH HEALTHCARE DEVELOPMENT, LLC, a California limited liability company ("Grantee"), all that certain real property (the "Property") situated in the unincorporated area of the County of Riverside, State of California, more particularly described on Attachment No. 1 attached hereto and by this reference incorporated herein, subject to the existing easements, restrictions and covenants of record and the following:

THE PROPERTY IS CONVEYED TO GRANTEE WITHOUT WARRANTY OR COVENANT OF ANY KIND, EXCEPT THOSE IMPLIED COVENANTS PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1113.

1. The DDA. This Grant Deed is given pursuant to: (1) that certain Disposition and Development Agreement ("Original DDA") between the former March Joint Powers Redevelopment Agency ("Agency") and Grantee dated April 7, 2010 that is on file with the Secretary of the Grantor, as amended by that certain First Amendment to March LifeCare Campus Disposition and Development Agreement dated March 7, 2012 ("First Amendment to DDA") (the Original DDA as so amended, the "Amended DDA"), concerning the development of Healthcare Facilities; and (2) that certain Acquisition and Development Agreement between Grantor and Grantee reference dated February 18, 2015 ("Signature Parcel Sale Agreement"). All capitalized terms not defined herein shall have the meanings set forth in the Amended DDA or the Signature Parcel Sale Agreement, as applicable. All references to Grantor shall apply to Grantee, and its successors and assigns, including, without limitation, the End User.

MAIL TAX STATEMENTS AS DIRECTED ABOVE

1

MB15-022 - 1563915 1

**RECORDING REQUESTED BY:
TICOR TITLE**

**WHEN RECORDED MAIL TO AND
MAIL TAX STATEMENTS TO:**

March Healthcare Development, LLC
Attn: Stephen J. Tomassi
9731 Janice Circle
Villa Park, CA 92861

APN 294-080-009 and portion
294-660-005

305229 (11)
TRA: 080-011

The undersigned Grantor declares:
Documentary Transfer Tax is \$ 293.40
 Computed on the consideration or value of property conveyed; or
 Computed on the consideration or value less liens or encumbrances
remaining at time of sale.
Property located in unincorporated area, Riverside County, California.

GRANT DEED

FOR VALUE RECEIVED, THE MARCH JOINT POWERS AUTHORITY, a joint powers authority established under the laws of the State of California ("Grantor"), grants to MARCH HEALTHCARE DEVELOPMENT, LLC, a California limited liability company ("Grantee"), all that certain real property (the "Property") situated in the unincorporated area of the County of Riverside, State of California, more particularly described on Attachment No. 1 attached hereto and by this reference incorporated herein, subject to the existing easements, restrictions and covenants of record and the following:

THE PROPERTY IS CONVEYED TO GRANTEE WITHOUT WARRANTY OR COVENANT OF ANY KIND, EXCEPT THOSE IMPLIED COVENANTS PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1113.

1. The DDA. This Grant Deed is given pursuant to: (1) that certain Disposition and Development Agreement ("**Original DDA**") between the former March Joint Powers Redevelopment Agency ("**Agency**") and Grantee dated April 7, 2010 that is on file with the Secretary of the Grantor, as amended by that certain First Amendment to March LifeCare Campus Disposition and Development Agreement dated March 7, 2012 ("**First Amendment to DDA**") (the Original DDA as so amended, the "**Amended DDA**"), concerning the development of Healthcare Facilities; and (2) that certain Acquisition and Development Agreement between Grantor and Grantee reference dated February 18, 2015 ("**Signature Parcel Sale Agreement**"). All capitalized terms not defined herein shall have the meanings set forth in the Amended DDA or the Signature Parcel Sale Agreement, as applicable. All references to Grantee shall apply to Grantee, and its successors and assigns, including, without limitation, the End User.

MAIL TAX STATEMENTS AS DIRECTED ABOVE

1

MB15-022 - (563915 1

2. **Nondiscrimination Covenants.** Grantee herein covenants by and for itself, its successors and assigns (including the End User), that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the immediately preceding paragraph.

All deeds, leases or contracts respecting the Property or any part thereof shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) **In deeds:** The Grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n),

(o), and (p) of Section 12955 of the Government Code shall apply to the immediately preceding paragraph.

(b) **In leases:** The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the immediately preceding paragraph.

(c) **In contracts:** There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

3. **Additional Purchase Price.** In accord with Section 4.03 of the Amended DDA, the Grantor shall be entitled to receive twenty-five (25%) of all Net Project Revenues in excess of Ninety-Five Million Dollars (\$95,000,000) (the “**Additional Purchase Price**”); provided however, in the event that the Agency Note is paid in full prior to March 13, 2023, then the Grantor shall not be entitled to receive the Additional Purchase Price. Further details regarding the Additional Purchase Price are found in Section 4.03 of the Amended DDA.

4. **Scope of Development.** The Property shall be developed in accordance with the Entitlements and generally consistent with the Scope of Development.

5. **Antidiscrimination During Construction.** The Grantee, for itself and its successors and assigns, agrees that in the construction of the Improvements, the Grantee will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

6. **Security Financing; Rights of Holders.**

(a) **Holder Not Obligated to Construct Improvements:** No Mortgagee shall be obligated by the provisions of the Amended DDA, the Signature Parcel Sale Agreement, and/or this Grant Deed to construct or complete the Improvements or to guarantee such construction or completion. Nothing in the Amended DDA, the Signature Parcel Sale Agreement, and/or this Grant Deed shall be deemed to construe, permit or authorize any such holder to devote the Property to any uses or to construct any Improvements thereon other than those uses or improvements provided for or authorized by the Amended DDA, the Signature Parcel Sale Agreement, and/or this Grant Deed.

(b) **Failure of Holder to Complete Improvements:** In any case where, thirty (30) days after Default by the Grantee under the Amended DDA or the Signature Parcel Sale Agreement, or after default by the End User, the holder of any mortgage, deed of trust or other security interest creating a lien or encumbrance upon the Property, or any portion thereof, has not cured such Default, or if it has commenced cure, has not proceeded diligently therewith, the Grantor may purchase the mortgage, deed of trust or other security interest by payment to the holder of the amount of the unpaid debt, plus any accrued and unpaid interest. If the ownership of the Property has vested in the holder, the Grantor, if it so desires, shall be entitled to a conveyance of the Property from the holder to the Grantor upon payment to the holder of an amount equal to the sum of the following:

(i) The unpaid mortgage, deed of trust or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);

(ii) All expenses with respect to foreclosure;

(iii) The net expenses, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent management of the Property;

(iv) The costs of any authorized improvements made by such holder;
and

(v) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the Grantor.

(c) **Right of Grantor to Cure Mortgage, Deed of Trust or Other Security Interest Default:** In the event of a default or breach by the Grantee of a mortgage, deed of trust or other security interest with respect to the Property prior to the completion of development or transfer of the Property to the End User, and the holder has not exercised its option to complete the development, the Grantor shall be entitled to reimbursement from the Grantee of all costs and expenses incurred by the Grantor in curing the default. The Grantor shall also be entitled to a lien upon the Property to the extent of such costs and disbursements. Any such lien shall be subject to mortgages, deeds of trust or other security interests executed for the sole purpose of obtaining funds to purchase and develop the Property as authorized herein.

7. **Release of Construction Covenants.** Promptly after completion of the Signature-Related Vertical Improvements in conformity with the Amended DDA, the Signature Parcel Sale Agreement, and the Entitlements, the Grantor shall deliver to the Grantee and the End User a Release of Construction Covenants executed and acknowledged by the Grantor with respect to the Signature-Related Vertical Improvements on the Property ("**Release**"). The Grantor shall not unreasonably withhold such Release. The Release shall be a conclusive determination of satisfactory completion of the Signature-Related Vertical Improvements with respect to the Property and the Release shall so state. Following the issuance of a Release, any party then owning or thereafter purchasing, leasing or otherwise acquiring any interest in the Improvements shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under the Amended DDA, the Signature Parcel Sale Agreement, or this Grant Deed with respect to the construction of the Signature-Related Vertical Improvements; however, any such party shall be subject to those continuing covenants described herein and in the Amended DDA and the Signature Parcel Sale Agreement.

If the Grantor refuses or fails to furnish the Release in accordance with the preceding paragraph, and after written request from the Grantee or the End User, the Grantor shall, within fifteen (15) days after receipt of such written request therefor, provide the Grantee or the End User with a written statement of the reasons the Grantor refused or failed to furnish the Release. The statement shall also contain the Grantor's opinion of the actions the Grantee or the End User must take or cause to be taken to obtain the Release. The Release shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee or the End User to any holder of any mortgage or any insurer of a mortgage securing money loaned to finance the Signature-Related Vertical Improvements, or any part thereof. The Release is not a notice of completion as referred to in Section 8182 of the California Civil Code.

8. **Uses.** The Grantee agrees to devote the Property to the Permitted Uses during the Term of the Amended DDA; provided, however, that such requirement shall not limit Grantee's, or its successors' and assigns' right to request a variance to, or amendment of, the Entitlements.

9. **Limitation on Conveyance to Tax Exempt Entity.** The Grantee agrees for itself, its successors and assigns, that, unless otherwise approved by the Grantor acting in its sole and absolute discretion, at such time as the Gross Building Area of the Signature-Related Vertical Improvements that are exempt in whole or in part from secured and/or unsecured property taxes ("**Exempt Property**") exceeds twenty percent (20%) of the Gross Building Area

of the Signature-Related Vertical Improvements, then, thereafter the End User and its respective successors and assigns shall refrain, in perpetuity, from seeking, or otherwise taking advantage of any exemption from the payment, in whole or in part, of secured and/or unsecured property taxes on the Property and/or Signature-Related Vertical Improvements; provided that, in the event that the Property and/or Signature-Related Vertical Improvements nonetheless become exempt, in whole or in part, from secured and/or unsecured property taxation then, in such event, the End User shall cause to be paid to the Grantor, pursuant to a mutually agreeable and recorded agreement, including provisions securing payment, in-lieu property taxes equal to the Gross Property Tax Increment that the Grantor would have received had the Property been subject to the payment of property taxes; provided, however in no event shall the Gross Building Area of the Exempt Property exceed thirty three (33%) percent of the Gross Building Area of the Signature-Related Vertical Improvements; provided further that during such time as the Gross Building Area of the Exempt Property exceeds twenty (20%) percent of the Gross Building Area of the Signature-Related Vertical Improvements, the interest on the Agency Note shall toll. Notwithstanding the foregoing, the Exempt Property may not exceed twenty (20%) percent of the Gross Building Area of the Signature-Related Vertical Improvements for a period of longer than three (3) years. The obligations of the End User, and its respective successors and assigns, are hereinafter referred to as the "**Exempt Property Covenant.**" Without limiting the effect of the foregoing, the Grantor agrees that nothing contained in the foregoing restriction shall apply to the conveyance of dedication of any portion of the Property to any governmental agency in connection with the granting of easements or permits to facilitate and as a condition of the construction of the Signature-Related Vertical Improvements.

10. Effect and Duration of Covenants.

(a) **Duration.** The covenants against discrimination will remain in effect in perpetuity. All other covenants will remain in effect for the shorter of: (i) their stated term; or (ii) the Term of the Amended DDA. The covenants established in this Grant Deed shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Grantor, its successors and assigns, and any successor in interest to the Property or any part thereof.

(b) **Grantor as Beneficiary.** The Grantor is deemed the beneficiary of the covenants set forth in this Grant Deed and of the covenants running with the land for and in its own rights and for the purposes of protecting the interests of the community and other Parties, public or private, in whose favor and for whose benefit the Grant Deed and the covenants running with the land have been provided. The Grant Deed and the covenants shall run in favor of the Grantor without regard to whether the Grantor has been, remains or is an owner of any land or interest therein in the Property, or in the Redevelopment Project Area, as described in the Redevelopment Plan. The Grantor shall have the right, if this Grant Deed or the covenants are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Grant Deed and the covenants may be entitled.

11. Grantor Right of Reentry. The Grantor has the right, at its election, to reenter and take possession of the Property, with all Improvements thereon, and terminate and revert in the Grantor the estate conveyed to the Grantee and its successors and assigns, if, after the recordation of this Grant Deed but prior to the earlier of: (i) recordation of the Release, or (ii) the date that the End User (or its successor) has obtained (or have been entitled to have obtained) a certificate of occupancy for the Signature-Related Vertical Improvements, the Grantee or its successors and assigns shall:

(a) fail to start the construction (defined as the obtaining of the first mass grading permit for the Signature-Related Vertical Improvements) of the Signature-Related Vertical Improvements as required by the Amended DDA for a period of thirty (30) days after written Notice thereof from the Grantor; or

(b) abandon or substantially suspend construction of the Improvements required by the Amended DDA for a period of thirty (30) days after written Notice thereof from the Grantor; or

(c) contrary to the provisions of Article 10 of the Amended DDA, Transfer or suffer any involuntary Transfer in violation of the Amended DDA.

Such right to reenter, terminate and revert shall be subject to and be limited by and shall not defeat, render invalid or limit:

(i) Any mortgage or deed of trust permitted by the Amended DDA; or

(ii) Any rights or interests provided in the Amended DDA or this Grant Deed for the protection of the holders of such mortgages or deeds of trust.

12. Conflict. In the event of any conflict or inconsistency between the Amended DDA, the Signature Parcel Sale Agreement and this Grant Deed, then this Grant Deed shall govern.

(Signatures on next pages)

**SIGNATURE PAGE TO
GRANT DEED**

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed as of this day of
April 2, 2015.

GRANTOR:

MARCH JOINT POWERS AUTHORITY
a joint powers authority established under
the laws of the State of California

By: Lori M. Stone
Name: Lori M. Stone
Its: Executive Director

[Seal]

ATTEST:

[Signature]
Authority Secretary

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER, LLP
Authority Counsel

By: [Signature]
John E. Brown, Esq.

**SIGNATURE PAGE TO
GRANT DEED**

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed as of this day of
April 3, 2015.

GRANTEE:

**MARCH HEALTHCARE
DEVELOPMENT, LLC,
a California limited liability company**

By: Stephen J. Tomassi
Name: Stephen J. Tomassi
Its: CEO and Chairman

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF Riverside)

On April 2 2015 before me, Cheryl McClung, Notary Public
(insert name and title of the officer)

personally appeared Lari M. Stone,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same
in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Cheryl McClung (Seal)



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF Orange

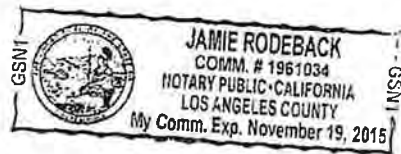
On 3rd April 2015 before me, Jamie Rodeback, Notary Public
(insert name and title of the officer)

personally appeared Stephen J. Tomassi
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Jamie Rodeback (Seal)



ATTACHMENT NO. 1

LEGAL DESCRIPTION OF THE PROPERTY

THAT CERTAIN REAL PROPERTY SITUATED IN THE UNINCORPORATED AREA OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF LOTS 6 AND 7, BLOCK 281 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, AS SHOWN ON THE MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 24, TOWNSHIP 3 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, AND AS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 23 OF PARCEL MAP 36035, IN THE PLANNING JURISDICTION OF MARCH JOINT POWERS AUTHORITY WITHIN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 235, PAGES 28 THROUGH 42, INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE SOUTH 00° 26' 59" WEST ALONG THE EASTERLY LINE OF SAID PARCEL 23, A DISTANCE OF 545.29 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 00° 26' 59" WEST ALONG SAID EASTERLY LINE, A DISTANCE OF 110.34 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 23, SAID POINT ALSO BEING ON THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL J-4-B960 OF QUITCLAIM DEED BY AND BETWEEN THE UNITED STATES OF AMERICA AND THE MARCH JOINT POWERS AUTHORITY, RECORDED NOVEMBER 5, 2007 AS DOCUMENT NO. 2007-0674220 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 89° 38' 33" EAST ALONG SAID NORTHERLY LINE, A DISTANCE OF 0.99 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL J-4-B960;

THENCE SOUTH 00° 31' 17" WEST ALONG SAID EASTERLY LINE, A DISTANCE OF 362.37 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 20.00 FEET;

THENCE SOUTHERLY, SOUTHWESTERLY AND WESTERLY ALONG SAID EASTERLY LINE AND ALONG SAID CURVE, TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 89° 53' 16", AN ARC DISTANCE OF 31.38 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID PARCEL J-4-B960;

ATTACHMENT NO. 1

Page 1 of 2

M815-022 -- 1563915.1

THENCE NORTH 89° 35' 27" WEST ALONG SAID SOUTHERLY LINE, A DISTANCE OF 354.02 FEET TO AN ANGLE POINT THEREON;

THENCE NORTH 89° 35' 47" WEST CONTINUING ALONG SAID SOUTHERLY LINE, A DISTANCE OF 256.99 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL J-4-B960;

THENCE NORTH 00° 21' 11" EAST ALONG THE WESTERLY LINE OF SAID PARCEL J-4-B960 AND ALONG THE WESTERLY LINE OF SAID PARCEL 23, A DISTANCE OF 425.59 FEET TO AN ANGLE POINT ON SAID WESTERLY LINE OF PARCEL 23;

THENCE SOUTH 89° 45' 19" EAST CONTINUING ALONG SAID WESTERLY LINE, A DISTANCE OF 18.14 FEET TO AN ANGLE POINT ON SAID WESTERLY LINE OF PARCEL 23;

THENCE NORTH 00° 20' 40" EAST CONTINUING ALONG SAID WESTERLY LINE A DISTANCE, A DISTANCE OF 66.50 FEET TO A POINT THEREON;

THENCE SOUTH 89° 38' 33" EAST, A DISTANCE OF 613.16 FEET OT THE TRUE POINT OF BEGINNING.

SAID LAND IS ALSO SHOWN AS PARCEL B ON LOT LINE ADJUSTMENT NO. 14-01, A1 RECORDED SEPTEMBER 29, 2014 AS INSTRUMENT NO. 2014-0369397 OF OFFICIAL RECORDS.

[APN 294-080-009 and portion of APN 294-660-005]

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A Preliminary Change of Ownership Report must be filed with each conveyance in the County Recorder's office for the county where the property is located.

PETER ALDANA, COUNTY OF RIVERSIDE
ASSESSOR - COUNTY CLERK - RECORDER
PO BOX 751, RIVERSIDE, CA 92502-0751
(951) 955-0400 www.riversideacr.com

NAME AND MAILING ADDRESS OF BUYER/TRANSFeree
(Make necessary corrections to the printed name and mailing address)

March Healthcare Development, LLC
Attn: Stephen J. Tomassi
9731 Janice Circle
Villa Park, CA 92861

| | |
|----------------------------------|-------------------------------------|
| ASSESSOR'S PARCEL NUMBER | 294-080-009 and portion 294-660-005 |
| SELLER/TRANSFEROR | The March Joints Powers Authority |
| BUYER'S DAYTIME TELEPHONE NUMBER | (714) 271-1862 |
| BUYER'S EMAIL ADDRESS | stomassi@marchlifecare.com |

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY
6th Street, South of Meyer Drive - APN 294-080-009 and portion 294-660-005

MAIL PROPERTY TAX INFORMATION TO (NAME)
March Healthcare Development, LLC, Attn: Stephen J. Tomassi

| | | | |
|--------------------|------------|-------|----------|
| ADDRESS | CITY | STATE | ZIP CODE |
| 9731 Janice Circle | Villa Park | CA | 92861 |

YES NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy.

| | | |
|----|-----|------|
| MO | DAY | YEAR |
|----|-----|------|

PART 1. TRANSFER INFORMATION Please complete all statements.

This section contains possible exclusions from reassessment for certain types of transfers.

YES NO

- YES NO A. This transfer is solely between spouses (addition or removal of a spouse, death of a spouse, divorce settlement, etc.).
- YES NO B. This transfer is solely between domestic partners currently registered with the California Secretary of State (addition or removal of a partner, death of a partner, termination settlement, etc.).
- YES NO * C. This is a transfer: between parent(s) and child(ren) from grandparent(s) to grandchild(ren).
- YES NO * D. This transfer is the result of a cotenant's death. Date of death _____
- YES NO E. This transaction is to replace a principal residence by a person 55 years of age or older. Within the same county? YES NO
- YES NO F. This transaction is to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code section 69.5. Within the same county? YES NO
- YES NO G. This transaction is only a correction of the name(s) of the person(s) holding title to the property (e.g., a name change upon marriage). If YES, please explain: _____
- YES NO H. The recorded document creates, terminates, or reconveys a lender's interest in the property.
- YES NO I. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest (e.g., cosigner). If YES, please explain: _____
- YES NO J. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
- K. This is a transfer of property:
 - YES NO 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of the transferor, and/or the transferor's spouse registered domestic partner.
 - YES NO 2. to/from a trust that may be revoked by the creator/grantor/trustor who is also a joint tenant, and which names the other joint tenant(s) as beneficiaries when the creator/grantor/trustor dies.
 - YES NO 3. to/from an irrevocable trust for the benefit of the creator/grantor/trustor and/or grantor's/trustor's spouse grantor's/trustor's registered domestic partner.
- YES NO L. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
- YES NO M. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.
- YES NO N. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions.
- YES NO * O. This transfer is to the first purchaser of a new building containing an active solar energy system.

* Please refer to the instructions for Part 1.

Please provide any other information that will help the Assessor understand the nature of the transfer.

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

PART 2. OTHER TRANSFER INFORMATION

Check and complete as applicable.

- A. Date of transfer, if other than recording date: _____
- B. Type of transfer:
 Purchase Foreclosure Gift Trade or exchange Merger, stock, or partnership acquisition (Form BOE-100-B)
 Contract of sale. Date of contract: _____ Inheritance. Date of death: _____
 Sale/leaseback Creation of a lease Assignment of a lease Termination of a lease. Date lease began: _____
 Original term in years (including written options): _____ Remaining term in years (including written options): _____
 Other. Please explain: _____
- C. Only a partial interest in the property was transferred. YES NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

- A. Total purchase price \$ 883,577.31
- B. Cash down payment or value of trade or exchange excluding closing costs Amount \$ 883,577.31
- C. First deed of trust @ _____ % interest for _____ years. Monthly payment \$ _____ Amount \$ _____
 FHA (____ Discount Points) Cal-Vet VA (____ Discount Points) Fixed rate Variable rate
 Bank/Savings & Loan/Credit Union Loan carried by seller
 Balloon payment \$ _____ Due date: _____
- D. Second deed of trust @ _____ % interest for _____ years. Monthly payment \$ _____ Amount \$ _____
 Fixed rate Variable rate Bank/Savings & Loan/Credit Union Loan carried by seller
 Balloon payment \$ _____ Due date: _____
- E. Was an Improvement Bond or other public financing assumed by the buyer? YES NO Outstanding balance \$ _____
- F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price \$ _____
- G. The property was purchased: Through real estate broker. Broker name: _____ Phone number: (____) _____
 Direct from seller From a family member-Relationship _____
 Other. Please explain: _____
- H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

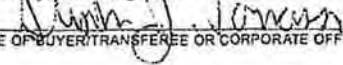
PART 4. PROPERTY INFORMATION

Check and complete as applicable.

- A. Type of property transferred
 Single-family residence Co-op/Own-your-own Manufactured home
 Multiple-family residence. Number of units: _____ Condominium Unimproved lot
 Other. Description: (i.e., timber, mineral, water rights, etc.)
Vacant Land Timeshare Commercial/Industrial
- B. YES NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.
 If YES, enter the value of the personal/business property: \$ _____ Incentives \$ _____
- C. YES NO A manufactured home is included in the purchase price.
 If YES, enter the value attributed to the manufactured home: \$ _____
 YES NO The manufactured home is subject to local property tax. If NO, enter decal number: _____
- D. YES NO The property produces rental or other income.
 If YES, the income is from: Lease/rent Contract Mineral rights Other: _____
- E. The condition of the property at the time of sale was: Good Average Fair Poor
 Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

| | | |
|--|---------------------------|-----------------------------|
| SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER  | DATE 4/3/15 | TELEPHONE (714) 271-1862 |
| NAME OF BUYER/TRANSFEREE/LEGAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT) Stephen J. Tomassi for March Healthcare Development, LLC | TITLE CEO and Chairman | EMAIL ADDRESS stomassi@ |

The Assessor's office may contact you for additional information regarding this transaction. marchlifecare.com



LARRY W. WARD
 COUNTY OF RIVERSIDE
 ASSESSOR-COUNTY CLERK-RECORDER

Recorder
 P.O. Box 751
 Riverside, CA 92502-0751
 (951) 486-7000

Website: www.riversidcaclcr.com

DOCUMENTARY TRANSFER TAX AFFIDAVIT

WARNING

ANY PERSON WHO MAKES ANY MATERIAL MISREPRESENTATION OF FACT FOR THE PURPOSE OF AVOIDING ALL OR ANY PART OF THE DOCUMENTARY TRANSFER TAX IS GUILTY OF A MISDEMEANOR UNDER SECTION 5 OF ORDINANCE 516 OF THE COUNTY OF RIVERSIDE AND IS SUBJECT TO PROSECUTION FOR SUCH OFFENSE.

ASSESSOR'S PARCEL NO. portion of # 394-060-005
 Property Address: All 394 - 050 - 004 I declare that the documentary transfer tax for this transaction is: \$ 972.40

If this transaction is exempt from Documentary Transfer Tax, the reason must be identified below.

I CLAIM THAT THIS TRANSACTION IS EXEMPT FROM DOCUMENTARY TRANSFER TAX BECAUSE: (The Sections listed below are taken from the Revenue and Taxation Code with the exception of items 9 and 10 which are taken from Riverside County Ordinance 516). Please check one or explain in "Other".

1. Section 11911. The consideration or value of the property, exclusive of any liens and encumbrances is \$100.00 or less and there is no additional consideration received by the grantor.
2. Section 11911. The conveyance transfers to a revocable living trust by the grantor or from a revocable living trust to a beneficiary.
3. Section 11921. The conveyance was given to secure a debt.
4. Section 11922. The conveyance is to a governmental entity or political subdivision.
5. Section 11925. The transfer is between individuals and a legal entity or partnership, or between legal entities and does not change the proportional interests held.
6. Section 11926. The conveyance is to a grantee who is the foreclosing beneficiary and the consideration paid by the foreclosing beneficiary does not exceed the unpaid debt.
7. Section 11927. The conveyance relates to a dissolution of marriage or legal separation.
(A spouse must sign a written recital in order to claim this exemption. This form may be used for that purpose.)
8. Section 11930. The conveyance is an *inter vivos* gift* or a transfer by death.
*Please be aware that information stated on this document may be given to and used by governmental agencies, including the Internal Revenue Service. Also, certain gifts in excess of the annual Federal gift tax exemption may trigger a Federal Gift Tax. In such cases, the Transferor (donor/grantor) may be required to file Form 709 (Federal Gift Tax Return) with the Internal Revenue Service.
9. Section 8. The easement is not perpetual, permanent, or for life.
10. Section 9. The document is a lease for a term of less than (35) years (including written options.)
11. Other (Include explanation and legal authority) _____

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

Executed this 5th day of April, 2015 at Tustin, California
City State
 Signature of Affiant: Kim Hernandez
 Printed Name of Affiant: Kim Hernandez
 Name of Firm (if applicable): Tier Title Company
 Address of Affiant (including City, State, and Zip Code): 3323 Irvine Blvd #100 Tustin, CA 92780
 Telephone Number of Affiant (including area code): 714-289-3337

This form is subject to the California Public Records Act (Government Code 6250 et. seq.)

For Recorder's Use:

Affix PCOR Label Here

EXHIBIT D

DEPICTION OF SIGNATURE-RELATED HORIZONTAL IMPROVEMENTS

[attached behind this page]

EXHIBIT D

M815-022 – 1538699.1

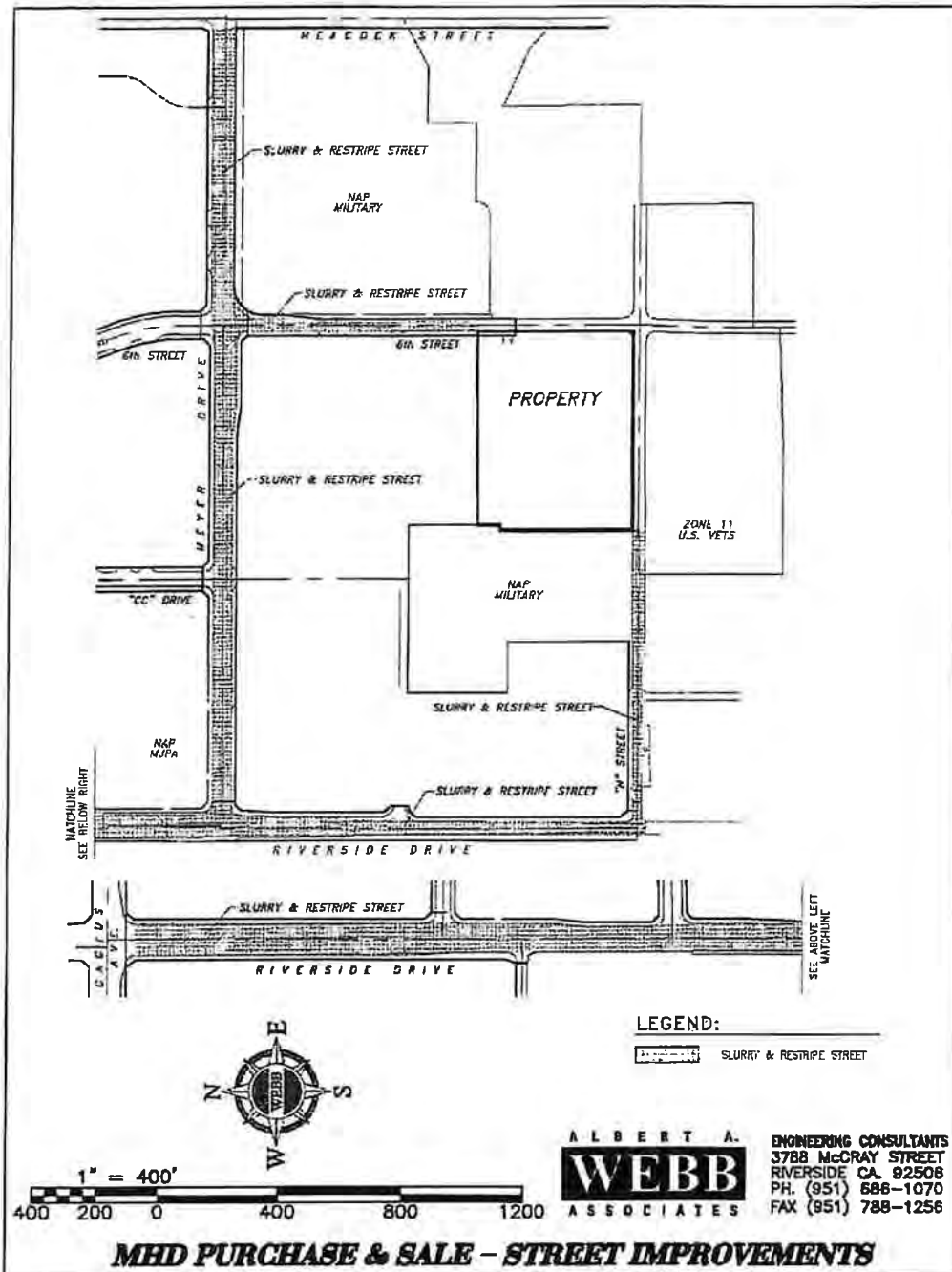
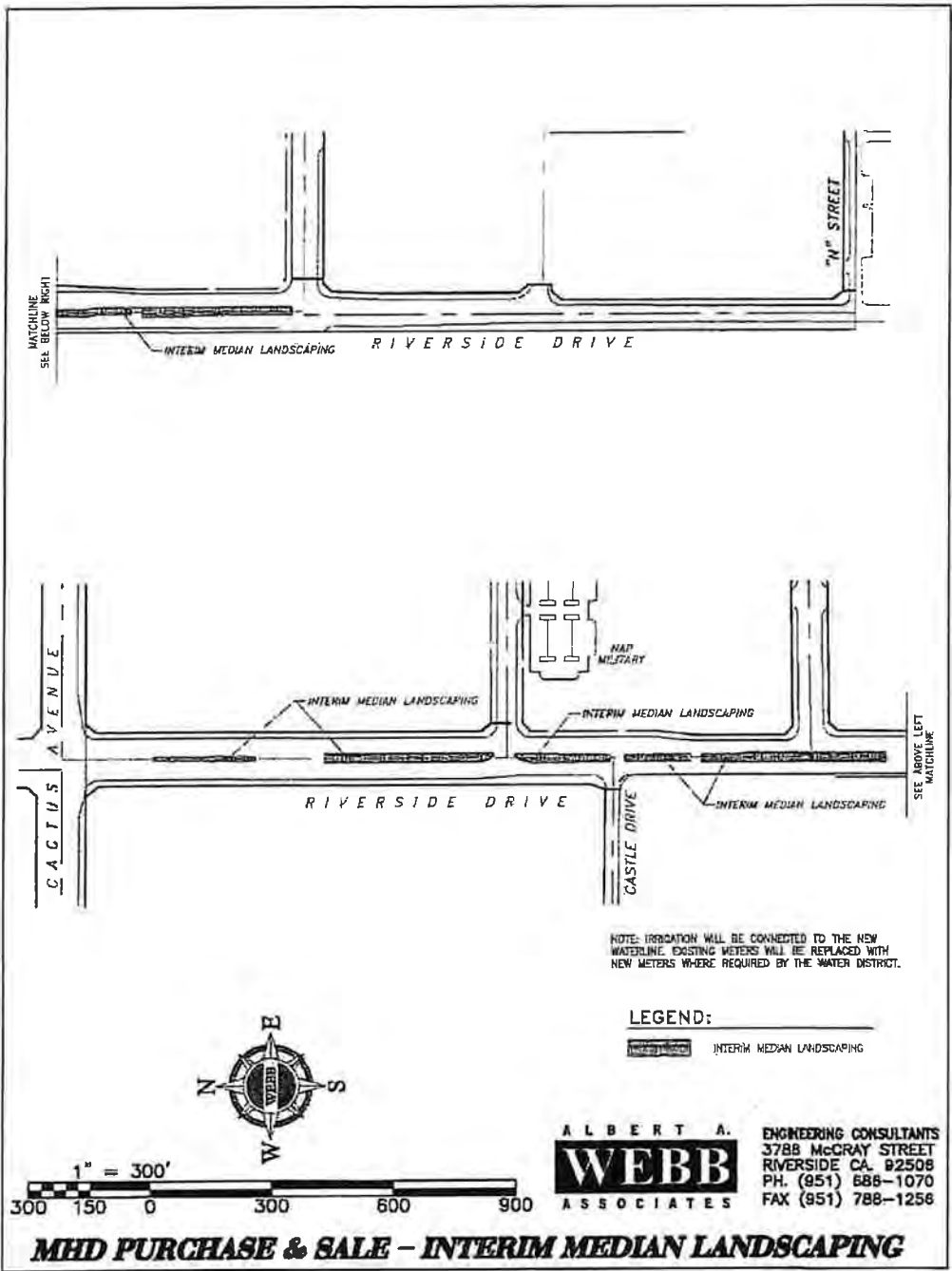
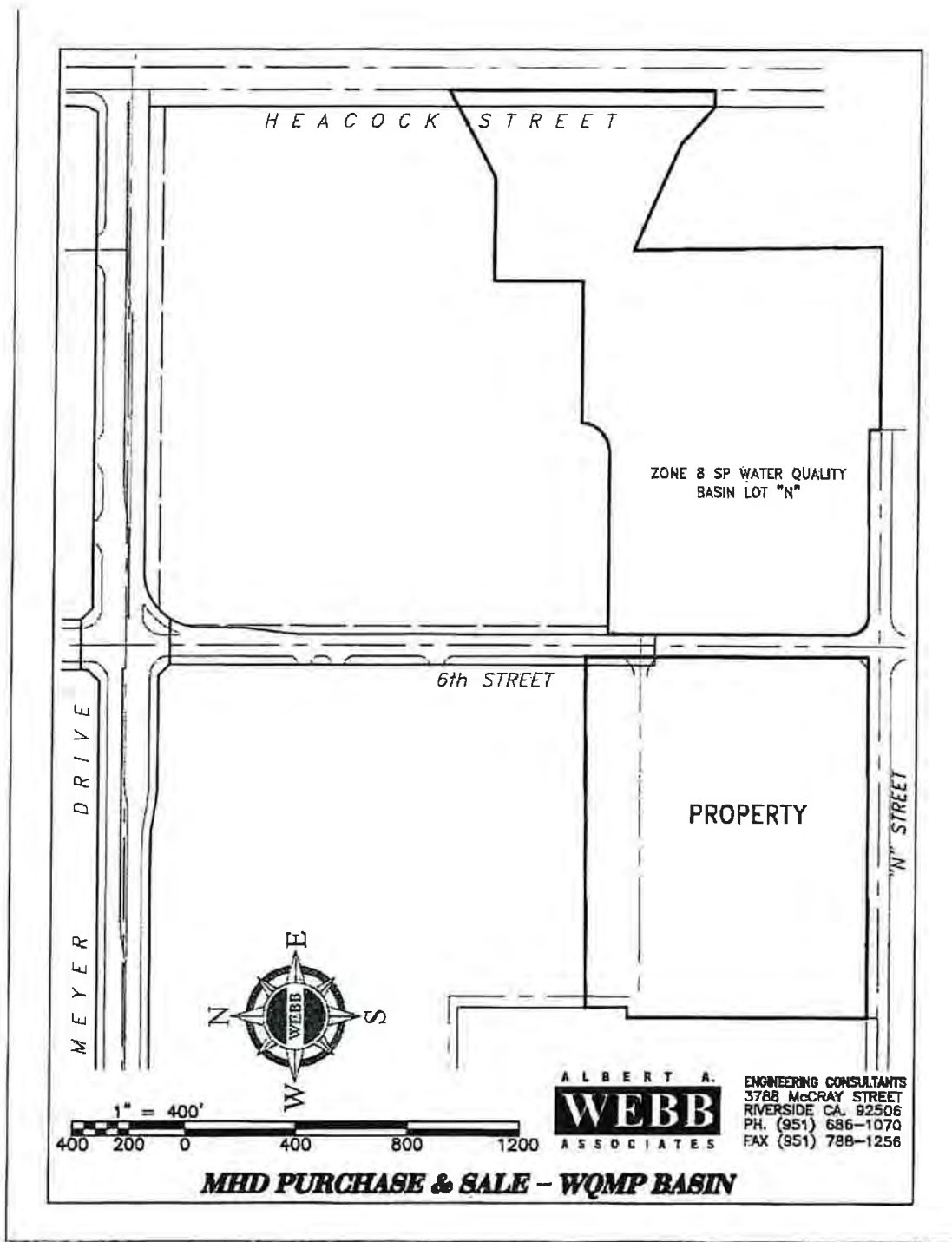
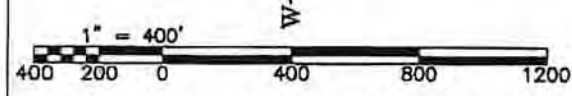
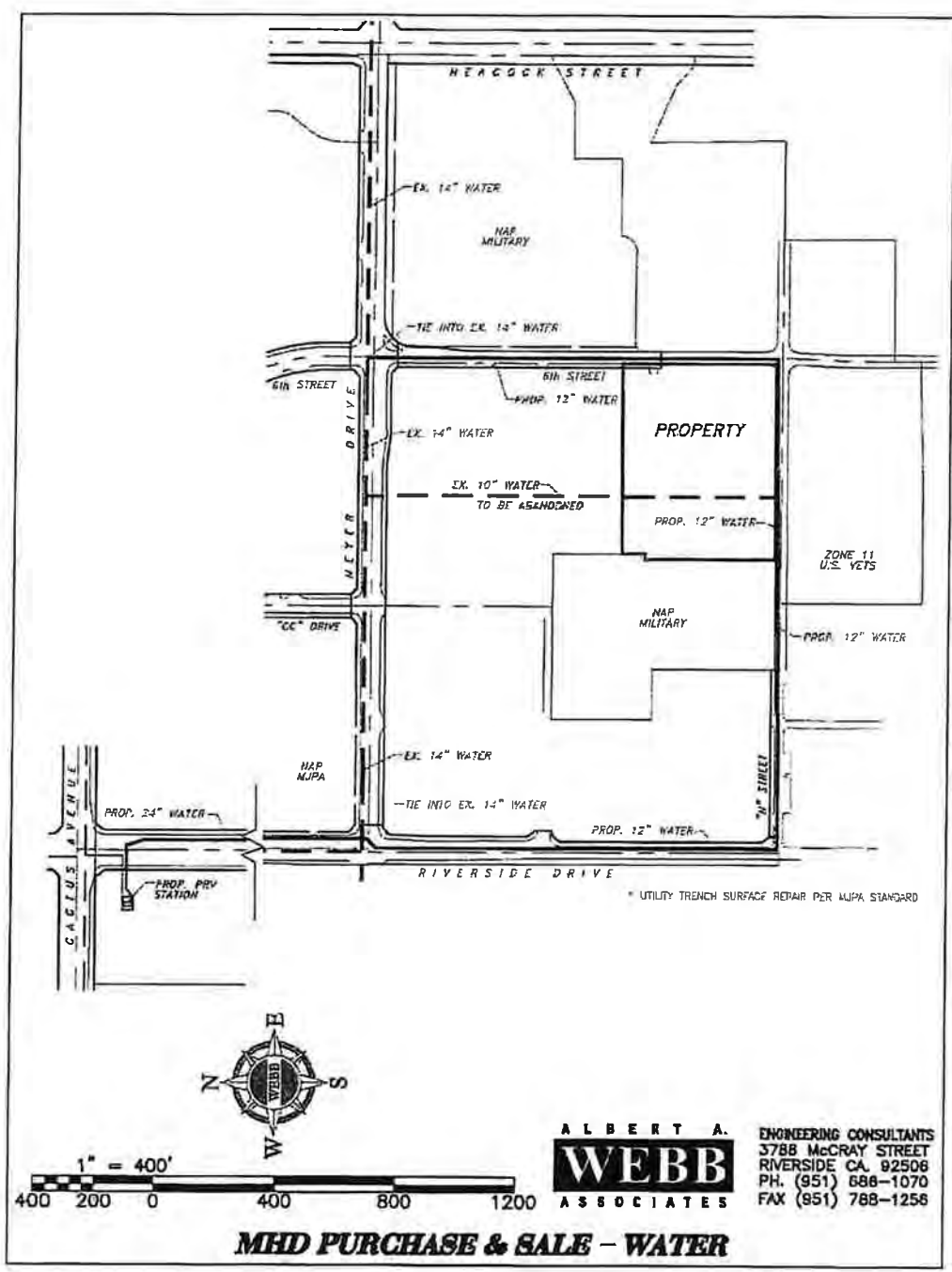


EXHIBIT D - PAGE 1

M815-022 - 1538699.1







ALBERT A. **WEBB** ENGINEERING CONSULTANTS
 ASSOCIATES 3788 McCRAY STREET
 RIVERSIDE CA. 92506
 PH. (951) 688-1070
 FAX (951) 788-1256

MHD PURCHASE & SALE - WATER

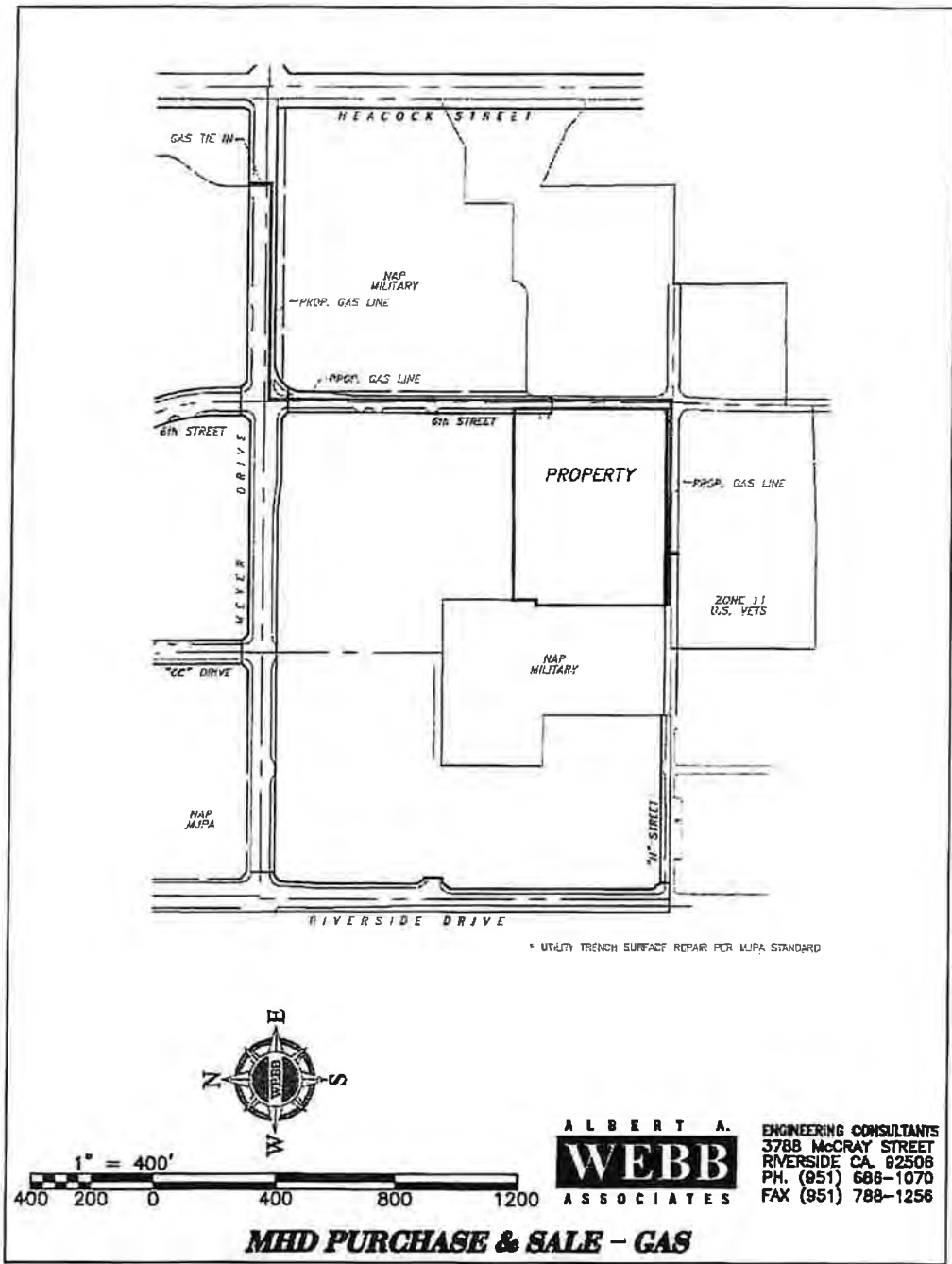


EXHIBIT D - PAGE 5

M815-022 -- 1538699.1

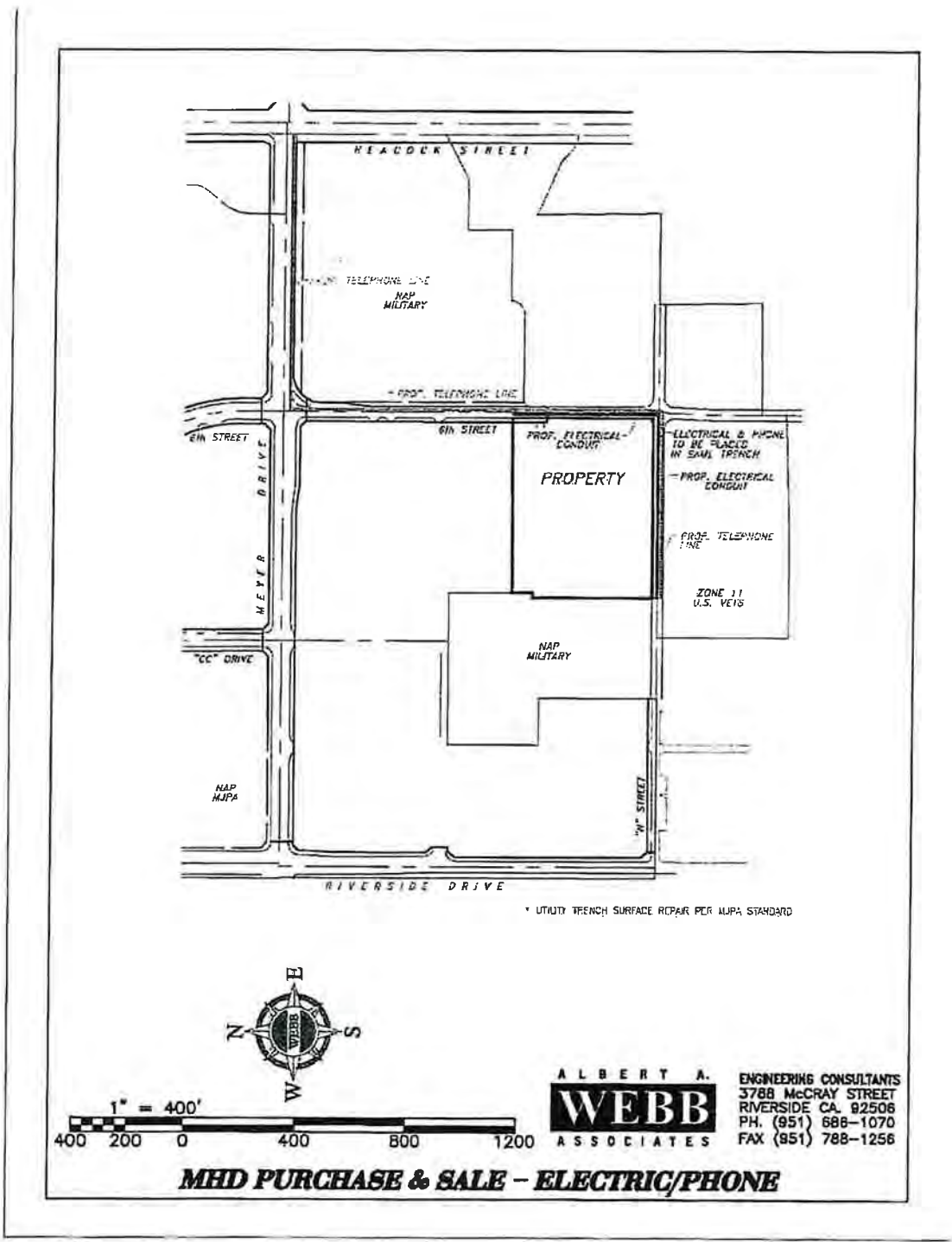


EXHIBIT D - PAGE 6

MR15-022 -- 1538699 1

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA – Public Hearing
Agenda Item No. 10 (1)

Meeting Date: June 14, 2023

Action: **CONDUCT A PUBLIC HEARING REGARDING RESOLUTION JPA 23-12, A RESOLUTION ORDERING THE ANNEXATION OF TERRITORY TO LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1, DIRECT THE OPENING OF THE BALLOT FOR PARCEL NUMBER 294-170-015 AND UPON A YES VOTE CONFIRMING ANNEXATION, APPROVE LEVY OF ASSESSMENTS CONSISTENT WITH THE ENGINEER’S REPORT FOR FISCAL YEAR 2023/2024 FOR LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1, INCLUSIVE OF ANNEXATION NO. 5**

- Proposed Motion:**
1. Open Public Hearing for public comment in favor of or opposed to the annexation of Assessor’s Parcel Number 294-170-015 into LLMD No. 1 and for the levy and collection of FY 2023/2024 assessments;
 2. Close the Public Hearing and direct the Clerk to open and tabulate the assessment ballot received from the Annexation No. 5 property owner; and
 3. Upon a yes vote, move to adopt Resolution JPA 23-12, confirming annexation of Assessor’s Parcel Number 294-170-015 into LLMD No. 1 and the approving the levy and collection of FY 2023/2024 assessments.

Background:
On May 10, 2023, the Commission initiated proceedings for Annexation #5, the annexation of Assessor’s Parcel Number 294-170-015 to LLMD #1 and the levy and collection of FY 2023/2024 assessments. The proposed annexation site is owned by the March Joint Powers Authority as part of March Inland Port, and is leased to Hillwood, and in turn subleased to Target. Hillwood is required to participate in an LLMD based on the Plot Plan conditions of approval for PP 20-28, as listed below:

101. Unless currently annexed, this project shall annex to existing landscape, lighting, and drainage maintenance districts established by March JPA. The applicant shall be responsible to pay towards maintenance of all offsite facilities including drainage improvements as determined by the Districts. Onsite underground basin(s), pipes, lights, and landscaping shall be maintained by the applicant.

LLMD No. 1 was formed January 19, 2005 and currently provides for the maintenance, operation and servicing of public signage, street lighting, traffic signals, landscaping, drainage, street sweeping, graffiti removal and appurtenant facilities constructed within the Meridian Project. Benefit Zone 1, North Campus, provides funding for the maintenance and services of the facilities located north of Van Buren Boulevard; and Benefit Zone 1, South Campus, provides funding for the maintenance and services of the facilities located south of Van Buren Boulevard.

Annexation No. 1 took place in 2007 with the addition of the Defense Reuse Marketing Office (DRMO) site and Annexation No. 2 took place in 2011 with the addition of the Moreno Valley Unified Arnold Heights Elementary School site. Annexation No. 3 took place in 2018 with the addition of the West Campus Lower Plateau. Annexation No. 4 took place in 2019 with the addition of South Campus Lot 41 (previously reserved for a City of Riverside Police Station). The parcels within Annexation 1, 2, and 3 were annexed into Benefit Zone 1, North Campus. The parcels within Annexation 4 were annexed into Benefit Zone 1, South Campus.

With Annexation No. 5, additional improvements to be maintained and services provided include landscaping maintenance, streetlights, street sweeping, two traffic signals, drainage facility maintenance, and graffiti control. A \$132,127 total assessment for the area within Annexation No 5. is proposed for the upcoming fiscal year.

| Benefit Zone | Effective | Maximum |
|------------------------------|------------|------------|
| Benefit Zone 1, North Campus | \$2,351.49 | \$2,351.49 |
| Benefit Zone 1, South Campus | \$2,358.88 | \$3,594.29 |
| Benefit Zone 2 | \$0.00 | \$0.00 |
| Benefit Zone 3 | \$4,541.33 | \$4,541.33 |
| Benefit Zone 4 | \$1,034.34 | \$1,034.34 |

Assessment Ballot

At the close of the public hearing, a ballot submitted by the March Joint Powers Authority (owner of the 127.74-acre property) which is leased to Hillwood Development and subleased to Target Corporation will be opened. If the ballot is indicated with a yes vote, the Commission can consider the adoption of a resolution confirming the annexation and the levy of the 2023/2024 assessments.

Attachments:

- 1) Resolution JPA 23-12
- 2) LLMD No. 1, FY 2023/2024 Engineer’s Report

RESOLUTION #JPA 23-12

A RESOLUTION OF THE COMMISSION OF THE MARCH JOINT POWERS AUTHORITY ORDERING THE ANNEXATION OF TERRITORY TO LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1 (LLMD NO. 1) AND LEVYING ASSESSMENTS FOR FISCAL YEAR 2023/2024 (ANNEXATION NO. 5)

WHEREAS, on May 10, 2023, the Commission ("Commission") of the March Joint Powers Authority ("Authority") adopted Resolution #JPA 23-05 declaring its intention to annex certain territory to Landscaping and Lighting Maintenance District No. 1 ("Assessment District"), which was designated for purposes of such proceedings as "Annexation No. 5," and scheduling a public hearing thereon; and

WHEREAS, by Resolution #JPA 23-04, the Commission approved the report of Willdan Financial Services, the Engineer for LLMD No. 1 (the "Report") which contained, among other matters, the proposed assessments to be levied for Fiscal Year 2023/2024 upon assessable lots and parcels of land within the territory which comprises Annexation No. 5 to the Assessment District; and

WHEREAS, pursuant to Section 53753 of the Government Code and Resolution #JPA 23-05, notice of the proposed annexation and the proposed assessments and of the time and place of the public hearing thereon was mailed to the record owner of each parcel of property identified in the Report as Annexation No. 5, and each such mailed notice contained an assessment ballot upon which the property owner could indicate his or her support or opposition to the proposed assessments; and

WHEREAS, the Commission has conducted the public hearing with respect to the annexation of the territory proposed to be annexed to the Assessment District and has received a report from the Clerk regarding the tabulation of the assessment ballots submitted, and not withdrawn, in support of or opposition to the proposed assessments advising that the ballots which were received were voted in favor of the proposed assessments and that a majority protest does not therefore exist.

NOW, THEREFORE, BE IT RESOLVED, determined and ordered by the Commission of the March Joint Powers Authority as follows:

SECTION 1. Findings. The findings recited in the preceding paragraphs are true and correct and are hereby incorporated herein and made an operative part of this Resolution.

SECTION 2. Assessment District. The Assessment District is Landscaping and Lighting Maintenance District No. 1 of the March Joint Powers Authority ("Assessment District"). The territory which is proposed to be annexed to the Assessment District and which comprises Annexation No. 5 is described in the Report and includes all of the

property located within Assessor Parcel No. 294-170-015 in the County of Riverside.

SECTION 3.

Improvements. The Improvements which shall be provided for the property proposed to be annexed to the District by and through the assessments levied annually thereon shall include the following:

- (a) the energy, servicing, operation and maintenance of public facilities, including, but not limited to, signage and street lights;
- (b) the energy, servicing, operation and maintenance of traffic signals, safety lighting, beacons, and other electrically operated traffic control or warning devices;
- (c) the maintenance, servicing and repair of the landscaping, irrigation system, electrical, water and ornamental structures and facilities located in public streets, right of way, easements and open space;
- (d) the maintenance, servicing and repair of the landscaping, irrigation system, electrical, and water facilities within the drainage improvements and appurtenances that convey and retain storm drain flow within the Assessment District;
- (e) the installation or construction of any facilities which are appurtenant to any improvements listed in (a) through (d) or which are necessary or convenient for the maintenance or servicing thereof including, but not limited to, irrigation, and electrical facilities;
- (f) the maintenance, operation and servicing of any of the foregoing, including graffiti removal;
- (g) street sweeping; and
- (h) any incidental expense in connection with the foregoing.

SECTION 4.

Annexation. The territory comprising Annexation No. 5, as described in Section 2 hereof, is annexed to the Assessment District. The diagram of the Assessment District, as modified to include Annexation No. 5 and as contained in the Report, is confirmed. Such annexed territory is designated as Annexation No. 5 of the Assessment District. The territory comprising Annexation No. 5 of

the Assessment District shall be and is annexed to Landscaping and Lighting Maintenance District No. 1 of the March Joint Powers Authority.

SECTION 5.

Levy of Assessments; Annual Increases; Duration. The assessments proposed to be levied on the lots and parcels within Annexation No. 5 of the Assessment District for Fiscal Year 2023/2024 in the amounts set forth in the Report and in the assessment ballot mailed to and returned by the owner of the property comprising Annexation No. 5 shall be and are confirmed and levied. Pursuant to Section 6 of Resolution No. JPA 23-05, and as specified in such ballot, the annual amount of the assessment to be levied on each parcel of property in Annexation No. 5 of the Assessment District shall be subject to an annual adjustment or increase in an amount equal to (a) the percentage increase in the Common Labor, Construction Cost Index as published by Engineering News Record; plus (b) an amount equal to the increase in utility rates for utilities provided to the Authority; provided, however, that the amount of the assessment to be levied on any assessable parcel in any fiscal year shall not in any event exceed the actual total cost of the proportional special benefit conferred on that parcel. The assessments shall be levied annually on assessable lots and parcels of property in Annexation No. 5 so long as the assessments are necessary to finance the cost of the operation, maintenance and servicing of the improvements specified in Section 3 within and for Annexation No. 5.

SECTION 6.

Filing with the County Auditor. The Clerk shall cause the diagram and assessment as confirmed and levied hereby to be filed with the County Auditor of the County of Riverside as required by Section 22641 of the Streets and Highways Code.

SECTION 7.

The Chairman shall sign this Resolution and the Clerk shall attest and certify to the passage and adoption thereof.

ADOPTED, SIGNED AND APPROVED this 14th day of June 2023.

Chuck Conder, Chairman
March Joint Powers Authority

ATTEST:

I, Cindy Camargo, Clerk of the Commission of the March Joint Powers Authority, do hereby certify that the foregoing Resolution #JPA 23-12 was duly and regularly adopted by the Commission of the March Joint Powers Authority at a regular meeting thereof held on 14th day of June 2023, by the following called vote:

Ayes:

Noes:

Abstain:

Absent:

Dated: June 14, 2023

Cindy Camargo, CAP
Clerk, March Joint Powers Authority Commission



March Joint Powers Authority Landscaping and Lighting Maintenance District No. 1

2023/2024 ENGINEER'S REPORT

**Intent Meeting: May 10, 2023
Public Hearing: June 14, 2023**

27368 Via Industria
Suite 200
Temecula, CA 92590
T 951.587.3500 | 800.755.6864
F 951.587.3510 | 888.326.6864
Property Tax Information Line
T. 866.807.6864

www.willdan.com



ENGINEER'S REPORT AFFIDAVIT

Landscaping and Lighting Maintenance District No.1

Fiscal Year 2023/2024

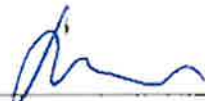
March Joint Powers Authority

County of Riverside County, State of California

This Report describes the District and defines improvements, budget and relevant zones therein and the parcels to be levied for Fiscal Year 2023/2024 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Riverside County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 26th day of April, 2023.

Willdan Financial Services
Assessment Engineer
On Behalf of March Joint Powers Authority

By:  _____

Susana Hernandez
Senior Project Manager, District Administration Services

By:  _____

Tyrone Peter
PE #C 81888



Table of Contents

INTRODUCTION 1
 District Changes for Fiscal Year 2023/2024 2
PART I- PLANS AND SPECIFICATIONS 3
PART II- METHOD OF APPORTIONMENT 12
PART III- FISCAL YEAR 2023/2024 COST ESTIMATE..... 17
PART IV- DIAGRAM..... 18
PART V- ASSESSMENT ROLL 20

Introduction

Pursuant to the direction from the Commission, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended, commencing with Section 22500. This "Report" is applicable for the ensuing 12-month period, being the fiscal year commencing July 1, 2023 to June 30, 2024

The Report consists of five (5) parts:

PART I.

Plans and Specifications: The plans and specifications contained in Part I of this Report generally describe the improvements to be maintained and serviced. The referenced plans and specifications within Part 1 were prepared for construction purposes and further show and describe the detailed nature, location and extent of the improvements. These specific plans and specifications are on file in the Planning and Development Services Department of the March Joint Powers Authority and by reference are made part of this Report.

PART II

Method of Apportionment: Part II of the Report outlines the method of calculating each property's proportional special benefit necessary to calculate the property's annual assessment. This method of apportionment is consistent with the previously adopted method of apportionment for the Landscape and Lighting Maintenance District No.1 (District) that was approved by the property owners in protest ballot proceedings conducted in prior years. This section also includes a discussion of the general and special benefits associated with the various improvements to be provided within the District.

PART III

Cost Estimate: Included within Part III are estimates of the annual costs to operate, maintain, and service the improvements and appurtenant facilities for the mentioned fiscal year. The budget for each Benefit Zone includes an estimate of the maintenance costs and incidental expenses including, but not limited to: labor, materials, utilities, equipment, and administration expenses as well as the collection of other appropriate funding authorized by the 1972 Act and deemed necessary to fully support the improvements.

Part IV

Assessment Diagrams: This section of the Report contains a diagram showing the exterior boundary of the District, as well as, the boundaries of Benefit Zones within the District. Parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the District and Zones are shown on the Riverside County Assessor's Parcel Maps, and shall include any subsequent lot line adjustments or parcel changes therein. Reference is hereby made to the Riverside County Assessor's Parcel Maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

Part V

Assessment Roll: An Assessment Roll showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries as shown on the below-referenced Diagram. This "Report" is applicable for the ensuing 12-month period, being the fiscal year commencing July 1, 2023 to June 30, 2024.

DISTRICT CHANGES FOR FISCAL YEAR 2023/2024

For Fiscal Year 2023/2024, there is one assessor parcel proposed to be annexed into the District as Annexation No. 5 and the establishment of Benefit Zone 4. The Assessor's Parcel Number is identified as 294-170-015. This parcel is located east of Interstate 215 and south of Krameria Avenue. The improvements to be constructed in conjunction with the development of Annexation No. 5 will be maintained and serviced under Benefit Zone 4.

The Benefit Zone 4 improvements include landscaping maintenance, maintenance of street lights, street sweeping, maintenance of two traffic signals, drainage facility maintenance, and graffiti removal.

Part I- Plans and Specifications

There are five Benefit Zones in Landscaping and Lighting Maintenance District No. 1 (LLMD), including the proposed annexation No. 5 establishing Benefit Zone 4. They are:

1. Benefit Zone 1, North Campus
2. Benefit Zone 1, South Campus
3. Benefit Zone 2
4. Benefit Zone 3
5. Benefit Zone 4

There are six categories of improvements to be maintained, operated and serviced. The categories are public signage, lighting and traffic signals, landscaping, street sweeping, graffiti removal, and drainage facilities. A general description of each category of improvements is presented in the following paragraphs.

Signage and Lighting Improvements

The work to be performed consists of the energy, servicing, operation, and maintenance of signage, the street lights installed along public streets and easements, and the pedestrian lighting installed along the south boundary of the North Campus (Van Buren Boulevard), the west boundary of the South Campus (Barton Street) and the Interstate 215 and Van Buren Boulevard Overpass.

Traffic Signal Improvements

The work to be performed consists of the energy, servicing, operation, and maintenance of traffic signals, safety lighting, beacons, and other electrically operated traffic control or warning devices installed along public streets, including routine maintenance and emergency call-out service.

Landscaping Improvements

The work to be performed includes the maintenance, servicing and repair of the landscaping, irrigation system, electrical, water, and ornamental structures and facilities located in public streets, rights of way, parkways, easements, slopes, open space areas and various park facilities.

Street Sweeping

The work to be performed includes the sweeping of interior public streets and easements.

Graffiti Removal

The work to be performed is the removal of graffiti on the exterior face of walls, or walls with the integration of fencing materials, along the rear of lots abutting open space and/or visible from residences and roadways.

Drainage Improvements

The work to be performed includes the maintenance, servicing and repair of the landscaping, irrigation system, electrical, and water facilities within the drainage improvements and appurtenances that convey and retain the storm drain flow within the MBC. These improvements include inlets, reinforced concrete pipes, catch basins, outlets, channels, drop structures, wash, detention basins, and slopes greater than 10-feet in vertical height.

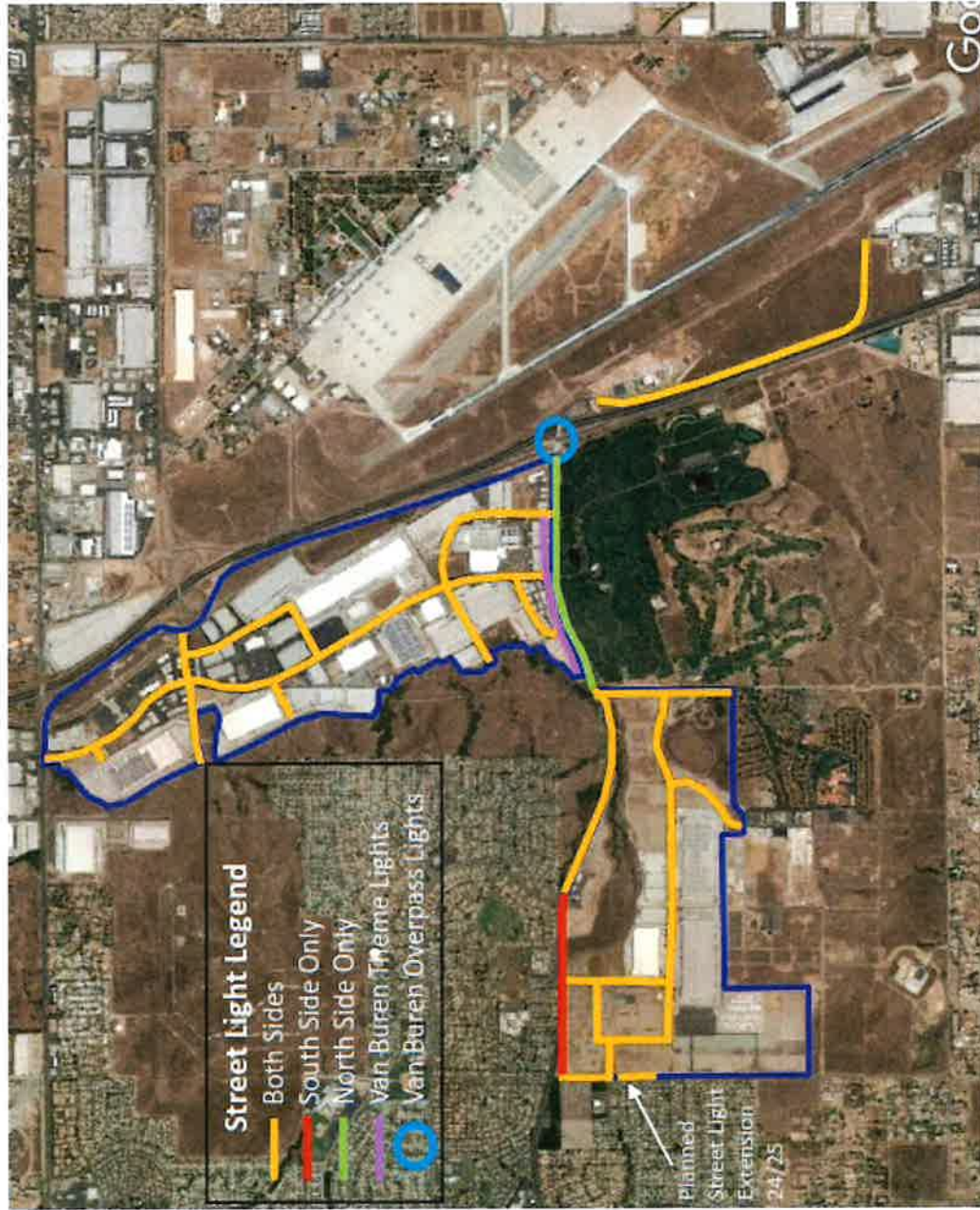
Plans and Specifications for the improvements to be maintained and/or improved for the fiscal year have been approved or are in the process of being designed for approval by the March Joint Powers Authority. The work to be performed is under the ownership and operation of the March Joint Powers Authority (MJPA).

The Fiscal Year 2023/2024 estimated costs for each Benefit Zone are presented herein Part 3, the Cost Estimate.

The map below details the new Fiscal Year 2023/2024 improvements for the LLMD Benefit Zone 1, South Campus.



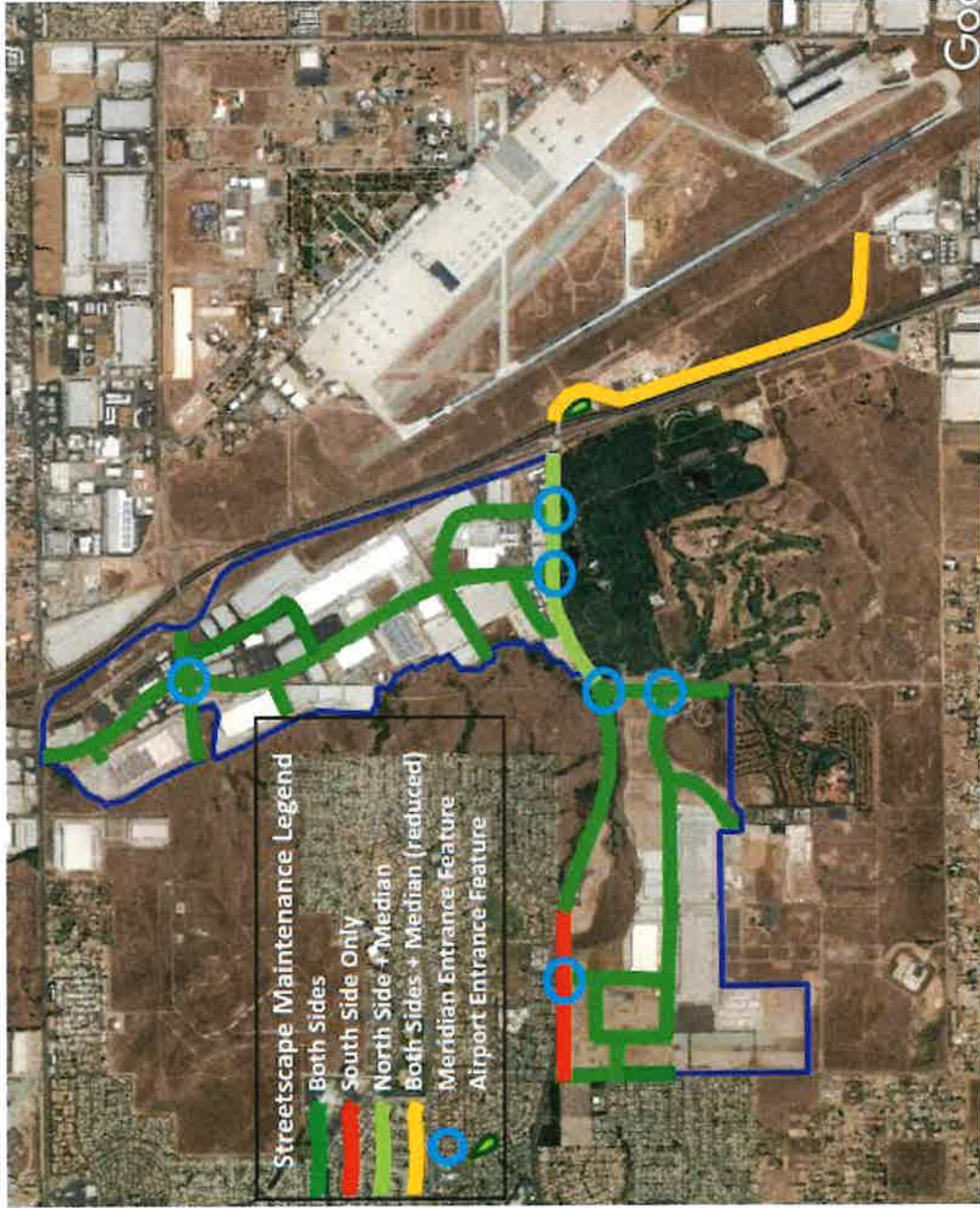
The map below details the location of the LLMD street light improvements.

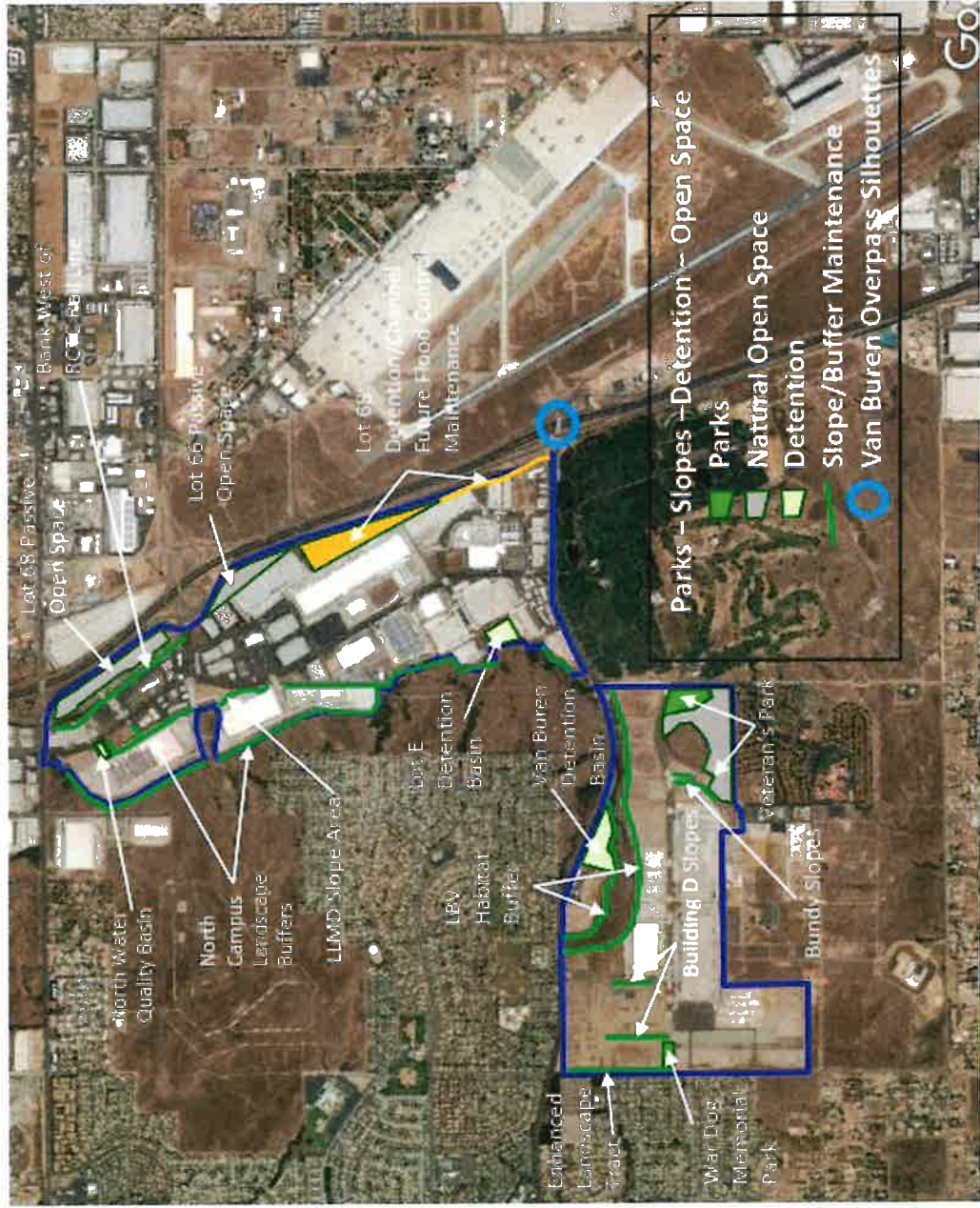


The map below details the location of the LLMMD traffic signal improvements. March JPA contracts with the County for signal maintenance.



The maps below detail the location of the LLMMD landscape improvements.





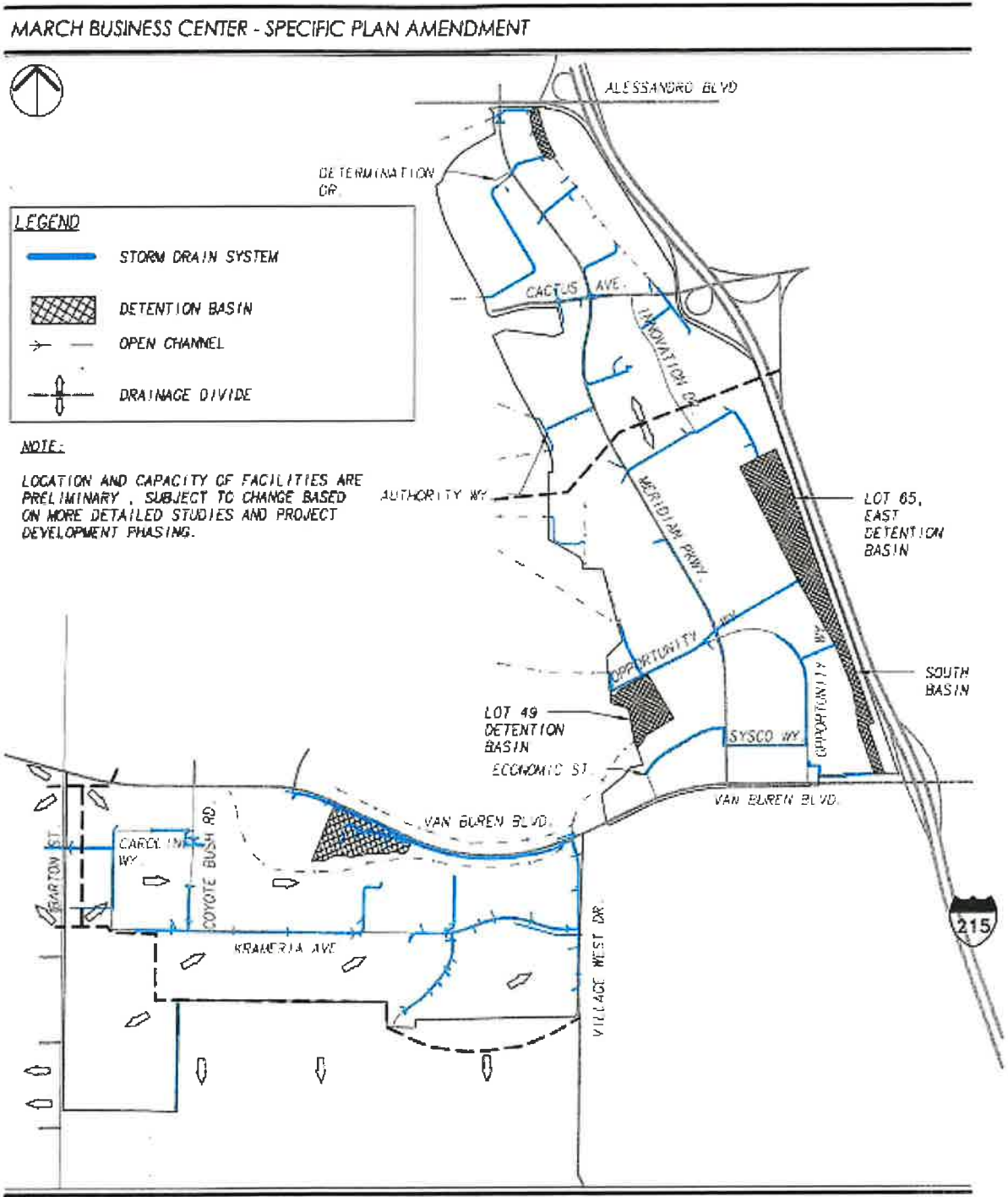
The map below details the location of the LLMD street sweeping.



The map below details the location of the LLMD graffiti removal.



The map below details the location of the LLMD drainage improvements.



Part II- Method of Apportionment

In response to the realignment of March Air Force Base, there was a determination by the MJPAA that a plan was required to provide for areas declared surplus and available for disposal actions. The MBC Specific Plan was prepared and approved and has been amended by the MJPAA to mitigate the losses associated with the base realignment. Implementation of the MBC Specific Plan will specifically benefit that area being re-aligned by establishing a cohesive identity and a land use plan that will result in a self-sustaining project with a large employment center.

Implementation of the Specific Plan required the formation of Landscaping and Lighting Maintenance District No. 1 (LLMD 1) to provide for the on-going maintenance of certain improvements. The intent of the District is to provide funding for the annual and continued maintenance of these improvements in perpetuity.

There are four benefit zones within LLMD 1. The locations of the Benefit Zone 1 improvements are further identified as the North or South Campus improvements. Due to the nature and extent of the improvements, and being in separate areas, each Campus is assessed separately for that Campus's facilities and services. Located north of Van Buren Boulevard, the North Campus parcels are assessed for the maintenance and services provided within the North Campus. Located south of Van Buren Boulevard, the South Campus parcels are assessed for the maintenance and services provided within the South Campus.

The parcels in the North Campus include approximately 60% of the total area within the MBC Specific Plan, with the remainder 40% to be developed in the South Campus. To be protected from inundation, before development of the South Campus could take place, certain drainage facilities were required to be constructed within the North Campus. Accordingly, 40% of the maintenance of the detention basins within the North Campus is assessed to the South Campus.

Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Article XIII D provides that only special benefits are assessable. The Authority must separate the general benefits from the special benefits conferred on a parcel; a special benefit being a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the district.

The improvements are located within and/or immediately adjacent to properties within the District and were required as a condition of approval to develop. The improvements were installed and are maintained particularly and solely to serve, and for the benefit of, the properties within the respective Benefit Zones.

Landscaping in the medians along the major thoroughfares provides only incidental, negligible and non-quantifiable benefits to motorists traveling to, from or through the District. Operation and maintenance of the greenways within the District provides only incidental, negligible and non-quantifiable benefits to pedestrians and cyclists traveling through the greenbelts.

Any benefit received by properties outside of the District is inadvertent and unintentional. Therefore, any general benefits associated with the maintenance and servicing of the improvements are merely incidental, negligible, and non-quantifiable. The improvements detailed in Part I herein confer special benefits that affect the assessed property in Benefit Zone 1 in a way that is particular and distinct from the effects on other parcels and that real property in general and the public at large do not share.

Within each Campus, except for the detention basins, the extent of the Benefit Zone 1 improvements to be maintained adjacent to a parcel does not impart a particular benefit over and above the special benefit received from maintenance of all the improvements required under the Specific Plan. Nor does the location or land use of a parcel impart a benefit over and above the special benefit received from maintenance of the improvements. Land uses are located to encourage development, limit potential competition and to attract customers or clientele.

The method of assessment under Benefit Zone 1 is based on benefit units with an acre equal to one benefit unit. Each numbered Lot within Benefit Zone 1 will be assessed benefit units equal to the gross acreage. Benefit units will be assessed based on each Lot's gross acreage shown on Assessor's Parcel Maps, less any area restricted for use by the Army Corp of Engineer's.

This method of assessment applies to all categories of the Benefit Zone 1 improvements and incidental expenses. Incidental expenses include annual engineering, inspection, insurance, legal, administration, and finance expenses incurred by LLMD 1, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

It is noted that:

- Due to limited access, 15 acres (Benefit Zone 1 benefit units) have been discounted on Lot 68, TM 30857, North Campus, to reflect the limited level of development potential.
- Under the ownership of the Riverside County Transportation Commission, Lot 4, Tract 30857-2 was developed as a Metrolink Station site. The Metrolink will serve as a commuter rail, express bus, local bus and shuttle transfer facility.
- Development of the Metrolink site is consistent with the goals of the Transportation Demand Management Strategies set forth in the Specific Plan. Due to the benefit provided by the site and the site's limited frontage on Meridian Parkway, the assessed acreage (Benefit Zone 1 benefit units) on Lot 4, Tract 30857-2, has been reduced by 25%.
- The Army Corp of Engineer's has identified an ephemeral streambed that crosses Tract 37107 (Annexation No. 3). The streambed is the continuation of a conservation easement that prohibits development therein. To reflect the prohibition on development, the assessed area within Tract 37107 has been reduced to 111.7 acres. With final design and the surveyed designation of the restricted area, if less area is restricted, the area to be assessed will increase. If more area is restricted, the assessed area within Tract 37107 will remain at 111.7 acres.

The Specific Plan improvements are interrelated and the Benefit Zone 1 area within LLMD 1 benefits from the implementation of the Specific Plan. However, lots within a tract(s) where the improvements have been constructed benefit to a greater extent from the maintenance of the improvements. Additionally, lots within the tracts(s) that are occupied or under construction benefit to an even greater extent from the maintenance of the improvements.

To reflect the extent of benefit, each year the Benefit Zone 1 benefit units, within each Campus, will be assessed the current annual assessment in the following order:

1. Lots with Certificate of Occupancy or Building Foundation Permit issued prior to January 1 of the current fiscal year
2. Lots within a Tract Map recorded prior to January 1 of the current fiscal year
3. Lots within a phase where improvements have been constructed or were under construction prior to January 1 of the current fiscal year
4. Remainder Lots

All parcels in LLMD 1 are in Benefit Zone 1 or Benefit Zone 2. Lots within Benefit Zone 1 that are developed or to be developed as railroad, open space, park, channels, and detention basins are assessed zero benefit units.

The area within Benefit Zone 2 is a remainder area and is assessed zero benefit units. There are no improvements serviced, maintained or operated under Benefit Zone 2.

In general, the annual work to be performed under Benefit Zone 3 includes the maintenance, servicing and repair of the landscaping, landscape hardscape, irrigation system, and appurtenances located in the joint access easement across Lots 9 and 10, Tract 30857-2 that provides access from Meridian Parkway to Lots 4, 9 and 10, Tract 30857-2.

These Lots are further identified by the following Assessor Parcel Numbers:

Lot 4, Tract 30857-2, Assessor Parcel Number 297-100-036

Lot 9, Tract 30857-2, Assessor Parcel Number 297-100-041

Lot 10, Tract 30857-2, Assessor Parcel Number 297-100-042

Lots 4, 9 and 10, Tract 30857-2 benefit from the annual work to be performed under Benefit Zone 3. The method of assessment under Benefit Zone 3 is based on one benefit unit.

Until a grading permit was obtained for Lot 9 or Lot 10, Lot 4 benefited from and was assessed for the cost of the Benefit Zone 3 improvements. With the issuance of grading permits, the respective benefit and assessment for the cost of the Benefit Zone 3 improvements is Twelve and One-Half Percent (12.5%) for Lot 9, Twelve and One-Half Percent (12.5%) for Lot 10, with Lot 4 assessed the remaining Seventy-Five Percent (75%) of the Zone 3 costs.

It is noted that the Benefit Zone 3 assessments do not modify or preclude assessments levied on Lots 4, 9 and 10, Tract 30857-2, under Benefit Zone I, North Campus.

To ensure joint access and provide for internal development, on February 27, 2014, as Instrument Number 2014-0075719, in the Office of the Recorder, County of Riverside, State of California, a document entitled "Amended and Restated Declaration of Easements, Covenants, Conditions and Restrictions (CC&Rs)", was recorded against Lots 4, 9 and 10, Tract 30857-2. The CC&Rs are consistent with the method of assessment under Benefit Zone 3. Said CC&Rs are hereby made a part of this report to the same extent as if attached hereto.

The Benefit Zone 3 improvements are an extension of the Meridian Parkway landscaping improvements that are maintained and improved under Benefit Zone 1. Benefit Zone 3 will be assessed for the costs associated with the Benefit Zone 3 improvements, including, but not limited to, regular maintenance and repairs, water and electric, dead plant replacement, mulch application, tree manicuring, and irrigation replacement and repairs.

On an annual basis, the total incidentals for Landscape and Lighting District No.1 (LLMD) will be prorated to the Benefit Zones based on each Benefit Zone's share of the annual maintenance costs for that fiscal year.

Based on the projected cash-flow, and annually thereafter, in order to provide sufficient funding through all phases of development, the maximum annual assessments under Benefit Zone 1, North Campus and South Campus, Benefit Zone 3 and Benefit Zone 4 are, subject to escalation factors, as listed below:

- The "Common Labor, Construction Cost Index", as published by Engineering News Record (ENR) in subsequent years,
- Utility rate increase(s) effective in subsequent years, current providers being:
 - Western Municipal Water District, and
 - Southern California Edison Company or March Joint Powers Utility Authority

The ENR Common Labor Construction Cost index is 1.10% over the prior year. Water utilities represent approximately 13.50% of the annual costs. With a cumulative Western Municipal Water District cost increase of 25.22% from the prior year, the total escalation factor for Fiscal Year 2023/2024 is 4.36%.

Accordingly, the effective and maximum annual assessment, all as subject to the above escalation factors, by Benefit Zone are summarized as follows:

| Benefit Zone | Effective | Maximum |
|------------------------------|------------|------------|
| Benefit Zone 1, North Campus | \$2,351.49 | \$2,351.49 |
| Benefit Zone 1, South Campus | \$2,358.88 | \$3,594.29 |
| Benefit Zone 2 | \$0.00 | \$0.00 |
| Benefit Zone 3 | \$4,541.33 | \$4,541.33 |
| Benefit Zone 4 | \$1,034.34 | \$1,034.34 |

The following is a summary of the Zone 1 (North and South Campuses) and Benefit Zone 4 Benefit Units for the current fiscal year:

| Fiscal Year 2023/2024 Benefit Units | | | | | |
|--------------------------------------|---------------|---------------|---------------|--------------|-----------------|
| Campus | Permitted | Final Map | Construction | Undeveloped | Total |
| North Campus | 463.13 | 35.37 | 103.32 | 18.80 | 620.62 |
| South Campus | 254.94 | 84.04 | 9.30 | 23.69 | 371.97 |
| Zone 4 | 0.00 | 127.74 | 0.00 | 0.00 | 127.74 |
| Total 2023/2024 Benefit Units | 718.07 | 247.15 | 112.62 | 42.49 | 1,120.33 |

Note: There are 0 benefit units in Benefit Zone 2. There is one (1) benefit unit within Benefit Zone 3 which is included as part of the Benefit Zone 1, North Campus Permitted benefit unit category.

A summary of the Benefit Zone 1 assessments, for the current fiscal year, is listed as follows:

| Fiscal Year 2023/2024 Benefit Zone Effective Assessments | | | | | |
|---|-----------------------|---------------------|---------------------|--------------------|-----------------------|
| FY 2023/2024 Assessment Per Benefit Unit | | | | | |
| | Permitted | Final Map | Construction | Undeveloped | |
| North Campus | \$2,351.49 | \$2,351.49 | \$2,351.49 | \$0.00 | |
| South Campus | \$2,358.88 | \$2,358.88 | \$2,358.88 | \$0.00 | |
| FY 2023/2024 Total Assessments | | | | | |
| Campus | Permitted | Final Map | Construction | Undeveloped | Total |
| North Campus | \$1,089,044.37 | \$83,171.96 | \$242,955.86 | \$0.00 | \$1,415,172.19 |
| South Campus | 601,372.74 | 198,240.16 | 21,937.56 | 0.00 | 821,550.46 |
| Total 2023/2024 Assessments | \$1,690,417.11 | \$281,412.12 | \$264,893.42 | \$0.00 | \$2,236,722.65 |

The following is a summary of the Zone 3 Benefit Units and Assessments for the current fiscal year:

| APN | Benefit Units | Effective Assessment |
|---------------|----------------------|-----------------------------|
| 297-100-036 | 0.750 | \$3,406.00 |
| 297-100-041 | 0.125 | 567.67 |
| 297-100-042 | 0.125 | 567.67 |
| Totals | 1.000 | \$4,541.33 |

The following is a summary of the Zone 4 Benefit Units and Assessments for the current fiscal year:

| APN | Benefit Units | Effective Assessment |
|-------------|----------------------|-----------------------------|
| 294-170-015 | 127.740 | \$132,126.59 |

Reference is made to Part III, Cost Estimate for Details on the expenses assessed for Fiscal Year 2023/2024. For the specific assessment on each Lot and parcel within LLMD 1, for all improvements, for the Fiscal Year commencing July 1, 2023 to June 30, 2024 reference is made to Part IV, Assessment Roll included herein.

Part III- Cost Estimate

Fiscal Year 2023/2024 Cost Estimate Landscaping and Lighting Maintenance District No. 1 March Joint Powers Authority

| Description | Proposed Budget 2023/2024 | | | | |
|---------------------------------------|---------------------------|-----------------------|-------------------|---------------------|-----------------------|
| | North Campus BZ 1 | South Campus BZ 1 | BZ 3 | BZ 4 | Total |
| ASSESSMENTS | \$1,415,172.19 | \$821,550.46 | \$4,541.33 | \$132,126.59 | \$2,373,390.57 |
| Net Operating Revenue | \$1,415,172.19 | \$821,550.46 | \$4,541.33 | \$132,126.59 | \$2,373,390.57 |
| Total Revenue | \$1,415,172.19 | \$821,550.46 | \$4,541.33 | \$132,126.59 | \$2,373,390.57 |
| IMPROVEMENTS | | | | | |
| Traffic Signals | \$34,423.48 | \$12,805.59 | \$0.00 | \$9,051.00 | \$56,280.07 |
| Lighting | 38,346.09 | 26,714.11 | 0.00 | 9,354.00 | 74,414.20 |
| Landscaping | 663,614.75 | 292,549.48 | 1,809.03 | 58,406.00 | 1,016,379.25 |
| Drainage | 338,678.81 | 36,787.65 | 0.00 | 7,196.00 | 382,662.46 |
| Street Sweeping | 46,577.22 | 0.00 | 0.00 | 6,695.00 | 53,272.22 |
| Graffiti Removal/ Vandalism | 1,572.75 | 1,350.57 | 0.00 | 420.00 | 3,343.32 |
| Total Improvements Expenses | \$1,123,213.09 | \$370,207.40 | \$1,809.03 | \$91,122.00 | \$1,586,351.52 |
| STORM DRAIN RESERVE FUND | \$115,757.83 | \$110,221.49 | \$911.50 | \$0.00 | \$226,890.82 |
| ESTABLISHMENT OF RESERVES | \$0.00 | \$0.00 | \$0.00 | \$22,780.19 | \$22,780.19 |
| INCIDENTAL EXPENSES | | | | | |
| Salaries and Wages | 82,701.88 | 55,134.59 | 240.34 | 8,553.81 | 146,630.62 |
| Benefits | 18,879.69 | 12,586.46 | 55.06 | 1,952.72 | 33,473.93 |
| Post Employment Benefits | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PERS Contributions | 16,182.60 | 10,788.40 | 47.20 | 1,673.76 | 28,691.95 |
| Medicare Tax | 1,348.56 | 899.04 | 3.93 | 139.48 | 2,391.01 |
| Unemployment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Workers Compensation Ins. | 1,078.84 | 719.22 | 3.14 | 111.58 | 1,912.79 |
| Operations | 8,990.32 | 5,993.55 | 26.22 | 929.86 | 15,939.95 |
| Transportation/Communication | 10,788.39 | 7,192.26 | 31.46 | 1,115.84 | 19,127.95 |
| Insurance | 6,562.93 | 4,375.28 | 19.13 | 678.80 | 11,636.14 |
| Assessment Engineer | 11,687.43 | 7,731.62 | 34.08 | 1,208.82 | 20,721.95 |
| Professional Services | 8,091.28 | 5,394.19 | 23.59 | 836.88 | 14,345.94 |
| Publication | 899.02 | 599.35 | 2.82 | 92.98 | 1,593.97 |
| Contingency county cost | 8,990.33 | 5,993.55 | 26.22 | 929.86 | 15,939.96 |
| Total Incidental Expenses | \$176,201.26 | \$117,467.51 | \$513.00 | \$18,224.40 | \$312,406.17 |
| Cash Balance Forward July 1, 2023 | \$0.00 | \$1,168,311.31 | \$5,953.46 | \$0.00 | \$1,174,264.77 |
| Revenue & Loan Payments | \$1,415,172.19 | \$821,550.46 | \$4,541.33 | \$132,126.59 | \$2,373,390.57 |
| Expenses | 1,415,172.19 | 597,896.40 | 3,233.52 | 132,126.59 | 2,148,428.70 |
| Projected Net Revenue | \$0.00 | \$223,654.06 | \$1,307.81 | \$0.00 | \$224,961.87 |
| ESTIMATED ENDING CASH RESERVES | \$0.00 | \$1,391,965.37 | \$7,261.27 | \$0.00 | \$1,399,226.65 |

Note: Totals may not tie due to rounding.

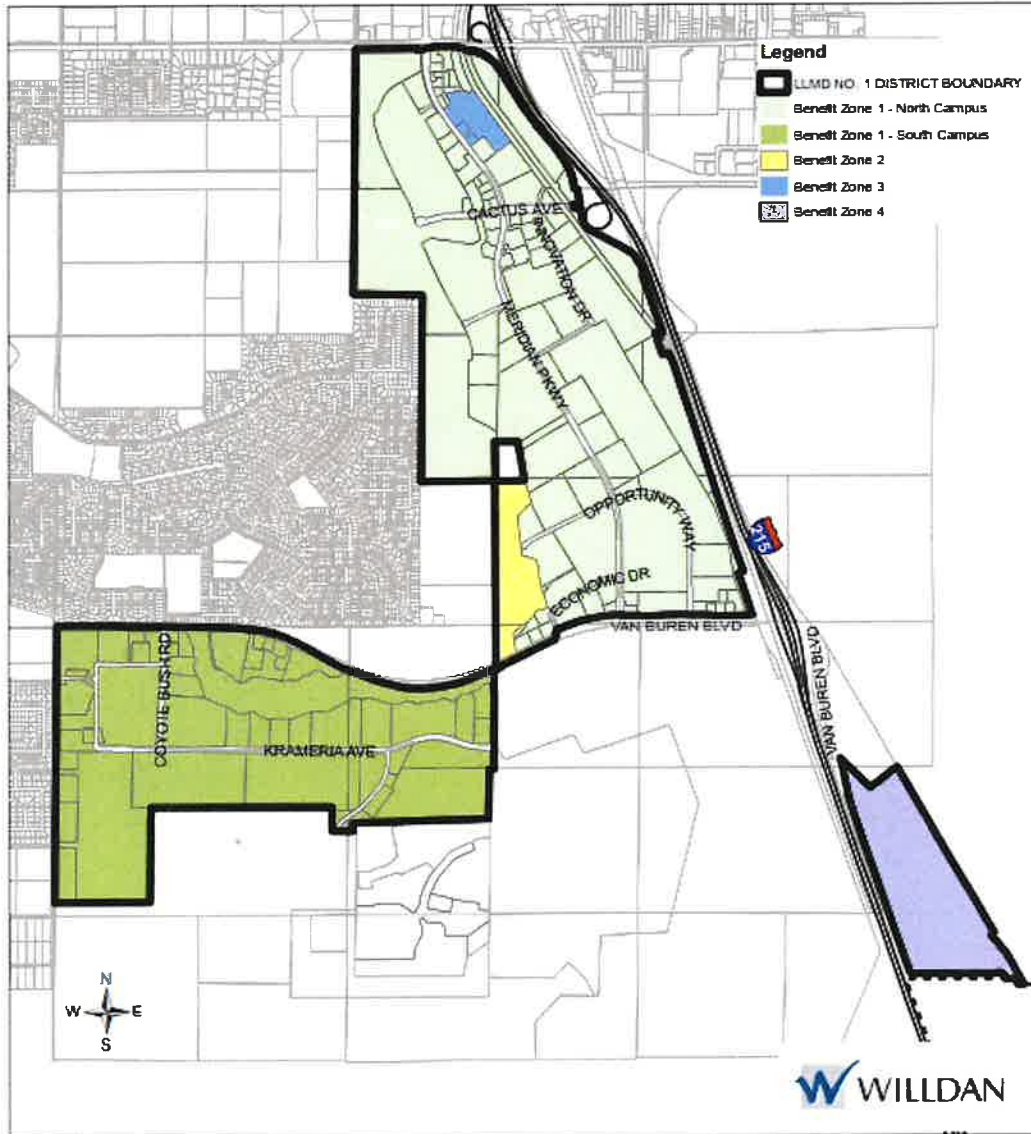
Part IV- Diagram

Landscaping and Lighting Maintenance District No. 1 March Joint Powers Authority

A diagram showing the exterior boundaries of Landscaping and Lighting Maintenance District No. 1, and the boundaries of the Benefit Zones within the District, is attached hereto. The diagram establishes the boundaries of the areas within the District, as the same existed at the time of the adoption of the Resolution of Intention and the initiation of these proceedings.

Reference is made to the County of Riverside Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County of Riverside Assessor's Maps for the fiscal year to which the "Report" applies.

**ASSESSMENT DIAGRAM OF
LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1
MARCH JOINT POWERS AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FISCAL YEAR 2023/2024**



Part V- Assessment Roll

Landscaping and Lighting Maintenance District No. 1 March Joint Powers Authority

For the specific assessment on each Lot and parcel within LLMD 1, for all improvements, for the Fiscal Year commencing July 1, 2023 to June 30, 2024, reference is made to the Assessment Roll following herein.

**March Joint Powers Authority
Landscaping and Lighting Maintenance District No. 1
Fiscal Year 2023/24 Preliminary Assessment Roll
(Sorted by Assessor's Parcel Number)**

| Assessor's Parcel Number | Situs Address | Campus | Zone | Type | Benefit Units | Benefit Units - Zone 3 | Charge |
|--------------------------|-----------------------|--------|------|--------------|---------------|------------------------|-------------|
| 294-040-031 | SITUS NOT AVAILABLE | North | 1 | Construction | 25.24 | | \$59,351.60 |
| 294-040-035 | 21803 AUTHORITY WAY | North | 1 | Construction | 8.60 | | 20,222.80 |
| 294-040-037 | SITUS NOT AVAILABLE | North | 1 | Construction | 6.59 | | 15,496.30 |
| 294-040-038 | SITUS NOT AVAILABLE | North | 1 | Construction | 8.56 | | 20,128.74 |
| 294-050-080 | 15801 MERIDIAN PKWY | North | 1 | Permitted | 24.62 | | 57,893.68 |
| 294-050-081 | SITUS NOT AVAILABLE | North | 1 | Final Map | 6.37 | | 14,978.98 |
| 294-070-025 | 15750 MERIDIAN PKWY | North | 1 | Permitted | 45.00 | | 105,817.04 |
| 294-070-031 | 22220 OPPORTUNITY WAY | North | 1 | Permitted | 9.90 | | 23,279.74 |
| 294-070-038 | 22000 OPPORTUNITY WAY | North | 1 | Permitted | 26.92 | | 63,302.10 |
| 294-070-039 | SITUS NOT AVAILABLE | North | 1 | Final Map | 2.10 | | 4,938.12 |
| 294-070-040 | 22310 VAN BUREN BLVD | North | 1 | Permitted | 1.43 | | 3,362.62 |
| 294-070-041 | 22300 VAN BUREN BLVD | North | 1 | Permitted | 1.31 | | 3,080.44 |
| 294-070-043 | 22380 VAN BUREN BLVD | North | 1 | Permitted | 9.08 | | 21,351.52 |
| 294-070-044 | SITUS NOT AVAILABLE | North | 1 | Final Map | 6.47 | | 15,214.14 |
| 294-070-045 | 22400 VAN BUREN BLVD | North | 1 | Permitted | 1.58 | | 3,715.34 |
| 294-070-046 | 22400 VAN BUREN BLVD | North | 1 | Permitted | 0.99 | | 2,327.96 |
| 294-070-047 | 22420 VAN BUREN BLVD | North | 1 | Permitted | 1.14 | | 2,680.68 |
| 294-070-048 | 22430 VAN BUREN BLVD | North | 1 | Permitted | 0.90 | | 2,116.34 |
| 294-070-049 | SITUS NOT AVAILABLE | North | 1 | Permitted | 2.35 | | 5,526.00 |
| 294-070-050 | SITUS NOT AVAILABLE | North | 1 | Final Map | 0.84 | | 1,975.24 |
| 294-100-020 | 20800 KRAMERIA AVE | South | 1 | Final Map | 22.96 | | 54,159.88 |
| 294-100-045 | 20201 CAROLINE WAY | South | 1 | Permitted | 35.98 | | 84,872.50 |
| 294-100-048 | SITUS NOT AVAILABLE | South | 1 | Construction | 1.17 | | 2,759.88 |
| 294-100-049 | SITUS NOT AVAILABLE | South | 1 | Construction | 8.13 | | 19,177.68 |
| 294-100-050 | SITUS NOT AVAILABLE | South | 1 | Permitted | 0.17 | | 401.00 |
| 294-100-051 | SITUS NOT AVAILABLE | South | 1 | Permitted | 0.53 | | 1,250.20 |
| 294-100-052 | SITUS NOT AVAILABLE | South | 1 | Permitted | 1.08 | | 2,547.58 |
| 294-100-053 | SITUS NOT AVAILABLE | South | 1 | Final Map | 1.00 | | 2,358.88 |
| 294-100-054 | SITUS NOT AVAILABLE | South | 1 | Final Map | 2.37 | | 5,590.54 |
| 294-100-055 | SITUS NOT AVAILABLE | South | 1 | Final Map | 1.19 | | 2,807.06 |
| 294-100-056 | SITUS NOT AVAILABLE | South | 1 | Permitted | 3.94 | | 9,293.98 |
| 294-100-057 | SITUS NOT AVAILABLE | South | 1 | Permitted | 5.51 | | 12,997.42 |
| 294-100-058 | SITUS NOT AVAILABLE | South | 1 | Final Map | 10.74 | | 25,334.36 |
| 294-100-059 | 20820 KRAMERIA AVE | South | 1 | Final Map | 5.98 | | 14,106.10 |
| 294-100-060 | 20840 KRAMERIA AVE | South | 1 | Final Map | 4.83 | | 11,393.38 |
| 294-100-061 | 20880 KRAMERIA AVE | South | 1 | Final Map | 3.97 | | 9,364.74 |
| 294-100-062 | 20900 KRAMERIA AVE | South | 1 | Final Map | 5.07 | | 11,959.52 |
| 294-110-010 | 20801 KRAMERIA AVE | South | 1 | Permitted | 48.02 | | 113,273.40 |
| 294-110-011 | 20901 KRAMERIA AVE | South | 1 | Permitted | 44.53 | | 105,040.92 |
| 294-120-054 | SITUS NOT AVAILABLE | South | 1 | Final Map | 4.72 | | 11,133.90 |
| 294-120-055 | SITUS NOT AVAILABLE | South | 1 | Final Map | 6.25 | | 14,743.00 |
| 294-120-056 | SITUS NOT AVAILABLE | South | 1 | Final Map | 4.15 | | 9,789.34 |
| 294-120-057 | SITUS NOT AVAILABLE | South | 1 | Final Map | 3.28 | | 7,737.12 |
| 294-170-015 | SITUS NOT AVAILABLE | | 4 | Final Map | 127.74 | | 132,126.58 |
| 294-640-001 | 15001 MERIDIAN PKWY | North | 1 | Permitted | 18.43 | | 43,337.96 |
| 294-640-005 | 15001 MERIDIAN PKWY | North | 1 | Permitted | 1.61 | | 3,785.88 |
| 294-640-006 | SITUS NOT AVAILABLE | North | 1 | Permitted | 1.23 | | 2,892.32 |
| 294-640-011 | 15001 MERIDIAN PKWY | North | 1 | Permitted | 3.77 | | 8,865.10 |
| 294-640-018 | 14800 MERIDIAN PKWY | North | 1 | Permitted | 8.41 | | 19,776.02 |
| 294-640-026 | SITUS NOT AVAILABLE | North | 1 | Permitted | 3.42 | | 8,042.08 |
| 294-640-030 | SITUS NOT AVAILABLE | North | 1 | Permitted | 7.20 | | 16,930.72 |
| 294-640-033 | SITUS NOT AVAILABLE | North | 1 | Permitted | 8.72 | | 20,504.98 |
| 294-640-034 | 14950 MERIDIAN PKWY | North | 1 | Permitted | 59.45 | | 139,796.08 |
| 294-650-001 | 21800 OPPORTUNITY WAY | North | 1 | Permitted | 5.02 | | 11,804.46 |
| 294-650-002 | 21822 OPPORTUNITY WAY | North | 1 | Permitted | 13.35 | | 31,392.38 |

| Assessor's Parcel Number | Situs Address | Campus | Zone | Type | Benefit Units | Benefit Units - Zone 3 | Charge |
|--------------------------|---------------------------|--------|------|--------------|---------------|------------------------|------------|
| 294-650-003 | 15555 MERIDIAN PKWY | North | 1 | Permitted | 7.04 | | 16,554.48 |
| 294-650-010 | SITUS NOT AVAILABLE | North | 1 | Final Map | 0.19 | | 446.78 |
| 294-650-011 | 15555 MERIDIAN PKWY | North | 1 | Permitted | 3.23 | | 7,595.30 |
| 294-670-001 | SITUS NOT AVAILABLE | South | 1 | Permitted | 8.99 | | 21,206.32 |
| 294-670-002 | SITUS NOT AVAILABLE | South | 1 | Permitted | 6.39 | | 15,073.24 |
| 294-670-003 | SITUS NOT AVAILABLE | South | 1 | Permitted | 4.57 | | 10,780.08 |
| 294-670-004 | 20801 KRAMERIA AVE | South | 1 | Permitted | 78.46 | | 185,077.72 |
| 294-670-005 | SITUS NOT AVAILABLE | South | 1 | Permitted | 2.94 | | 6,935.10 |
| 294-680-004 | SITUS NOT AVAILABLE | South | 1 | Permitted | 1.16 | | 2,736.30 |
| 294-680-005 | 20631 VAN BUREN BLVD | South | 1 | Permitted | 0.89 | | 2,099.40 |
| 294-680-006 | 20641 VAN BUREN BLVD | South | 1 | Permitted | 1.44 | | 3,396.78 |
| 294-690-002 | SITUS NOT AVAILABLE | South | 1 | Permitted | 7.31 | | 17,243.40 |
| 294-690-003 | SITUS NOT AVAILABLE | South | 1 | Final Map | 3.07 | | 7,241.76 |
| 294-690-004 | SITUS NOT AVAILABLE | South | 1 | Final Map | 0.95 | | 2,240.92 |
| 294-690-005 | SITUS NOT AVAILABLE | South | 1 | Permitted | 3.03 | | 7,147.40 |
| 294-690-006 | SITUS NOT AVAILABLE | South | 1 | Final Map | 3.51 | | 8,279.66 |
| 294-701-001 | 21840 VAN BUREN BLVD ##1 | North | 1 | Final Map | 0.81 | | 1,904.70 |
| 294-701-002 | SITUS NOT AVAILABLE | North | 1 | Final Map | 0.81 | | 1,904.70 |
| 294-701-003 | 21830 VAN BUREN BLVD ##2 | North | 1 | Final Map | 0.59 | | 1,387.36 |
| 294-701-004 | 21810 VAN BUREN BLVD ##3 | North | 1 | Final Map | 0.90 | | 2,116.34 |
| 294-701-005 | 21800 VAN BUREN BLVD ##4 | North | 1 | Final Map | 0.56 | | 1,316.82 |
| 294-701-006 | 21820 VAN BUREN BLVD ##5 | North | 1 | Final Map | 0.45 | | 1,058.16 |
| 294-701-008 | 21770 VAN BUREN BLVD ##6 | North | 1 | Final Map | 0.91 | | 2,139.84 |
| 294-701-009 | 21790 VAN BUREN BLVD ##7 | North | 1 | Final Map | 1.20 | | 2,821.78 |
| 294-701-010 | 21780 VAN BUREN BLVD ##8 | North | 1 | Final Map | 1.20 | | 2,821.78 |
| 294-701-011 | 21760 VAN BUREN BLVD ##9 | North | 1 | Final Map | 0.91 | | 2,139.84 |
| 294-701-012 | 21760 VAN BUREN AVE | North | 1 | Final Map | 0.91 | | 2,139.84 |
| 294-701-014 | 21850 VAN BUREN BLVD ##10 | North | 1 | Final Map | 0.84 | | 1,975.24 |
| 294-701-015 | 21860 VAN BUREN BLVD ##11 | North | 1 | Final Map | 0.95 | | 2,233.90 |
| 294-701-016 | 21870 VAN BUREN BLVD ##12 | North | 1 | Final Map | 1.11 | | 2,610.14 |
| 294-701-018 | 21880 VAN BUREN BLVD | North | 1 | Final Map | 1.45 | | 3,409.66 |
| 294-710-001 | 21550 VAN BUREN BLVD | North | 1 | Permitted | 1.65 | | 3,879.94 |
| 294-710-002 | 21650 VAN BUREN BLVD | North | 1 | Permitted | 1.21 | | 2,845.30 |
| 294-710-003 | 21750 VAN BUREN BLVD | North | 1 | Permitted | 1.34 | | 3,150.98 |
| 294-710-004 | 21700 VAN BUREN BLVD | North | 1 | Permitted | 1.51 | | 3,550.74 |
| 294-710-005 | 21600 VAN BUREN BLVD | North | 1 | Permitted | 1.42 | | 3,339.10 |
| 297-100-036 | 14160 MERIDIAN PKWY | North | 3 | Permitted | 10.85 | 0.75 | 28,919.66 |
| 297-100-037 | SITUS NOT AVAILABLE | North | 1 | Permitted | 2.62 | | 6,160.90 |
| 297-100-038 | 14350 MERIDIAN PKWY | North | 1 | Permitted | 8.54 | | 20,081.72 |
| 297-100-041 | 14140 MERIDIAN PKWY | North | 3 | Permitted | 0.95 | 0.13 | 2,801.58 |
| 297-100-042 | 14200 MERIDIAN PKWY ##13 | North | 3 | Permitted | 0.70 | 0.13 | 2,213.70 |
| 297-100-047 | SITUS NOT AVAILABLE | North | 1 | Permitted | 3.10 | | 7,289.60 |
| 297-100-048 | SITUS NOT AVAILABLE | North | 1 | Permitted | 1.85 | | 4,350.24 |
| 297-100-064 | 14205 MERIDIAN PKWY | North | 1 | Permitted | 3.29 | | 7,736.40 |
| 297-100-065 | 14305 MERIDIAN PKWY | North | 1 | Permitted | 3.28 | | 7,712.88 |
| 297-100-083 | SITUS NOT AVAILABLE | North | 1 | Construction | 1.71 | | 4,021.04 |
| 297-100-084 | 21600 CACTUS AVE | North | 1 | Construction | 19.75 | | 46,441.92 |
| 297-100-085 | SITUS NOT AVAILABLE | North | 1 | Construction | 0.37 | | 870.04 |
| 297-110-046 | 21800 AUTHORITY DR | North | 1 | Construction | 32.50 | | 76,423.42 |
| 297-110-047 | SITUS NOT AVAILABLE | North | 1 | Permitted | 1.75 | | 4,115.10 |
| 297-110-048 | SITUS NOT AVAILABLE | North | 1 | Final Map | 1.38 | | 3,245.04 |
| 297-110-049 | SITUS NOT AVAILABLE | North | 1 | Final Map | 1.39 | | 3,268.56 |
| 297-230-011 | SITUS NOT AVAILABLE | North | 1 | Permitted | 2.34 | | 5,502.48 |
| 297-230-012 | SITUS NOT AVAILABLE | North | 1 | Permitted | 0.88 | | 2,069.30 |
| 297-230-025 | 14530 INNOVATION DR | North | 1 | Permitted | 4.06 | | 9,547.04 |
| 297-230-026 | 14540 INNOVATION DR | North | 1 | Permitted | 5.53 | | 13,003.72 |
| 297-230-031 | 14600 INNOVATION DR | North | 1 | Permitted | 26.89 | | 63,231.56 |
| 297-231-002 | 14575 INNOVATION DR | North | 1 | Permitted | 1.05 | | 2,469.06 |
| 297-231-005 | 14575 INNOVATION DR | North | 1 | Permitted | 0.01 | | 23.50 |

| Assessor's Parcel Number | Situs Address | Campus | Zone | Type | Benefit Units | Benefit Units - Zone 3 | Charge |
|--------------------------|--------------------------|--------|------|-----------|---------------|------------------------|-----------|
| 297-231-006 | 14575 INNOVATION DR | North | 1 | Permitted | 16.53 | | 38,870.12 |
| 297-231-007 | 14538 MERIDIAN WAY | North | 1 | Permitted | 1.38 | | 3,245.04 |
| 297-231-008 | 14528 MERIDIAN WAY | North | 1 | Permitted | 2.81 | | 6,607.68 |
| 297-231-009 | 14518 MERIDIAN PKWY | North | 1 | Permitted | 3.08 | | 7,242.58 |
| 297-231-010 | 21801 CACTUS AVE | North | 1 | Permitted | 0.95 | | 2,233.90 |
| 297-231-011 | 21803 CACTUS AVE | North | 1 | Permitted | 1.33 | | 3,127.48 |
| 297-231-012 | 14519 INNOVATION DR | North | 1 | Permitted | 2.40 | | 5,643.56 |
| 297-231-013 | 14529 INNOVATION DR | North | 1 | Permitted | 1.96 | | 4,608.92 |
| 297-231-014 | 14539 INNOVATION DR | North | 1 | Permitted | 3.24 | | 7,618.82 |
| 297-231-015 | 14605 INNOVATION DR | North | 1 | Permitted | 8.78 | | 20,646.08 |
| 297-231-016 | 14555 MERIDIAN PKWY | North | 1 | Permitted | 10.80 | | 25,396.08 |
| 297-232-004 | 14813 MERIDIAN PKWY | North | 1 | Permitted | 29.41 | | 69,157.32 |
| 297-232-005 | 14751 MERIDIAN PKWY | North | 1 | Permitted | 5.63 | | 13,238.88 |
| 297-232-006 | SITUS NOT AVAILABLE | North | 1 | Final Map | 3.03 | | 7,125.00 |
| 297-233-001 | 21804 CACTUS AVE ##1-1 | North | 1 | Permitted | 0.24 | | 564.34 |
| 297-233-002 | 21804 CACTUS AVE ##1-2 | North | 1 | Permitted | 0.14 | | 329.20 |
| 297-233-003 | 21804 CACTUS AVE ##1-3 | North | 1 | Permitted | 0.15 | | 352.72 |
| 297-233-004 | 21804 CACTUS AVE ##1-4 | North | 1 | Permitted | 0.18 | | 423.26 |
| 297-233-005 | 21804 CACTUS AVE ##1-5 | North | 1 | Permitted | 0.13 | | 305.68 |
| 297-233-006 | 21804 CACTUS AVE ##1-6 | North | 1 | Permitted | 0.55 | | 1,293.30 |
| 297-233-007 | CACTUS AVE ##2-1 | North | 1 | Permitted | 0.19 | | 446.78 |
| 297-233-008 | CACTUS AVE ##2-2 | North | 1 | Permitted | 0.13 | | 305.68 |
| 297-233-009 | CACTUS AVE ##2-3 | North | 1 | Permitted | 0.15 | | 352.72 |
| 297-233-010 | CACTUS AVE ##2-4 | North | 1 | Permitted | 0.18 | | 423.26 |
| 297-233-011 | CACTUS AVE ##3-1 | North | 1 | Permitted | 0.19 | | 446.78 |
| 297-233-012 | CACTUS AVE ##3-2 | North | 1 | Permitted | 0.19 | | 446.78 |
| 297-233-013 | CACTUS AVE ##3-3 | North | 1 | Permitted | 0.18 | | 423.26 |
| 297-233-014 | 21800 CACTUS AVE ##3-4 | North | 1 | Permitted | 0.19 | | 446.78 |
| 297-233-015 | 21800 CACTUS AVE ##4-1 | North | 1 | Permitted | 0.12 | | 282.16 |
| 297-233-016 | 21800 CACTUS AVE ##4-2 | North | 1 | Permitted | 0.15 | | 352.72 |
| 297-233-017 | 21800 CACTUS AVE ##4-3 | North | 1 | Permitted | 0.14 | | 329.20 |
| 297-233-018 | 21800 CACTUS AVE ##5-1 | North | 1 | Permitted | 0.23 | | 540.84 |
| 297-233-019 | 21800 CACTUS AVE ##5-2 | North | 1 | Permitted | 0.25 | | 587.86 |
| 297-233-020 | 21800 CACTUS AVE ##5-3 | North | 1 | Permitted | 0.16 | | 376.22 |
| 297-233-021 | 21800 CACTUS AVE ##5-4 | North | 1 | Permitted | 0.16 | | 376.22 |
| 297-233-022 | 21828 CACTUS AVE ##6-1 | North | 1 | Permitted | 0.14 | | 329.20 |
| 297-233-023 | 21828 CACTUS AVE ##6-2 | North | 1 | Permitted | 0.18 | | 423.26 |
| 297-233-024 | 21828 CACTUS AVE ##6-3 | North | 1 | Permitted | 0.13 | | 305.68 |
| 297-233-025 | 21828 CACTUS AVE ##6-4 | North | 1 | Permitted | 0.13 | | 305.68 |
| 297-233-026 | 21832 CACTUS AVE ##7-1 | North | 1 | Permitted | 0.16 | | 376.22 |
| 297-233-027 | 21832 CACTUS AVE ##7-2 | North | 1 | Permitted | 0.09 | | 211.62 |
| 297-233-028 | 21832 CACTUS AVE ##7-3 | North | 1 | Permitted | 0.14 | | 329.20 |
| 297-233-029 | 21832 CACTUS AVE ##7-4 | North | 1 | Permitted | 0.13 | | 305.68 |
| 297-233-030 | 21800 CACTUS AVE ##8-1 | North | 1 | Permitted | 0.15 | | 352.72 |
| 297-233-031 | 21800 CACTUS AVE ##8-2 | North | 1 | Permitted | 0.23 | | 540.84 |
| 297-233-032 | 21800 CACTUS AVE ##8-3 | North | 1 | Permitted | 0.19 | | 446.78 |
| 297-233-033 | 21800 CACTUS AVE ##8-4 | North | 1 | Permitted | 0.16 | | 376.22 |
| 297-233-034 | 21800 CACTUS AVE ##9-1 | North | 1 | Permitted | 1.07 | | 2,516.08 |
| 297-233-035 | 21800 CACTUS AVE ##10-1 | North | 1 | Permitted | 1.07 | | 2,516.08 |
| 297-240-001 | 14477 MERIDIAN PKWY | North | 1 | Permitted | 0.71 | | 1,669.54 |
| 297-240-003 | 14457 MERIDIAN PKWY | North | 1 | Permitted | 0.85 | | 1,998.76 |
| 297-240-004 | 14437 MERIDIAN PKWY | North | 1 | Permitted | 0.81 | | 1,904.70 |
| 297-240-005 | 14407 MERIDIAN PKWY | North | 1 | Permitted | 0.61 | | 1,434.40 |
| 297-240-006 | 14417 MERIDIAN PKWY ##6 | North | 1 | Permitted | 0.47 | | 1,105.20 |
| 297-241-001 | 14467 MERIDIAN PKWY ##A | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-002 | 14467 MERIDIAN PKWY | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-004 | 14427 MERIDIAN PKWY ##7A | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-005 | 14427 MERIDIAN PKWY ##7B | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-006 | 14427 MERIDIAN PKWY ##7C | North | 1 | Permitted | 0.26 | | 611.38 |

| Assessor's Parcel Number | Situs Address | Campus | Zone | Type | Benefit Units | Benefit Units - Zone 3 | Charge |
|--------------------------|--------------------------|--------|------|-----------|-----------------|------------------------|-----------------------|
| 297-241-007 | 14427 MERIDIAN PKWY ##7D | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-008 | 14427 MERIDIAN PKWY ##7E | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-009 | 14427 MERIDIAN PKWY ##7F | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-010 | 14427 MERIDIAN PKWY ##7G | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-011 | 14427 MERIDIAN PKWY ##7H | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-012 | 14427 MERIDIAN PKWY ##7I | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-241-013 | 14427 MERIDIAN PKWY ##7J | North | 1 | Permitted | 0.26 | | 611.38 |
| 297-270-001 | 14120 MERIDIAN PKWY ##1 | North | 1 | Permitted | 0.57 | | 1,340.34 |
| 297-270-002 | 14130 MERIDIAN PKWY | North | 1 | Permitted | 0.42 | | 987.62 |
| 297-270-003 | 14100 MERIDIAN PKWY ##3 | North | 1 | Permitted | 0.51 | | 1,199.24 |
| 297-270-004 | 14080 MERIDIAN PKWY | North | 1 | Permitted | 0.74 | | 1,740.10 |
| 297-270-005 | 14060 MERIDIAN PKWY | North | 1 | Permitted | 0.43 | | 1,011.14 |
| 297-270-006 | 14020 MERIDIAN PKWY | North | 1 | Permitted | 0.92 | | 2,163.36 |
| 297-270-007 | 14000 MERIDIAN PKWY | North | 1 | Permitted | 1.06 | | 2,492.56 |
| 297-270-008 | 14040 MERIDIAN PKWY | North | 1 | Permitted | 1.91 | | 4,491.34 |
| 297-270-009 | 14068 MERIDIAN PKWY | North | 1 | Permitted | 0.72 | | 1,693.06 |
| 297-270-010 | 14078 MERIDIAN PKWY | North | 1 | Permitted | 1.03 | | 2,422.02 |
| 297-270-011 | 14118 MERIDIAN PKWY ##11 | North | 1 | Permitted | 0.83 | | 1,951.72 |
| 297-270-012 | SITUS NOT AVAILABLE | North | 1 | Permitted | 0.23 | | 540.84 |
| Totals: | | | | | 1,077.84 | 1.00 | \$2,373,390.56 |

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 11 (1)

Meeting Date: June 14, 2023

Report: **UPDATE ON JPC ACTIONS, LEGISLATION, PROPERTY TRANSFERS, PLANNING ACTIVITIES AND STAFF ACTIVITIES**

Motion: Move to receive and file the report or take other actions as deemed appropriate by the Commission.

Background:

This report is an update of staff activities since the last March Joint Powers Commission of the March Inland Port Airport Authority (Commission) meeting. The report is not all-inclusive of staff work. It provides a summary of some activities relating to previous actions or direction by the Commission. **New information is noted in bold.**

March Inland Port

Airport Master Plan

Objective: Consider Infrastructure Improvements, Land Uses and Airport Development Plans

Status: On July 23, 2021, the Federal Aviation Administration (FAA) awarded March Inland Port Airport Authority (MIPAA) an \$856,115 FAA Airport Capital Improvement Plan (ACIP) entitlement grant. As a request by MIPAA in its ACIP, FAA grant funds were offered to conduct an Airport Master Plan (AMP) to include a Pavement Maintenance Plan (PMP). MIPAA has not engaged in the preparation of an AMP since its conception. MIPAA has engaged its consultant to conduct the PMP and AMP under this grant. The first coordination meeting was held on Thursday, November 11, 2021. MIPAA delivered a litany of requested documents to the consultant on October 21, 2021. The Team reviewed the schedule and action items. MIPAA and Consultant meet regularly and will provide the Commission regular updates throughout the planning process. In January, notification letters were distributed to stakeholders. The letter also requested stakeholders participate in the Project Advisory Committee (PAC). The first PAC meeting was held on March 9, 2022 at 1 pm (PST). The PAC meeting was the first of a series of meetings and provided stakeholders an overview as to the intent and process behind the MP efforts. Stakeholder input is integral to the development of the MP. Field work was complete in February which included “full area” GIS mapping and surveying of MARB. On February 15, 2022, the consultant began its pavement conditions surveys of MIPAA owned infrastructure. The pavement surveys and pavement testing efforts are related to updating MIPAA’s Pavement Maintenance and Management Program (PMMP). This effort is funded by the FAA in concert with the MP. MIPAA consultant staff are continuing airport inventory data collection efforts. The consultant has completed its drone flyover and obtained airfield topographical aerial imagery. Staff and our consultants are preparing for a PAC meeting in October. Staff has expanded membership of the PAC to include new members from member jurisdictions in

preparation of more detailed planning efforts. On September 4, 2022, the consultant provided the TAC an update on Master Plan progress and plans moving forward. Three elements of the draft FAA Master Plan have been distributed to staff internally for review. Comments for the initial submittals were provided to the contractor on the first three chapters on November 21, 2022. On November 29, 2022, the draft forecast was distributed to the FAA for review and approval. Approval is expected in 4-6 weeks. The PAC met at the WMWD Training Room on February 2, 2023 between 12:00–4:00pm to provide updates on the ongoing planning process and seek input from stakeholders as to the perceived regional vision of airport and how it can serve a multiple of interests. Staff and the consultant received valuable stakeholder information. The information will fuel further discussions related to planning future development scenarios within the final Master Plan. Additional PAC meetings are planned to expound on collaborative interests of regional and local stakeholders.

Fuel Facility Expansion

Objective: Meet Current and future Demands for Jet-A Fuel Storage

Status: With realized growth of commercial aircraft activity, meeting JET-A fuel storage sufficient for existing demand has become increasingly problematic. Additional fuel storage tanks are required. Freeman Holdings of Riverside, LLC (FHR) operates and maintains the fuel facility. FHR also provides aircraft ground handling services to the airlines and general aviation airport users. Their services include fueling of all types of aircraft, ensuring fuel storage quantities meet demands, load and unload of aircraft, provide ground support equipment and personnel and other support services. In order to provide aviation services at March Inland Port (MIP), FHR entered into two property leases which include MIPAA's bulk storage fuel facility and portions of MIPAA's executive terminal. A draft MOU is being reviewed by the parties. Once MOU terms have been agreed upon, staff will brief the TAC and Commission.

Riverside Inland Development, LLC, VIP-215 Project

Objective: Private Development of Parcel D2 generating revenue and jobs

Status: On December 16, 2020 and January 13, 2021, the March JPA Commission considered and approved, a Certified Environmental Impact Report, General Plan Amendment, Specific Plan, Tentative Parcel Map, Development Agreements and Plot Plan for the Veterans Industrial Park 215 (VIP 215) Project. The 142.5-acre, VIP 215 Project site is located directly east of the I-215 Freeway off-ramp at Van Buren Boulevard, south of the existing March Field Air Museum, and west of the existing runways and facilities of the March Air Reserve Base and north of the boundary of the City of Perris, located within the boundaries of the March Inland Port Airport in unincorporated Riverside County, California. Specifically, the approved Plot Plan (PP 20-02) authorized the construction of a 2,022,364 square-foot industrial warehouse building (intensive ecommerce use), inclusive of 46,637 square-feet of ground floor office space and 13,506 square feet of second floor office space. The building has a maximum height of 54 feet. The project site includes 2,551 parking spaces for employees and visitors, 428 truck trailer parking stalls and 39 stalls for tractor cab parking. The building address is 25000 Van Buren Boulevard, Riverside, California, 92518. On May 26, 2021, the March JPA Commission considered and approved a Plot Plan Amendment and Tentative Parcel Map for the VIP 215 Project. Amended Plot Plan, reduced the size of the warehouse building by 155,416 sq. ft., to 1,866,948 sq. ft., reduced the number of vehicle parking spaces from 2,551 to 2,390, increased the number of truck trailer parking stalls from 428 truck trailer parking stalls to 1,000, the elimination of one driveway, along the extension of Van Buren Boulevard, and the addition of a Pedestrian Bridge, to allow for unrestricted truck movement through the most northern drive aisle (Driveway 1), and pedestrian access, via the bridge from a staircase on either side of the drive aisle. The height of the bridge will be approximately 31.5 feet. March ARB, March JPA and Developer are working on obtaining the required approvals and easements for an Interim Drainage Outfall Facility to be

constructed on March ARB, to support project off site and project on-site drainage until the Riverside County Perris Valley Lateral B Project, Stage 5, is completed. Supporting documentation has been prepared. Drafts of the Fair Market Value Survey and Easement Document are being prepared and should be completed by the end of December 2021. The Developer was issued a rough grading permit on September 16, 2021. Since then, there has been a considerable amount of grading, building pad development, trenching and installation of box culvert sections has occurred, and box drainage facility is currently under construction. A building permit was issued on December 1, 2021, and a precise grading permit was issued on December 2, 2021. Anticipated building completion in late 3rd or early 4th Quarter 2022. The concrete pours for the building foundation started on January 6, 2022, and will continue through to March 2022. Nighttime / early morning pours and lighting are being coordinated with the March JPA and March ARB so that Base operations are not impacted. The Developer/Construction Team will provide updates to the concrete pour schedule every two weeks. Project drainage improvements are nearly complete with the exception of the final outfall structure construction at the exit onto base property. The Air Force easement document is being executed by Air Force Reserves Headquarters. An action item seeking approval to execute the easement is on this agenda for Commission consideration (*approved 2/23/2022*). Building exterior camera surveillance systems are under review by Air Force Security Forces. Staff is also working with the tenant, Hillwood and MARB on security related infrastructure being place on and around the project site to ensure the developer is meeting the security expectations of MARB. An easement between MJPA and WMWD is being developed for a specific utility property dedication of a portion of the Hillwood lease. WMWD and/or MWD will use the set-aside easement area for future water conveyance/monitoring equipment. This dedication was conditioned as part of the approval of the Project. The easement will be brought to the Commission for approval. MIPAA staff are coordinating efforts on behalf of Hillwood to effectively begin work on the drainage outfall structure. On April 19, 2022, MARB informed staff that easement documentation, has been forwarded to Air Force Reserve Headquarters for review and consideration. The draft easement was received on April 29, 2022 and is under legal review. The construction waiver and dig permit needed for the outfall construction have been approved by the base. On 8/10/22, the Commission approved Final map 37220 and approved a Subdivision Improvement Agreement. Staff was subsequently directed to file a notice of exemption pursuant to local CEQA guidelines. Western Municipal Water District's turnout easement has been executed at the southern portion of the project site for future District support infrastructure. On August 30, 2022, Air Force Reserve Command and Air Force Civil Engineering Command executed the drainage easement for the outfall structure. Construction of the drainage outfall facility onto base property began on October 4, 2022. This portion of the project is expected to be complete on December 9, 2022. Due to rain events, construction is substantially completed with TCO discussions anticipated to begin first quarter of 2023. Construction of the main building on and off-site improvements are nearing completion. Since late January 2023, March JPA Staff has been working with the Hillwood Project Management and Construction Management teams on the necessary items (easement requests, inspections, completion of conditions of approval) to be completed for a Temporary Certificate of Occupancy and/or Certificate of Occupancy. The Temporary Certificate of Occupancy was issued on April 4, 2023. **MARB project conditions have been met. Metropolitan Water District to begin water infrastructure construction work along Van Buren Boulevard, and near the project site, this summer.**

Meridian Park, LLC D1 Aviation Gateway Project

Objective: Private Development of Parcel D1 supporting aviation facilities generating revenue and jobs

Status: On August 3, 2020, Meridian Park D-1, LLC (the “Applicant”), submitted a Plot Plan and Zone Change application to develop a gateway air freight cargo center, with one, approximately 201,200 square foot, industrial warehouse, and one, approximately 70,140 square foot, accessory maintenance building, on 84.06 acres. The Project site is located within the southeastern portion of the March Joint Powers Authority (March JPA) jurisdiction, within unincorporated Riverside County, California. More specifically, the Project site is located just south of the March Air Reserve Base (March ARB), west of Heacock Street, and southwest of the intersection of Heacock Street and Krameria Avenue, in Moreno Valley, California. Interstate 215 (I-215) is located approximately one mile west of the project site. The Project proposes to develop a gateway air freight cargo center, including the construction of an approximately 201,200 square foot industrial warehouse with 9 grade level loading doors and 42 dock positions and an approximately 70,140 square foot accessory maintenance building with grade level access. The proposed warehouse and maintenance facility development would consist of 56 gross acres (41 net acres), while the proposed taxiway and tarmac extensions would consist of 12 acres. The overall Project footprint to be analyzed includes 84.06 acres, as described above. The industrial warehouse would be constructed to a maximum height of 48 feet, and the maintenance building would be constructed to a maximum height of 46 feet. The Project would include construction of a parking apron sized to accommodate commercial cargo airplanes and would be paved to meet FAA standards. The existing taxiway would be used to access the March Inland Port Airport runway. The proposed expansion of the existing taxiway/tarmac would allow for improved access to the existing taxiway for the Project tenants and existing Airport users south of the Project site. Upon completion, the proposed Project is anticipated to average 17 flights a day. MJPA Planning Staff has routed the project plans and documents to MJPA Departments, March Air Reserve Base, member jurisdictions and agencies for review and comments. Staff has also initiated Tribal Consultation pursuant to AB 52. A Notice of Preparation / Notice of Scoping Meeting for a Draft Environmental Impact Report for the Meridian D1-Gateway Aviation Center Project was circulated on March 31, 2021 for public review/comment and ended April 29, 2021. The March JPA held a Public Scoping Meeting, via teleconference on April 14, 2021. Input was received from the general public and March Air Reserve Base staff. Since April 2021, ongoing discussions regarding the proposed project, CEQA and NEPA level environmental documentation has occurred between the Applicant, March JPA/MIPAA staff and March ARB staff. In late November 2021, the Applicant submitted NEPA Form 813 environmental documentation to the March JPA/March ARB for review and comment. The form/review is to help March ARB determine the level/type of NEPA environmental document to be prepared. Once this information is received, March JPA/Applicant will prepare an Admin Draft environmental document for review/comment. This should occur sometime during the first quarter 2022. The Project Applicant has revised the project description and proposed project decreasing the overall scope of the project to eliminate potential impact to the Superfund remediation site known as Site 007. The Project Applicant has updated NEPA Form 813 environmental documentation for March JPA/March ARB review and comment and Section 163 environmental documents required by the FAA. In addition, CEQA environmental documentation is also being updated. The revised Project Description/Project Site Plan was complete in February 2022. The participating Tribes have been notified of the change of the proposed project. Documents are under review by MARB, FAA and regulatory agencies. On May 16, 2022, the updated/revised Project Description/Project Plans/Documentation was transmitted to March JPA departments, member jurisdictions and other reviewing agencies. March JPA staff has asked for comments or conditions of approvals

by June 1, 2022. The updated Section 163 was sent to the FAA for review. Section 163 is an FAA preliminary project review that determines any federal action from the NEPA perspective. The FAA and MARB have made a determination that an Environmental Assessment (EA), is appropriate and shall be prepared by the applicant in compliance with NEPA. The two federal entities have concurred on an EA under NEPA. Both entities are discussing the potential of preparing a single EA document for both entities. On February 23, 2023, Staff received an email from March ARB stating that they have received the “go ahead” from their Legal Counsel for the FAA to be the NEPA lead. March ARB is now waiting on a draft MOU from the FAA for legal review/comment. The preparation of appropriate environmental documents pursuant to CEQA and NEPA are underway. On March 1, 2023, the applicant submitted an Admin Draft EIR document to March JPA staff for review comment. The review of the Admin Draft and Tribal Consultation, under AB 52, is ongoing. Tribes are currently being updated on the proposed Project and Draft EIR.

Attachment: None

**MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY**

***MIPAA Operations - Consent Calendar
Agenda Item No. 11 (2)***

Meeting Date: June 14, 2023

Report: **RECEIVE AND FILE FINANCIAL STATUS REPORTS**

Motion: Move to receive and file Financial Status Reports.

Background:

The monthly Financial Status Report is a summary of operational income and expenses for the month of April and for the fiscal year to date. It provides a summary of the March Inland Port Airport Authority's (MIPAA) ongoing activities related to the MIPAA approved FY 2022/23 budget.

Attachment: Financial Status Reports for April 2023.

MARCH INLAND PORT
BALANCE SHEET
AS OF 04/30/2023

GENERAL FUND - FUND 500

ASSETS

| | |
|-----------------------------|----------------|
| Cash In Bank | 8,140,833.70 |
| Accounts Receivable | (128,475.30) |
| Billable Expenditures | 20,504.88 |
| Prepaid Expenses | - |
| Payroll Liability | (98,886.10) |
| Fixed Assets | 36,352.00 |
| Improvements | 27,679,399.45 |
| Infrastructure | 2,110,182.11 |
| Accumulated Depreciation | (7,414,802.48) |
| Equipment | 1,434.97 |
| Land and Buildings | 36,221,477.22 |
| Deferred Outflows - Pension | 139,262.31 |
| Deferred Outflows - OPEB | 64,019.00 |
| OPEB Asset | - |

Assets Total : 66,771,301.76

LIABILITIES

| | |
|----------------------------|--------------|
| Debt to the JPA | 2,687,896.35 |
| Accounts Payable | (9.55) |
| Payroll Liability | - |
| Interest Payable | 1,567,866.67 |
| Deposits | - |
| Net Pension Liability | 483,761.76 |
| OPEB Liability | 49,343.00 |
| Compensated Absences | 131,778.20 |
| Deferred Inflows - Pension | 14,892.47 |
| Deferred Inflows - OPEB | - |

Liabilities Total: 4,935,528.90

FUND-BALANCE

| | |
|--------------|---------------|
| Fund Balance | 61,402,656.87 |
|--------------|---------------|

Fund-Balance Total: 61,402,656.87

Retained Earnings: 433,115.99

Total Fund Balance and Retained Earnings 61,835,772.86

Total Liabilities, Fund-Balance and Retained Earnings: 66,771,301.76

General Ledger
Expenses vs Budget



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

User: beltran
Printed: 6/6/2023 3:03:52 PM
Period 10 - 10
Fiscal Year 2023

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|-------------------------------|------------|---------------|------------|------------|---------|
| 500 | March Inland Port Fund | 508,250.00 | 37,025.86 | 392,398.98 | 115,851.02 | 22.79 |
| 500-10-50100-05 | Salaries and Wages | 69,786.00 | 5,103.94 | 55,190.48 | 14,595.52 | 20.91 |
| 500-10-50100-10 | Benefits | 52,248.00 | 3,947.55 | 40,187.43 | 12,060.57 | 23.08 |
| 500-10-50100-15 | PERS Contributions | 8,015.00 | 554.48 | 6,061.15 | 1,953.85 | 24.38 |
| 500-10-50100-20 | Medicare Tax | 7,670.00 | 0.00 | 6,680.87 | 989.13 | 12.90 |
| 500-10-50100-30 | Workers Compensation Ins. | 47,483.00 | 0.00 | 45,903.52 | 1,579.48 | 3.33 |
| 500-10-50100-99 | Unfunded Accrued Liab(UAL) | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 100.00 |
| 500-10-50150-02 | Mileage Reimbursement | 3,600.00 | 0.00 | 695.00 | 2,905.00 | 80.69 |
| 500-10-50150-06 | PeriodicalsMemberships | 4,000.00 | 0.00 | 0.00 | 4,000.00 | 100.00 |
| 500-10-50150-08 | EducationTraining | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 100.00 |
| 500-10-50150-12 | Travel | 1,500.00 | 181.97 | 731.91 | 768.09 | 51.21 |
| 500-10-50150-16 | Office Supplies | 16,000.00 | 25.43 | 15,992.29 | 7.71 | 0.05 |
| 500-10-50150-18 | Telephone & Internet Expense | 2,500.00 | 0.00 | 0.00 | 2,500.00 | 100.00 |
| 500-10-50150-20 | Mobile PhonesPagers | 50.00 | 0.00 | 0.00 | 50.00 | 100.00 |
| 500-10-50150-24 | Postage | 18,473.00 | 0.00 | 18,511.46 | -38.46 | -0.21 |
| 500-10-50150-26 | Liability Insurance | 250.00 | 0.00 | 36.41 | 213.59 | 85.44 |
| 500-10-50150-30 | Printing - Outside | 1,600.00 | 259.68 | 2,031.60 | -431.60 | -26.98 |
| 500-10-50150-32 | Office Equipment Leases | 8,000.00 | 374.75 | 7,691.20 | 308.80 | 3.86 |
| 500-10-50150-34 | Office Equipment Maintenance | 3,500.00 | 0.00 | 399.95 | 3,100.05 | 88.57 |
| 500-10-50150-36 | Advertisement | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 100.00 |
| 500-10-50150-38 | ProductionArtwork | 15,000.00 | 0.00 | 0.00 | 15,000.00 | 100.00 |
| 500-10-50150-40 | Promotional Activities | 4,400.00 | 0.00 | 3,213.86 | 1,186.14 | 26.96 |
| 500-10-50150-47 | Office Rent | 8,000.00 | 0.00 | 5,865.71 | 2,134.29 | 26.68 |
| 500-10-50150-48 | Office Utilities | 778,698.00 | 0.00 | 0.00 | 778,698.00 | 100.00 |
| 500-10-50150-50 | Depreciation Expense | 104,500.00 | 0.00 | 0.00 | 104,500.00 | 100.00 |
| 500-10-50175-00 | Interest Expense | 20,000.00 | 0.00 | 14,502.00 | 5,498.00 | 27.49 |
| 500-10-50200-02 | General Legal Services | 15,000.00 | 0.00 | 618.30 | 14,381.70 | 95.88 |
| 500-10-50200-04 | Special Legal Services | 15,000.00 | 3,322.40 | 4,735.51 | 10,264.49 | 68.43 |
| 500-10-50200-12 | Environmental Review | 10,000.00 | 0.00 | 8,970.00 | 1,030.00 | 10.30 |
| 500-10-50200-14 | Annual Audit | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 100.00 |
| 500-10-50200-15 | Financial Consulting | 35,000.00 | 50.00 | 50.00 | 34,950.00 | 99.86 |
| 500-10-50200-26 | Aviation Planning | 587,750.00 | 0.00 | 0.00 | 587,750.00 | 100.00 |
| 500-10-50300-05 | ARPA FAA Grant AIP 17 | 7,000.00 | 0.00 | 275.63 | 6,724.37 | 96.06 |
| 500-10-50300-06 | Computer Hardware & Software | 621,115.00 | 0.00 | 59,857.82 | 561,257.18 | 90.36 |
| 500-10-50300-30 | FAA Grant AIP15 MasterPlanPMP | 26,837.00 | 0.00 | 26,837.24 | -0.24 | 0.00 |
| 500-20-51150-00 | Fire & Casualty Insurance | 45,000.00 | 0.00 | 21,900.00 | 23,100.00 | 51.33 |
| 500-20-51155-00 | Airside Liability Insurance | | | | | |

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|----------------------------|---------------------|------------------|-------------------|---------------------|----------------|
| 500-20-51200-00 | Building Maintenance | 20,000.00 | 0.00 | 21,247.99 | -1,247.99 | -6.24 |
| 500-20-51250-00 | Grounds Maintenance | 11,000.00 | 0.00 | 4,231.01 | 6,768.99 | 61.54 |
| 500-20-51300-00 | Equipment Maintenance | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 100.00 |
| 500-20-51350-00 | Utilities | 14,000.00 | 1,044.02 | 10,247.92 | 3,752.08 | 26.80 |
| 500-20-52150-00 | Ramp Maintenance | 10,000.00 | 0.00 | 971.60 | 9,028.40 | 90.28 |
| 500-20-52175-00 | Taxiway Maintenance | 10,000.00 | 6,709.62 | 6,709.62 | 3,290.38 | 32.90 |
| 500-20-52200-00 | Obstruction Lighting | 8,000.00 | 0.00 | 0.00 | 8,000.00 | 100.00 |
| 500-20-52300-00 | Airport Equip. Maintenance | 2,000.00 | 0.00 | 0.00 | 2,000.00 | 100.00 |
| 500-20-54020-00 | Vehicle Fuel/Main.Ins. | 3,500.00 | 70.98 | 1,906.67 | 1,593.33 | 45.52 |
| 500-20-55000-00 | Environmental Fees | 20,000.00 | 0.00 | 16,054.43 | 3,945.57 | 19.73 |
| 500-20-55005-00 | Fuel Service O & M | 15,000.00 | 0.00 | 104.51 | 14,895.49 | 99.30 |
| 500-20-55010-00 | Airfield OPS Maintenance | 12,000.00 | 0.00 | 2,288.69 | 9,711.31 | 80.93 |
| 500-20-55015-00 | Air Force Payments (JUA) | 135,000.00 | 0.00 | 52,608.22 | 82,391.78 | 61.03 |
| Expense Total | | 3,316,725.00 | 58,670.68 | 855,708.98 | 2,461,016.02 | 74.2002 |
| Grand Total | | 3,316,725.00 | 58,670.68 | 855,708.98 | 2,461,016.02 | 0.742 |

**General Ledger
Revenue vs Budget**

User: beltran
Printed: 6/6/2023 3:02:16 PM
Period 10 - 10
Fiscal Year 2023



**March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|------------------------|---------------------|-------------------|---------------------|---------------------|-----------------|
| 500 | March Inland Port Fund | | | | | |
| 500-00-40100-00 | LEASE REVENUE | -1,259,000.00 | -32,858.34 | -303,331.83 | -955,668.17 | 24.09 |
| 500-00-40300-00 | PERMIT FEES | -3,000.00 | 0.00 | -3,500.00 | 500.00 | 116.67 |
| 500-00-40500-00 | GRANTS/FEDERAL | -1,208,685.00 | -53,155.00 | -161,643.56 | -1,047,041.44 | 13.37 |
| 500-00-44050-02 | Fuel Flowage Fees | -554,260.00 | -20,318.47 | -290,372.09 | -263,887.91 | 52.39 |
| 500-00-44050-04 | Aircraft landing Fees | -467,000.00 | -14,866.06 | -218,255.43 | -248,744.57 | 46.74 |
| 500-00-44050-14 | Ramp Use Fees | -2,500.00 | -684.29 | -2,679.32 | 179.32 | 107.17 |
| 500-00-44050-16 | Security Fees | -12,000.00 | 0.00 | -500.00 | -11,500.00 | 4.17 |
| 500-00-44050-18 | Vendor Surcharges | -185,000.00 | -11,927.98 | -299,998.24 | 114,998.24 | 162.16 |
| 500-00-44050-20 | Aircraft Tie Down | -5,000.00 | 0.00 | 0.00 | -5,000.00 | 0.00 |
| 500-00-44050-22 | Airplane Parking Fees | -3,000.00 | -360.00 | -8,544.50 | 5,544.50 | 284.82 |
| Revenue Total | | 3,699,445.00 | 134,170.14 | 1,288,824.97 | 2,410,620.03 | 0.3484 |
| Grand Total | | 3,699,445.00 | 134,170.14 | 1,288,824.97 | 2,410,620.03 | 0.3484 |

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 11 (3)

Meeting Date: June 14, 2023

Action: **APPROVE APRIL 2023 FINANCIAL DISBURSEMENTS**

Motion: Move to approve the check disbursements for the month of April 2023 or take other actions as deemed appropriate by the Commission.

Background:

This item is an action approving the expenses (checks) that were incurred in the month of April for the March Inland Port Airport Authority (MIPAA). A listing of those checks is attached and will be reported in the minutes as an action item.

Attachment: Listing of checks disbursed in April 2023 for the March Inland Port Airport Authority.

Accounts Payable

Checks by Date - Summary by Check Number

User: beltran
Printed: 6/6/2023 11:08 AM



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

March Inland Port Airport Authority - Fund 500

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|---------------------------|-----------|----------------------------------|------------|------------------|
| 5004944 | Million | Million Air, Riverside | 04/05/2023 | 70.98 |
| 5004945 | StaplesC | Staples Credit Plan | 04/05/2023 | 181.97 |
| 5004946 | wmwd | Western Municipal Water District | 04/05/2023 | 412.78 |
| 5004947 | WASTEM | WM Corporate Services, Inc. | 04/05/2023 | 225.56 |
| 5004948 | WMWD2 | Western Municipal Water District | 04/05/2023 | 190.33 |
| 5004949 | FrogEnv | Frog Env., Inc. | 04/05/2023 | 1,200.00 |
| 5004950 | PINN | ARCADIS US, Inc. | 04/13/2023 | 3,322.40 |
| 5004951 | FRONTIER | Frontier Communications | 04/13/2023 | 6.30 |
| 5004952 | TRILAK | TRI Lake | 04/13/2023 | 50.00 |
| 5004953 | BankofAm | Bank Of America | 04/25/2023 | 1,605.22 |
| 5004954 | payco | Payco Specialties, Inc. | 04/26/2023 | 5,462.50 |
| 5004955 | sce4 | Southern California Edison | 04/26/2023 | 3,783.33 |
| 5004956 | canonf | Canon Financial Services, Inc. | 04/26/2023 | 259.68 |
| Report Total (13 checks): | | | | <u>16,771.05</u> |

**MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY**

MIPAA Reports, Discussions and Action Items

Agenda Item No. 12 (1)

Meeting Date: June 14, 2023

Action: **APPROVE ESTABLISHING AN INVESTMENT ACCOUNT FOR MARCH INLAND PORT AIRPORT AUTHORITY WITH CITIZENS TRUST AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE ANY DOCUMENTS**

Motion: Move to approve establishing an investment account for March Inland Port Airport Authority with Citizen's Trust and authorize the Executive Director to execute any documents.

Background:

The March Inland Port Airport Authority in Fiscal Year 2021-2022 received \$4 million dollars for the sale of land. The land proceeds use is restricted due to the original Federal source used to purchase the land so any use of the proceeds is designated only for reinvesting into the March Inland Port Airport. Likewise, any interest income earned on the restricted proceeds are also restricted to the same purpose as the proceeds themselves.

Staff would like to invest a portion of the \$4 million dollars for the benefit of the March Inland Port Airport Authority. This would require the establishment of a new investment account with our third-party investment company, Citizen's Trust. All interest income earned will be reinvested into the airport in accordance with Federal requirements regarding the proceeds. All investments will be made in accordance with the Investment Statement Policy approved October 26, 2022.

Attachments:

- 1) Letter of March JPA Authorization
- 2) Impact of Investment on MIPAA accounts.

Attachment 1

MARCH JOINT POWERS AUTHORITY



June 14, 2023

Citizens Trust
701 North Haven Avenue, Suite 350
Ontario, CA 91764

Re: Letter of March JPA Authorization

To whom it may concern:

We authorize Citizens Trust to open and manage a new Investment account named “March Joint Powers Authority – Airport Fund.”

Following is a list of accounts for which Dr. Grace Martin is authorized to conduct investment banking transactions with Citizens Trust on behalf of the March Joint Powers Authority (March JPA).

- March Joint Powers Authority Meridian Drainage Fund Account Number 1035006982.
- March Joint Powers Authority Fire Facility Fund Account Number 1035006991.
- March Joint Powers Authority General Fund Account Number 1035007008.
- March Joint Powers Authority Green Acres Enterprise Fund Account Number 1035007017.
- March Joint Powers Authority Pension Reserve Fund Account Number 1035009006.
- March Joint Powers Authority Airport Fund Account Number to be determined.

Should you require additional information, please do not hesitate to contact me directly at (951) 656-7000.

Sincerely,

Chuck E. Conder
March Joint Powers Commission Chair

Attachment 2

General Ledger

Summary Trial Balance

User: beltranr
 Printed: 05/22/2023 - 9:03AM
 Period: 01 to 11, 2023



March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com

Assumption: \$2 million invested; Conservative interest earning of 4.5% on agency securities

| Account Number | Description | Budget Amount | Beginning Balance | Debit This Period | Credit This Period | Ending Balance |
|-----------------|------------------------------|---------------|-------------------|-------------------|--------------------|----------------|
| Section 1 500 | March Inland Port Fund | | | | | |
| ASSETS | | | | | | |
| 500-00-10100-00 | CASH IN BANK | 0.00 | 7,448,372.10 | 1,720,554.17 | 1,151,650.56 | 8,017,275.71 |
| 500-00-10150-00 | INVESTMENT ACCOUNT | 0.00 | 0.00 | 2,000,000.00 | 0.00 | 2,000,000.00 |
| 500-00-10250-00 | ACCOUNTS RECEIVABLE | 0.00 | 117,104.75 | 541,390.47 | 581,099.96 | 77,395.26 |
| 500-00-10300-00 | LOANS RECEIVABLE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-10350-00 | GRANTS RECEIVABLE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-10350-02 | Federal Grant | 0.00 | 148,507.44 | 0.00 | 148,507.44 | 0.00 |
| 500-00-10350-04 | State Grant | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-10400-00 | MIP PAYROLL LIABILITY | 0.00 | -7,905.39 | 417,953.82 | 504,670.61 | -94,622.18 |
| 500-00-10450-00 | INVENTORY | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-10450-02 | Fixed Assets | 0.00 | 36,352.00 | 0.00 | 0.00 | 36,352.00 |
| 500-00-10450-04 | Improvements | 0.00 | 27,679,399.45 | 0.00 | 0.00 | 27,679,399.45 |
| 500-00-10450-05 | Infrastructure | 0.00 | 2,110,182.11 | 0.00 | 0.00 | 2,110,182.11 |
| 500-00-10450-06 | Accumulated Depreciation | 0.00 | -7,414,802.48 | 0.00 | 0.00 | -7,414,802.48 |
| 500-00-10500-00 | BILLABLE EXPENDITURES | 0.00 | 412.55 | 45,704.96 | 25,612.63 | 20,504.88 |
| 500-00-10525-00 | PREPAID INSURANCE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-10550-00 | AIRPORT OPS STAFFING DEPOSIT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-10575-00 | LAND AND BUILDINGS | 0.00 | 36,221,477.22 | 0.00 | 0.00 | 36,221,477.22 |
| 500-00-10590-00 | EQUIPMENT | 0.00 | 1,434.97 | 0.00 | 0.00 | 1,434.97 |
| 500-00-10600-00 | CONSTRUCTION IN PROGRESS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-11000-00 | DEFERRED OUTFLOWS - PENSION | 0.00 | 139,262.31 | 0.00 | 0.00 | 139,262.31 |
| 500-00-12000-00 | DEFERRED OUTFLOWS - OPEB | 0.00 | 64,019.00 | 0.00 | 0.00 | 64,019.00 |
| 500-00-12050-00 | OPEB ASSET | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | ASSETS Totals: | 0.00 | 66,543,816.03 | 4,725,603.42 | 2,411,541.20 | 68,857,878.25 |
| LIABILITIES | | | | | | |
| 500-00-20100-00 | ACCOUNTS PAYABLE | 0.00 | -204,170.71 | 696,218.39 | 492,038.13 | 9.55 |
| 500-00-20140-00 | INTEREST PAYABLE | 0.00 | -1,567,866.67 | 0.00 | 0.00 | -1,567,866.67 |
| 500-00-20150-00 | LOANS PAYABLE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20150-02 | Debt to the JPA | 0.00 | -2,687,896.35 | 0.00 | 0.00 | -2,687,896.35 |
| 500-00-20200-00 | PAYROLL LIABILITIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-02 | Payroll Taxes | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-04 | Medical Reimbursement W/H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | | | | | | |
|------------------------|-------------------------------|--------------|----------------|-------------|-------------|------------------|------|------|-------------------|
| 500-00-20200-06 | Medical Insurance W/H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-08 | Dental Insurance W/H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-10 | Vision Insurance W/H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-12 | Other Insurance W/H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-14 | 457K Plan W/H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-16 | Miscellaneous Deductions W/H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-18 | Accrued P/R Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20200-20 | Accrued P/R Benefits | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20250-00 | DEFERRED REVENUE | 0.00 | -1,450.00 | 1,450.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20300-00 | DUE TO OTHER FUNDS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-20325-00 | DEPOSITS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-25000-00 | NET PENSION LIABILITY | 0.00 | -483,761.76 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -483,761.76 |
| 500-00-25050-00 | OPEB LIABILITY | 0.00 | -49,343.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -49,343.00 |
| 500-00-25051-00 | COMPENSATED ABSENCES LIABILI | 0.00 | -131,778.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -131,778.20 |
| 500-00-25100-00 | DEFERRED INFLOWS - PENSION | 0.00 | -14,892.47 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -14,892.47 |
| 500-00-25200-00 | DEFERRED INFLOWS - OPEB | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | LIABILITIES Totals: | 0.00 | -5,141,159.16 | 697,668.39 | 492,038.13 | -4,935,528.90 | | | |
| | FUND BALANCE | | | | | | | | |
| 500-00-30100-00 | CONTRIBUTED CAPITAL | 0.00 | -38,221,477.22 | 0.00 | 0.00 | -38,221,477.22 | | | |
| 500-00-30200-00 | RETAINED EARNINGS(Unreserved) | 0.00 | -124,760.00 | 0.00 | 0.00 | -124,760.00 | | | |
| 500-00-30300-00 | RETAINED EARNINGS | 0.00 | -23,098,959.65 | 0.00 | 0.00 | -23,098,959.65 | | | |
| 500-00-30400-00 | PRIOR PERIOD ADJUSTMENT | 0.00 | 42,540.00 | 0.00 | 0.00 | 42,540.00 | | | |
| | FUND BALANCE Totals: | 0.00 | -61,402,656.87 | 0.00 | 0.00 | -61,402,656.87 | | | |
| | REVENUE | | | | | | | | |
| 500-00-40100-00 | LEASE REVENUE | 1,259,000.00 | 0.00 | 0.00 | 0.00 | 508,982.39 | | | -508,982.39 |
| 500-00-40300-00 | PERMIT FEES | 3,000.00 | 0.00 | 0.00 | 0.00 | 3,500.00 | | | -3,500.00 |
| 500-00-40500-00 | GRANTS/FEDERAL | 1,208,685.00 | 0.00 | 148,507.44 | 310,151.00 | 310,151.00 | | | -161,643.56 |
| 500-00-40550-00 | GRANTS/STATE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-40560-00 | SCE Grant | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-40600-00 | INTEREST INCOME | 0.00 | 0.00 | 0.00 | 0.00 | 90,000.00 | | | -90,000.00 |
| 500-00-40725-00 | TEMPORARY EASEMENTS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-40735-00 | PROCEEDS/ D-3 WEST | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-40750-00 | MISCELLANEOUS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-40800-00 | AIRPORT IMPROVEMENT FUNDS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-40860-01 | NP ENTITLEMENTS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-44050-00 | OPERATING INCOME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-44050-02 | Fuel Flowage Fees | 554,260.00 | 0.00 | 0.00 | 0.00 | 290,372.09 | | | -290,372.09 |
| 500-00-44050-04 | Aircraft landing Fees | 467,000.00 | 0.00 | 0.00 | 30,153.85 | 248,409.28 | | | -218,255.43 |
| 500-00-44050-06 | EquipmentRental Fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-44050-08 | Administrative Services Fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 |
| 500-00-44050-14 | Ramp Use Fees | 2,500.00 | 0.00 | 0.00 | 0.00 | 2,679.32 | | | -2,679.32 |
| 500-00-44050-16 | Security Fees | 12,000.00 | 0.00 | 0.00 | 0.00 | 500.00 | | | -500.00 |

| | | | | | | |
|------------------------|------------------------------|-----------------|-------------|-----------------|--------------|-----------------|
| 500-00-44050-18 | Vendor Surcharges | 185,000.00 | 0.00 | 12,121.74 | 312,339.98 | -300,218.24 |
| 500-00-44050-20 | Aircraft Tie Down | 5,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-00-44050-22 | Airplane Parking Fees | 3,000.00 | 0.00 | 370.00 | 8,914.50 | -8,544.50 |
| 500-00-48025-00 | TRANSFERS FROM OTHER FUNDS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | REVENUE Totals: | 3,699,445.00 | 0.00 | 191,153.03 | 1,775,848.56 | -1,584,695.53 |
| EXPENSE | | | | | | |
| Section 2 10 | | | | | | |
| ADMINISTRATION DEPT. | | | | | | |
| 500-10-50100-05 | Salaries and Wages | 508,250.00 | 0.00 | 398,637.66 | 6,238.68 | 392,398.98 |
| 500-10-50100-10 | Benefits | 69,786.00 | 0.00 | 54,507.33 | 899.05 | 53,608.28 |
| 500-10-50100-12 | Post Employment Benefits | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50100-15 | PERS Contributions | 52,248.00 | 0.00 | 40,870.35 | 682.92 | 40,187.43 |
| 500-10-50100-16 | GASB 68 Adjustments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50100-20 | Medicare Tax | 8,015.00 | 0.00 | 6,155.46 | 94.31 | 6,061.15 |
| 500-10-50100-25 | Unemployment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50100-30 | Workers Compensation Ins. | 7,670.00 | 0.00 | 4,499.81 | 500.66 | 3,999.15 |
| 500-10-50100-35 | Employee Recruitment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50100-40 | Car allowance | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50100-99 | Unfunded Accrued Liab(UAL) | 47,483.00 | 0.00 | 45,903.52 | 0.00 | 45,903.52 |
| 500-10-50150-02 | Mileage Reimbursement | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50150-04 | Payroll Services | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50150-06 | Periodicals/Memberships | 3,600.00 | 0.00 | 2,405.00 | 0.00 | 2,405.00 |
| 500-10-50150-08 | Education/Training | 4,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50150-10 | Special Equipment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50150-12 | Travel | 5,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50150-16 | Office Supplies | 1,500.00 | 0.00 | 898.79 | 85.31 | 813.48 |
| 500-10-50150-18 | Telephone & Internet Expense | 16,000.00 | 0.00 | 19,752.48 | 2,305.85 | 17,446.63 |
| 500-10-50150-20 | Mobile Phones/Pagers | 2,500.00 | 0.00 | 181.41 | 0.00 | 181.41 |
| 500-10-50150-24 | Postage | 50.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50150-26 | Liability Insurance | 18,473.00 | 0.00 | 27,549.69 | 0.00 | 27,549.69 |
| 500-10-50150-28 | Copy Cost - In House | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50150-30 | Printing - Outside | 250.00 | 0.00 | 36.41 | 0.00 | 36.41 |
| 500-10-50150-32 | Office Equipment Leases | 1,600.00 | 0.00 | 2,277.63 | 246.03 | 2,031.60 |
| 500-10-50150-34 | Office Equipment Maintenance | 8,000.00 | 0.00 | 9,670.95 | 1,493.25 | 8,177.70 |
| 500-10-50150-36 | Advertisement | 3,500.00 | 0.00 | 1,104.95 | 0.00 | 1,104.95 |
| 500-10-50150-38 | Production/Artwork | 1,000.00 | 0.00 | 324.51 | 0.00 | 324.51 |
| 500-10-50150-40 | Promotional Activities | 15,000.00 | 0.00 | 2,214.77 | 0.00 | 2,214.77 |
| 500-10-50150-42 | Bank Fees | 4,000.00 | 0.00 | 4,000.00 | 0.00 | 4,000.00 |
| 500-10-50150-47 | Office Rent | 4,400.00 | 0.00 | 3,213.86 | 0.00 | 3,213.86 |
| 500-10-50150-48 | Office Utilities | 8,000.00 | 0.00 | 5,865.71 | 0.00 | 5,865.71 |
| 500-10-50150-50 | Depreciation Expense | 778,698.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50175-00 | Interest Expense | 104,500.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50200-02 | General Legal Services | 20,000.00 | 0.00 | 31,968.00 | 0.00 | 31,968.00 |
| 500-10-50200-04 | Special Legal Services | 15,000.00 | 0.00 | 54,717.16 | 0.00 | 54,717.16 |
| 500-10-50200-06 | Legal Litigation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | | | | | | |
|-----------------|--------------------------------|--------------|------------|------|-----------|------|------|------------|------|
| 500-10-50200-10 | Legal Property Surveys | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50200-12 | Environmental Review | 15,000.00 | 5,035.91 | 0.00 | 0.00 | 0.00 | 0.00 | 5,035.91 | 0.00 |
| 500-10-50200-14 | Annual Audit | 10,000.00 | 9,470.00 | 0.00 | 500.00 | 0.00 | 0.00 | 8,970.00 | 0.00 |
| 500-10-50200-15 | Financial Consulting | 1,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50200-18 | Construction Management | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50200-20 | D. C. Lobbyist | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50200-26 | Aviation Planning | 35,000.00 | 59,468.73 | 0.00 | 59,418.73 | 0.00 | 0.00 | 50.00 | 0.00 |
| 500-10-50200-30 | U.S. Customs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50300-01 | Airport Vehicle Purchase | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50300-02 | Furniture | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50300-05 | ARPA FAA Grant AIP 17 | 587,750.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50300-06 | Computer Hardware & Software | 7,000.00 | 844.67 | 0.00 | 0.00 | 0.00 | 0.00 | 844.67 | 0.00 |
| 500-10-50300-12 | Taxiway G Realignment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50300-30 | FAA Grant AIP15 MasterPlan/PMP | 621,115.00 | 59,857.82 | 0.00 | 0.00 | 0.00 | 0.00 | 59,857.82 | 0.00 |
| 500-10-50300-50 | Airport Layout Plan | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-10-50900-00 | Transfers to Other Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 500-10 EXPENSE Totals: | 2,986,888.00 | 851,432.58 | 0.00 | 72,464.79 | 0.00 | 0.00 | 778,967.79 | 0.00 |
| | FACILITY MAINTENANCE DEPT. | | | | | | | | |
| Section 2 20 | Lease Payments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-20-51100-00 | Fire & Casualty Insurance | 26,837.00 | 26,837.24 | 0.00 | 0.00 | 0.00 | 0.00 | 26,837.24 | 0.00 |
| 500-20-51150-00 | Airside Liability Insurance | 45,000.00 | 21,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 21,900.00 | 0.00 |
| 500-20-51200-00 | Building Maintenance | 20,000.00 | 26,351.84 | 0.00 | 4,475.85 | 0.00 | 0.00 | 21,875.99 | 0.00 |
| 500-20-51250-00 | Grounds Maintenance | 11,000.00 | 4,456.57 | 0.00 | 225.56 | 0.00 | 0.00 | 4,231.01 | 0.00 |
| 500-20-51300-00 | Equipment Maintenance | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-20-51350-00 | Utilities | 14,000.00 | 12,618.43 | 0.00 | 1,141.64 | 0.00 | 0.00 | 11,476.79 | 0.00 |
| 500-20-52150-00 | Ramp Maintenance | 10,000.00 | 971.60 | 0.00 | 0.00 | 0.00 | 0.00 | 971.60 | 0.00 |
| 500-20-52175-00 | Taxiway Maintenance | 10,000.00 | 6,709.62 | 0.00 | 0.00 | 0.00 | 0.00 | 6,709.62 | 0.00 |
| 500-20-52200-00 | Obstruction Lighting | 8,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-20-52250-00 | Pest Control | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-20-52300-00 | Airport Equip. Maintenance | 2,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-20-52350-00 | Airport Equip. Rental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-20-54020-00 | Vehicle Fuel/Main./Ins. | 3,500.00 | 2,073.37 | 0.00 | 77.14 | 0.00 | 0.00 | 1,996.23 | 0.00 |
| 500-20-55000-00 | Environmental Fees | 20,000.00 | 18,992.43 | 0.00 | 2,938.00 | 0.00 | 0.00 | 16,054.43 | 0.00 |
| 500-20-55005-00 | Fuel Service O & M | 15,000.00 | 104.51 | 0.00 | 0.00 | 0.00 | 0.00 | 104.51 | 0.00 |
| 500-20-55010-00 | Airfield OPS/ Maintenance | 12,000.00 | 10,613.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10,613.00 | 0.00 |
| 500-20-55015-00 | Air Force Payments (JUA) | 135,000.00 | 77,264.84 | 0.00 | 0.00 | 0.00 | 0.00 | 77,264.84 | 0.00 |
| | 500-20 EXPENSE Totals: | 333,837.00 | 208,893.45 | 0.00 | 8,858.19 | 0.00 | 0.00 | 200,035.26 | 0.00 |
| Section 2 23 | IMPROVEMENTS | | | | | | | | |
| 500-23-56005-00 | TRAFFIC SIGNALS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-23-56010-00 | SIGNAGE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-23-56015-00 | LIGHTING | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-23-56020-00 | LANDSCAPING | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | | | | | | |
|-----------------|----------------------------|--------------|--------------|-----------|------------|------|------|------|------|
| 500-23-56025-00 | Drainage | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-23-56030-00 | Street Sweeping | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-23-56035-00 | Graffiti Removal/Vandalism | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500-23-65025-00 | Drainage | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 500-23 EXPENSE Totals: | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | EXPENSE Totals: | 3,320,725.00 | 1,060,326.03 | 81,322.98 | 979,003.05 | | | | |

Positive Impact Annually to MIPAA based upon scenario \$ 86,000.00

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS UTILITIES AUTHORITY

MJPUA Operations - Consent Calendar
Agenda Item No. 13 (1)

Meeting Date: June 14, 2023

Report: **RECEIVE AND FILE FINANCIAL STATUS REPORTS**

Motion: Move to receive and file the Financial Reports.

Background:

The monthly Financial Status Report is a summary of operational income and expenses for the month of April and for the fiscal year to date. It provides a summary of the March Joint Powers Utilities Authority's (MJPUA) ongoing activities related to the approved FY 2022/23 budget.

Attachment: Financial Status Reports for April 2023.

MARCH JOINT POWERS UTILITY AUTHORITY
BALANCE SHEET
AS OF 04/30/2023

MARCH JOINT POWERS UTILITY AUTHORITY - FUND 600

| | | | |
|--|--------------|--------------|--------------|
| ASSETS | | | |
| Cash In Bank | 123,226.74 | | |
| Accounts Receivable | 100,254.28 | | |
| Assets Total : | | | 223,481.02 |
| LIABILITIES | | | |
| Accounts Payable | - | | |
| JPA Loan Payable | 450,000.00 | | |
| Liabilities Total: | | | 450,000.00 |
| FUND-BALANCE | | | |
| Fund Balance | (225,594.68) | | |
| Fund-Balance Total: | | (225,594.68) | |
| Retained Earnings: | | (924.30) | |
| Total Fund Balance and Retained Earnings | | | (226,518.98) |
| Total Liabilities, Fund-Balance and Retained Earnings: | | | 223,481.02 |

**General Ledger
Expenses vs Budget**

User: beltran
 Printed: 6/6/2023 3:07:06 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % Avail |
|-----------------|-------------------------------|------------|---------------|------------|------------|----------|
| 600 | March J.P. Utility Authority | 5,500.00 | 0.00 | 5,670.00 | -170.00 | -3.09 |
| 600-10-50200-14 | Annual Audit | 175,000.00 | 41,034.88 | 271,942.89 | -96,942.89 | -55.40 |
| 600-20-51350-00 | Gas Commodity Expense | 25,000.00 | 65.50 | 384.00 | 24,616.00 | 98.46 |
| 600-20-51360-00 | Gas Operation and Maintenance | 205,500.00 | 41,100.38 | 277,996.89 | -72,496.89 | -35.2783 |
| Expense Total | | 205,500.00 | 41,100.38 | 277,996.89 | -72,496.89 | -0.3528 |
| Grand Total | | | | | | |

**General Ledger
Revenue vs Budget**

User: beltrant
 Printed: 6/6/2023 3:04:58 PM
 Period 10 - 10
 Fiscal Year 2023



**March Joint Powers Authority
 14205 Meridian Pkwy, Ste. 140
 Riverside, CA 92518
 (951) 656-7000
 www.marchjpa.com**

| Account Number | Description | Budget | Per Range Amt | End Bal | Variance | % ExpendCollect |
|-----------------|------------------------------|-------------|---------------|-------------|------------|-----------------|
| 600 | March J.P. Utility Authority | -175,000.00 | -72,370.87 | -233,999.34 | 58,999.34 | 133.71 |
| 600-00-40620-00 | GAS UTILITY | -38,000.00 | -10,731.80 | -43,073.25 | 5,073.25 | 113.35 |
| 600-00-40625-00 | GAS O & M | 213,000.00 | 83,102.67 | 277,072.59 | -64,072.59 | 1,3008 |
| Revenue Total | | 213,000.00 | 83,102.67 | 277,072.59 | -64,072.59 | 1,3008 |
| Grand Total | | | | | | |

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS UTILITIES AUTHORITY

MJPUA Operations - Consent Calendar
Agenda Item No. 13 (2)

Meeting Date: June 14, 2023

Action: **APPROVE APRIL 2023 FINANCIAL DISBURSEMENTS**

Motion: Move to approve check disbursements for the month of April 2023 or take other actions as deemed appropriate by the Commission.

Background:

This item is also an action approving the expenses (checks) that were incurred in the month of April for the MJPUA. A listing of those checks is attached and will be reported in the minutes as an action item.

Attachment: Listing of checks disbursed in April 2023 for the March Joint Powers Utilities Authority.

Accounts Payable

Checks by Date - Summary by Check Number

User: beltranr
Printed: 6/6/2023 11:21 AM



March Joint Powers Authority
14205 Meridian Pkwy, Ste. 140
Riverside, CA 92518
(951) 656-7000
www.marchjpa.com

March J.P. Utility Authority - Fund 600

| Check No | Vendor No | Vendor Name | Check Date | Check Amount |
|--------------------------|-----------|-------------------------------|------------|------------------|
| 6001025 | socalgas | SoCalGas | 04/06/2023 | 41,034.88 |
| 6001026 | under2 | Underground Service Alert /SC | 04/06/2023 | 22.25 |
| 6001027 | UNDER2 | Underground Service Alert /SC | 04/13/2023 | 43.25 |
| Report Total (3 checks): | | | | <u>41,100.38</u> |