

# MARCH JOINT POWERS AUTHORITY



**NOTICE OF THE 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, December 13, 2023 at 3:00 p.m.**

This Notice was posted on 12/07/23 at the following locations:

Western Municipal Water District  
14205 Meridian Parkway  
Riverside, CA 92518

On December 7, 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**  
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City of Moreno Valley • City of Riverside • City of Perris

***Wednesday, December 13, 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**  
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**Wednesday, December 13, 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 October 11, 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 11
- 2) Report: Update on Planning Activities – Page 16
- 3) Report: Receive and file Financial Status Reports and Quarterly Investment Report – Page 23
- 4) Action: Approve September 2023 Financial Disbursements – Page 59
- 5) Action: Approve a Professional Services Agreement with Robert Half Inc. for staffing support services and authorize the Chief Executive Officer to execute the agreement – Page 66
- 6) Action: Approve a Professional Services Agreement with Squire Patton Boggs LLP for special legal services and authorize the Chief Executive Officer to execute the agreement – Page 76
- 7) Action: Amend the March Joint Powers Authority Cellular Telephone Use Policy - Page 90
- 8) Action: Approve CrossWord Christian Church sub-sublease with Fuel and Flame, Inc. and authorize the Chief Executive Officer to execute a consent to the sub-sublease – Page 96
- 9) Action: Approve the grant of an Easement Deed for a 1,195 square foot, triangular shaped portion of Heacock Channel to the Riverside County Flood Control and Water Conservation District and authorize the Chief Executive Officer to execute any related documents – Page 108
- 10) Action: Approve Amendment No. 1 to the Cooperative Agreement between the March Joint Powers Authority, Riverside County Flood Control and Water Conservation District, and Riverside Inland Development, LLC, for the Perris Valley Flood Control and Drainage Project, Lateral B Project, Stage 5; and authorize the Chief Executive Officer to execute any related documents – Page 115
- 11) Action: Approve a Professional Services Agreement for services with Davis Farr LLP to provide annual auditing services for March Joint Powers Authority and authorize the Chief Executive Officer to execute any related documents – Page 159
- 12) Action: Authorize advertisement of Request for Proposals (RFP) for Landscaping and Lighting Maintenance District No. 1 (LLMD1) for tree trimming and replacement services and approve a not-to-exceed amount of \$300,000 of LLMD1 funds for the Project – Page 193

## **9. MJPA - Reports, Discussions and Action Items**

- 1) Report: Receive and file the monthly Technical Advisory Committee (TAC) report for December 4, 2023 – Page 194  
*Michele Patterson, TAC Alternate Member*
- 2) Report: Receive and file a report on GP 23-02: March JPA Environmental Justice Element – Page 195  
*Dan Fairbanks, Planning Director*
- 3) Report: Receive and file a report on the Associate of Defense Communities (ADC) Installation Innovation Forum (IIF) November 2023 – Page 213  
*Dr. Grace Martin, Chief Executive Officer*
- 4) Report: Receive and file a year-end review report - Page 214  
*Dr. Grace Martin, Chief Executive Officer*

## **10. MJPA – SA - Reports, Discussions and Action Items**

- 1) Report/Action: Adopt Resolution JPA-SA 23-01 a Resolution of the Successor Agency, approving and adopting a Recognized Obligation Payment Schedule (ROPS) for the Period July 1, 2024 through June 30, 2025, Pursuant to Health and Safety Code Section 34177(o) - Page 218  
*Doug Anderson, Urban Futures*

**11. Consent Calendar**

**MIPAA – Operations**

- 1) Report: Update on JPC Actions, Legislation, Property Transfers, Planning Activities and Staff Activities – Page 228
- 2) Report: Receive and file Financial Status Reports – Page 233
- 3) Action: Approve September 2023 Financial Disbursements – Page 242
- 4) Action: Approve a Professional Services Agreement for services with Davis Farr LLP to provide annual auditing services for March Inland Port Airport Authority (MIPAA) and authorize the Chief Executive Officer to execute any related documents – Page 244

**12. MIPAA - Reports, Discussions and Action Items**

- 1) Report: Receive and file the 2023 Airport Operational Report and Airport Capital Improvement Plan (ACIP) and authorize the Chief Executive Officer to execute FAA submittal documents - Page 278  
*Dr. Grace Martin, Chief Executive Officer*

**13. Consent Calendar**

**MJPUA – Operations**

- 1) Report: Receive and file Financial Status Reports – Page 292
- 2) Action: Approve September 2023 Financial Disbursements – Page 296
- 3) Action: Approve a Professional Services Agreement for services with Davis Farr LLP to provide annual auditing services for March Joint Powers Utilities Authority (MJPUA) and authorize the Chief Executive Officer to execute any related documents – Page 298

**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. Closed Session**

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8**

Property: Northeast Corner (commonly referred to as the March LifeCare Campus)  
Generally located to the south and west of the intersection of Cactus Avenue and Heacock Street, covered by the Disposition and Development Agreement with March1, LLC

Agency Negotiator: Dr. Grace Martin, Chief Executive Officer

Negotiating Parties: March1, LLC (March Healthcare Development)

Under Negotiation: Price and Terms of Possible Amendment to Disposition and Development Agreement

**18. 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](http://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: December 7, 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

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**Wednesday, October 11, 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: Jeffries, Perry, Vargas, Rogers, Cabrera, Delgado, Conder  
Absent: Gutierrez
- 3. Invocation**  
Member Rogers provided the invocation.
- 4. Pledge of Allegiance**  
Chair Conder 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 Regular Meeting held on September 27, 2023.**  
No questions or comments.

Motion to approve the JPC Regular Meeting Minutes for the meeting held on September 27, 2023.

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

The following person(s) provided a public comment in person:

1. Mike McCarthy, RNOW

**8. Consent Calendar**

**MJPA Operations**

- 1) Report: Receive and file Financial Status Reports
- 2) Action: Approve Financial Disbursements for the month of August 2023
- 3) Actions: Approve an Access and Maintenance Easement and a Temporary Construction Easement to the Riverside County Flood Control and Water Conservation District for storm drain construction, operations and maintenance associated with the Perris Valley Flood Control and Drainage Project, Lateral B Project, Stage 5, and authorize the Executive Director to execute related documents
- 4) Action: Authorize filing a Notice of Completion for Project MJ-134, the LLMD No. 1 Sidewalk and Tree Replacement Project and authorize the Executive Director to execute the document
- 5) Action: Approve the Second Amendment to the Employment Agreement with Dr. Grace Martin and authorize the Chair to execute the agreement

Motion to approve Consent Calendar MJPA – Operations, Items 8 (1-5).

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

**9. MJPA - Reports, Discussions and Action Items**

- 1) Report: Receive and file an Update for 452<sup>ND</sup> Civil Engineer Squadron by Major Eric Garcia, Commander  
*Dr. Grace Martin, Executive Director introduced Major Garcia who provided the update.*

**10. Consent Calendar**

**MIPAA – Operations**

- 1) Report: Receive and file Financial Status Reports



2) Action: Approve Financial Disbursements for the month of August 2023

Motion to approve Consent Calendar MIPAA – Operations, Item 10 (1-2).

Motion: Cabrera

Second: Vargas

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

Noes: None

Absent: Gutierrez

Abstain: None

#### 11. MIPAA - Reports, Discussions and Action Items

1) Report: Receive and file an Update for the Target distribution facility at 23000 Van Buren Boulevard

*Dr. Grace Martin, Executive Director introduced Brynn Anderson, Randall Brough, and Jason Fields of Target to jointly provide an update for this item.*

Member Delgado asked if the employees are within the region or coming in from further cities. Mr. Fields stated that the majority of the leaders are from Riverside, San Bernardino, a couple of employees from Orange County and one from Los Angeles County.

Member Vargas expressed interest in touring the Target building for the City of Perris and asked if there is automation in the building. Mr. Fields stated that there is some automation but operations rely heavily on manpower.

Member Rogers asked if there's e-commerce as she would like to keep her dollars in this community. Mr. Fields replied yes, and that the majority of goods will come from this facility. Member Perry thanked Target for taking care of Riverside non-profits. He also has family members who work for Target.

Member Cabrera stated that the city of Moreno Valley would love to sit down with Target on partnerships. He mentioned that Moreno Valley has a Workforce Development Department that can help them onboard employees.

#### 12. Consent Calendar

##### MJPUA – Operations

1) Report: Receive and file Financial Status Reports

2) Action: Approve Financial Disbursements for the month of August 2023

Motion to approve Consent Calendar MJPUA – Operations, Items 12 (1-2).

Motion: Rogers

Second: Perry

Ayes: Perry, Vargas, Rogers, Cabrera, Delgado, Conder

Noes: None

Absent: Gutierrez

Abstain: Jeffries

#### 13. Commission Members Oral Reports/Announcements

Member Jeffries stated that he would like to follow up on the public comments and the emails regarding the future WCUP public hearings and asked JPA staff to work with Chair to outline the future public hearing format. He added that an organized public hearing would benefit the commission. Chair Conder stated that he will work with the CEO to outline the future hearing format and it will be released when a hearing date is determined.

Chair Conder stated that he would like to wish the City of Riverside Happy Birthday. It turned 140 years old.

**14. Staff Oral Reports/Announcements**

None.

**15. Calendaring of Future Agenda Items**

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

None.

**16. Adjournment**

The meeting was adjourned at 3:49 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:** December 13, 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.

### 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 6<sup>th</sup> 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 2<sup>nd</sup> Amendment to the Disposition and Development Agreement. On September 28, 2021, the JPA rejected a Force Majeure filed by March1 on September 20<sup>th</sup>, 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 26<sup>th</sup>, 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. March 1 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 March 1 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 11<sup>th</sup> to July 30<sup>th</sup>, 2023.

	TASK	DUE DATE – per 3 <sup>rd</sup> 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, March 1 submitted a letter to MIPA 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 <sup>th</sup> JPC meeting to allow an extension of time on the PRV and a new milestone based on deliverables. NOC not obtained by required deadline.
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 <sup>th</sup> 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	No later than Sept 30, 2022	This task has been completed and requirement is satisfied.

	overlay, and subject to Authority Engineer approval.		
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 12<sup>th</sup> meeting. On April 12<sup>th</sup>, the Commission voted to adopt the amended ENA and the agreement was fully executed on April 27<sup>th</sup>, 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.

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.

**Attachment:**           None

**MARCH JOINT POWERS COMMISSION**  
OF THE  
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***MJPA Operations - Consent Calendar***  
***Agenda Item No. 8 (2)***

**Meeting Date:** December 13, 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 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. **A meeting of the Parks Sub-Committee will likely be scheduled within the next 90 days to discuss the parks component of the West Campus Upper Plateau.**

### 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 9<sup>th</sup>, 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. On May 10, 2023, a 1.09-acre easement behind the March ARB Commissary, was approved by the Commission for transfer to RCFCWCD for maintenance purposes. A 1,195 square foot-triangular, easement area, behind the March ARB Commissary is on this agenda for Commission consideration, for the 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 14<sup>th</sup> and 15<sup>th</sup>, 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](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 18<sup>th</sup>, 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. On December 2, 2023, a recirculated draft EIR was circulated identifying new information pertaining to the Air Quality, Hazards and Hazardous Materials, and Land Use and Planning sections to the draft EIR. The recirculation period is 60-days, ending January 31, 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 MarcVeterans Village Campus, located at the southwest corner of N Street and 6<sup>th</sup> 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. On July 10, 2023, Staff discussed the proposed project and the availability of requested information with the Tribal Historic Preservation Official (THPO) from Agua Caliente. The THPO was satisfied with the discussion and decided to end consultation. A formal letter was received on July 13, 2023. The proposed project was considered by the ALUC Commission on July 13, 2023, and found to be “Consistent” with the March Reserve Base / Inland Port Airport Land Use Compatibility Plan. **The proposed project was presented to TAC on December 4, 2023. Staff anticipates taking the proposed Project to Commission on January 10, 2024, or shortly thereafter.**

**Attachment:**           None

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

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

**Meeting Date:** December 13, 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 month of September 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 2023/24 budget.

Included in the financials are the quarterly Investment Policy Compliance Statement reports which includes the report provided by Citizens Trust for the quarter ending September 30, 2023.

**Attachments:**

- 1) Financial Status Reports for September 2023.
- 2) First Quarter 2023 Investment Policy Compliance Statement Reports.

# March Joint Powers Authority

## Balance Sheet General Fund As of September 30, 2023

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### ASSETS

Cash In Bank	\$ 7,397,682.99
Petty Cash	300.00
Investment Account	4,743,875.40
Meridian Drainage Fee Acct	2,432,894.08
CalPERS Benefit Trust	11,808,003.73
County Fire Facilities Fund	1,805,675.01
Accounts Receivable	1,047,583.24
Accounts Receivable - Leases	1,501,920.47
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	631,005.00
Interest Receivable	1,567,866.67
Insurance Deposits	1,283.00

Total Assets \$ 39,058,424.26

### LIABILITIES

Accounts Payable	32,878.57
Deposits in Trust	327,435.62
County Fire Facility	1,824,540.34
Meridian Drainage Fees	1,964,224.57
Lifecare Campus Drainage Fees	82,243.53
Meridian–St. F Sgnl Fair Share	637,826.15
MARB Heacock Project Funds	666.72
Deferred Inflows - Leases	1,612,328.45

Total Liabilities 6,482,143.95

### FUND BALANCE

Fund Balance, Beginning of Fiscal Year	32,715,990.21
Change in Fund Balance for the three months ending September 30, 2023	<u>(139,709.90)</u>

Ending Fund Balance, September 30, 2023 32,576,280.31

Total Liabilities and Fund Balance \$ 39,058,424.26



**General Ledger  
Expenses vs Budget**



**March Joint Powers Authority**  
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**Riverside, CA 92518**  
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 Period 03 - 03  
 Fiscal Year 2024

Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% Avail
100	General Fund	847,890.00	57,074.36	181,715.36	666,174.64	78.57
100-10-50100-05	Salaries and Wages	117,926.00	9,022.70	26,984.62	90,941.38	77.12
100-10-50100-10	Benefits	103,131.00	12,311.48	20,516.84	82,614.16	80.11
100-10-50100-15	PERS Contributions	13,855.00	867.69	2,813.23	11,041.77	79.70
100-10-50100-20	Medicare Tax	2,000.00	0.00	0.00	2,000.00	100.00
100-10-50100-25	Unemployment	12,770.00	755.13	1,621.04	11,148.96	87.31
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	111,312.00	14,215.08	42,663.80	68,648.20	61.67
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	0.00	548.60	6,951.40	92.69
100-10-50150-04	Payroll Services	2,000.00	5,872.35	6,299.35	-4,299.35	-214.97
100-10-50150-06	Periodicals/Memberships	10,000.00	3,820.00	4,220.00	5,780.00	57.80
100-10-50150-08	Education/Training	30,000.00	6,341.80	7,441.20	22,558.80	75.20
100-10-50150-12	Travel	17,300.00	1,800.00	2,600.00	14,700.00	84.97
100-10-50150-14	JPC Members' Stipend	13,000.00	643.80	1,201.10	11,798.90	90.76
100-10-50150-15	Meeting Expenses	15,000.00	1,347.19	2,307.11	12,692.89	84.62
100-10-50150-16	Office Supplies	6,750.00	395.74	1,213.84	5,536.16	82.02
100-10-50150-18	Telephone & Internet Expense	6,000.00	105.00	2,754.33	3,245.67	54.09
100-10-50150-20	Mobile Phones	3,750.00	361.58	488.84	3,261.16	86.96
100-10-50150-24	Postage	160,000.00	186.00	101,907.31	58,092.69	36.31
100-10-50150-26	Liability Insurance - PERMA	3,500.00	697.47	822.40	2,677.60	76.50
100-10-50150-30	Printing - Outside	12,000.00	1,872.43	5,346.70	6,653.30	55.44
100-10-50150-32	Equipment Leases	57,000.00	2,910.00	6,768.41	50,231.59	88.13
100-10-50150-34	Equipment Maintenance	4,100.00	165.29	932.30	3,167.70	77.26
100-10-50150-35	Vehicle Fuel & Maintenance	13,000.00	0.00	209.22	12,790.78	98.39
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	737.37	1,915.50	48,084.50	96.17
100-10-50150-40	Promotional Activities	27,000.00	2,986.82	8,901.02	18,098.98	67.03
100-10-50150-42	Bank Fees	6,000.00	490.00	1,470.00	4,530.00	75.50
100-10-50150-46	Office Custodial	66,100.00	6,048.09	17,915.29	48,184.71	72.90
100-10-50150-47	Office Rent	10,900.00	1,048.35	2,881.98	8,018.02	73.56
100-10-50150-48	Office Utilities	600.00	0.00	0.00	600.00	100.00
100-10-50150-50	Office Insurance	200,500.00	22,645.80	33,017.67	167,482.33	83.53
100-10-50200-02	General Legal Services	33,000.00	0.00	1,710.10	31,289.90	94.82
100-10-50200-04	Special Legal Services	1,000.00	0.00	0.00	1,000.00	100.00
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	0.00	35,000.00	100.00
100-10-50200-20	D.C. and State Lobbyist	94,000.00	7,500.00	-7,634.58	101,634.58	108.12
100-10-50200-22	Engineering Services	2,000.00	0.00	0.00	2,000.00	100.00
100-10-50200-25	General Consulting Services	350,000.00	78,138.75	154,569.48	195,430.52	55.84
100-10-50200-40	Foreign Trade Zone	7,100.00	412.30	412.30	6,687.70	94.19
100-10-50300-02	Equipment Office Furniture	10,000.00	0.00	107.72	9,892.28	98.92
100-10-50300-04	Computer Hardware	10,000.00	0.00	0.00	10,000.00	100.00
100-10-50300-06	Computer Software	20,000.00	0.00	0.00	20,000.00	100.00
100-20-51150-00	Property Insurance - PERMA	48,000.00	0.00	47,177.00	823.00	1.71
100-20-51200-00	Building Maintenance	40,000.00	6,943.20	6,943.20	33,056.80	82.64
100-20-51250-00	Grounds Maintenance	70,000.00	9,597.49	20,713.36	49,286.64	70.41
100-20-51255-00	Street & Lighting Maintenance	35,000.00	0.00	0.00	35,000.00	100.00
100-20-51300-00	Equipment Maintenance	2,300.00	2,774.13	6,514.48	-4,214.48	-183.24
100-20-51335-00	Demolition Costs	500,000.00	0.00	0.00	500,000.00	100.00
100-20-51350-00	Utilities	25,750.00	72.74	144.15	25,605.85	99.44
100-20-51355-00	Fuel Costs	2,500.00	0.00	0.00	2,500.00	100.00
100-20-51360-00	Police Patrols	237,000.00	0.00	0.00	237,000.00	100.00
100-20-51365-00	Security	0.00	12,496.50	33,046.20	-33,046.20	0.00
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	1,325,000.00	32,632.85	96,031.86	1,228,968.14	92.75
100-30-52220-00	Education Training	2,500.00	241.50	241.50	2,258.50	90.34
100-30-52250-00	Environmental Fees	45,000.00	34,045.00	34,045.00	10,955.00	24.34
100-30-52300-00	Printing Costs	10,000.00	0.00	0.00	10,000.00	100.00
100-30-52325-00	Planning Software	25,500.00	0.00	0.00	25,500.00	100.00
100-30-52350-00	Public Notices Filings	3,000.00	0.00	0.00	3,000.00	100.00
100-30-52400-00	Environmental Rev & Consult	2,500.00	0.00	0.00	2,500.00	100.00
Expense Total		<b>4,907,534.00</b>	<b>339,575.98</b>	<b>881,498.83</b>	<b>4,026,035.17</b>	<b>82.0378</b>
Grand Total		<b>4,907,534.00</b>	<b>339,575.98</b>	<b>881,498.83</b>	<b>4,026,035.17</b>	<b>0.8204</b>

**General Ledger  
Revenue vs Budget**

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 Fiscal Year 2024



**March Joint Powers Authority  
 14205 Meridian Pkwy, Ste. 140  
 Riverside, CA 92518  
 (951) 656-7000  
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Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% ExpendCollect
100	General Fund					
100-00-40100-00	LEASE REVENUE	-140,461.00	-12,217.05	-36,563.04	-103,897.96	26.03
100-00-40300-00	PLANNING FEES	-1,035,000.00	0.00	-78,277.00	-956,723.00	7.56
100-00-40400-00	BUILDING PERMIT FEES	-2,034,000.00	-56,056.40	-155,456.64	-1,878,543.36	7.64
100-00-40430-00	PUBLIC WORKS FEES	-500,000.00	-7,500.00	-12,500.00	-487,500.00	2.50
100-00-40600-00	INTEREST INCOME	-168,000.00	-122,547.76	-431,626.19	263,626.19	256.92
100-00-40655-00	FOREIGN TRADE ZONE	-71,000.00	0.00	-5,000.00	-66,000.00	7.04
100-00-40675-00	TRAINING & FILMING FEES	-1,100.00	0.00	0.00	-1,100.00	0.00
100-00-40715-00	FRANCHISE FEES & SALES TAX REV	-1,270,000.00	0.00	0.00	-1,270,000.00	0.00
100-00-40750-00	MISCELLANEOUS REVENUE	-1,000.00	0.00	-8,764.84	7,764.84	876.48
100-00-40799-00	GAINLOSS ON FV OF INVESTMENTS	0.00	1,492.50	-13,501.22	13,501.22	0.00
100-00-40800-00	SUCCESSOR AGENCY FEES	-250,000.00	0.00	0.00	-250,000.00	0.00
Revenue Total		<b>5,470,561.00</b>	<b>196,828.71</b>	<b>741,688.93</b>	<b>4,728,872.07</b>	<b>13.5578</b>
Grand Total		<b>5,470,561.00</b>	<b>196,828.71</b>	<b>741,688.93</b>	<b>4,728,872.07</b>	<b>0.1356</b>

# *March Joint Powers Authority*

## **Balance Sheet Meridian LLMD # 1 – Fund 120 As of September 30, 2023**

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### **ASSETS**

Cash In Bank	\$ 3,042,572.91
Accounts Receivable	<u>43,325.99</u>
Total Assets	<u>\$ 3,085,898.90</u>

### **LIABILITIES**

Accounts Payable	9.55
Unearned revenue	20,342.73
LLMD #1 Modification Deposit	6,930.80
Damage Repair Deposits	<u>443.00</u>
Total Liabilities	<u>27,726.08</u>

### **FUND BALANCE**

Fund Balance, Beginning of Fiscal Year	3,389,970.94
Change in Fund Balance for the three months ending September 30, 2023	<u>(331,798.12)</u>
Ending Fund Balance, September 30, 2023	<u>3,058,172.82</u>
Total Liabilities and Fund Balance	<u>\$ 3,085,898.90</u>

# General Ledger Expenses vs Budget

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March Joint Powers Authority  
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Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% Avail
120	Meridian LLMMD No. 1	30,000.00	429.36	2,567.35	27,432.65	91.44
120-40-65005-00	Traffic Signals	350.00	0.00	0.00	350.00	100.00
120-40-65010-00	Signage	69,500.00	6,659.18	21,643.26	47,856.74	68.86
120-40-65015-00	Lighting	838,500.00	147,295.08	203,587.61	634,912.39	75.72
120-40-65020-00	Landscaping	125,000.00	0.00	0.00	125,000.00	100.00
120-40-65025-00	Drainage	38,800.00	1,500.00	1,500.00	37,300.00	96.13
120-40-65030-00	Street Sweeping	4,500.00	0.00	0.00	4,500.00	100.00
120-40-65035-00	Graffiti Removal	62,408.00	1,703.76	5,195.15	57,212.85	91.68
120-40-65118-05	Salaries and Wages	10,066.00	367.64	1,160.04	8,905.96	88.48
120-40-65118-10	Benefits	6,161.00	257.98	742.13	5,418.87	87.95
120-40-65118-15	PERS Contributions	1,038.00	22.77	69.53	968.47	93.30
120-40-65118-20	Medicare Tax	4,447.00	0.00	0.00	4,447.00	100.00
120-40-65118-30	Workers Compensation Ins.	29,403.00	0.00	0.00	29,403.00	100.00
120-40-65120-00	Unfunded Accrued Liab(UAL)	6,460.00	512.05	1,645.29	4,814.71	74.53
120-40-65125-00	Operations	8,500.00	607.31	1,472.39	7,027.61	82.68
120-40-65130-00	TransportationCommunication	14,400.00	0.00	11,710.81	2,689.19	18.67
120-40-65135-00	Liability Insurance - PERMA	9,000.00	0.00	0.00	9,000.00	100.00
120-40-65140-00	Assessment Engineer	9,200.00	6,425.00	11,650.00	-2,450.00	-26.63
120-40-65145-00	Professional Services	200.00	0.00	0.00	200.00	100.00
120-40-65200-00	Contingency	14,500.00	0.00	0.00	14,500.00	100.00
120-40-65500-01	Meridian Pkwy-Sidewalk Repairs	150,000.00	20,558.02	68,854.56	81,145.44	54.10
120-40-65500-05	Tree Replacement	150,000.00	0.00	0.00	150,000.00	100.00
Expense Total		<b>1,582,433.00</b>	<b>186,338.15</b>	<b>331,798.12</b>	<b>1,250,634.88</b>	<b>79.0324</b>
Grand Total		<b>1,582,433.00</b>	<b>186,338.15</b>	<b>331,798.12</b>	<b>1,250,634.88</b>	<b>0.7903</b>

**General Ledger  
Revenue vs Budget**

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**March Joint Powers Authority  
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Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% ExpendCollect
120	Meridian LLMMD No. 1					
120-00-40260-00	Assessments	-2,236,000.00	0.00	0.00	-2,236,000.00	0.00
Revenue Total		<u>2,236,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,236,000.00</u>	<u>0</u>
Grand Total		<u>2,236,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,236,000.00</u>	<u>0</u>

*March Joint Powers Authority*

**Balance Sheet**  
**March Lifecare Campus CFD 2013 – Fund 140**  
**As of September 30, 2023**

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**ASSETS**

Cash In Bank	\$	168,771.45
Accounts Receivable		<u>7,652.59</u>
Total Assets	\$	<u><u>176,424.04</u></u>

**LIABILITIES**

Payroll Liabilities		4,299.48
Unearned revenue		<u>7,305.24</u>
Total Liabilities		<u>11,604.72</u>

**FUND BALANCE**

Fund Balance, Beginning of Fiscal Year		181,962.49
Change in Fund Balance for the three months ending September 30, 2023		<u>(17,143.17)</u>
Ending Fund Balance, September 30, 2023		<u>164,819.32</u>
Total Liabilities and Fund Balance	\$	<u><u>176,424.04</u></u>

**General Ledger  
Expenses vs Budget**



**March Joint Powers Authority**  
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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	0.00	0.00	4,200.00	100.00
140-40-65015-00	Lighting	2,500.00	712.43	1,469.29	1,030.71	41.23
140-40-65020-00	Landscaping	4,500.00	5,640.00	5,640.00	-1,140.00	-25.33
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	0.00	6,000.00	100.00
140-40-65035-00	Graffiti Removal	750.00	0.00	0.00	750.00	100.00
140-40-65118-05	Salaries and Wages	14,635.00	1,019.64	3,109.90	11,525.10	78.75
140-40-65118-10	Benefits	2,684.00	210.06	650.94	2,033.06	75.75
140-40-65118-15	PERS Contributions	2,057.00	163.00	467.76	1,589.24	77.26
140-40-65118-20	Medicare Tax	249.00	13.00	39.74	209.26	84.04
140-40-65118-30	Workers Compensation Ins.	2,678.00	0.00	0.00	2,678.00	100.00
140-40-65120-00	Operations	0.00	1,250.00	2,500.00	-2,500.00	0.00
140-40-65130-00	Liability Insurance - PERMA	5,000.00	0.00	3,253.00	1,747.00	34.94
140-40-65135-00	Assessment Engineer	3,000.00	0.00	0.00	3,000.00	100.00
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		<b>58,843.00</b>	<b>9,008.13</b>	<b>17,130.63</b>	<b>41,712.37</b>	<b>70.8876</b>
Grand Total		<b>58,843.00</b>	<b>9,008.13</b>	<b>17,130.63</b>	<b>41,712.37</b>	<b>0.7089</b>



General Ledger  
Revenue vs Budget

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March Joint Powers Authority  
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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	0.00	-74,061.00	0.00
Revenue Total		74,061.00	0.00	0.00	74,061.00	0
Grand Total		74,061.00	0.00	0.00	74,061.00	0

## *March Joint Powers Authority*

### **Balance Sheet Green Acres Enterprise Fund – Fund 300 As of September 30, 2023**

---

#### **ASSETS**

Cash In Bank	\$ 2,264,993.90
Investment Account	2,155,363.08
Accounts Receivable	143,535.56
Land and Buildings	16,194,109.85
Infrastructure	874,866.98
Equipment	3,587.41
Deferred Outflows - Pension	69,245.24
Deferred Outflows - OPEB	33,391.00
Accumulated Depreciation	<u>(9,996,826.14)</u>
 Total Assets	 <u>\$ 11,742,266.88</u>

#### **LIABILITIES**

Accounts Payable	457.56
Payroll Liabilities	57,835.35
Security Deposits	182,691.60
Net Pension Liability	132,480.96
OPEB Liability	2,268.00
Compensated Absences	11,069.51
Deferred Inflows - Pension	125,369.48
Deferred Inflows - OPEB	<u>24,059.00</u>
 Total Liabilities	 <u>536,231.46</u>

#### **FUND BALANCE**

Net Position, Beginning of Fiscal Year	11,100,981.24
Change in Fund Balance for the three months ending September 30, 2023	<u>105,054.18</u>
 Ending Net Position, September 30, 2023	 <u>11,206,035.42</u>
 Total Liabilities and Net Position	 <u>\$ 11,742,266.88</u>

# General Ledger Expenses vs Budget



March Joint Powers Authority  
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Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% Avail
300	Green Acres Enterprise Fund	207,932.00	15,047.00	45,649.58	162,282.42	78.05
300-10-50100-05	Salaries and Wages	36,888.00	2,734.74	8,454.57	28,433.43	77.08
300-10-50100-10	Benefits	17,197.00	1,292.84	3,785.24	13,411.76	77.99
300-10-50100-15	PERS Contributions	3,510.00	253.97	750.47	2,759.53	78.62
300-10-50100-20	Medicare Tax	15,142.00	0.00	0.00	15,142.00	100.00
300-10-50100-30	Workers Compensation Ins.	14,701.00	0.00	0.00	14,701.00	100.00
300-10-50100-99	Unfunded Accrued Liab(UAL)	2,500.00	0.00	0.00	2,500.00	100.00
300-10-50150-06	PeriodicalsMemberships	500.00	0.00	0.00	500.00	100.00
300-10-50150-08	EducationTraining	1,500.00	78.79	171.59	1,328.41	88.56
300-10-50150-16	Office Supplies	1,000.00	38.31	116.81	883.19	88.32
300-10-50150-18	Telephone Internet Service	1,300.00	0.00	116.58	1,183.42	91.03
300-10-50150-20	Mobile PhonesPagers	100.00	0.00	0.00	100.00	100.00
300-10-50150-24	Postage	30,000.00	0.00	22,982.44	7,017.56	23.39
300-10-50150-26	Liability Insurance - PERMA	4,000.00	0.00	0.00	4,000.00	100.00
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	756.02	2,337.60	5,662.40	70.78
300-10-50150-47	Office Rent	2,000.00	109.33	231.27	1,768.73	88.44
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
300-10-50200-02	General Legal Services	1,000.00	30.50	30.50	969.50	96.95
300-10-50200-15	Credit Check Services	500.00	0.00	0.00	500.00	100.00
300-10-50300-02	Office Equipment	8,000.00	158.73	598.78	7,401.22	92.52
300-10-50300-06	Computer Software	22,000.00	439.14	439.14	21,560.86	98.00
300-10-50300-10	Appliance Purchase	8,000.00	98.18	2,120.25	5,879.75	73.50
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	153,000.00	0.00	152,398.00	602.00	0.39
300-20-51150-00	Property Insurance - PERMA	40,000.00	0.00	0.00	40,000.00	100.00
300-20-51160-00	Property Taxes	150,000.00	4,648.36	6,060.60	143,939.40	95.96
300-20-51200-00	Building Maintenance	250,000.00	22,127.09	49,127.09	200,872.91	80.35
300-20-51250-00	Grounds Maintenance	55,000.00	197.08	7,282.58	47,717.42	86.76
300-20-51300-00	Equipment Maintenance	425,000.00	56,423.48	115,289.39	309,710.61	72.87
300-20-51350-00	Utilities	2,500.00	0.00	0.00	2,500.00	100.00
300-20-51360-00	Bad Debt Expense	1,864,387.00	104,433.56	417,942.48	1,446,444.52	77.5828
	Expense Total	1,864,387.00	104,433.56	417,942.48	1,446,444.52	0.7758
	Grand Total	1,864,387.00	104,433.56	417,942.48	1,446,444.52	

**General Ledger  
Revenue vs Budget**

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**March Joint Powers Authority  
 14205 Meridian Pkwy, Ste. 140  
 Riverside, CA 92518  
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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	-162,136.50	-482,236.50	-1,517,763.50	24.11
300-00-40225-00	UTILITY CHARGES	-60,000.00	-4,773.27	-14,232.23	-45,767.77	23.72
300-00-40250-00	LATE FEES & NSF FEES	-1,000.00	0.00	-357.36	-642.64	35.74
300-00-40300-00	CREDIT CHECK FEES	-1,000.00	0.00	-80.00	-920.00	8.00
300-00-40600-00	INTEREST INCOME	-30,000.00	-7,530.73	-20,583.16	-9,416.84	68.61
300-00-40675-00	HOLDING FEES FORFEITURE	-120.00	0.00	0.00	-120.00	0.00
300-00-40750-00	MISCELLANEOUS	-400.00	-75.00	-125.00	-275.00	31.25
300-00-40799-00	GAINLOSS ON FV OF INVESTMENTS	0.00	170.12	-6,308.87	6,308.87	0.00
Revenue Total		<b>2,092,520.00</b>	<b>174,345.38</b>	<b>523,923.12</b>	<b>1,568,596.88</b>	<b>25.0379</b>
Grand Total		<b>2,092,520.00</b>	<b>174,345.38</b>	<b>523,923.12</b>	<b>1,568,596.88</b>	<b>0.2504</b>

*March Joint Powers Authority*

**Balance Sheet**  
**Repairs & Maintenance – Fund 301**  
**As of September 30, 2023**

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**ASSETS**

Cash In Bank	\$ 265,838.75
Total Assets	<u>\$ 265,838.75</u>

**LIABILITIES**

Accounts Payable	<u>-</u>
Total Liabilities	<u>-</u>

**FUND BALANCE**

Net Position, Beginning of Fiscal Year	265,838.75
Change in Fund Balance for the three months ending September 30, 2023	<u>-</u>
Ending Net Position, September 30, 2023	<u>265,838.75</u>
Total Liabilities and Net Position	<u>\$ 265,838.75</u>

**General Ledger  
Expenses vs Budget**

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**March Joint Powers Authority**  
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Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% Avail
301	Green Acres Repairs & Maint.					
301-20-51200-02	Roof Repairs	27,000.00	0.00	0.00	27,000.00	100.00
301-20-51200-03	Unit Improvements	55,000.00	0.00	0.00	55,000.00	100.00
Expense Total		<b>82,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>82,000.00</b>	<b>100</b>
Grand Total		<b>82,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>82,000.00</b>	<b>1</b>

General Ledger  
Revenue vs Budget

User: le@marchjpa.com  
Printed: 12/4/2023 9:39:34 AM  
Period 03 - 03  
Fiscal Year 2024



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*

**Balance Sheet  
RORF Fund – Fund 750  
As of September 30, 2023**

---

**ASSETS**

Cash In Bank	<u>\$ 1,939,388.39</u>
Total Assets	<u>\$ 1,939,388.39</u>

**LIABILITIES**

Due to Other Funds	<u>500,000.00</u>
Total Liabilities	<u>500,000.00</u>

**FUND BALANCE**

Net Position, Beginning of Fiscal Year	2,993,492.77
Change in Fund Balance for the three months ending September 30, 2023	<u>(1,554,104.38)</u>
Ending Net Position, September 30, 2023	<u>1,439,388.39</u>
Total Liabilities and Net Position	<u>\$ 1,939,388.39</u>



**General Ledger  
Expenses vs Budget**

User: lc@marchjpa.com  
 Printed: 12/3/2023 6:27:04 PM  
 Period 03 - 03  
 Fiscal Year 2024



**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	3,375.50	2,650.50	-2,650.50	0.00
750-10-50200-25	Consulting Services	0.00	0.00	1,551,453.88	-1,551,453.88	0.00
750-10-50900-00	Transfer Out	0.00	3,375.50	1,554,104.38	-1,554,104.38	0
Expense Total		0.00	3,375.50	1,554,104.38	-1,554,104.38	0
Grand Total						

*March Joint Powers Authority*

**Balance Sheet**  
**Debt Service Fund – Fund 740**  
**As of September 30, 2023**

---

**ASSETS**

Cash In Bank	\$ (555,214.32)
Deferred Charge on Refunding	6,956,404.05
Prepaid Bond Insurance	<u>234,875.38</u>
Total Assets	<u>\$ 6,636,065.11</u>

**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	<u>131,005.00</u>
Total Liabilities	<u>32,524,988.79</u>

**FUND BALANCE**

Net Position, Beginning of Fiscal Year	(25,888,923.68)
Change in Fund Balance for the three months ending September 30, 2023	<u>-</u>
Ending Net Position, September 30, 2023	<u>(25,888,923.68)</u>
Total Liabilities and Net Position	<u>\$ 6,636,065.11</u>

**General Ledger  
Expenses vs Budget**

User: le@marchjpa.com  
 Printed: 12/3/2023 6:27:04 PM  
 Period 03 - 03  
 Fiscal Year 2024



**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	3,375.50	2,650.50	-2,650.50	0.00
750-10-50200-25	Consulting Services	0.00	0.00	1,551,453.88	-1,551,453.88	0.00
750-10-50900-00	Transfer Out	0.00	3,375.50	1,554,104.38	-1,554,104.38	0
Expense Total		0.00	3,375.50	1,554,104.38	-1,554,104.38	0
Grand Total		0.00	3,375.50	1,554,104.38	-1,554,104.38	0

**General Ledger  
Expenses vs Budget**

User: le@marchjpa.com  
 Printed: 12/3/2023 6:25:31 PM  
 Period 03 - 03  
 Fiscal Year 2024



**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	0.00	5,500.00	100.00
600-10-50200-14	Annual Audit	180,000.00	9,939.84	-62,734.61	242,734.61	134.85
600-20-51350-00	Gas Commodity Expense	25,000.00	76.50	267.50	24,732.50	98.93
600-20-51360-00	Gas Operation and Maintenance	210,500.00	10,016.34	-62,467.11	272,967.11	129.6756
Expense Total		210,500.00	10,016.34	-62,467.11	272,967.11	1.2968
Grand Total						

**General Ledger  
Revenue vs Budget**

User: le@marchjpa.com  
 Printed: 12/4/2023 9:40:47 AM  
 Period 03 - 03  
 Fiscal Year 2024



**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	% Expend	Collect
600	March J.P. Utility Authority	-180,000.00	0.00	-11,212.74	-168,787.26		6.23
600-00-40620-00	GAS UTILITY	-38,000.00	0.00	-2,244.32	-35,755.68		5.91
600-00-40625-00	GAS O & M	218,000.00	0.00	13,457.06	204,542.94		6.173
Revenue Total		<u>218,000.00</u>	<u>0.00</u>	<u>13,457.06</u>	<u>204,542.94</u>		<u>0.0617</u>
Grand Total							

# Attachment 2

# March Joint Powers Authority Investment Quarterly Report General Fund September 30, 2023

Type	Issuer	Coupon	CUSIP	Purchase Date	Maturity Date	Cost	Market Value
Cash & Cash Equivalents	BLACKROCK BLF LIQUIDITY FEDFUND		09248U700	On going	Open	\$ 50,423.70	\$ 484,506.46
Fixed Income							
Corporate	APPLE INC	2.750%	037833DF4	11/20/2020	1/13/2025	\$ 208,118.45	\$ 193,322.00
	Total Corporate					\$ 208,118.45	\$ 193,322.00
US Government Agency							
	FEDERAL HOME LOAN BANK	0.754%	3130AURE1	06/24/2020	6/24/2025	\$ 69,444.44	\$ 64,194.44
	FEDERAL HOME LOAN BANK	0.680%	3130AJSY6	01/27/2022	7/15/2025	\$ 49,250.77	\$ 46,060.00
	FEDERAL HOME LOAN BANK	0.700%	3130AKQX7	01/28/2021	1/28/2026	\$ 150,000.00	\$ 135,201.00
	FEDERAL HOME LOAN BANK	0.650%	3130ALSX8	02/24/2021	2/24/2026	\$ 100,000.00	\$ 89,757.00
	FEDERAL HOME LOAN BANK	0.780%	3130ALEK6	02/26/2021	2/26/2026	\$ 100,000.00	\$ 90,027.00
	FEDERAL HOME LOAN BANK	0.400%	3130ALJ70	07/29/2021	3/12/2024	\$ 169,974.50	\$ 166,164.80
	FEDERAL HOME LOAN BANK	0.800%	3130ALPB4	03/30/2021	5/30/2025	\$ 150,000.00	\$ 139,158.00
	FEDERAL HOME LOAN BANK	0.350%	3130ALTS3	03/30/2021	3/28/2024	\$ 150,000.00	\$ 146,262.00
	FEDERAL HOME LOAN BANK	0.500%	3130AMF23	05/26/2021	9/26/2024	\$ 49,504.46	\$ 47,579.00
	FEDERAL HOME LOAN BANK	1.000%	3130ANCF5	08/12/2021	5/12/2026	\$ 100,000.00	\$ 89,938.00
	FEDERAL HOME LOAN BANK	0.900%	3130ANJTB	08/26/2021	8/26/2026	\$ 219,835.00	\$ 195,195.00
	FEDERAL HOME LOAN BANK	1.020%	3130AP6M2	09/30/2021	9/30/2026	\$ 50,000.00	\$ 44,378.00
	FEDERAL HOME LOAN BANK	0.700%	3134GVR26	06/25/2020	6/25/2025	\$ 253,275.33	\$ 253,959.75
	FEDERAL HOME LOAN BANK	5.000%	3130AUGX6	01/30/2023	1/24/2025	\$ 185,000.00	\$ 183,399.75
	FEDERAL FARM CREDIT BANK	4.875%	3133ENS5M8	01/10/2023	1/10/2024	\$ 185,000.00	\$ 184,633.70
	FEDERAL HOME LOAN MORTGAGE CORP	0.400%	3134GWWJ2	09/30/2020	9/30/2024	\$ 100,000.00	\$ 95,016.00
	FEDERAL HOME LOAN MORTGAGE CORP	0.600%	3134GWWN3	09/30/2020	9/30/2025	\$ 200,000.00	\$ 182,570.00
	FEDERAL HOME LOAN MORTGAGE CORP	0.625%	3130GXCR3	11/24/2020	11/24/2025	\$ 199,990.00	\$ 181,248.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.580%	3135G06A6	11/17/2020	10/20/2025	\$ 299,925.00	\$ 273,012.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.500%	3135G06M0	12/16/2020	12/16/2024	\$ 150,000.00	\$ 141,256.50
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.650%	3136G4G31	07/30/2021	7/30/2025	\$ 274,928.50	\$ 252,802.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.600%	3136G4J53	08/18/2020	8/18/2025	\$ 300,000.00	\$ 275,055.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	5.150%	3135GAFU0	03/30/2023	3/28/2024	\$ 400,000.00	\$ 399,092.00
	TENN VALLEY AUTHORITY	2.875%	880591ER9	05/27/2020	9/15/2024	\$ 409,298.08	\$ 390,088.00
	Total US Government Agency					\$ 4,315,426.08	\$ 4,066,046.94
	Total Fixed Income					\$ 4,523,544.53	\$ 4,259,368.94
Total Assets						\$ 4,573,968.23	\$ 4,743,875.40

### Investment Policy Assertions

- 1) Portfolio valuation provided by ICE Data Services
- 2) All investment actions executed since the last Investment Report are in full compliance with the Investment Policy.
- 3) The March Joint Powers Authority has sufficient funds to meet its expenditures obligations for the next six months.

Dr. Grace Martin  
Executive Director/Treasurer

# March Joint Powers Authority Investment Quarterly Report General Fund September 30, 2023

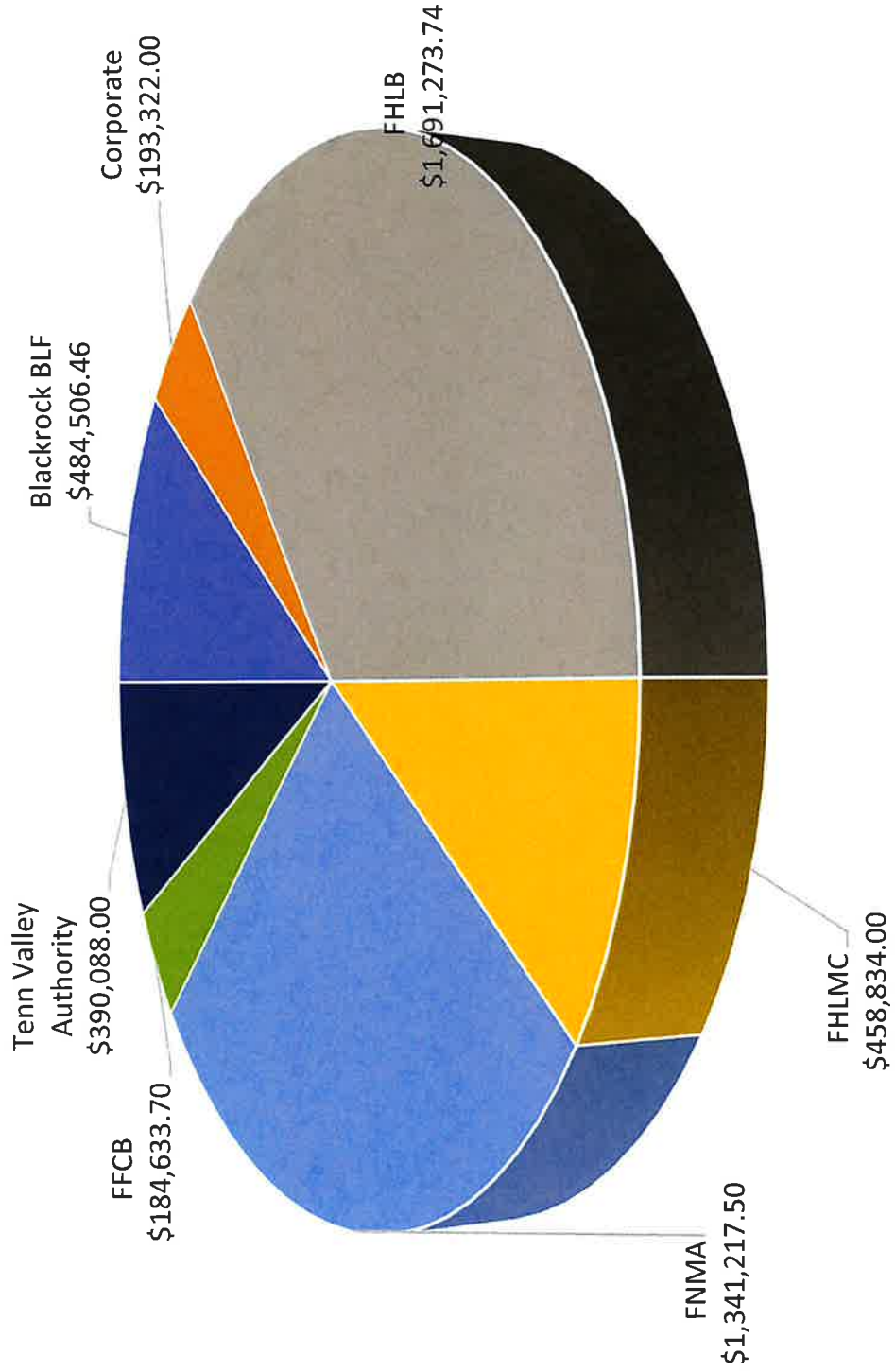
Type	Issuer	Coupon	CUSIP	Purchase Date	Maturity Date	Cost	Market Value
Cash & Cash Equivalents	BLACKROCK BLF LIQUIDITY FEDFUND		09248U700	On going	Open	\$ 484,506.46	\$ 484,506.46
Fixed Income							
Corporate	APPLE INC	2.750%	037833DF4	11/20/2020	1/13/2025	\$ 206,118.93	\$ 193,322.00
						\$ 206,118.93	\$ 193,322.00
US Government Agency							
	FEDERAL HOME LOAN BANK	0.754%	3130AJRE1	06/24/2020	6/24/2025	\$ 69,444.44	\$ 64,194.44
	FEDERAL HOME LOAN BANK	0.680%	3130AJSY6	01/27/2022	7/15/2025	\$ 49,250.77	\$ 46,060.00
	FEDERAL HOME LOAN BANK	0.700%	3130AKQX7	01/28/2021	1/28/2026	\$ 150,000.00	\$ 135,201.00
	FEDERAL HOME LOAN BANK	0.650%	3130ALSX8	02/24/2021	2/24/2026	\$ 100,000.00	\$ 89,757.00
	FEDERAL HOME LOAN BANK	0.780%	3130ALEK6	02/26/2021	2/26/2026	\$ 100,000.00	\$ 90,027.00
	FEDERAL HOME LOAN BANK	0.400%	3130ALI70	07/29/2021	3/12/2024	\$ 169,974.50	\$ 166,164.80
	FEDERAL HOME LOAN BANK	0.800%	3130ALPB4	03/30/2021	5/30/2025	\$ 150,000.00	\$ 139,158.00
	FEDERAL HOME LOAN BANK	0.350%	3130ALTS3	03/30/2021	3/28/2024	\$ 150,000.00	\$ 146,262.00
	FEDERAL HOME LOAN BANK	0.500%	3130AMF23	05/26/2021	9/26/2024	\$ 49,504.46	\$ 47,579.00
	FEDERAL HOME LOAN BANK	1.000%	3130ANCF5	08/12/2021	5/12/2026	\$ 100,000.00	\$ 89,938.00
	FEDERAL HOME LOAN BANK	0.900%	3130ANJ78	08/26/2021	8/26/2026	\$ 219,835.00	\$ 195,195.00
	FEDERAL HOME LOAN BANK	1.020%	3130AP6M2	09/30/2021	9/30/2026	\$ 50,000.00	\$ 44,378.00
	FEDERAL HOME LOAN BANK	0.700%	3134GVR26	06/25/2020	6/25/2025	\$ 253,275.33	\$ 253,959.75
	FEDERAL HOME LOAN BANK	5.000%	3130AUGX6	01/30/2023	1/24/2025	\$ 185,000.00	\$ 183,399.75
	FEDERAL FARM CREDIT BANK	4.875%	3133EN5M8	01/10/2023	1/10/2024	\$ 185,000.00	\$ 184,633.70
	FEDERAL HOME LOAN MORTGAGE CORP	0.400%	3134GWV12	09/30/2020	9/30/2024	\$ 100,000.00	\$ 95,016.00
	FEDERAL HOME LOAN MORTGAGE CORP	0.600%	3134GWWN3	09/30/2020	9/30/2025	\$ 200,000.00	\$ 182,570.00
	FEDERAL HOME LOAN MORTGAGE CORP	0.625%	3130GXCR3	11/24/2020	11/24/2025	\$ 199,990.00	\$ 181,248.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.580%	3135G06A6	11/17/2020	10/20/2025	\$ 299,925.00	\$ 273,012.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.500%	3135G06M0	12/16/2020	12/16/2024	\$ 150,000.00	\$ 141,256.50
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.650%	3136G4G31	07/30/2021	7/30/2025	\$ 274,928.50	\$ 252,802.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.600%	3136G4J53	08/18/2021	8/18/2025	\$ 300,000.00	\$ 275,055.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	5.150%	3135GAFU0	03/30/2023	3/28/2024	\$ 400,000.00	\$ 399,092.00
	TENN VALLEY AUTHORITY	2.875%	880591ER9	05/27/2020	9/15/2024	\$ 409,298.08	\$ 390,088.00
	Total US Government Agency					\$ 4,315,426.08	\$ 4,066,046.94
	Total Fixed Income					\$ 4,521,545.01	\$ 4,259,368.94
	Total Assets					\$ 5,006,051.47	\$ 4,743,875.40

Investment Policy Assertions  
 1) Portfolio valuation provided by ICE Data Services  
 2) All investment actions executed since the last Investment Report are in full compliance with the Investment Policy.  
 3) The March Joint Powers Authority has sufficient funds to meet its expenditures obligations for the next six months.

Dr Grace Martin  
 Executive Director/Treasurer



**March Joint Powers Authority  
General Fund  
September 30, 2023**



# March Joint Powers Authority Investment Quarterly Report Fire Facilities Fund September 30, 2023

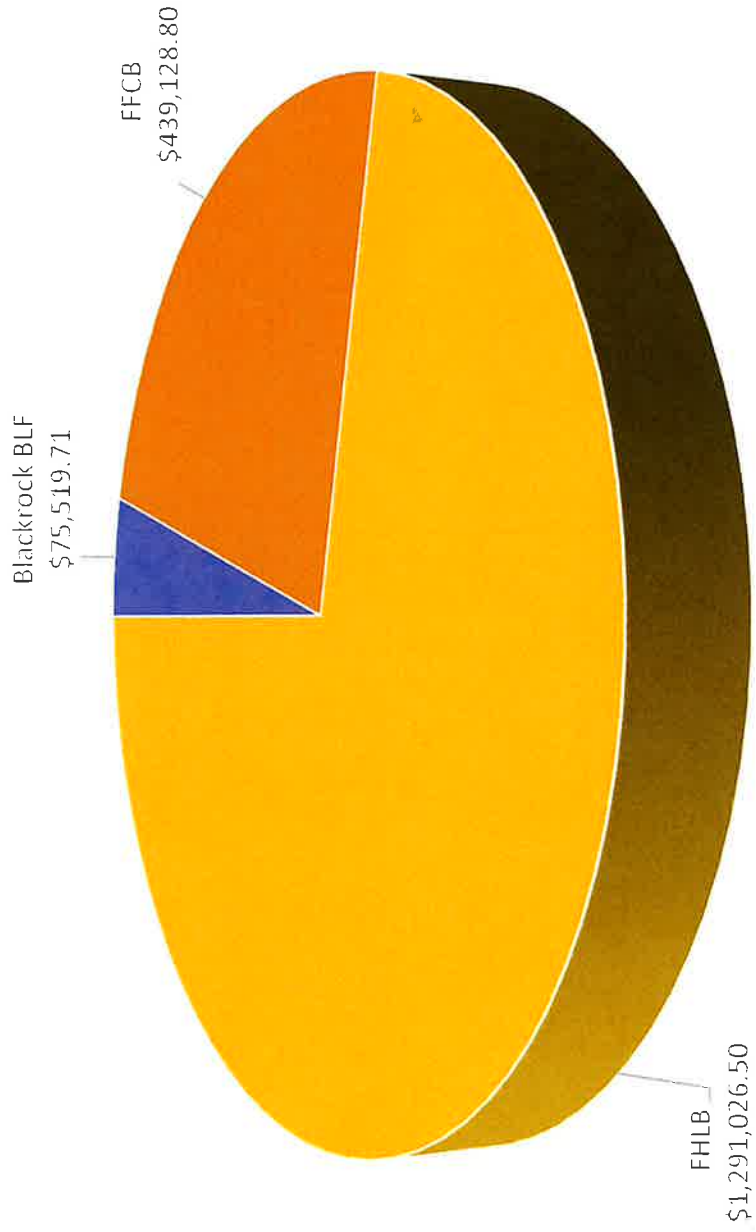
Type	Issuer	Coupon	CUSIP	Purchase Date	Maturity Date	Cost	Market Value	
Cash & Cash Equivalents	BLACKROCK BLF LIQUIDITY FEDFUND		09248U700	On going	Open	\$ 75,519.71	\$ 75,519.71	
Fixed Income	FEDERAL FARM CREDIT BANK	4.875%	3133EN5M8	1/10/2023	1/10/2024	\$ 440,000.00	\$ 439,128.80	
	FEDERAL HOME LOAN BANK	5.000%	3130AUGX6	1/30/2023	1/24/2025	\$ 750,000.00	\$ 743,512.50	
	FEDERAL HOME LOAN BANK	5.650%	3130AVCL4	3/27/2023	3/27/2025	\$ 550,000.00	\$ 547,514.00	
	Total US Government Agency						\$ 1,740,000.00	\$ 1,730,155.30
	Total Fixed Income						\$ 1,740,000.00	\$ 1,730,155.30
	Total Assets						\$ 1,815,519.71	\$ 1,805,675.01

Investment Policy Assertions

- 1) Portfolio valuation provided by ICE Data Services
- 2) All investment actions executed since the last Investment Report are in full compliance with the Investment Policy.
- 3) The March Joint Powers Authority has sufficient funds to meet its expenditures obligations for the next six months

\_\_\_\_\_  
Dr Grace Martin  
Executive Director/Treasurer

**March Joint Powers Authority  
Fire Facilities Fund  
September 30, 2023**



**March Joint Powers Authority  
Investment Quarterly Report  
Meridian Drainage Fund  
September 30, 2023**

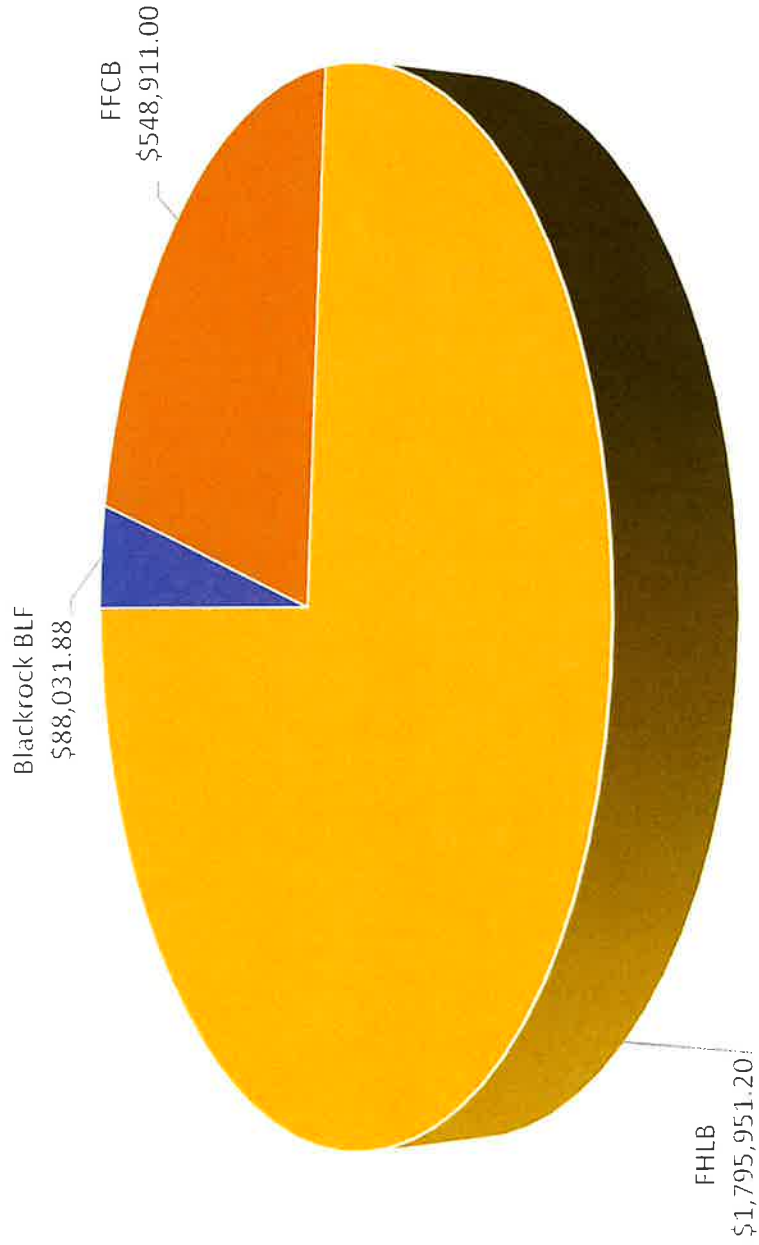
Type	Issuer	Coupon	CUSIP	Purchase Date	Maturity Date	Cost	Market Value
Cash & Cash Equivalents	BLACKROCK BLF LIQUIDITY FEDFUND		09248U700	On going	Open	\$ 88,031.88	\$ 88,031.88
Fixed Income							
US Government Agency	FEDERAL FARM CREDIT BANK	4.875%	3133EN5M8	1/10/2023	1/10/2024	\$ 550,000.00	\$ 548,911.00
	FEDERAL HOME LOAN BANK	5.000%	3130AUGB4	1/26/2023	1/26/2026	\$ 1,270,000.00	\$ 1,250,708.70
	FEDERAL HOME LOAN BANK	5.000%	3130AUGX6	1/30/2023	1/24/2025	\$ 550,000.00	\$ 545,242.50
	Total US Government Agency					\$ 2,370,000.00	\$ 2,344,862.20
Total Fixed Income						\$ 2,370,000.00	\$ 2,344,862.20
Total Assets						\$ 2,458,031.88	\$ 2,432,894.08

Investment Policy Assertions

- 1) Portfolio valuation provided by ICE Data Services
- 2) All investment actions executed since the last Investment Report are in full compliance with the Investment Policy.
- 3) The March Joint Powers Authority has sufficient funds to meet its expenditures obligations for the next six months.

\_\_\_\_\_  
Dr. Grace Martin  
Executive Director/Treasurer

**March Joint Powers Authority  
Meridian Drainage Fund  
September 30, 2023**



# March Joint Powers Authority Investment Quarterly Report Pension Reserve Fund September 30, 2023

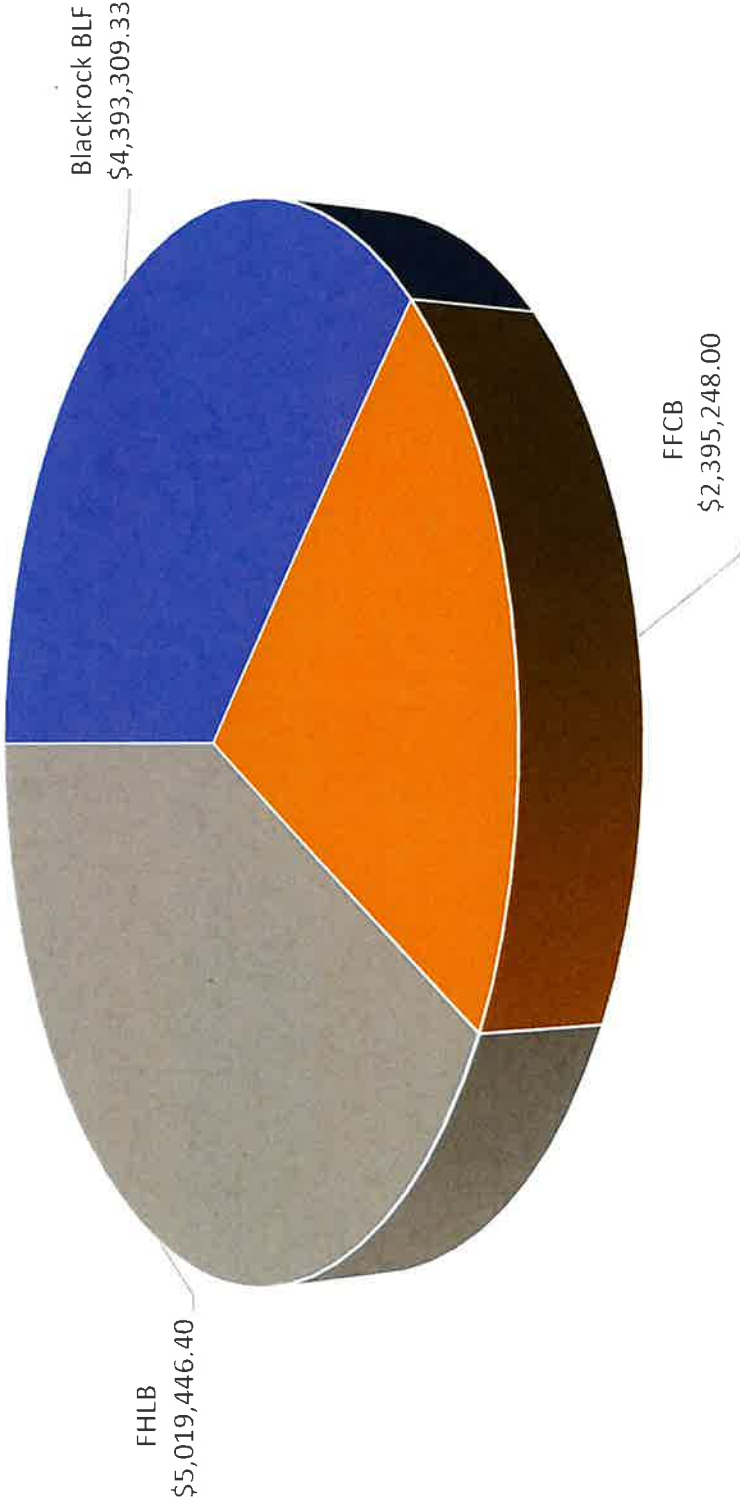
Type	Issuer	Coupon	CUSIP	Purchase Date	Maturity Date	Cost	Market Value
Cash & Cash Equivalents	BLACKROCK BLF LIQUIDITY FEDFUND		09248U700	On going	Open	\$ 4,393,309.33	\$ 4,393,309.33
Fixed Income							
US Government Agency	FEDERAL FARM CREDIT BANK	4.875%	3133EN5M8	1/10/2023	1/10/2024	\$ 2,400,000.00	\$ 2,395,248.00
	FEDERAL HOME LOAN BANK	5.000%	3130AUGB4	1/26/2023	1/26/2026	\$ 2,540,000.00	\$ 2,501,417.40
	FEDERAL HOME LOAN BANK	5.000%	3130AUGX6	1/30/2023	1/24/2025	\$ 2,540,000.00	\$ 2,518,029.00
	Total US Government Agency					\$ 7,480,000.00	\$ 7,414,694.40
Total Fixed Income						\$ 7,480,000.00	\$ 7,414,694.40
Total Assets						\$ 11,873,309.33	\$ 11,808,003.73

### Investment Policy Assertions

- 2) All investment actions executed since the last Investment Report are in full compliance with the Investment Policy.
- 3) The March Joint Powers Authority has sufficient funds to meet its expenditures obligations for the next six months.

\_\_\_\_\_  
Dr Grace Martin  
Executive Director/Treasurer

**March Joint Powers Authority  
Pension Reserve Fund  
September 30, 2023**



# March Joint Powers Authority Investment Quarterly Report Green Acres Fund September 30, 2023

Type	Issuer	CUSIP	Coupon	Purchase Date	Maturity Date	Cost	Market Value
Cash & Cash Equivalents	BLACKROCK BLF LIQUIDITY FEDFUND	09248U700		On going	Open	\$ 159,884.46	\$ 159,884.46
Fixed Income							
Corporate	APPLE INC	037833DF4	2.750%	11/20/2020	1/13/2025	\$ 103,059.47	\$ 96,661.00
	Total Corporate					\$ 103,059.47	\$ 96,661.00
US Government Agency	FEDERAL FARM CREDIT BANK	3133EN5M8	4.875%	01/10/2023	1/10/2024	\$ 50,000.00	\$ 49,901.00
	FEDERAL HOME LOAN BANK	3130ALU70	0.400%	07/29/2021	3/12/2024	\$ 49,992.50	\$ 48,872.00
	FEDERAL HOME LOAN BANK	3130AMF23	0.500%	01/26/2022	9/26/2024	\$ 49,504.46	\$ 47,579.00
	FEDERAL HOME LOAN BANK	3130AUSY6	0.680%	01/27/2022	7/15/2025	\$ 49,250.77	\$ 46,060.00
	FEDERAL HOME LOAN BANK	3130AUGX6	5.000%	01/30/2023	1/24/2025	\$ 160,000.00	\$ 158,616.00
	FEDERAL HOME LOAN BANK	3130AKQX7	0.700%	01/28/2021	1/28/2026	\$ 50,000.00	\$ 45,067.00
	FEDERAL HOME LOAN BANK	3130AL5X8	0.650%	02/24/2021	2/24/2026	\$ 50,000.00	\$ 44,878.50
	FEDERAL HOME LOAN BANK	3130ALEK6	0.780%	02/26/2021	2/26/2026	\$ 50,000.00	\$ 45,013.50
	FEDERAL HOME LOAN BANK	3130ALPB4	0.800%	03/30/2021	5/30/2025	\$ 50,000.00	\$ 46,386.00
	FEDERAL HOME LOAN BANK	3130ALTS3	0.350%	03/30/2021	3/28/2024	\$ 50,000.00	\$ 48,754.00
	FEDERAL HOME LOAN BANK	3130AURE1	0.754%	06/24/2020	6/24/2025	\$ 34,722.22	\$ 32,097.22
	FEDERAL HOME LOAN BANK	3134GVR26	7.000%	06/25/2023	6/25/2025	\$ 92,100.12	\$ 92,349.00
	FEDERAL HOME LOAN BANK	3130ANJT8	0.900%	08/26/2021	8/26/2026	\$ 149,887.50	\$ 133,087.50
	FEDERAL HOME LOAN BANK	3130ANCF5	1.000%	08/30/2021	5/12/2026	\$ 55,000.00	\$ 49,465.90
	FEDERAL HOME LOAN BANK	3130AP6M2	1.020%	09/30/2021	9/30/2026	\$ 50,000.00	\$ 44,378.00
	FEDERAL HOME LOAN MORTGAGE CORP	3134GWWJ2	0.400%	09/30/2020	9/30/2024	\$ 100,000.00	\$ 95,016.00
	FEDERAL HOME LOAN MORTGAGE CORP	3134GWWN3	0.600%	09/30/2020	9/30/2025	\$ 100,000.00	\$ 91,285.00
	FEDERAL HOME LOAN MORTGAGE CORP	3134GXCR3	0.625%	11/24/2020	11/24/2025	\$ 99,995.00	\$ 90,624.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	3136G4G31	0.650%	07/31/2020	7/30/2025	\$ 124,967.50	\$ 114,910.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	3135G06A6	0.580%	11/17/2020	10/20/2025	\$ 99,975.00	\$ 91,004.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	3135GAFU0	5.150%	03/30/2023	3/28/2024	\$ 150,000.00	\$ 149,659.50
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	3136G4J53	0.600%	08/18/2020	8/18/2025	\$ 100,000.00	\$ 91,685.00
	FEDERAL NATIONAL MORTGAGE ASSOCIATION	3135G06M0	0.500%	12/16/2020	12/16/2024	\$ 50,000.00	\$ 47,085.50
	TENN VALLEY AUTHORITY	880591ER9	2.875%	05/27/2020	9/15/2024	\$ 204,649.04	\$ 195,044.00
	Total US Government Agency					\$ 2,020,044.11	\$ 1,898,817.62
	Total Fixed Income					\$ 2,123,103.58	\$ 1,995,478.62
	Total Assets					\$ 2,282,988.04	\$ 2,155,363.08

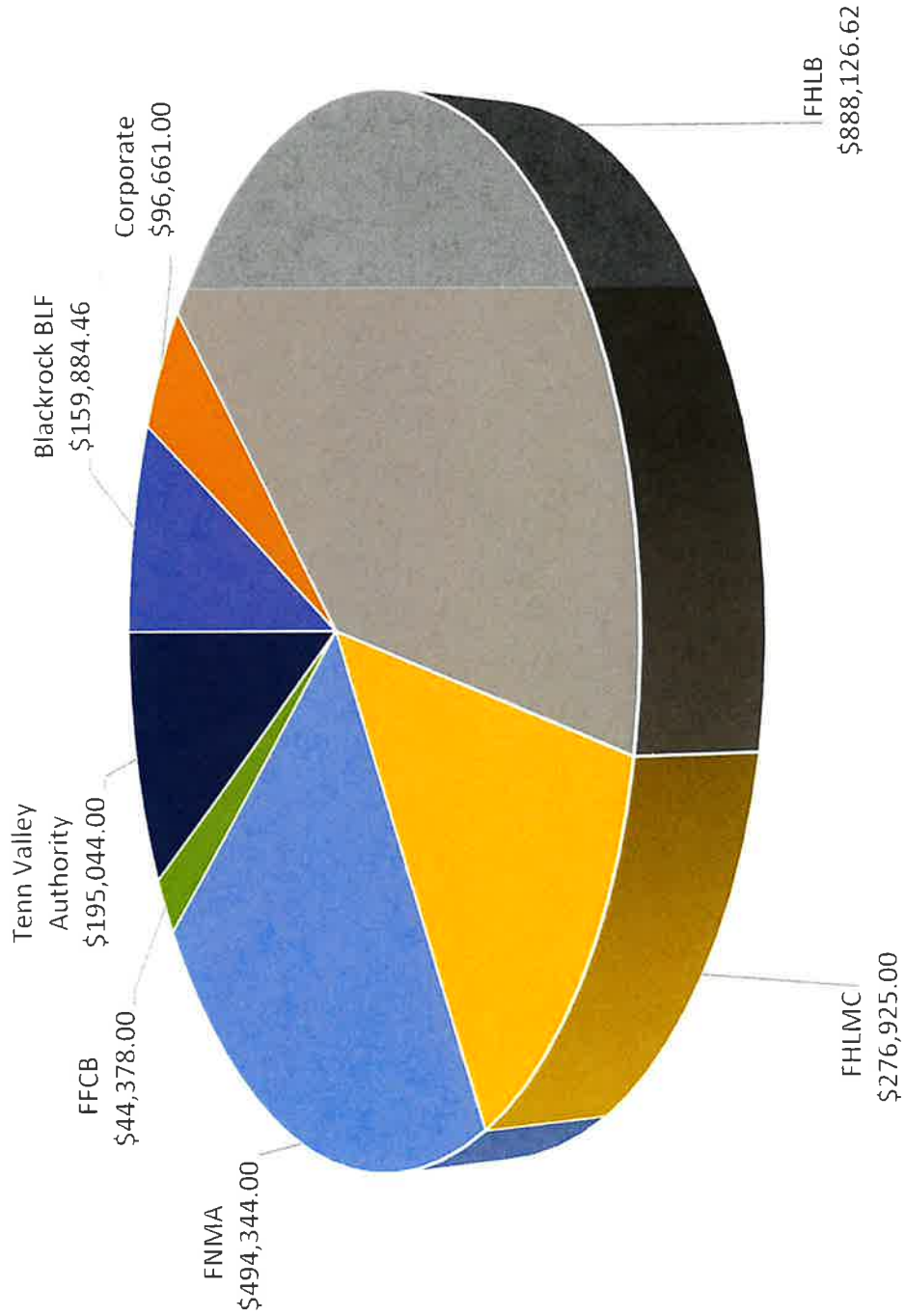
### Investment Policy Assertions

- 1) Portfolio valuation provided by ICE Data Services
- 2) All investment actions executed since the last Investment Report are in full compliance with the Investment Policy.
- 3) The March Joint Powers Authority has sufficient funds to meet its expenditures obligations for the next six months.

Dr Grace Martin  
Executive Director/Treasurer



**March Joint Powers Authority  
Green Acres Fund  
September 30, 2023**



March JPA (Consolidated 6 Accounts) as of September 30, 2023

Category	List of Categories for California Government Code Compliant Investments	Comment
MJPA Bonds	No limitations.	
Treasury Issues	No limitations, Faith and credit of the U.S. are pledged for the payment of principal and interest.	
California Issues	Securities issued by the State of California or any City or local agency in the state; must have at least an A rating by a NRSRO.	
Federal Agencies	Federal Agencies or U.S. Government -Sponsored Enterprise obligations, participants; or other instruments, including those by or fully guaranteed as to principal and interest by federal agencies or U.S. government-sponsored enterprises. No limitation on amount.	Complies
Bankers' Acceptance	A1 short-term rated or better by a NRSRO; or "A" long-term debt rating category or better by a NRSRO; 180 days maximum maturity. No CitizensTrust holdings.	
Commercial Paper	A-1 rating or better by a NRSRO; A long-term rating or better by NRSRO; 30% maximum; 270 days max maturity. Issuer must be a corporation organized and operating within the US and have at least \$500 total assets. No CitizensTrust holdings.	
Negotiable CDs	No rating required if under FDIC limit; if above limit, must have at least A-1 commercial paper rating and at least A long-term rating by an NRSRO; 30% maximum; Issued by a nationally or state-chartered bank, savings association or federal association, a state or federal credit union; or a foreign bank with a federal or state license.	
Repurchase Agreements	Securities underlying the repo agreement must have a market value of at least 102% of the funds borrowed against these securities. No CitizensTrust holdings.	
Medium-Term Notes	A rating category or better by a NRSRO; 30% maximum. Issued by corporations organized and operating within the US or by depository institutions licensed by the US or any state and operating within the US.	Complies
Money-Market Mutual Funds	Highest rating/AAA rating by two NRSROs; SEC-registered adviser with assets under management >\$500 million and experience >5 years; 20% maximum in money market mutual funds.	Complies
Trust Indentures	Funds held under the terms of a Trust Indenture or other contract/agreement may be invested according to its provisions. No CitizensTrust holdings.	
Collateralized Bank Deposits	Must be held in accordance with Uniform Commercial Code or applicable federal security regulations. No CitizensTrust holdings.	
Mortgage-Backed, Mortgage Pass-Through Securities, Collateralized Mortgage Obligations	"AA" rating category or better by a NRSRO; 20% maximum.	
Local Agency Investment Fund (LAIF)	Client invests directly in this category.	
Other securities authorized under CGC sections 5922 & 53601.	No CitizensTrust holdings.	
Prohibited Investments	Inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero-interest accrual if held to maturity.	

Assets managed by CitizensTrust are in full compliance with California Government Code and Client investment policy.

 Represents investments currently in March JPA portfolios and in compliance.

 Represents investments currently in March JPA portfolios and not in compliance.

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

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

**Meeting Date:** December 13, 2023

**Action:** **APPROVE SEPTEMBER 2023 FINANCIAL DISBURSEMENTS**

**Motion:** Move to approve the financial disbursements for the month of September 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 September for the March JPA, Green Acres, Meridian Landscaping and Lighting Maintenance District (LLMD) No. 1, and Community Facility District (CFD). A listing of those checks is attached and will be reported in the minutes as an action item.

**Attachment:** Listing of checks disbursed for September for the March JPA, Green Acres, LLMD, CFD and Successor Agency (former Redevelopment Agency).

# Accounts Payable

## Checks by Date - Summary by Check Number

User: finance@marchjpa.com  
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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	CalPERS	09/06/2023	3,139.52
	ACH	computer	09/06/2023	158.73
	ACH	CabreraU	09/07/2023	200.00
	ACH	computer	09/07/2023	1,349.13
	ACH	ConderJr	09/07/2023	500.00
	ACH	Delgado	09/07/2023	300.00
	ACH	Gutierrez	09/07/2023	200.00
	ACH	VargasM	09/07/2023	400.00
	ACH	computer	09/07/2023	79.37
	ACH	CalPERS	09/07/2023	7,082.72
	ACH	computer	09/18/2023	399.11
	ACH	BASharaf	09/19/2023	12,495.32
	ACH	Computer	09/19/2023	1,731.43
	ACH	DPETERI	09/19/2023	4,620.00
	ACH	DTS	09/19/2023	2,910.00
	ACH	PERMAINS	09/19/2023	186.00
	ACH	The20/20	09/19/2023	843.75
	ACH	TRILAK	09/19/2023	2,975.00
	ACH	computer	09/19/2023	19.16
	ACH	computer	09/19/2023	38.31
	ACH	computer	09/19/2023	1,586.99
	ACH	cjlake	09/28/2023	7,500.00
	ACH	HMConsul	09/28/2023	5,000.00
	ACH	CSLegacy	09/28/2023	20,558.02
	ACH	trilak	09/28/2023	6,425.00
	ACH	AVINSM	09/28/2023	21,900.00
1017339	mgs	M.G.S.	09/07/2023	407.63
1017340	phillips	Phillips 66-CO./SYNCB	09/07/2023	165.29
1017341	SPARKLET	Sparkletts	09/07/2023	170.86
1017342	StaplesA	Staples Business Credit	09/07/2023	664.68
1017343	ayalaa	Ayala HR Consulting	09/07/2023	12,302.50
1017344	rogersan	Rogers ,Anderson, Malody & Scott, LLP	09/07/2023	16,745.00
1017345	wmwd	Western Municipal Water District	09/07/2023	6,833.37
1017346	PatrolSe	Patrol Security and Guard	09/07/2023	8,331.00
1017347	Rogers	Marita G. Rogers	09/07/2023	200.00
1017348	sbrcfire	San Bernardino & Riverside Counties Fire Equip.	09/07/2023	863.94
1017349	WASTEM	WM Corporate Services, Inc.	09/07/2023	802.95
1017350	JanPro	Commerical Cleaning Solutions, Inc.	09/07/2023	490.00
1017351	ALTEC	Altec	09/19/2023	561.53
1017352	BankofAm	Bank Of America	09/19/2023	13,898.27
1017353	BESTBE	Best Best & Krieger, LLP	09/19/2023	8,446.95
1017354	ESA	ESA	09/19/2023	7,680.00
1017355	FRONTIER	Frontier Communications	09/19/2023	89.31
1017356	Gold	GLS US	09/19/2023	145.12
1017357	MGS	M.G.S.	09/19/2023	2,404.38
1017358	Planet	Planetbids, Inc.	09/19/2023	4,361.35
1017359	Seyfarth	Seyfarth Shaw LLP	09/19/2023	14,032.50
1017360	VRPA	VRPA Technologies, Inc.	09/19/2023	1,023.90
1017361	WILLDANS	Willdan	09/19/2023	26,468.03
1017362	CityMVD	City Of Moreno Valley	09/19/2023	72.74
1017363	Rivers	Rivers & Lands Conservancy	09/19/2023	522.50
1017364	RIVTLMA	TLMA Administration- County Of Riverside	09/19/2023	1,648.77
1017365	RogersAn	Rogers ,Anderson, Malody & Scott, LLP	09/19/2023	33,497.50
1017366	William2	Grace Martin	09/19/2023	288.00
1017367	MaureenK	Maureen Kane & Associates, Inc.	09/19/2023	35.00
1017368	LakeElsi	Lake Elsinore&San Jacinto Watersheds Authority(LESJWA)	09/19/2023	34,045.00
1017369	bestbe	Best Best & Krieger, LLP	09/28/2023	28,377.50
1017370	mgs	M.G.S.	09/28/2023	3,674.88
1017371	Minutema	Minuteman Press	09/28/2023	135.94
1017372	SPARKLET	Sparkletts	09/28/2023	120.90
1017373	deguire	DeGuire Weed Abatement	09/28/2023	8,205.00
1017374	grivch	Greater Riverside Chambers Of Commerce	09/28/2023	50.00
1017375	Escandon	Brittney Escandon	09/28/2023	225.91

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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
1017377	william2	Grace Martin	09/28/2023	241.50
1017378	PatrolSe	Patrol Security and Guard	09/28/2023	4,165.50
1017379	NINAS	Nina Schumacher	09/28/2023	186.39
1017380	CanonF	Canon Finandial Services, Inc.	09/28/2023	1,852.44
Report Total (67 checks):				<u>\$ 347,031.59</u>

# Accounts Payable

## Checks by Date - Summary by Check Number

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March Joint Powers Authority  
 14205 Meridian Pkwy, Ste. 140  
 Riverside, CA 92518  
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### Meridian LLMD No. 1 - Fund 120

Check No	Vendor No	Vendor Name	Check Date	Check Amount
2003658	phillips	Phillips 66-CO /SYNCB	09/07/2023	588.15
2003659	sce4	Southern California Edison	09/07/2023	4,421.42
2003660	wmwd	Western Municipal Water District	09/07/2023	427.09
2003661	onyx	Onyx Paving Company	09/07/2023	1,900.00
2003662	frontier	Frontier Communications	09/19/2023	5.59
2003663	sce4	Southern California Edison	09/19/2023	7,088.54
2003664	RichCo	Greggory Gene Richardson	09/19/2023	1,500.00
2003665	wmwd2	Western Municipal Water District	09/19/2023	598.88
2003666	sce4	Southern California Edison	09/28/2023	6,525.22
2003667	BRIGHT	BrightView Landscape Services, Inc	09/28/2023	100,324.88
2003668	wmwd2	Western Municipal Water District	09/28/2023	35,424.68

Report Total (11 checks): \$ 158,804.45

# Accounts Payable

## Checks by Date - Summary by Check Number

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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
4000106	sce4	Southern California Edison	09/07/2023	596.86
4000107	sce4	Southern California Edison	09/18/2023	115.57
4000108	WestCoas	West Coast Arborists, Inc	09/28/2023	5,640.00
4000109	BRIGHT	BrightView Landscape Services, Inc	09/28/2023	1,250.00
Report Total (4 checks):				<u>\$ 7,602.43</u>

# Accounts Payable

## Checks by Date - Summary by Check Number

User: finance@marchjpa.com  
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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
3009344	ability	Ability Counts, Inc.	09/06/2023	13,500.00
3009345	phillips	Phillips 66-CO./SYNCB	09/06/2023	197.08
3009346	StaplesA	Staples Business Credit	09/06/2023	78.79
3009347	wmwd	Western Municipal Water District	09/06/2023	854.18
3009348	bhe	BH Electric, Ind.	09/19/2023	3,452.09
3009349	frontier	Frontier Communications	09/19/2023	11.17
3009350	HDFacil	HD Supply Facilities Maintenance, Ltd	09/19/2023	576.66
3009351	Montg	Montgomery Plumbing	09/19/2023	852.50
3009352	WestCoas	West Coast Arborists, Inc	09/19/2023	5,175.00
3009353	caapas	California Apartment Association	09/19/2023	30.50
3009354	SouthCou	South County Pest Control, Inc.	09/19/2023	307.00
3009355	sce4	Southern California Edison	09/19/2023	1,118.32
3009356	HOMEDE	Home Depot Credit Services	09/19/2023	180.96
3009357	lowes	Lowe's Business Account	09/27/2023	308.38
3009358	montg	Montgomery Plumbing	09/27/2023	2,580.00
3009359	SouthCou	South County Pest Control, Inc.	09/27/2023	282.00
3009360	wmwd	Western Municipal Water District	09/27/2023	55,403.34
Report Total (17 checks):				<u>\$ 84,907.97</u>



# Accounts Payable

## Checks by Date - Summary by Check Number

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

### Successor Agency RORF Fund – Fund 750

Check No	Vendor No	Vendor Name	Check Date	Check Amount
1206	urban	UFI Urban Futures, Incorporated	09/28/2023	<u>3,375.50</u>
Report Total (1 check):				<u>\$ 3,375.50</u>

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

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

**Meeting Date:** December 13, 2023

**Action:** **APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH ROBERT HALF INC FOR STAFFING SUPPORT SERVICES AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE AGREEMENT**

**Proposed Motion:** Approve a Professional Services Agreement with Robert Half Inc. for staffing support services and authorize the Chief Executive Officer to execute the Agreement.

**Background:**

Robert Half Inc. is a temporary placement agency that provides manpower to offer support services to organizations in administrative and customer support; finance accounting; marketing and technology. Given the complexity of organizational changes associated with the sunseting of the agency, it is necessary to secure services that specialize in administrative and clerical support over the next eighteen months. As such, to sustain the agency's municipal service needs, staff recommends the approval of Robert Half Inc. and authorize the Chief Executive Officer to execute the agreement.

**Attachment:** Robert Half Inc. Professional Services Agreement

**MARCH JOINT POWERS AUTHORITY  
SHORT-FORM SERVICES AGREEMENT  
ROBERT HALF INC.**

1. **Parties and Date.** This Agreement is made and entered into this **13<sup>th</sup> day of December, 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, 140, Riverside, CA 92518 State of California ("MJPA") and **Robert Half Inc.**, doing business through its administrative and customer support practice group, a **CALIFORNIA CORPORATION**, with its branch office located at 3633 Inland Empire Boulevard, Suite 525, Ontario, CA 91764 ("Vendor"). MJPA and Vendor are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. **Terms and Conditions.** The Parties shall comply with the Terms and Conditions attached hereto as Exhibit "A" and incorporated herein by this reference.

3. **Scope of Services; Schedule.** Vendor promises and agrees to furnish to the Authority all labor, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the staffing services for the work to be performed by Vendor's employees ("professional(s)") as particularly described in the Scope of Services ("Services") attached hereto as Exhibit "B" and incorporated herein by this reference. The Support Services shall be completed in accordance with the Schedule of Services set forth in Exhibit "B."

4. **Term.** The term of this Agreement shall be from December 13, 2023 to June 30, 2025, unless earlier terminated as provided herein.

5. **Compensation.** Vendor shall receive compensation for Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by this reference. The total compensation shall not exceed **THREE THOUSAND AND FIVE HUNDRED DOLLARS (\$3,500.00)** per month ("Agreement Price"). Notwithstanding anything to the contrary in this Agreement, Vendor may at any time, in its sole discretion, discontinue performance of the services once the Not-to-Exceed Amount has been attained (even if Vendor continued to provide services after the Not-to-Exceed Amount was reached). Invoices shall be submitted to the MJPA on a weekly basis. The MJPA shall submit its final invoice to the MJPA within thirty (30) days from the last date of Services performed and failure to do so shall result in a waiver of payment from the MJPA.

6. **Insurance.** In accordance with Section 3 of the Terms and Conditions, Vendor shall, at its expense, procure and maintain for the duration of the Agreement such insurance policies as checked below and provide proof of such insurance policies in a form satisfactory to the MJPA.

Commercial General Liability Insurance:

\$1,000,000 per occurrence/\$2,000,000 aggregate for bodily injury, personal injury, and property damage

Automobile Liability:

\$1,000,000 per occurrence for bodily injury and property damage.

Workers' Compensation:

Statutory Limits / Employer's Liability \$1,000,000 per occurrence

Professional Liability (Errors and Omissions):

Errors & Omissions liability insurance \$1,000,000 per claim and in the aggregate.

7. **Electronic Signature.** Each Party acknowledges and agrees that this Agreement may be executed by electronic or digital signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.

8. This Agreement is only applicable to, and the only Robert Half Inc. branch and practice group obligated under this Agreement are, the administrative and customer support practice group of the branch located at Ontario, CA.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

**MARCH JOINT POWERS AUTHORITY**

**ROBERT HALF INC.**

APPROVED BY:

\_\_\_\_\_  
Grace I. Martin, DPPD  
Chief Executive Officer

\_\_\_\_\_  
Damian Garcia  
Regional Manager

ATTESTED BY:

\_\_\_\_\_  
Authority Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Best Best & Krieger LLP  
General Counsel

JPC: 12-13-23 8.5

## **EXHIBIT A**

### **TERMS AND CONDITIONS FOR SERVICES**

**1. Compliance with Law.** Vendor shall comply with all applicable laws and regulations of the federal, state and local government. By its signature hereunder, Vendor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services. Vendor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment in violation of state or federal law, each as applicable. Vendor is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the work is being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation exceeds the minimum dollar amount required for construction, alteration, demolition, installation, or repair, Vendor agrees to fully comply with such Prevailing Wage Laws, including, along with subcontractors, being registered with the Department of Industrial Relations (Labor Code §§ 1725.1; 1771.1). It shall be mandatory upon the Vendor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code §§ 1771; 1774; 1775), employment of apprentices (Labor Code § 1777.5), certified payroll records (Labor Code §§ 1771.4; 1776), hours of labor (Labor Code §§ 1813; 1815) and debarment of contractors and subcontractors (Labor Code § 1777.1), each as applicable. This Agreement may be subject to compliance monitoring and enforcement.

**2. Standard of Care.** The Vendor shall perform the staffing services in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the staffing profession practicing under similar conditions.

**3. Insurance.** If required by Section 6 of this Agreement, the Vendor shall take out and maintain during this Agreement: A. Commercial General Liability Insurance for bodily injury, personal injury and property damage, at least as broad as Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001 or equivalent); B. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, at least as broad as Insurance Services Office Form Number CA 0001 or equivalent (ed. 10/13) covering automobile liability, Code 1 (any auto); C. Workers' Compensation; and D. Professional Liability (Errors and Omissions) coverage for \$1,000,000 per claim. Insurance carriers shall be licensed and authorized to do business in California. Such insurance carrier shall have not less than an "A:VII" rating according to the latest Best Key Rating unless otherwise approved by MJPA. Vendor shall add MJPA, its officers, officials, employees, agents, and volunteers as additional insureds on Vendor's Commercial General Liability and Automobile Liability. Except for Professional Liability, Coverage provided by Vendor shall be primary and any insurance or self-insurance procured or maintained by MJPA shall not be required to contribute with it. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the MJPA, its officials, officers, employees, agents, and volunteers or shall specifically allow Vendor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Vendor hereby waives its own right of recovery against MJPA, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

**4. Indemnification.** To the fullest extent permitted by law, Vendor shall defend, indemnify and hold the MJPA, its officials, officers, employees, volunteers, and agents free and harmless from any and all third party 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 (collectively, "Claims"), in any manner to the

extent arising out of the acts, errors or omissions, or willful misconduct of Vendor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Vendor's Services, the project, or this Agreement, including without limitation the payment of all attorney's fees and other related costs and expenses except to the extent such Claims are: (1) caused by the negligence or willful misconduct of the MJPA or (2) solely caused by the MJPA's performance of its obligations under the Agreement. Vendor's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Vendor or the MJPA, its officials, officers, employees, agents, or volunteers.

**5. Laws; Venue.** This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Riverside, State of California.

**6. Termination.** The MJPA may terminate the whole or any part of this Agreement for any or no reason by giving three (3) calendar days written notice to Vendor. In such event, MJPA shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for the work. The MJPA shall pay Vendor the any portion of the Services completed prior to termination. The MJPA shall not be liable for any costs other than the charges or portions thereof which are specified herein. Vendor shall not be entitled to payment for unperformed Services and shall not be entitled to damages or compensation for termination of the Services. Vendor may terminate its obligation to provide further work under this Agreement upon thirty (30) calendar days written notice to MJPA only in the event of MJPA's failure to perform in accordance with the terms of this Agreement through no fault of Vendor.

**7. Changes.** By written agreement between the parties, MJPA may from time to time, make changes to the Services furnished to MJPA by Vendor. If such change causes an increase or decrease in the Agreement Price or in the time required for performance, Vendor or MJPA shall promptly notify the other party thereof and assert its claim for adjustment within fifteen (15) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Vendor from proceeding immediately with the Agreement as changed.

**8. Force Majeure.** The respective duties and obligations of the Parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by a Force Majeure Event. The Vendor will not receive an adjustment to the contract price or any other compensation. A Force Majeure Event shall mean an event that materially affects a party's performance and is one or more of the following: (1) Acts of God or other natural disasters occurring at the project site; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the work); (4) pandemics, epidemics or quarantine restrictions; and (5) strikes and other organized labor action occurring at the project site and the effects thereof on the work, only to the extent such strikes and other organized labor action are beyond the control of Vendor and its subcontractors, of every tier, and to the extent the effects thereof cannot be avoided by use of replacement workers. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of the MJPA in its capacity as a municipal authority. Notwithstanding the foregoing, the MJPA may still terminate this Agreement in accordance with Section 6.

**9. Miscellaneous Terms.** Vendor shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the MJPA. This Agreement may not be modified or altered except in writing signed by the Parties. There are no intended third party beneficiaries of any right or obligation of the Parties. This is an integrated Agreement representing the entire understanding of the Parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with

respect to matters covered hereunder. 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. The captions of the various 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. The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the Parties to the addresses set forth in this Agreement. Vendor is retained as an independent contractor and is not an employee of the MJPA. No employee or agent of Vendor shall become an employee of MJPA. Vendor warrants that the individual who has signed this Agreement has the legal power, right and authority to make this Agreement and bind the Vendor hereto.

## **EXHIBIT B**

### **SCOPE OF SERVICES; SCHEDULE OF SERVICES**

1. **Scope and Schedule of Services.** Vendor provides staffing services to MJPA and remains the employer of all Vendor employees, and shall perform or be responsible for the following: a) Recruiting, screening, interviewing and hiring employees in accordance with all applicable state and federal laws; b) Establishing, calculating, paying wages and overtime, and providing any benefits to employees that Vendor offers to them; c) Paying or withholding all required payroll taxes and insurance premiums for programs that Vendor is required by law to provide to its employees; d) Providing workers' compensation benefits or coverage for its employees in amounts at least equal to what is required by law; e) Fulfilling the employer's obligations for unemployment compensation; f) Making legally required employment law disclosures (wage-hour posters, etc.) to its employees; g) Exercising human resources (i.e., non-operational) supervision of its employees (i.e., orienting, reassigning, counseling, disciplining, and discharging employees in accordance with the law); h) Maintaining personnel and payroll records; and i) Requiring its employees to acknowledge that they will have no right to participate in any employee benefit plans of MJPA.
  
2. **Scope of Assignment.** Vendor's professional is only authorized to perform work within the scope of the assignment. It is the MJPA's responsibility to provide appropriate direction guidance, or oversight of the professional for satisfactory performance on MJPA's assignment. Unless otherwise agreed to in writing by Vendor, the MJPA will not permit Vendor's professional to use computers or other electronic devices, software, services, tools, e-mail accounts or network equipment owned or licensed by Vendor's professional. It is expressly understood that the professionals are not authorized to sign contracts, statements, or binding agreements on Vendor's or the MJPA's behalf.
  
3. **MJPA's Responsibilities.** It is understood that the MJPA is responsible for implementing and maintaining usual, customary and appropriate internal accounting procedures and controls, internal controls and other appropriate procedures and controls (including information technology, proprietary information, creative designs and trade secret safeguards) for the MJPA and Vendor shall not be responsible for any losses, liabilities or claims arising from the lack of such controls or procedures. Please notify Vendor immediately if the MJPA requires Vendor to perform background checks or other placement screenings of our professional. Vendor will conduct such checks or screenings for the MJPA only if they are described in a signed, written amendment to this Agreement.
  - a. **Cash Handling and Other Financial Transactions and Activities.** If the MJPA permits or allows Vendor's professional to sign, endorse, wire, transport or otherwise convey cash, securities, checks, or any negotiable instruments or valuables, or conduct financial transactions or other related activities, the MJPA accept sole responsibility for all claims, demands and liability that may arise from permitting these activities. The MJPA represents and warrants that to the extent it permits or allows Vendor's professional to engage in the activities described in this paragraph, the MJPA will not permit or allow Vendor's professional to handle more than (i) \$1,000 per day if you are a non-profit entity, or (ii) \$25,000 per day if you are a for-profit entity.
  
  - b. **Workplace Safety.** It is understood that the MJPA will have full responsibility for:
    - (i) providing safe working conditions as required by law, including compliance with all public

health and occupational safety regulations and guidelines applicable to MJPA's business, and (ii) ensuring that safety plans exist for, and safety related training is provided to, Vendor's professional working on the MJPA's premises. To ensure the safety of potentially vulnerable individuals on your premises, the MJPA agrees not to permit Vendor's professional to have unsupervised or unmonitored contact with (1) minors and (2) adults who are under your care, custody or supervision because of mental health impairments.

c. Government Contracts. If this assignment is for work to be performed under a government contract or subcontract, the MJPA shall notify Vendor immediately (1) of any obligations in the government contract or subcontract relating to wages, and (2) if Vendor is legally required to initiate E-Verify verification procedures for our professional.

d. Operation of Vehicles and Equipment. It is understood that Vendor will not authorize its professional to operate machinery (other than office machines) or vehicles. If the MJPA wish to permit our professional to drive for business purposes, the MJPA accepts sole responsibility for all liability, damages, injuries or other claims that may arise or be incurred as a result of driving. If the MJPA requires Vendor's professional to drive a vehicle owned by the MJPA or an employee of the MJPA, you agree to maintain such vehicle in good working condition and maintain all necessary and appropriate insurance for the operation of such vehicle. Under no circumstances will the MJPA permit our professional to: make bank deposits; carry cash in excess of \$100, negotiable instruments or other valuables while driving; or have passengers in the vehicle. It is agreed that the MJPA accept full responsibility for, and that the Vendor will not maintain insurance to cover any injury, damage, or loss that may result from the failure to comply with the foregoing.

e. Remote Work. MJPA may request that Vendor permit its professionals to provide services to MJPA remotely (i.e., from a location other than MJPA's or MJPA's customer's premises) using MJPA's or Vendor's laptop and/or other computer or telecommunications equipment (the "Equipment"). MJPA acknowledges and agrees that Vendor shall have no control over, and MJPA shall be solely responsible for, (i) the logical and physical performance, reliability and security of the Equipment or related devices, network accessibility and availability, software, services, tools and e-mail accounts (collectively, "Computer Systems") used by the professional, and (ii) the security, integrity, and backing up of the data and other information stored therein or transmitted thereby. Moreover, MJPA must not permit professional to save or store any of MJPA's files or other data on the Computer Systems provided by Vendor (including, but not limited to, any virtual desktop infrastructure solution). MJPA agrees that Vendor shall not be liable for any loss, damage, expense, harm, business interruption or inconvenience resulting from the use of such Computer Systems.

f. Scope of Engagement

General Office Clerk

- Greet and instruct visitors
- Assist other employees with diverse projects
- Answer telephone calls
- Organize word processors, files, and faxes
- e-Filing experience
- Practical knowledge of public relations
- Solid understanding of Administrative Assistance
- Adeptness in customer service



- Administrative Office experience required
- Experience with data entry
- Filing experience preferred
- Demonstrated knowledge of Public Administration
- General familiarity with Public Affairs
- Competent computer skills including word processing, spreadsheets and presentation software, as well as databases and customer database systems
- Ability to use the internet for research
- At least 1 year of Administrative Assistant experience preferred
- Ability to effectively interact, verbally and in writing

## **EXHIBIT C**

### **COMPENSATION**

- 1. Rates and Changes.** Vendor shall invoice the MJPA at the rate of \$39.58 per hour for the position of general office clerk. In the event that the professional assigned by Vendor needs to be used for other assignments, the hourly rate may change to reflect the experience necessary for the assignment. Hourly rates for all other assignments will be agreed on a case-by-case basis. Any such change in the hourly rate pursuant to this Section shall only be implemented via the procedure described in Section 7 of Exhibit "A" of this Agreement.
- 2. Overtime.** Overtime will be billed at 1.50 times the normal billing rate. Overtime applies when hours of work by the professional exceed 40 hours per week (and in California exceed more than 8 hours in a day and as other state laws may require). If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate.
- 3. Time Report.** Vendor's professional shall submit a time report for verification and approval at the end of each week. MJPA shall be billed on a weekly basis, and will be billed weekly for the total hours of work by the professional, including time spent completing, revising, and/or resubmitting a time report during business hours. Applicable sales and service taxes shall be added to these invoices. Vendor, at its option, may charge interest on any overdue amounts at a rate of the lesser of 1 ½% per month or the highest rate allowed by applicable law from the date the amount first became due.
- 4. Hiring the Person Referred to the MJPA.** In the event that the MJPA wishes to hire a professional placed by Vendor on a full-time, temporary, or consulting basis within twelve months after the last day of the assignment, the MJPA shall pay a conversion fee. The MJPA also agrees to pay a conversion fee if Vendor's professional is hired by a subsidiary or other related company or business as a result of the MJPA's referral to that company. The conversion fee will equal 35% of the professional's aggregate annual compensation, including bonuses. The conversion fee will be owed and invoiced upon the MJPA's hiring of the professional regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within 12 months after the last day of assignment, and payment is due within 30 days of the receipt of this invoice. The same calculation will be used if the MJPA converts the professional on a part-time basis using the full-time equivalent salary.
- 5. Employment Taxes and Withholdings.** Vendor will handle, to the extent applicable, any workers' compensation insurance, federal, state and local withholding

taxes and unemployment taxes, as well as social security, state disability insurance or other payroll charges.

**6. Technology Fee.** Vendor may charge a technology fee in the event that Vendor provides equipment or technology to the MJPA.

**7. Guarantee.** Vendor guarantees the MJPA's satisfaction with its professional's services by extending to the MJPA a one-day (8 hours) guarantee period. If, for any reason, you are dissatisfied with our professional, Vendor will not charge for the first eight hours of work by the professional, provided that Vendor is allowed to replace the professional. The professional shall be deemed satisfactory if the MJPA fails to contact Vendor before the end of the first eight hours guarantee period.

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

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

**Meeting Date:** December 13, 2023

**Action:**                    **APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH SQUIRE PATTON BOGGS LLP FOR SPECIAL LEGAL SERVICES AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE AGREEMENT**

**Motion:**                    Move to approve a Professional Services Agreement with Squire Patton Boggs LLP for special legal services and authorize the Chief Executive Officer to execute the agreement.

**Background:**

On February 8, 2023, the Commission approved a short form agreement with Seyfarth Shaw LLP, for special counsel services related to real property and other negotiations on behalf of the March Joint Powers Authority – Successor Agency, pursuant to the Authority’s procurement, purchasing and contracting policy. Maya Mouwad was the assigned Seyfarth Shaw attorney to MJPA due to her prior work experience with March JPA as a BB&K attorney. Over the past two years, attorney Mouwad provided special legal services focused on activities associated with the March JPA’s northeast corner and implementation of agreements pertaining to former RDA properties south of Cactus Avenue, west of Heacock Street and North of N Street near the City of Moreno Valley. Attorney Mouwad recently transitioned to Squire Patton Boggs LLP as of November of 2023. As she is the lead property negotiator for the JPA in the past two years, and negotiations on the Northeast Corner remain active, staff recommends maintaining attorney services with Ms. Mouwad to ensure consistency in legal representation needed to meet critical timelines. Staff proposes the replacement of the Seyfarth Shaw LLP contract with the attached contract with Squire Patton Boggs LLP in order to maintain attorney Mouwad’s services on March JPA properties. The transition would maintain Ms. Mouwad’s original scope of work and rates for legal support on matters pertaining to the JPA’s northeast corner. Staff recommends approval of a professional services agreement with Squire Patton Boggs LLP, and authorize the Chief Executive Officer to execute the agreement.

**Attachment:**            Professional Services Agreement

**MARCH JOINT POWERS AUTHORITY  
PROFESSIONAL SERVICES AGREEMENT  
Squire Patton Boggs LLP**

**1. PARTIES AND DATE.**

This Professional Services Agreement ("Agreement") is made and entered into this 13<sup>th</sup> day of December, 2023 ("Effective Date"), 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, CA 92518 State of California ("MJPA") and Squire Patton Boggs LLP, a professional law firm, with its principal place of business at 555 Flower Street, 31<sup>st</sup> Floor, Los Angeles, California 90071 ("Consultant"). MJPA and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties." This Agreement amends and restates in its entirety that certain Short-Form Services Agreement approved by the Authority Commission on or about November 1, 2023, as hereinafter provided.

**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 for special legal services pertaining to March LifeCare Campus Project ("Project") 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 legal services relating to various aspects of the Project ("Services"). All Services shall be subject to, and performed in accordance with, this Agreement, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall commence on the Effective Date and continue for a period of one year, 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 on an as-requested basis. Consultant represents that it has the professional and technical personnel required to perform the 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: Maya Mouawad.

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 Maya Mouawad, or his/her 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 agrees that if the Services are not completed within the aforementioned Performance Time, it is understood, acknowledged and agreed that the Authority may 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 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) Commercial General Liability (1) Additional Insured: The Authority, 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 Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Consultant 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 Authority except ten (10) days shall be allowed for non-payment of premium.

(B) 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.

(C) 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.

(D) 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 Authority 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 Authority, its officials, officers, employees, agents, and volunteers.

3.2.11.4 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 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.

3.2.11.5 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 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.

3.2.11.6 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.

3.2.11.7 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.

3.2.11.8 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.

3.2.11.9 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.

3.2.11.10 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.

#### 3.2.11.11 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.

(F) Consultant shall report to the Authority, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

3.2.11.12 Insurance for Subconsultants. [Intentionally Deleted].

3.2.12 Water Quality Management and Compliance. [Intentionally Deleted].

### **3.3 Fees and Payments.**

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the hourly rate that is twenty and eight tenth percent (20.8%) less than Consultant's discounted billable rates, as such rates may be adjusted from time to time. The current discounted hourly rate adjusted downward by twenty and eight tenth percent for Maya Mouawad is \$495. 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 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.

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 Services, 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 prior written authorization from the Authority.

### **3.4 Labor Code Requirements.**

3.4.1 Prevailing Wages. [Intentionally Deleted].

3.4.2 Registration/DIR Compliance. [Intentionally Deleted].

3.4.3 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

### 3.5 Accounting Records.

3.5.1 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.

### 3.6 General Provisions.

#### 3.6.1 Termination of Agreement.

3.6.1.1 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.

3.6.1.2 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 thirty (30) days of the request.

3.6.1.3 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.

3.6.2 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: Squire Patton Boggs LLP  
555 South Flower Street  
31<sup>st</sup> Floor  
Los Angeles, CA. 90071  
ATTN: Maya Mouawad, Esq.

Authority: March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

ATTN: Dr. Grace Martin, Chief Executive Officer

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.

### 3.6.3 Ownership of Materials and Confidentiality.

3.6.3.1 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.

### 3.6.3.2 Subconsultants. [Intentionally Deleted].

3.6.3.3 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.

3.6.3.4 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.

3.6.3.5 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.

3.6.3.6 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 fifteen (15) business 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.

3.6.4 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.

3.6.5 Indemnification.

3.6.5.1 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, to the extent caused by the gross negligence or willful misconduct of Consultant, its officials, officers, employees, or agents in connection with the performance of the Consultant's Services 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.

3.6.5.2 [Intentionally Deleted].

3.6.6 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.

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

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

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

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

3.6.11 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.

3.6.12 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.

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

3.6.14 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.

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

3.6.16 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.

3.6.17 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, upon Authority's written request, to file, or shall cause its employees 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.

3.6.18 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.

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

3.6.20 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 SQUIRE PATTON BOGGS LLP**

**MARCH JOINT POWERS AUTHORITY**

**SQUIRE PATTON BOGGS LLP**

By: \_\_\_\_\_  
Grace I. Martin, DPPD  
Chief Executive Officer

By: \_\_\_\_\_  
Maya Mouawad  
Senior Associate

*Attest:*

\_\_\_\_\_  
Authority Clerk

JPC 12.13.23 item 8.6.

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

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

**Meeting Date:** December 13, 2023

**Action:** **AMEND THE MARCH JOINT POWERS AUTHORITY**  
**CELLULAR TELEPHONE USE POLICY**

**Motion:** Move to Amend the March Joint Powers Authority Cellular Telephone Use Policy.

**Background:**

In July 2008, the March Joint Powers Authority (March JPA) adopted the Cellular Telephone Use Policy in accordance with past practices to carry out the day-to-day business of the March JPA. This Policy was amended on February 27, 2019.

The purpose of this policy amendment is to continue to provide an outline of requirements to staff members who are either issued a March JPA owned cellular telephone for purposes of performing essential duties for the Authority or are using their own personal cellular device as part of their day-to-day job responsibilities. This amendment is to ensure adherence to California State laws that requires pre-approval by each user to communicate to and from their device, whether personal or JPA issued.

**Attachment:** Proposed Cellular Telephone Use Policy Amendment (Redline).

# MARCH JOINT POWERS AUTHORITY

## CELLULAR TELEPHONE USE POLICY

Adopted July 16, 2008

AMENDED – February 27, 2019

### **PURPOSE:**

To provide guidance for approval, procurement, service activation, repairs, and appropriate use of cellular telephone equipment.

### **POLICY:**

Cellular equipment provides a convenient and, at times, expensive means of communication. The request and approval for such equipment shall be limited to employees whose situations warrant on-demand access and communication with March JPA officials and/or management. Cellular equipment usage shall be limited and encouraged only when access to a telephone is unavailable. In order to help the March JPA reduce cellular equipment costs a Verizon voice and data plan was established and all departments are encouraged to use the plans to achieve the lowest possible pricing for the March JPA. As an alternative to the March JPA providing cellular equipment, Managers may authorize a stipend allowance for the use of the employee's personal cell phone for March JPA use but the employee is responsible for the cost of the cell phone and accessories. The justification criteria for a cell phone are as follows:

A March JPA-owned cellular phone or other cellular equipment may be provided to March JPA employees:

- Whose job duties require immediate accessibility afforded by cellular telephone; or
- Who spend fifty percent or more of working hours outside of the office; or
- To whom issuance of a March JPA cell phone meets with the ~~Chief Executive Officer's~~ Executive Director's approval based upon the nature of the employee's position or duties,

By accepting a March JPA-provided cellular phone or other cellular equipment, an employee consents to the March JPA, including its agents and employees, calling or texting the employee at the mobile number associated with the device(s) in connection with or related to the employee's employment (including, but not limited to, the employee's performance of job duties or work schedule).

A cellular phone stipend allowance may be provided to March JPA employees who have a business necessity for access to cellular phone service but whose positions do not support the need for a March JPA-owned cellular phone as outlined in the preceding section. Business necessity is determined by the ~~Chief Executive Officer~~ Executive Director, and includes:

- Mitigation of safety risks for the employee
- Meeting customer or client service expectations
- Need for immediate communication with department employee or others
- Need for prompt retrieval of voicemail messages
- Need for telephone services in locations where the employee must work but where telephone service is not available
- Need to respond to e-mail while out of the office

On a monthly basis, Managers shall monitor and control the use of March JPA-issued cellular equipment. The March JPA pays one price for all phones in the entire plan, therefore incidental personal use need not be reimbursed, but should be monitored by managers to avoid abuse. Cellular equipment is provided for conducting March JPA business

and personal use should be minimized and/or avoided. If excess personal use is identified by a Manager, the employee will be responsible for providing reimbursement to the March JPA.

***Incidental personal use*** is defined as personal communication not related to March JPA business which does not exceed 20 minutes per month plus personal communication while traveling on March JPA business, which is necessary to convey information regarding travel status, schedule changes, personal emergencies and the like.

Data plans for Personal Digital Assistants (PDAs) are currently limited to Blackberry devices and March JPA provided devices. The Information Technology Vendor will not provide connectivity or technical support to the March JPA's Outlook/Exchange environment for personal or stipend devices. Data plans must be approved by an employee's Manager.

Text messaging is outside of the March JPA's pooled plan and additional costs will be charged to the employee. Employees may not send text messages to any fellow employees or third parties unless the employee has prior express consent to send text messages to the recipient. Text messaging must be for business use only or reimbursed by the employee for non-business use.

As of July 1, 2008, employees who use a cell phone while driving any March JPA-owned or private vehicle while on March JPA business must use a hands-free device to conform to state law.

#### **EMPLOYEE RESPONSIBILITIES:**

##### **A. A March JPA employee who has been provided a March JPA-owned cellular phone or other cellular equipment and service must:**

- Have the phone or equipment available for use during employee's business hours and departmentally-established on-call time.
- Consent to being called or texted by the March JPA, including its agents and employees, at the mobile number associated with the equipment.
- Refrain from making calls or sending text messages to any other mobile phone number unless the employee has received prior express consent from the recipient to receive calls and text messages at that mobile phone number. If an employee is unsure whether a phone number is associated with a land line or a mobile device, then the employee should avoid using his or her mobile device to call that phone number.
- Limit personal use to incidental personal use. If personal use exceeds the standard, the Chief Executive Officer ~~Executive Director~~ shall consider whether the employee shall be provided a cellular phone allowance in lieu of a March JPA-owned phone or other cellular equipment or whether the employee shall be required to take steps to meet the incidental personal use standard.
- Take steps such that use of the cellular phone or other cellular equipment does not cause needless distraction during work hours (e.g., turning off, or setting to silent mode during meetings).
- Minimize use while operating a motor vehicle during work hours and only use with a hands-free device to conform to state law.
- Provide adequate security to prevent unauthorized persons from gaining access to March JPA data stored in the cellular memory.
- Return March JPA issued cellular phone(s) and accessories to the March JPA upon request or upon termination of employment.

##### **B. A March JPA employee who has been provided with a cellular stipend allowance must:**

- Provide proof of purchase or use of cellular phone for service when requested by the department manager or other authorized personnel.
- Consent to being called or texted by the March JPA, including its agents and employees, at the employee's mobile number.
- Refrain from making calls or sending text messages to any other mobile phone number unless the

employee has received prior express consent from the recipient to receive calls and text messages at that mobile phone number. If an employee is unsure whether a phone number is associated with a land line or a mobile device, then the employee should avoid using his or her mobile device to call that phone number.

- Have the cellular phone or other cellular equipment available for use during the employee's business hours and departmentally-established on-call times.
- Ensure, at his/her own expense, that cellular equipment/service for which the March JPA is providing reimbursement is available for use as prescribed in this Policy. This provision includes, but is not limited to replacement or repair stolen/lost or damaged cellular phone or other cellular equipment at employee's expense.
- Pay all taxes, including personal income tax, on any cellular phone allowance paid pursuant to this Policy.
- Pay all costs for equipment and service in excess of an allowance pursuant to this Policy.
- Take steps such that use does not cause needless distraction during work hours (e.g., setting phone to silent mode during meetings).
- Minimize use while operating a motor vehicle during work hours and only use with a hands-free device to conform to state law.
- Provide adequate security to prevent unauthorized persons from gaining access to March JPA data stored in the cellular memory.

## **Stipend Allowance Guidelines**

### **Voice & Data Plans:**

Maximum monthly cell phone stipend for voice and data plans shall be in accordance with the following guidelines:

Employee out in field 85% 75% - 100% of time & job requires frequent communication: \$35/month

Employee out in field 70% 50% - 85% 75% of time & job requires infrequent communication: \$25/month

Employee 55% - 70% of time & job requires infrequent communication: \$20/month

Employee out in field 55% 50% of time or less & job requires infrequent communication will be rare or emergency only: \$15/month

### **Voice & Data Plans:**

Maximum monthly cell phone stipend for voice and data plans shall be in accordance with the following guidelines:

Employee out in field 75% - 100% of time & job requires frequent communication: \$40/month

Employee out in field 50% - 75% of time & job requires infrequent communication: \$30/month

Employee out in field 50% of time or less & communication will be rare or emergency only: \$20/month

# Employee Personal Cell Phone Stipend Allowance Acknowledgement Authorization Form

I hereby acknowledge and authorize the receipt of \$ \_\_\_\_\_ on a monthly basis for the purchase and use of my personal cell phone that I will provide for business use. I agree to procure equipment/service and utilize the equipment as required by March JPA Policy and Department directives. I further acknowledge that in the event that I lose or damage the phone the replacement will be my sole responsibility and I will not seek reimbursement for the same. I further acknowledge and understand that the allowance is taxable.

My personal mobile phone number that I will use for business use as set forth above is: \_\_\_\_\_ . I hereby consent to the March JPA (including its agents and employees) calling or texting me at my personal mobile phone number in connection with or related to my employment (including, but not limited to, the performance of my job duties or work schedule).

Date: \_\_\_\_\_

Employee Signature:

Department Manager/designee Signature:

\_\_\_\_\_

\_\_\_\_\_

Chief Executive Officer Initials: \_\_\_\_\_

# Employee JPA Issued Cell Phone Acknowledgement Authorization Form

I hereby acknowledge receipt of a cellular phone, which is being provided to me by the March JPA, and which is associated with the following mobile phone number: \_\_\_\_\_ . I agree to use and return the equipment as set forth in the Cellular Telephone Use Policy. I consent to the March JPA (including its agents and employees) calling or texting me at this mobile number.

Date: \_\_\_\_\_

Employee Signature:

Department Manager/designee Signature:

\_\_\_\_\_  
Chief Executive Officer Initials: \_\_\_\_\_

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

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

**Meeting Date:** December 13, 2023

**Action:** **APPROVE CROSSWORD CHRISTIAN CHURCH SUB-SUBLEASE WITH FUEL AND FLAME, INC. AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A CONSENT TO THE SUB-SUBLEASE**

**Motion:** Move to approve CrossWord Christian Church sub-sublease with Fuel and Flame, Inc. and authorize the Chief Executive Officer to execute a consent to the sub-sublease.

**Background:**

Effective July 17, 2003, the March Joint Powers Authority and CrossWord Christian Church entered into a lease for Building 2600. A subsequent amendment was entered into December 15, 2004 which extended the term of the lease until December 31, 2035. A second amendment was executed on August 28, 2013 authorizing CrossWord to enter into a sublease with Foothill Baptist Church. Foothill Baptist Church no longer occupies the property.

October 26, 2022, CrossWord requested March Joint Powers Authority's consent to a sub-sublease with Iglesia Familia De Dios/Family of God Church. Nothing in this sub-sublease, or consent to sub-sublease, absolves CrossWord Christian Church from its responsibilities under the original lease with March JPA, as amended.

At this time, CrossWord is requesting the March Joint Powers Authority's consent to an additional sub-sublease with Fuel and Flame, Inc. Nothing in this sub-sublease, or consent to sub-sublease, absolves CrossWord Christian Church from its responsibilities under the original lease with March JPA, as amended. CrossWord is required to provide evidence of concurrence from their current tenant, prior to the CEO's final sign off.

Staff recommends that the Commission move to approve CrossWord Christian Church sub-sublease with Fuel and Flame, Inc. and authorize the Chief Executive Officer to execute a consent to the sub-sublease contingent upon evidence of concurrence from the existing property sub-tenant.

**Attachment:** Landlord's Consent to Sublease





remember the Cross...focus on the Word

November 27, 2023

Dr. Grace I. Martin  
Chief Executive Officer  
March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

Dear Dr. Martin,

We request your consideration and presentation to the MIPA Commission the attached documentation relating to an additional sublease at our March Campus located at 14950 Riverside Drive, Riverside, CA 92518. It is our understanding that the next Commission meeting is scheduled for Wednesday, December 13, 2023, and we would appreciate being included on the agenda for approval.

The proposed additional sub-tenant, Fuel and Flame, Inc., is a recognized 501(c)3 non-profit religious organization. The church has been in serving the community for over twenty years. Their current lease is ending on December 31, 2023, and they have asked to sublease the property mentioned above effective January 7, 2024. A copy of the pre-signed sublease agreement is attached for your review, presentation, and ultimate approval. We are also enclosing a summary of how they propose to utilize the space in association with the current sublessor, Family of God.

Should you have any questions or concerns with this request, feel free to contact our CFO, Anthony Jackson, Sr. He can be reached at (949) 307-5926.

Best regards,

L. Kirk Sykes  
Lead Pastor/Founder

**SUBLEASE**  
**BETWEEN**  
**CROSSWORD CHRISTIAN FELLOWSHIP CHURCH, SUBLANDLORD**  
**AND**  
**FUEL AND FLAME MINISTRIES, SUBTENANT**

THIS SUBLEASE ("Sublease") is entered into effective on this \_\_\_ day of December 2023, by and between CrossWord Christian Fellowship Church., a California corporation ("Sublandlord"), and Fuel and Flame Ministries, a California nonprofit corporation ("Subtenant").

### **Recitals**

A. March Joint Powers Authority, a California public agency ("Landlord"), as Landlord, and Sublandlord, as Tenant, entered into that certain Lease dated as of July 17, 2003 ("Master Lease"), which Master Lease covers the land and church building, commonly referred to as Building No. 2600, and related improvements at 14950 Riverside Drive, Riverside CA 92518 (the "Premises"). On December 15, 2004, Landlord and Sublandlord entered into a First Amendment to the Master Lease which modified the Lease Term and the Base Rent under the Master Lease. On August 28, 2013, Landlord and Sublandlord entered into a Second Amendment to the Master Lease which modified the Lease Term, the Base Rent and other terms under the Master Lease. The Master Lease, First Amendment and Second Amendment shall be collectively referred to as the Master Lease.

B. Sublandlord and Subtenant desire to consummate a subleasing of the Premises on terms and conditions contained in this Sublease.

### **Sublease**

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, it is hereby agreed as follows:

#### **1. Premises; Term; Rent; Security and Insurance**

1.1 All capitalized terms used in this Sublease that are not otherwise defined herein shall have the same meaning given to such terms in the Master Lease.

1.2 Sublandlord hereby leases to Subtenant and Subtenant hereby hires from Sublandlord the right to share in the use of the Premises as provided in Section 4 of this Sublease, together with all other rights, benefits and privileges appurtenant to the Premises that are available to Sublandlord as a tenant under the Master Lease to the extent such rights, benefits and privileges are available under the provisions of the Master Lease. The initial term of this Sublease (the "Sublease Term") shall be for a period of one (1) year, commencing on January 1, 2024 "Sublease Commencement Date" and ending on December 31, 2024 unless extended under Subtenant's option to extend as provided in Section 1.3 below (hereinafter called the "Sublease Expiration Date"), As consideration for the shared use of the Premises under this Sublease, the Subtenant shall pay to Sublandlord the base rent in the amount of \$5,500 per month.. The base rent shall be paid by Subtenant to Sublandlord by check or ACH deposit of immediately available funds, not later than the fifth (5<sup>th</sup>) day of each month during the Sublease Term without any set-off, off-set, abatement or reduction whatsoever, except as otherwise expressly provided in this Sublease.

1.3 Subtenant shall have the option to extend the Sublease Term for an additional period of one (1) year following the expiration of the initial Sublease Term on all of the terms and conditions of this Sublease, provided that the base rent amount may be adjusted as mutually agreed by Sublandlord and Subtenant. To exercise the one (1) year option, Subtenant must give

Sublandlord written notice of exercise of the option no earlier than three (3) months and no later than one (1) month prior to expiration of the remaining Sublease Term. Subtenant may not exercise any option to extend the Sublease Term if it is in default under this Sublease at any time prior to the commencement of the option period extending the Sublease Term.

1.4 If Subtenant shall fail to pay any base rent required to be paid under the terms of this Sublease within five (5) days after the same is due, to reimburse Sublandlord for its additional administration costs, Subtenant shall pay a late payment charge of five (5%) percent of the amount due for each month that the amount owed remains unpaid. All late payment charges payable by Subtenant pursuant to this Article shall be payable, unless otherwise provided herein, with the next installment of rent. Any payment by Subtenant or acceptance by Sublandlord of a lesser amount than shall be due from Subtenant to Sublandlord shall be treated as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full shall be given no effect, and Sublandlord may accept such check without prejudice to any other rights or remedies which Sublandlord may have against Subtenant.

1.5 There shall be no security deposit required under this Sublease.

1.6 Subtenant shall at Subtenant's expense, obtain and keep in force during the Sublease Term the insurance policies required to be carried by Sublandlord pursuant to Section 13 of the Master Lease and will deliver evidence of such insurance to Sublandlord and Landlord prior to occupancy. The insurance will comply with the terms required by Section 13 of the Master Lease and shall also name Landlord and Sublandlord as additional insured and provide that the policy shall not be cancelled or changed without thirty (30) days prior notice to Landlord and Sublandlord.

## 2. Assignment and Subletting

2.1 Subtenant shall not (a) assign this Sublease, nor (b) permit this Sublease to be assigned by operation of law or otherwise, nor (c) sub-sublet all or any part of the Premises, (d) permit the Premises to be occupied by any person(s) other than Subtenant, nor (e) pledge or encumber this Sublease, the term and estate hereby granted or the rent hereunder, without in each instance described in clauses (a) through (e) (of this sentence) obtaining the prior written consent of Landlord as provided in the Master Lease and the prior written consent of Sublandlord.

2.2 (a) If Subtenant intends to assign this Sublease or to sub-sublet the Premises or any part thereof, Subtenant shall give Sublandlord written notice of such intent. Subtenant's notice shall be accompanied by (i) a description of the material terms of the proposed agreement between Subtenant and the proposed assignee or sub-subtenant, (ii) a statement setting forth in reasonable detail the identity of the proposed assignee or sub-subtenant, the nature of its business and its proposed use of the Premises and (iii) current financial information with respect to the proposed assignee or sub-subtenant. Subtenant shall provide Sublandlord with any additional information or documents reasonably requested by Sublandlord (or as may otherwise be reasonably requested by Landlord).

(b) In connection with any request for Sublandlord's consent, Subtenant shall be required to:

(A) [intentionally omitted]

(B) Deliver to Sublandlord, in the case of an assignment, an instrument in form reasonably satisfactory to Sublandlord executed by the assignee assuming all of the covenants and obligations of Subtenant hereunder, accruing from and after the effective date of such assignment;

(C) Pay to Sublandlord any out-of-pocket costs payable by Sublandlord under the Master Lease by reason of or in connection with the Landlord's consent to such assignment or sub-sublease as and when the same are due and payable;

(D) Comply with all of the terms and conditions of the Master Lease with regard to the assignment or subleasing of the Premises and any other reasonable requirements of the Landlord.

2.3 Subtenant shall be required to pay to Sublandlord any amount due Landlord pursuant to the Master Lease relating to the approval of this Sublease, a sub-sublease, assignment or other agreement for the occupancy of the Premises.

3. **Condition of Premises; Sublandlord's Work; Subtenant's Work**

3.1 Subtenant has examined the Premises, is aware of the physical condition thereof, and agrees to take the same "as is," in its current condition and state of repair (including the condition of the landscaping and sprinkler system), with the understanding that there shall be no obligation on the part of Sublandlord to perform any work, supply any materials or incur any expense whatsoever in connection with the preparation of the Premises for Subtenant's occupancy thereof.

3.2 Subtenant shall not be required to remove or restore any Alterations or improvements made by Sublandlord, or any Alterations made by Subtenant except as may be required by Landlord pursuant to the Master Lease or by Sublandlord at the time of and as a condition to the granting of the consent to such Alterations or improvements. Subtenant shall not be required to replace or restore any landscaping or sprinkler system to other than the "as is" condition that existed at the commencement of this Sublease.

4. **Permitted Use**

4.1 Subtenant agrees that the Premises shall be occupied by Subtenant only for the purposes permitted by the Master Lease, which is for religious purposes as provided in Section 3 of the Master Lease. Subtenant shall share the use and occupancy of the Premises with Family of God Church which is another subtenant at the Premises under a separate sublease with Sublandlord. Subtenant's use of the Premises shall be limited to the following: a) two (2) church services on Sunday afternoon and evening, b) prayer meeting on Saturday morning, c) youth meeting on Friday evening and b) discipleship meeting on Tuesday or Wednesday evening. Any increased use of the Premises by Subtenant beyond these permitted uses shall require the prior written approval of Sublandlord.

5. **Landlord's Consent**

5.1 This Sublease is conditioned upon the delivery by Landlord of a written agreement or consent, pursuant to which Landlord consents to this Sublease ("Landlord Consent").

5.2 Sublandlord makes no representation with respect to obtaining the Landlord Consent; provided, however, Sublandlord shall use its commercially reasonable efforts to obtain the Landlord Consent. In the event that Landlord notifies Sublandlord that Landlord will not give such Landlord Consent, Sublandlord will so notify Subtenant and, upon receipt of such notification by Sublandlord of the disapproval by Landlord, this Sublease shall be deemed to be null and void and without force or effect.

5.3 (a) Except as otherwise specifically provided herein, wherever in this Sublease Subtenant is required to obtain Sublandlord's consent or approval, Subtenant understands that Sublandlord may be required to first obtain the consent or approval of Landlord. Sublandlord shall use commercially reasonable efforts to obtain Landlord's consent or approval. If Landlord should refuse such consent or approval, subject to the provisions of Section 5.3(b) hereof, Sublandlord shall be released of any obligation to grant its consent or approval whether or not Landlord's refusal, in Subtenant's opinion, is arbitrary or unreasonable. Subtenant agrees that Sublandlord shall not be required to dispute any determinations or other assertions or claims of Landlord regarding the obligations of Sublandlord under the Master Lease for which Subtenant is or may be responsible under the terms of this Sublease.

(b) Notwithstanding the provisions of Section 5.3(a) hereof to the contrary, with respect to any request by Subtenant for Landlord's consent or approval (an "Landlord Consent Request"), Subtenant shall provide Sublandlord with all documentation required under the Master Lease, this Sublease or reasonably required by Sublandlord hereunder (or such other information as Landlord may otherwise reasonably require) and Sublandlord agrees to promptly forward a copy of Subtenant's request for such consent or approval together with all relevant documentation submitted by Subtenant in connection therewith to Landlord.

(c) If Sublandlord's consent is required for any reason in connection with this Sublease, such consent shall not be unreasonably withheld or delayed.

## 6. Rent Abatement and Subtenant Compliance

6.1 If Landlord shall default in any of its obligations to Sublandlord with respect to the Premises, Subtenant shall be entitled to participate with Sublandlord in the enforcement of Sublandlord's rights against Landlord, but Sublandlord shall have no obligation to bring any action or proceeding or to take any steps to enforce Sublandlord's rights against Landlord.

6.2 Anything contained in any provisions of this Sublease to the contrary notwithstanding, Subtenant agrees, with respect to the Premises, to comply with and remedy any default claimed by Landlord and caused by Subtenant, at least three (3) days prior to the date allowed to Sublandlord as tenant under the Master Lease, even if such time period is shorter than the period otherwise allowed in the Master Lease, due to the fact that notice of default from Sublandlord to Subtenant is given after the corresponding notice of default from Landlord. Sublandlord agrees to forward to Subtenant, promptly upon receipt thereof by Sublandlord, a copy of each notice of default received by Sublandlord in its capacity as tenant under the Master Lease. Subtenant agrees to promptly forward to Sublandlord, upon receipt thereof, copies of any notices received by Subtenant with respect to the Premises from Landlord or from any governmental authorities.

7. **Sublandlord Representations**

Sublandlord represents that (i) it is the holder of the interest of the tenant under the Master Lease, (ii) to the best of Sublandlord's knowledge, neither Sublandlord nor Landlord is in default under the Master Lease and the Master Lease is in full force and effect.

8. **Subordination**

8.1 This Sublease is subject to, and Subtenant accepts this Sublease subject to, any amendments and supplements to the Master Lease hereafter made between Landlord and Sublandlord, provided that any such amendment or supplement to the Master Lease may require an amendment or supplement to this Sublease.

8.2 This Sublease is subject and subordinate to the Master Lease and to all ground or underlying leases and to all mortgages which may now or hereafter affect such leases or the real property of which the Premises are a part and all renewals, modifications, replacements and extensions of any of the foregoing. Upon the expiration of the Sublease Term or termination of this Sublease, whether by forfeiture, lapse of time or otherwise, or upon the termination of Subtenant's right to possession, Subtenant will at once surrender and deliver up the Premises to Sublandlord in good condition and repair, reasonable wear and tear excepted.

9. **Brokers**

Each of Subtenant and Sublandlord covenants, represents and warrants that it has not had any dealings or communications with any broker or agent in connection with the consummation of this Sublease.

10. **Notices**

10.1 Any notice, demand or communication which, under the terms of this Sublease or under any statute or municipal regulation must or may be given or made by the parties hereto, shall be in writing and given or made by mailing the same by registered or certified mail, return receipt requested, or by nationally recognized overnight courier for next business day delivery, in either case addressed to the party for whom intended at the following addresses:

**If to Sublandlord:**

CrossWord Christian Fellowship Church  
21401 Box Springs Road,  
Moreno Valley, California 92557  
Attn: Bishop L. Kirk Sykes Jr.

**If to Subtenant:**

Fuel and Flame Ministries  
12089 Lorez Drive  
Moreno Valley, CA 92557  
Attn: Eduardo Cueto, Senior Pastor

Either party, however, may designate such new or other address to which such notices, demands or communications thereafter shall be given, made or mailed by notice given in the manner prescribed herein. Any such notice, demand or communication shall be deemed given or served, as the case may be, on the third business day after the date of the posting thereof (if mailed by registered or certified mail) or on the next business day after being sent by nationally recognized overnight courier.

11. **Alterations**

Subtenant may make no material alterations, additions, or improvements in, to or about the Premises ("Alterations") except in accordance with the applicable terms and conditions of the Master Lease and only with Sublandlord's prior written consent.

12. **Quiet Enjoyment**

So long as Subtenant pays all of the base rent due under this Sublease and performs all of Subtenant's other obligations hereunder, Sublandlord shall not disturb or terminate Subtenant's leasehold estate hereunder, subject, however, to the terms, provisions and obligations of this Sublease and the Master Lease.

13. **Holding Over**

13.1 If Subtenant shall hold over after the early termination of this Sublease or the expiration of the Sublease Term, and if Sublandlord shall then not proceed to remove Subtenant from the Premises in the manner permitted by law (or shall not have given written notice to Subtenant that Subtenant must vacate the Premises) irrespective of whether or not Sublandlord accepts rent from Subtenant for a period beyond the Sublease Expiration Date, the parties hereby agree that Subtenant's occupancy of the Premises after the expiration of the Sublease Term shall be under a month-to-month tenancy commencing on the first day after the expiration of the term, which tenancy shall be upon all of the terms set forth in this Sublease except Subtenant shall pay on the first day of each month of the holdover period as holdover rent hereunder, an amount equal to two (2) times the base rent.

13.2 Notwithstanding anything to the contrary contained in this Sublease, the acceptance of any rent paid by Subtenant shall not preclude Sublandlord from commencing and prosecuting a holdover or summary eviction proceeding.

13.3 Notwithstanding anything to the contrary contained in this Article 13, if Subtenant shall hold over or remain in possession of any portion of the Premises beyond the Sublease Expiration Date, Subtenant shall be subject not only to a summary proceeding by Sublandlord to obtain possession of the Premises and all damages related thereto, but Subtenant's pro rata portion of such additional damages as Sublandlord may be liable to Landlord on account of such holding



over by Subtenant. All damages to Sublandlord by reason of such holding over by Subtenant may be the subject of a separate action and need not be asserted by Sublandlord in any summary proceedings against Subtenant.

14. **Miscellaneous**

14.1 This Sublease contains the entire agreement between the parties relating to its subject matter, and any executory or oral agreement hereinbefore or hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of it in whole or in part unless such agreement is made after the date hereof and is in writing and signed by the party against whom enforcement of the change, modification, discharge or abandonment is sought.

14.2 This Sublease shall inure to the benefit of all of the parties hereto, their successors and (subject to the provisions hereof) their assigns.

14.3 The term "Sublandlord" as used in this Sublease shall mean the Sublandlord named herein and the successors and assigns of the Sublandlord named herein as tenant under the Master Lease.

14.4 Each of the persons executing this Agreement on behalf of Sublandlord and Subtenant represents that he or she has been so duly authorized by Sublandlord and Subtenant, respectively.

14.5 This Sublease may not be changed or terminated orally but only by an agreement in writing signed by the party against which enforcement of any waiver, change, modification or discharge is sought.

14.6 This Sublease may be executed in any number of counterparts, each of which shall, when executed, be deemed to be an original and all of which shall be deemed to be one and the same instrument.

14.7 The submission by Sublandlord of the Sublease in draft form shall be deemed submitted solely for Subtenant's consideration and not for acceptance and execution. Such submission shall have no binding force or effect and shall confer no rights nor impose any obligations on either party unless and until both Sublandlord and Subtenant shall have executed the Sublease and duplicate originals thereof shall have been delivered to the respective parties.

14.8 Irrespective of the place of execution or performance, this Sublease shall be governed by and construed in accordance with the laws of the State of California. If any provisions of this Sublease or the application thereof to any person or circumstances shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Sublease and the application of that provision to other persons or circumstances shall not be affected but rather shall be enforced to the extent permitted by law. The captions, headings and titles in this Sublease are solely for convenience of references and shall not affect its interpretation. This Sublease shall be construed without regard to any presumption or other rule requiring construction against the party causing this Sublease to be drafted. Each covenant, agreement, obligation or other provision of this Sublease on Subtenant's part to be performed, shall be deemed and construed as a separate and independent covenant of Subtenant, not dependent on any other provision of this Sublease.

15. Subordination to Master Lease

This Sublease is subject and subordinate to the Master Lease and subject to the provisions of the Landlord Consent.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

CROSSWORD CHRISTIAN FELLOWSHIP  
CHURCH, Sublandlord

By: L. Kirk Sykes  
Bishop L. Kirk Sykes Jr.

FUEL AND FLAME MINISTRIES, Subtenant

By: [Signature]  
Eduardo Chato, Senior Pastor

CrossWord Church  
Attachment to Sublease  
Agreement 11/27/2023

## Fuel & Flame Ministries

### Congregation Profile

- Corporation: Fuel and Flame INC Religious Corporation in the state of California
- 501c3 Nonprofit Tax exempt organization
- Date of Incorporation: June 23, 2005
- Comprised of two groups (English & Spanish) which share everything in common
- Years in ministry Spanish and English: 22 years
- Membership: English and Spanish Group: 120
- Congregation size (Visitors + Members): 120 + some visitors every Sunday
- Non-Denominational Christian
- Current Lease ends December 2023, has option to re-new

### Proposed usage of March Campus

- Sunday Services: (2) Sanctuary 3:30pm - 8:00pm (Services starting at 4pm, Worship team starts at 3:30pm (Total use 4.5 hours)
- Youth: Classroom every Friday 7:00pm-8:30pm to be held in a room accommodating 20+ youths (High School Age)
- Discipleship: Every Tuesday or Wednesday 7:00pm - 8:30pm to be held in a room accommodating 20 + individuals
- Morning Prayer: Every Saturday Mornings 7:00am – 8:00am to be held in a room accommodating 12+ individuals

### Proposed Lease/Rental fee

- 1 Year Commitment
- Starting January 7<sup>th</sup> 2024

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

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

**Meeting Date:** December 13, 2023

**Action:** **APPROVE THE GRANT OF AN EASEMENT DEED FOR A 1,195 SQUARE FOOT, TRIANGULAR SHAPED PORTION OF HEACOCK CHANNEL TO THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE RELATED DOCUMENTS**

**Motion:** Move to approve the grant of an Easement Deed for a 1,195 square foot, triangular shaped area of the Heacock Channel to the Riverside County Flood Control and Water Conservation District and authorize the Chief Executive Officer to execute related documents.

**Background:**

The Heacock Channel Project began construction in 2018. The Project consisted of the design and construction of an approximate 10,000 lineal feet of concrete open channel south of Cactus Avenue, west of Heacock Street and terminating at the Riverside County Flood Control and Water Conservation District (RCFCWD) Perris Valley Channel - Lateral A. The Heacock Channel Project was completed in 2019. Since then, the March JPA and the City of Moreno Valley have issued necessary channel easements on their properties to RCFCWCD for the long-term maintenance of the channel. On May 23, 2023, the March JPA Commission considered and approved a 1.09-acre easement to RCFCWCD, for a portion of the channel near federal land, in order to complete the transfer of the fully improved Heacock Channel to RCFCWCD.

The March JPA would like to grant a perpetual easement of an additional 1,195 square foot, triangular shaped area, near federal land, of the fully improved Heacock Channel to RCFCWCD as depicted on Exhibit "B" of the attached easement document.

Staff recommends the Commission approve the grant of the Easement Deed to RCFCWCD and authorize the Chief Executive Officer to execute related documents.

**Attachment:** Easement Deed – Heacock Channel

**ATTACHMENT 1**

**Easement Deed – Heacock Channel:  
Riverside County Flood Control and Water Conservation District**

Recorded at request of, and return to:  
Riverside County Flood Control and  
Water Conservation District  
1995 Market Street  
Riverside, California 92501-1770

NO FEE (GOV. CODE 6103)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Heacock Channel  
Project No. 4-0-00011  
APN: 294-660-002  
RCFC Parcel No. 4011-17

**The undersigned grantor(s) declare(s)**  
DDT: - 0 - THE CONVEYANCE IS TO A GOVERNMENTAL  
ENTITY OR POLITICAL SUBDIVISION R&T 11922

### EASEMENT DEED

MARCH JOINT POWERS AUTHORITY, a joint powers, also known as MARCH JOINT POWERS AUTHORITY of MORENO VALLEY, CALIFORNIA, hereinafter called "Grantor", hereby grants and conveys to **RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a body politic**, and or its assignee, a perpetual easement for construction and maintenance of the Heacock Channel, including the right to ingress and egress to the easement and the right, power, and privilege to operate, construct, reconstruct, alter, repair and maintain drainage facilities, under, over, across and within the real property in the city of Moreno Valley, County of Riverside, State of California, as described in the legal description attached hereto as Exhibit "A" and depicted in Exhibit "B", attached hereto and made a part hereof.

MARCH JOINT POWERS AUTHORITY, a joint powers authority, also known as MARCH JOINT POWERS AUTHORITY of Moreno Valley, California

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

(Notary Attached)

## 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 \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

personally appeared \_\_\_\_\_  
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 \_\_\_\_\_ (Seal)

**PARCEL 4011-17  
EXHIBIT "A"  
HEACOCK CHANNEL  
DRAINAGE EASEMENT**

That portion of Parcel 5 of Record of Survey, as shown by map on file in Book 121 of Records of Survey, at pages 83 through 90, inclusive thereof, Records of Riverside County, California, lying within Section 24, Township 3 South, Range 4 West, San Bernardino Meridian, described as follows:

**COMMENCING** at the northeast corner of said Parcel 5, said point being the right of way intersection of the southerly line of Meyer Drive (variable half width southerly) and the westerly right of way line of Heacock Street (30 feet half width) as shown on Parcel Map 36035, on file in Book 235 of Parcel maps, at pages 28 through 42, inclusive thereof, Records of Riverside County, California;

**Thence** North 89°32'06" West along said southerly right of way line of Meyer Drive, a distance of 82.00 feet to the **TRUE POINT OF BEGINNING**, said point being on a line parallel with and distant 82.00 feet, measured at a right angle, from said westerly right of way line of Heacock Street;

**Thence** South 00°26'44" West along said parallel line, a distance of 125.15 feet;

**Thence** North 08°12'15" West, a distance of 116.37 feet;

**Thence** North 00°27'49" East, a distance of 3.66 feet;


**Thence** North 33°13'30" West, a distance of 4.51 feet;

**Thence** North 00°27'17" East, a distance of 2.71 feet to said southerly right of way line of Meyer Drive;

**Thence** South 89°32'06" East along said southerly right of way line, a distance of 20.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 1195 square feet, more or less.

SEE PLAT ATTACHED HERETO AS EXHIBIT "B" AND MADE A PART HEREOF  
PREPARED UNDER MY SUPERVISION

  
\_\_\_\_\_  
Michael E. Johnson, L.S. 7673

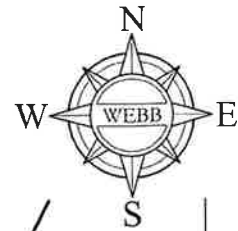
4/18/17  
Date

Prepared By: \_\_\_\_\_ Checked By: mf

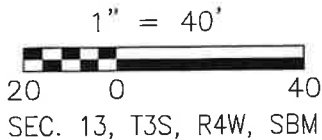
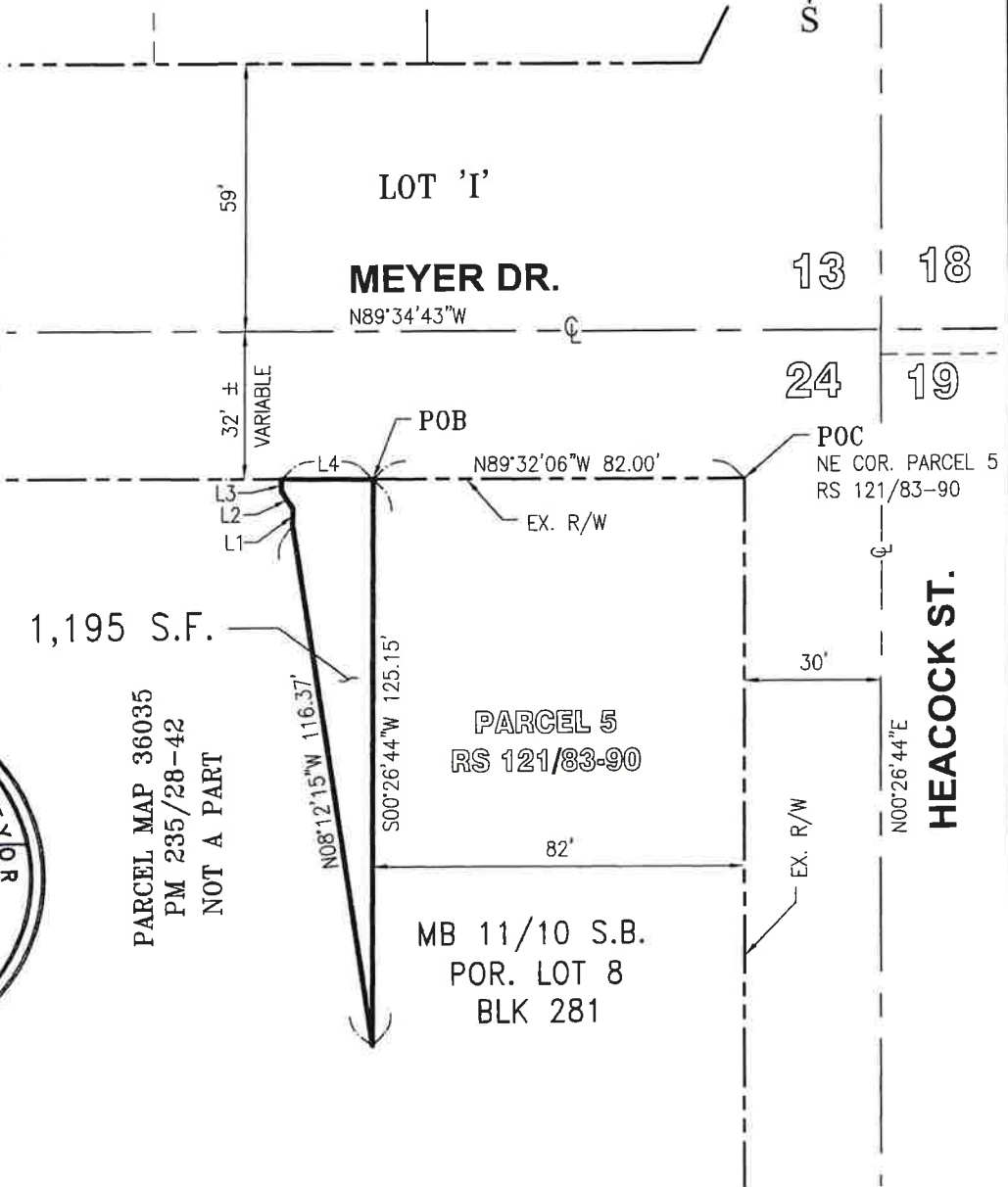




**EXHIBIT "B"**  
**HEACOCK CHANNEL**  
**DRAINAGE EASEMENT**  
**PARCEL 4011-17**



LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	N00°27'49"E	3.66'
L2	N33°13'30"W	4.51'
L3	N00°27'17"E	2.71'
L4	S89°32'06"E	20.00'



**ALBERT A.**  
**WEBB**  
**ASSOCIATES**

**RIVERSIDE COUNTY FLOOD CONTROL**

G:\2013\13-0055\Drawings\Mapping\13-0055-DRAINAGE ESMT-PCL 4011-17.dwg 4/18/17

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) IN THE ATTACHED DOCUMENT. ALL PRIMARY CALLS ARE LOCATED IN THE WRITTEN DOCUMENT.

SHEET 1 OF 1

W.O.  
13-0055

SCALE: 1"=100'

DRWN BY JCR  
 CHKD BY MEJ

DATE 4-18-17  
 DATE 4/18/17

SUBJECT: HEACOCK CHANNEL DRAINAGE EASEMENT

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by Easement Deed, dated \_\_\_\_\_, 2023, from the March Joint Powers Authority, a joint powers, also known as March Joint Powers Authority of Moreno Valley, California, to **RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a body politic**, is hereby accepted by the undersigned officer on behalf of the Board of Supervisors of the Riverside County Flood Control and Water Conservation District pursuant to authority conferred by Resolution No. 474 of the Board of Supervisors of said District adopted on May 12, 1961, and the Grantee consents to the recordation thereof by its duly authorized officer.

**RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

Date: \_\_\_\_\_

By: \_\_\_\_\_

JASON E. UHLEY  
General Manager-Chief Engineer

Heacock Channel  
Project No. 4-0-00011  
APN 294-660-002  
RCFC Parcel No. 4011-17

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

***MJPA Operations - Consent Calendar***  
***Agenda Item No. 8 (10)***

**Meeting Date:** December 13, 2023

**Action:** **APPROVE AMENDMENT NO. 1 TO THE COOPERATIVE AGREEMENT BETWEEN THE MARCH JOINT POWERS AUTHORITY, RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, AND RIVERSIDE INLAND DEVELOPMENT, LLC, FOR THE PERRIS VALLEY FLOOD CONTROL AND DRAINAGE PROJECT, LATERAL B PROJECT, STAGE 5; AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE ANY RELATED DOCUMENTS**

**Motion:** Move to approve Amendment No. 1 to the Cooperative Agreement between the March Joint Powers Authority, Riverside County Flood Control and Riverside Inland Development, LLC, for the Perris Valley Flood Control and Drainage Project, Lateral B Project, Stage 5; and authorize the Chief Executive Officer to execute any related documents.

**Background:**

On June 8, 2021, the March Joint Powers Authority (MJPA), the Riverside County Flood Control and Water Conservation District (RCFCWCD) and Riverside Inland Development, LLC (Developer) (together the “Parties”) previously entered into a Cooperative Agreement (“Agreement”), setting forth the Parties’ respective rights and obligations concerning the Developer’s proposed design and construction of certain flood control and drainage facilities, known as the Perris Valley Flood Control & Drainage Project, Lateral B Project, Stage 5, including the construction of an Interim Outlet Drainage Facility on March Air Reserve Base property, required as a Condition of Approval for the Veterans Industrial Park 215 Project, and Parcel Map No. 37220, located within an unincorporated area in Western Riverside County, County of Riverside, State of California (hereinafter known as the "Project")(See Attachment 1). The Developer completed the flood control and drainage facilities, and those facilities were accepted by the RCFCWCD in June 2023.

Subsequent to the execution of the Cooperative Agreement, and completion/acceptance of the Project, the Parties now desire to amend the Agreement to include the addition of certain RCFCWCD operation and maintenance responsibilities of the Project as described in Agreement, by specifically deleting/amending/adding to/re-lettering and renumbering recitals, sections as well as certain exhibits (See Attachment 2, pages 2 and 3). It should be noted that

Section IV, 17 (Attachment 1, page 21), of the Agreement specifies that the Agreement may be changed or modified subject to the written consent of the Parties.

It should be noted that on December 12, 2023, the Riverside County Board of Supervisors will have considered the approval of Amendment No. 1 to the Cooperative Agreement.

Staff recommends the approval of Amendment 1 to the Agreement and authorize the Chief Executive Officer to execute the related document.

**Attachments:**

1. Cooperative Agreement – Perris Valley Channel/Lateral B, Stage 5, June 8, 2021
2. Amendment No. 1 to the Cooperative Agreement

**ATTACHMENT 1**

Cooperative Agreement  
between the  
March Joint Powers Authority,  
Riverside County Flood Control and Water Conservation District,  
and Riverside Inland Development, LLC  
for the  
Perris Valley Flood Control & Drainage Project, Lateral B Project, Stage 5  
June 8, 2021

COOPERATIVE AGREEMENT

Perris Valley Channel – Lateral B, Stage 5 (formerly known as Lateral B, Stage 2 (Segment 3))  
Perris Valley - Van Buren Blvd - I 215 - Lateral 1, Stage 1  
Perris Valley - Van Buren Blvd - I 215 - Lateral 3, Stage 1  
Perris Valley - Van Buren Blvd - I 215 - Lateral 4, Stage 1  
Project Nos. 4-0-00009-05, 4-0-00547, 4-0-00548, 4-0-00549  
Parcel Map No. 37220

This Cooperative Agreement ("Agreement"), dated as of June 8, 2021

2021, is entered into by and between the Riverside County Flood Control and Water Conservation District, a body politic ("DISTRICT"); the March Joint Powers Authority, a joint powers authority established under the laws of the State of California ("MJPA"); and Riverside Inland Development, LLC, a California limited liability company ("DEVELOPER") (together, the "Parties"). The Parties hereto agree as follows:

RECITALS

A. MJPA is the legal owner of record of certain real property located within the County of Riverside, as more particularly described in Exhibit "A" attached hereto and made a part hereof; and

B. To facilitate development, MJPA entered into a certain Memorandum of Option Agreement on September 16, 2015 with Hillwood Enterprises L.P., a Texas limited partnership ("HILLWOOD") to grant HILLWOOD an exclusive option to negotiate with MJPA for the leasing of that certain real property. HILLWOOD assigned the Option Agreement to DEVELOPER pursuant to a certain Assignment Memorandum of Understanding dated December 28, 2015 between DEVELOPER and HILLWOOD. DEVELOPER wishes to develop within the real property and received approval from MJPA for Tentative Parcel Map PM 37220 on December 16, 2020.

C. The following are conditions of approval for Tentative Parcel Map PM 37220:

- i. **Number 88(a)**, prior to issuance of any grading permit for the

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project site, evidence of the following shall be provided to the March Joint Powers Authority: DEVELOPER, MARB (USAF), DISTRICT and MJPA have signed an agreement providing for the schedule and cost of the Lateral B;

- ii. **Number 100**, prior to issuance of first certificate of occupancy DEVELOPER must complete the construction of Lateral B Stage 2 (Segment 3)<sup>1</sup> including interim outfall structure, fence and access road, and have them accepted by DISTRICT for maintenance, or as approved by MARB (USAF). As-built drawings for all drainage, fence and access road improvements shall be furnished to MARB (USAF);
- iii. **Number 120**, prior to issuance of any grading permit to be issued by the MJPA for the project site, evidence of the following shall be provided to the Executive Director of MJPA that DEVELOPER, MARB (USAF), DISTRICT and MJPA have signed an agreement, providing for the schedule and cost of the Lateral B;
- iv. **Number 128**, prior to issuance of any grading permit to be issued by the MJPA for the project site, DEVELOPER must construct Lateral B, Stage 2 (Segment 3) channel prior to issuance of a building permit, and
- v. **Number 131**, prior to the issuance of a certificate of occupancy, DEVELOPER must complete Lateral B, Stage 2 (Segment 3) to

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<sup>1</sup>Note: Lateral B Stage 2 (Segment 3) is also known as Lateral B, Stage 5.

include Interim Outfall Structure construction.

Accordingly, DEVELOPER must construct certain flood control facilities, including Lateral B, Stage 5, in order to provide flood protection and drainage for DEVELOPER's planned development; and

D. The required flood control facilities and drainage improvements, all as shown on DISTRICT's Drawing No. 4-1158, and as shown in concept on Exhibit "B", attached hereto and made a part hereof, and includes the construction of:

- i. Approximately 6,000 lineal feet of underground storm drain ("Perris Valley Channel – Lateral B, Stage 5") as shown in concept in red on Exhibit "B", attached hereto and made part thereof, hereinafter called "MAINLINE"; and
- ii. Approximately 100 lineal feet of underground storm drain ("Perris Valley – Van Buren Blvd – I 215 – Lateral 1, Stage 1") as shown in concept in blue on Exhibit "B" and its associated inlet structure, hereinafter after called "LATERAL 1"; and
- iii. Approximately 130 lineal feet of underground storm drain ("Perris Valley – Van Buren Blvd – I 215 – Lateral 3, Stage 1") as shown in concept in magenta on Exhibit "B", and its associated inlet structure, hereinafter after called "LATERAL 3"; and
- iv. Approximately 140 lineal feet of underground storm drain ("Perris Valley – Van Buren Blvd – I 215 – Lateral 4, Stage 1") as shown in concept in purple on Exhibit "B", and its associated inlet structure, hereinafter after called "LATERAL 4"; and
- v. All safety devices requested by DISTRICT staff during



PROJECT construction and during any final field inspections, including but not limited to concrete pads, slope protection barriers, signage and fencing, ("SAFETY DEVICES"). SAFETY DEVICES shall be purchased and installed by DEVELOPER, and subject to DISTRICT's inspection and approval. Together, MAINLINE, LATERAL 1, LATERAL 3, LATERAL 4 and SAFETY DEVICES are hereinafter called "DISTRICT FACILITIES"; and

E. Associated with the construction of DISTRICT FACILITIES is the construction of interim downstream outlet structure which consists of rock lined open channel, maintenance road and access road, hereinafter called "INTERIM OUTLET STRUCTURE" as shown in concept in green polygon on Exhibit "B" which shall be located within the property of and the March Air Reserve Base, an United States Air Force Reserve Component installation, hereinafter referred to as "USAF", acting by and through the Commander, 452nd Air Mobility Wing. DEVELOPER shall maintain or cause to be maintained the INTERIM OUTLET STRUCTURE which shall be secured and abandoned when the construction of the ultimate downstream facility, Perris Valley Channel – Lateral B, Stage 4 ("ULTIMATE DOWNSTREAM FACILITY") is completed by DISTRICT pursuant to a Separate Instrument between MJPA, USAF and DISTRICT ("SEPARATE INSTRUMENT").

F. Also associated with the construction of DISTRICT FACILITIES is the construction of certain connector pipes and various lateral storm drains that are thirty-six inches (36") or less in diameter that are located within MJPA held easements or rights of way ("APPURTENANCES"); and

G. Together, DISTRICT FACILITIES, INTERIM OUTLET

STRUCTURE and APPURTENANCES are hereinafter called "PROJECT"; and

H. DISTRICT is willing to: (i) review and approve DEVELOPER's plans and specifications for PROJECT, (ii) inspect the construction of DISTRICT FACILITIES, and (iii) accept ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES, provided DEVELOPER (a) complies with this Agreement, (b) constructs PROJECT in accordance with DISTRICT and MJPA approved plans and specifications, (c) obtains and conveys to DISTRICT and MJPA the necessary rights of way for the inspection, operation and maintenance of DISTRICT FACILITIES and APPURTENANCES, (d) secures offsite easements to construct INTERIM OUTLET STRUCTURE from USAF in accordance with USAF approved procedures and requirements, (e) pays a fair share contribution to MJPA in the amount of Two and a Half Million Dollars (\$2,500,000) toward the construction of "ULTIMATE DOWNSTREAM FACILITY" in accordance with PM 37220's approved conditions of approval, and (f) accepts ownership and responsibility for the operation and maintenance of PROJECT following completion of PROJECT construction until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES as set forth herein; and

I. MJPA is willing to (i) review and, if appropriate and consistent with approvals, approve DEVELOPER's plans and specifications for PROJECT, (ii) inspect the construction of PROJECT, (iii) accept DEVELOPER's fair share contribution in accordance with the conditions of approval approved by MJPA for PM 37220, (iv) accept and hold faithful performance and payment bonds submitted by DEVELOPER for PROJECT, (v) grant DISTRICT the right to inspect, operate and maintain DISTRICT FACILITIES within MJPA rights of way, and (vi) accept ownership and responsibility for the operation and maintenance of APPURTENANCES, provided PROJECT is constructed

in accordance with plans and specifications approved by DISTRICT and MJPA.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties hereto mutually agree that the above recitals are true and correct and incorporated into the terms of this Agreement and as follows:

#### SECTION I

DEVELOPER shall:

1. Prepare PROJECT plans and specifications, hereinafter called "IMPROVEMENT PLANS", in accordance with applicable DISTRICT and MJPA standards, and submit to DISTRICT and MJPA for their respective review and approval.

2. Continue to pay DISTRICT, within thirty (30) days after receipt of periodic billings from DISTRICT, any and all such amounts as are deemed reasonably necessary by DISTRICT to cover DISTRICT's costs associated with the review of IMPROVEMENT PLANS, review and approval of rights of way and conveyance documents, and with the processing and administration of this Agreement. Additionally, DEVELOPER shall pay MJPA, within thirty (30) days after receipt of periodic billings from MJPA, any and all such amounts as are deemed reasonably necessary by MJPA to cover MJPA's costs associated with i) the review of IMPROVEMENT PLANS, ii) the review and approval of right of way and conveyance documents, and iii) the processing and administration of this Agreement.

3. Grant DISTRICT, by execution of this Agreement, the right to enter upon PM 37220 where necessary and convenient for the purpose of gaining access to, and performing inspection service for the construction of PROJECT as set forth herein.

4. Prior to the issuance of occupancy permit by MJPA, deposit with MJPA DEVELOPER's fair share contribution in the amount of Two and a Half Million

Dollars (\$2,500,000) in accordance with the conditions of approval for PM 37220.

5. Provide MIPA, not less than thirty (30) business days before the commencement of construction, with faithful performance and payment bonds in accordance with the MIPA's ordinances for the estimated cost for construction of DISTRICT FACILITIES as determined by DISTRICT and of APPURTENANCES as determined by MIPA. The surety, amount and form of the bonds, shall be subject to approval of DISTRICT (Attention: Contract Services Section) and MIPA. The bonds shall remain in full force and effect until DISTRICT FACILITIES are accepted by DISTRICT and MIPA as complete.

6. Deposit with DISTRICT (Attention: Business Office – Accounts Receivable), and notify Contract Services Section, upon DISTRICT approval of IMPROVEMENT PLANS, the estimated cost of providing construction inspection for DISTRICT FACILITIES, in an amount as determined and approved by DISTRICT in accordance with Ordinance Nos. 671 and 749 of the County of Riverside, including any amendments thereto, based upon the bonded value of DISTRICT FACILITIES.

7. Furnish DISTRICT (Attention: Contract Services Section), upon DISTRICT's approval of IMPROVEMENT PLANS, with a complete list of all contractors and subcontractors to be performing work on PROJECT, including the corresponding license number and license classification of each. At such time, DEVELOPER shall further identify in writing its designated superintendent for PROJECT construction.

8. Furnish DISTRICT (Attention: Contract Services Section), upon DISTRICT's approval of IMPROVEMENT PLANS, with a construction schedule which shall show the order and dates in which DEVELOPER or DEVELOPER's contractor proposes to carry out the various parts of work, including estimated start and completion dates. As construction of PROJECT progresses, DEVELOPER shall update said

construction schedule as requested by DISTRICT.

9. Furnish DISTRICT (Attention: Contract Services Section), upon DISTRICT's approval of IMPROVEMENT PLANS, with a confined space entry procedure specific to PROJECT. The procedure shall comply with requirements contained in California Code of Regulations, Title 8, Section 5158, Other Confined Space Operations, Section 5157, Permit Required Confined Space and District Confined Space Procedures, SOM-18. The procedure shall be reviewed and approved by DISTRICT prior to the issuance of a Notice to Proceed, which shall be given by DISTRICT to DEVELOPER upon DISTRICT's and MJPA's approval.

10. DEVELOPER shall not commence operations until DISTRICT (Attention: Contract Services Section) and 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 IMPROVEMENT PLANS, an original certificate of insurance evidencing the required insurance coverage shall be provided to DISTRICT. At minimum, the procured insurance coverages should adhere to DISTRICT's required insurance provided in EXHIBIT "C", attached hereto and made a part hereof. Failure to maintain the insurance required by this paragraph shall be deemed a material breach of this Agreement and shall authorize and constitute authority for DISTRICT, at its sole discretion, to provide written notice to DEVELOPER that DISTRICT is unable to perform its obligations hereunder, nor to accept responsibility for ownership, operation and maintenance of DISTRICT FACILITIES due, either in whole or in part, to said breach of this Agreement.

11. Secure, at its sole cost and expense, all necessary licenses, agreements, permits and rights of entry as may be needed for the construction, inspection,

operation and maintenance of PROJECT. DEVELOPER shall furnish DISTRICT (Attention: Real Estate Services Section) and MJPA, upon DISTRICT approval of IMPROVEMENT PLANS, or not less than twenty (20) days prior to recordation of the final map for PM 37220 or any phase thereof, whichever occurs first, with sufficient evidence of DEVELOPER having secured such necessary licenses, agreements, permits and rights of entry, as determined and approved by DISTRICT and MJPA. DEVELOPER shall prepare the real estate document(s) required for DISTRICT FACILITIES which shall be in a form mutually approved by MJPA and DISTRICT. The real estate document(s) and shall be executed by all legal and equitable owners of the property described in the easement(s) or grant deeds. The rights of way required to maintain DISTRICT FACILITIES are shown in concept in cross-hatched polygons on Exhibit "E", attached hereto and made a part hereof.

12. [INTENTIONALLY DELETED]

13. [INTENTIONALLY DELETED]

14. Furnish DISTRICT (Attention: Plan Check Section) and MJPA each with a set of final mylar PROJECT plans and assign their ownership to DISTRICT and MJPA respectively.

15. Notify DISTRICT in writing (Attention: Construction Management Section) after receiving DISTRICT's plan check, administrative, and right of way clearance for PROJECT as set forth in Sections I.5 through I.14, with twenty (20) days written notice of intent to start of construction of PROJECT, and include PROJECT's Geotechnical Firm, Concrete Lab/Test Firm, D-Load test forms, Trench Shoring/False Work Calculations, Concrete Mix designs for DISTRICT's review and approval. Construction shall not begin on any element of PROJECT, for any reason whatsoever, until DISTRICT and MJPA have issued to DEVELOPER a written Notice to Proceed authorizing DEVELOPER to

commence construction of PROJECT.

16. Prior to commencing construction, furnish DISTRICT (Attention: Plan Check Section) and MJPA 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 PROJECT. 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 ("REGULATORY PERMITS").

17. Not permit any change to or modification of DISTRICT and MJPA approved IMPROVEMENT PLANS without the prior written permission and consent of DISTRICT and MJPA.

18. Comply with all Cal/OSHA safety regulations including regulations concerning confined space and maintain a safe working environment for DEVELOPER, MJPA and DISTRICT employees on the site.

19. Construct or cause to be constructed, PROJECT at DEVELOPER's sole cost and expense, in accordance with DISTRICT and MJPA approved IMPROVEMENT PLANS, and according to the Project Schedule ("PROJECT SCHEDULE") as provided in Exhibit "D" attached hereto and made a part hereof.

20. Within two (2) weeks of completing PROJECT construction, provide DISTRICT (Attention: Construction Management Section) and MJPA with written notice that PROJECT construction is substantially complete and requesting that DISTRICT conduct a final inspection of DISTRICT FACILITIES and MJPA conduct a final inspection of PROJECT.

21. [INTENTIONALLY DELETED]

22. Maintain, or cause to be maintained, INTERIM OUTLET STRUCTURE until such time as DISTRICT completes construction of ULTIMATE DOWNSTREAM FACILITY as set forth in Recital E.

23. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT FACILITIES and APPURTENANCES until such time as (i) DISTRICT accepts ownership and responsibility for operation and maintenance of DISTRICT FACILITIES, (ii) MJPA accepts ownership and responsibility for operation and maintenance of APPURTENANCES.

24. Upon completion of PROJECT construction but prior to DISTRICT's acceptance of DISTRICT FACILITIES for ownership, operation and maintenance, provide or cause its civil engineer of record or construction civil engineer of record, duly registered in the State of California, to provide DISTRICT (Attention: Construction Management Section), with (i) soil compaction report(s) – stamped and wet signed by the geotechnical engineer, (ii) concrete testing report(s) – stamped and wet signed by the civil engineer of record, and (iii) a redlined "Record Drawings" copy of PROJECT plans. After DISTRICT approval of the redlined "Record Drawings", DEVELOPER's engineer shall schedule with DISTRICT a time to transfer the redlined changes onto DISTRICT's original mylars at DISTRICT's office, after which the engineer shall review, stamp and sign the original DISTRICT FACILITIES plans "Record Drawings".

25. Ensure that all work performed pursuant to this Agreement 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.



26. Pay, if suit is brought upon this Agreement or any bond guaranteeing the completion of 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.

## SECTION II

DISTRICT shall:

1. Review IMPROVEMENT PLANS and approve when DISTRICT has determined that such plans meet DISTRICT standards and are found acceptable to DISTRICT prior to the start of PROJECT construction.
2. Provide MJPA an opportunity to review and approve IMPROVEMENT PLANS prior to DISTRICT's final approval.
3. Upon execution of this Agreement, record or cause to be recorded, a copy of this Agreement in the Official Records of the Riverside County Recorder.
4. [INTENTIONALLY DELETED]
5. Inspect construction of DISTRICT FACILITIES.
6. Keep an accurate accounting of all DISTRICT costs associated with the review and approval of IMPROVEMENT PLANS, the review and approval of right of way and conveyance documents associated with DISTRICT FACILITIES, and the processing and administration of this Agreement.
7. Keep an accurate accounting of all DISTRICT construction inspection costs, and within forty-five (45) days after DISTRICT acceptance of DISTRICT FACILITIES as being complete, submit a final cost statement to DEVELOPER. If the deposit, as set forth in Section I.5., exceeds such costs, DISTRICT shall reimburse DEVELOPER the excess amount within sixty (60) days after DISTRICT acceptance of DISTRICT FACILITIES as being complete.

8. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT FACILITIES upon; (i) DISTRICT inspection of DISTRICT FACILITIES in accordance with Section 1.19., (ii) DISTRICT acceptance of PROJECT construction as being complete, (iii) DISTRICT receipt of stamped and signed "Record Drawings" of PROJECT plans, as set forth in Section 1.23., (iv) MJPA acceptance of APPURTENANCES for ownership, operation, and maintenance, (v) DISTRICT FACILITIES are fully functioning as a flood control drainage system as solely determined by DISTRICT, and (vi) DISTRICT's sole determination that DISTRICT FACILITIES are in a satisfactorily maintained condition.

9. Prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES, DISTRICT FACILITIES shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, subsequent to the inspection and, in the sole discretion of DISTRICT, DISTRICT FACILITIES is not in an acceptable condition, corrections shall be made at sole expense of DEVELOPER.

10. Provide MJPA reproducible duplicate copy of "Record Drawings" of constructed DISTRICT FACILITIES along with a written notice that PROJECT is complete and requesting MJPA to release bonds held for DISTRICT FACILITIES upon; (i) DISTRICT acceptance of PROJECT construction as being complete, and (ii) DISTRICT receipt of stamped and signed "Record Drawings" of DISTRICT FACILITIES plans as set forth in Section 1.23.

### SECTION III

MJPA shall:

1. Review IMPROVEMENT PLANS and approve when MJPA has determined that such plans meet MJPA standards and are found acceptable to MJPA prior

to the start of PROJECT construction.

2. Allocate DEVELOPER's fair share contribution as set forth in Section I.4 towards MJPA's contribution toward ULTIMATE DOWNSTREAM FACILITY in accordance with SEPARATE INSTRUMENT.

3. Accept MJPA and DISTRICT approved faithful performance and payment bonds submitted by DEVELOPER as set forth in Section I.5., and hold said bonds as provided herein. MJPA shall not release said bonds until DISTRICT provides MJPA with a reproducible duplicate copy of "Record Drawings" and written notification as set forth in Section II.11.

4. Inspect PROJECT construction.

5. [INTENTIONALLY DELETED]

6. [INTENTIONALLY DELETED]

7. Grant DISTRICT, by execution of this Agreement the right to inspect, operate and maintain DISTRICT FACILITIES within MJPA rights of way.

8. Upon completion of PROJECT construction, but prior to DISTRICT acceptance of DISTRICT FACILITIES for ownership, operation, and maintenance, provide DISTRICT with duly executed easement(s) to the public for flood control and drainage purposes, including ingress and egress, or grant deed(s) of fee title where appropriate, for the rights of way deemed necessary by DISTRICT for the construction, inspection, operation and maintenance of DISTRICT FACILITIES, as appropriate. The real estate documents, such as legals and plats required for easement(s) or grant deed(s) shall be prepared by DEVELOPER as set forth in Section I.11 and shall be in a form mutually approved by MJPA and DISTRICT.

9. At the time of recordation of the conveyance document(s) as set forth in Section I.8.ii, furnish DISTRICT with policies of title insurance, each in the amount of

not less than (i) fifty percent (50%) of the estimated fee value, as determined by DISTRICT, for each easement parcel to be conveyed to DISTRICT, or (ii) one hundred percent (100%) of the estimated fee value, as determined by DISTRICT, for each fee parcel to be conveyed to DISTRICT, guaranteeing DISTRICT'S interest in said property as being free and clear of all liens, encumbrances, assessments, easements, taxes and leases (recorded or unrecorded), except those which, in the sole discretion of DISTRICT, are deemed acceptable.

10. Accept ownership and sole responsibility for the operation and maintenance of APPURTENANCES upon DISTRICT acceptance of DISTRICT FACILITIES for ownership, operation and maintenance.

11. Upon DISTRICT and MJPA acceptance of PROJECT construction as being complete, accept sole responsibility for the adjustment of all PROJECT manhole rings and covers located within MJPA rights of way which must be performed at such time(s) that the finished grade along and above the underground portions of DISTRICT FACILITIES are improved, repaired, replaced or changed. It being further understood and agreed that any such adjustments shall be performed at no cost to DISTRICT.

#### SECTION IV

It is further mutually agreed:

1. All construction work involved with PROJECT shall be inspected by DISTRICT and MJPA but shall not be deemed complete until DISTRICT and MJPA mutually agree in writing that construction is completed in accordance with DISTRICT and MJPA approved IMPROVEMENT PLANS.

2. MJPA and DEVELOPER personnel may observe and inspect all work being done on DISTRICT FACILITIES, but shall provide any comments to DISTRICT personnel who shall be solely responsible for all quality control

communications with DEVELOPER's contractor(s) during the construction of PROJECT.

3. DEVELOPER shall complete construction of PROJECT within twelve (12) consecutive months after DEVELOPER has secured offsite easements necessary to construct INTERIM OUTLET STRUCTURE from USAF. It is expressly understood that since time is of the essence in this Agreement, failure of DEVELOPER to perform the work within the agreed upon time shall constitute authority for DISTRICT to perform the remaining work and require DEVELOPER's surety to pay to MJPA the penal sum of any and all bonds. In which case, MJPA shall subsequently reimburse DISTRICT for DISTRICT costs incurred.

4. If DEVELOPER fails to commence construction of PROJECT within nine (9) months after execution of this Agreement, then DISTRICT reserves the right to withhold issuance of the Notice to Proceed pending a review of the existing site conditions as they exist at the time DEVELOPER provides written notification to DISTRICT of the start of construction as set forth in Section I.15. In the event of a change in the existing site conditions that materially affects PROJECT function or DISTRICT's ability to operate and maintain DISTRICT FACILITIES, DISTRICT may require DEVELOPER to modify IMPROVEMENT PLANS as deemed necessary by DISTRICT.

5. DISTRICT shall endeavor to issue DEVELOPER a Notice to Proceed within twenty (20) days of receipt of DEVELOPER's complete written notice as set forth in Section I.15.; however, DISTRICT's construction inspection staff is limited and, therefore, the issuance of a Notice to Proceed is subject to staff availability.

In the event DEVELOPER wishes to expedite issuance of a Notice to Proceed, DEVELOPER may elect to furnish an independent qualified construction inspector at DEVELOPER's sole cost and expense. DEVELOPER shall furnish appropriate documentation of the individual's credentials and experience to

DISTRICT for review and, if appropriate, approval. DISTRICT shall review the individual's qualifications and experience, upon approval thereof, said individual, hereinafter called "DEPUTY INSPECTOR", shall be authorized to act on DISTRICT's behalf on all DISTRICT FACILITIES construction and quality control matters. If DEVELOPER's initial construction inspection deposit furnished pursuant to Section I.6. exceeds ten thousand dollars (\$10,000), DISTRICT shall refund to DEVELOPER up to eighty percent (80%) of DEVELOPER's initial inspection deposit within forty-five (45) days of DISTRICT's approval of DEPUTY INSPECTOR; however, a minimum balance of ten thousand dollars (\$10,000) shall be retained on account.

6. PROJECT construction work shall be on a five (5) day, forty (40) hour work week with no work on Saturdays, Sundays or DISTRICT designated legal holidays, unless otherwise approved in writing by DISTRICT. 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 DISTRICT to work the additional hours. The request shall be submitted to DISTRICT 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 DISTRICT at its sole discretion and shall be final. If permission is granted by DISTRICT, DEVELOPER will be charged the cost incurred at the overtime rates for additional inspection time required in connection with the overtime work in accordance with Ordinance Nos. 671 and 749, including any amendments thereto, of the County of Riverside.

7. DEVELOPER shall indemnify and hold harmless DISTRICT, 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 whatsoever, claim, damage, proceeding or action, present or future, based upon, arising out of or in any way relating to DEVELOPER's (including its officers, employees, contractors, subcontractors and agents) actual or alleged acts or omissions related to this Agreement, performance under this Agreement, or failure to comply with the requirements of this Agreement, including but not limited to: (a) property damage; (b) bodily injury or death; (c) liability or damage pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution or any other law, ordinance or regulation caused by the diversion of waters from the natural drainage patterns or the discharge of drainage within or from PROJECT; or (d) 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 Agreement.

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.

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 DISTRICT 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.

DEVELOPER's indemnification obligations hereunder shall be satisfied when DEVELOPER has provided to DISTRICT and MJPA the appropriate form

of dismissal (or similar document) relieving DISTRICT or MJPA from any liability for the claim, proceeding or action involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe DEVELOPER's obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

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.

8. DEVELOPER for itself, its successors and assigns hereby releases DISTRICT and MJPA (including their agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives) from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, including but not limited to any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution or any other law or ordinance which seeks to impose any other liability or damage, whatsoever, for damage caused by the discharge of drainage within or from PROJECT. Nothing contained herein shall constitute a release by DEVELOPER of DISTRICT or MJPA, their officers, agents and employees from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, for the negligent maintenance of PROJECT, after the acceptance of PROJECT by MJPA.

9. Any waiver by any party hereto of any breach of any one or more of the terms of this Agreement 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 Agreement shall not be construed as in any manner changing the terms hereof, or stopping such party from enforcement hereof.

10. Any and all notices sent or required to be sent to the parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses:

RIVERSIDE COUNTY FLOOD CONTROL AND CONSERVATION DISTRICT 1995 Market Street Riverside, CA 92501 Attn: Contract Services Section	MARCH JOINT POWERS AUTHORITY 14205 Meridian Parkway, #140 Riverside, CA 92518 Attn: Executive Director
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RIVERSIDE INLAND DEVELOPMENT, LLC  
901 Via Piemonte, Suite 175  
Ontario, CA 91764  
Attn: John Magness

11. This Agreement is to be construed in accordance with the laws of the State of California. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

12. 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 Agreement, 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.

13. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by DISTRICT shall have no

importance or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT prepared this Agreement in its final form.

14. The rights and obligations of DEVELOPER shall inure to and be binding upon all heirs, successors and assignees.

15. In the event DEVELOPER assigns PM 37220 to another entity, DEVELOPER shall notify DISTRICT and MJPA of any such transfer or assignment in writing no later than 30 days from the date of the assignment. DEVELOPER expressly understands and agrees that it shall remain liable with respect to any and all of the obligations and duties contained in this Agreement until DISTRICT, MJPA, DEVELOPER and the new developer(s) of PM 37220 fully execute an assignment and assumption agreement that transfers all DEVELOPER's rights, duties or obligations hereunder to the new owner(s) of PM 37220.

16. The individual(s) executing this Agreement on behalf of DEVELOPER certify that they have the authority within their respective company(ies) to enter into and execute this Agreement, 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 Agreement.

17. This Agreement 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 Agreement may be changed or modified only upon the written consent of the parties hereto.

18. This Agreement 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.

//

//

**[SIGNATURES ON FOLLOWING PAGES]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

June 8, 2021

(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

**RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

By   
JASON E. UHLEY  
General Manager-Chief Engineer


By   
KAREN SPIEGEL, Chairwoman  
Riverside County Flood Control and Water  
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

GREGORY P. PRIAMOS  
County Counsel

KECIA HARPER  
Clerk of the Board

By   
~~LEILA MOSHREF-DANESH~~  
~~Deputy County Counsel~~  
Michelle Clark  
Chief Deputy County Counsel

By   
Deputy

(SEAL)

[SIGNED IN COUNTERPART]

Perris Valley Channel – Lateral B, Stage 5  
04/06/21  
RSM:blm

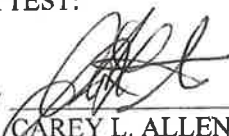
**MARCH JOINT POWERS AUTHORITY**

By   
DANIELLE M. KELLY, DPA  
Executive Director

APPROVED AS TO FORM:

ATTEST:

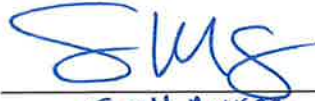
By   
BEST, BEST & KRIEGER LLP  
MIPA General Counsel

By   
CAREY L. ALLEN  
Clerk, March Joint Powers Commission

(SEAL)

Perris Valley Channel – Lateral B, Stage 5  
04/06/21  
RSM:blm

**RIVERSIDE INLAND DEVELOPMENT, LLC,**  
a California limited liability company

By:   
Name: SCOTT MORSE  
Title: Vice President

(ATTACH NOTARY)

Perris Valley Channel – Lateral B, Stage 5  
04/06/21  
RSM:blm

**CALIFORNIA ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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 San Bernardino

On May 20, 2021 before me, Christine Lynn Buckle, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Scott Morse  
Name(s) of Signer(s)

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.



Place Notary Seal and/or Stamp Above

Signature [Handwritten Signature]  
Signature of Notary Public

**OPTIONAL**

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_

Corporate Officer – Title(s): \_\_\_\_\_  Corporate Officer – Title(s): \_\_\_\_\_

Partner –  Limited  General  Partner –  Limited  General

Individual  Attorney in Fact  Individual  Attorney in Fact

Trustee  Guardian or Conservator  Trustee  Guardian or Conservator

Other: \_\_\_\_\_  Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_ Signer is Representing: \_\_\_\_\_

## Exhibit A

### **LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREON IS SITUATED IN THE CITY OF UNINCORPORATED AREA COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION SECTIONS 25, 26, 35 AND 36, TOWNSHIP 3 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SHOWN AS PARCEL 11 ON MAP FILED IN BOOK 110, PAGES 30 TO 40 INCLUSIVE, OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER, OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHERLY TERMINUS OF THAT CERTAIN COURSE SHOWN AS HAVING A BEARING AND DISTANCE OF NORTH 30° 06' 59" WEST 670.29 FEET IN THE EASTERLY BOUNDARY OF SAID PARCEL 11, SAID SOUTHERLY TERMINUS ALSO BEING A POINT ON THE NORTHERLY LINE OF PARCEL MAP NO. 8698, AS PER MAP FILED IN BOOK 37, PAGE 90, OF PARCEL MAPS IN THE OFFICE OF SAID RECORDER; THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 53' 52" WEST 117.66 FEET; THENCE LEAVING SAID NORTHERLY LINE NORTH 30° 09' 25" WEST 124.78 FEET TO A LINE PARALLEL WITH 108.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM SAID NORTHERLY LINE; THENCE ALONG SAID PARALLEL LINE SOUTH 89° 53' 52" WEST 1955.75 FEET TO THE EASTERLY BOUNDARY OF CALIFORNIA STATE ROUTE 215, AS SHOWN ON CALIFORNIA DEPARTMENT OF TRANSPORTATION MONUMENTATION MAP 45680 ON FILE IN THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION;

THENCE ALONG SAID EASTERLY BOUNDARY NORTH 19° 22' 23" WEST 4259.32 FEET;

THENCE LEAVING SAID EASTERLY BOUNDARY NORTH 77° 53' 09" EAST 120.23 FEET;

THENCE SOUTH 17° 20' 22" EAST 24.72 FEET; THENCE NORTH 75° 40' 21" EAST 81.83 FEET;

THENCE SOUTH 45° 37' 50" EAST 766.67 FEET;

THENCE NORTH 52° 14' 06" EAST 614.61 FEET TO THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE SHOWN AS HAVING A BEARING AND DISTANCE OF NORTH 30° 07' 27" WEST 3507.80 FEET IN THE BOUNDARY OF THE "MARCH AIR RESERVE BASE" AS SHOWN ON MAP FILED IN BOOK 124, PAGES 69 TO 81 INCLUSIVE OF SAID RECORDS OF SURVEY;

THENCE ALONG SAID LAST MENTIONED BOUNDARY AS FOLLOWS: SOUTH 30° 07' 25" EAST 3507.87 FEET;

THENCE SOUTH 49° 46' 59" WEST 73.50 FEET;

THENCE SOUTH 39° 57' 49" EAST 421.43 FEET;

THENCE SOUTH 30° 06' 29" EAST 670.22 FEET TO THE POINT OF BEGINNING.

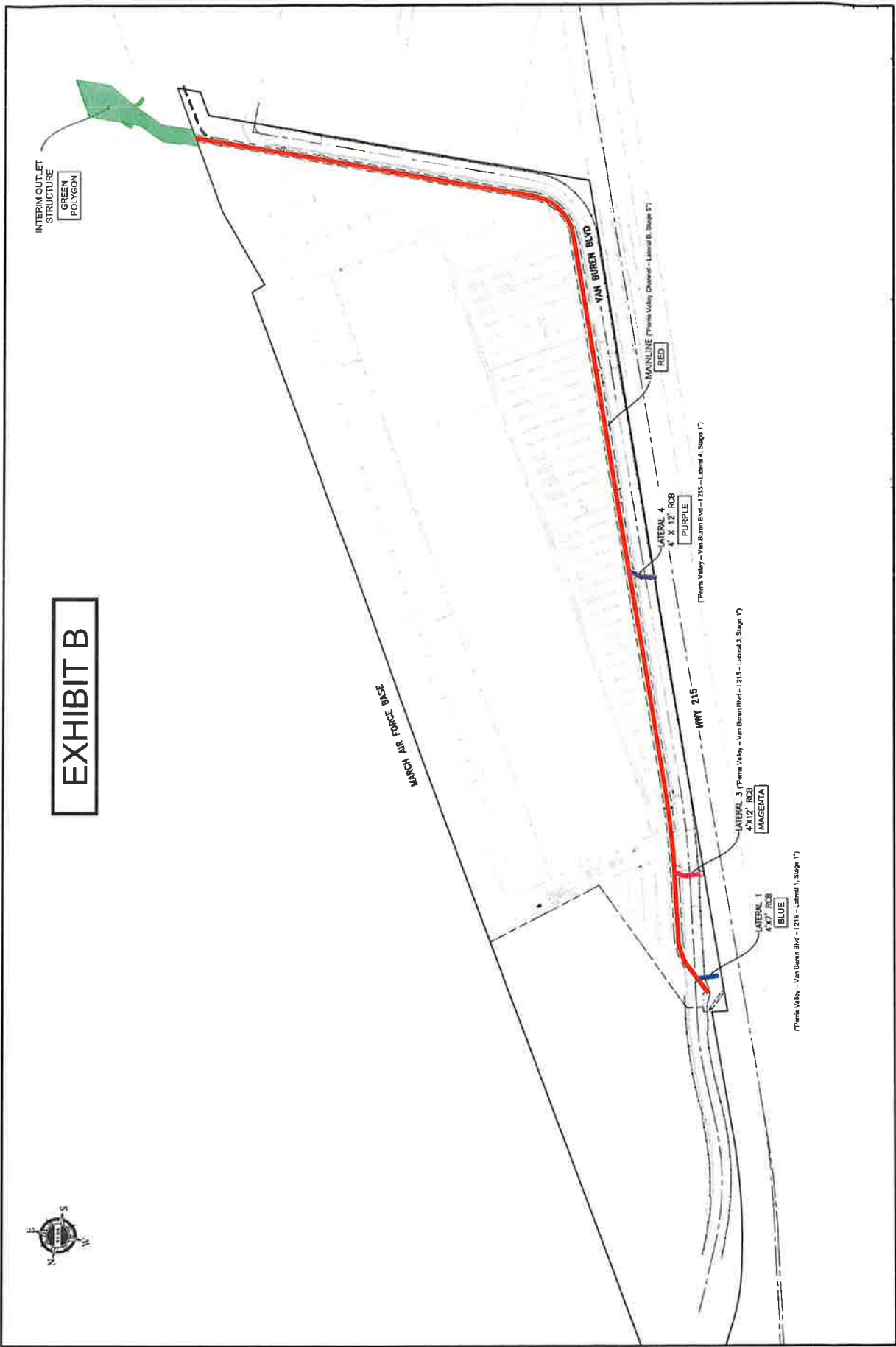
### COOPERATIVE AGREEMENT

Perris Valley Channel - Lateral B, Stage 5  
Perris Valley - Van Buren Blvd - I 215 - Lateral 1, Stage 1  
Perris Valley - Van Buren Blvd - I 215 - Lateral 3, Stage 1  
Perris Valley - Van Buren Blvd - I 215 - Lateral 4, Stage 1  
Project Nos. 4-0-00009-05, 4-0-00547, 4-0-00548, 4-0-00549  
Parcel Map No. 37220





# EXHIBIT B



## EXHIBIT "C"

DISTRICT's Insurance Requirements are as follows:

Without limiting or diminishing DEVELOPER's obligation to indemnify or hold DISTRICT harmless, DEVELOPER shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement. As respects to the insurance section only, the "DISTRICT" herein refers to the Riverside County Flood Control and Water Conservation District, the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

A. Workers' Compensation:

If DEVELOPER has employees as defined by the State of California, DEVELOPER shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to waive subrogation in favor of DISTRICT.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of DEVELOPER's performance of its obligations hereunder. Policy shall name the DISTRICT as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then DEVELOPER shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name the DISTRICT as Additional Insureds.

D. Professional Liability:

DEVELOPER shall cause any architect or engineer retained by DEVELOPER in connection with the performance of DEVELOPER's obligations under this Agreement to maintain Professional Liability Insurance providing coverage for the performance of their work included within this Agreement, with a limit of liability of not less than \$2,000,000 per occurrence and \$4,000,000 annual aggregate. DEVELOPER shall require that, if such Professional Liability

## EXHIBIT "C"

Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and that such architect or engineer shall purchase at such architect or engineer's sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that such architect or engineer has maintained continuous coverage with the same or original insurer. Coverage provided under items 1), 2) or 3) shall continue for the term specified in the insurance policy as long as the law allows.

E. General Insurance Provisions – All Lines:

- i. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A: VIII (A: 8) unless such requirements are waived, in writing, by the DISTRICT Risk Manager. If the DISTRICT's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- ii. The DEVELOPER must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the DISTRICT Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention deemed unacceptable to the DISTRICT, and at the election of the DISTRICT's Risk Manager, DEVELOPER's carriers shall either: 1) reduce or eliminate such self-insured retention with respect to this Agreement with DISTRICT, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- iii. DEVELOPER shall cause their insurance carrier(s) or its contractor's insurance carrier(s), to furnish DISTRICT with 1) a properly executed original certificate(s) of insurance and certified original copies of endorsements effecting coverage as required herein; and 2) if requested to do so orally or in writing by the DISTRICT Risk Manager, provide original certified copies of policies including all endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the DISTRICT prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If DEVELOPER insurance carrier(s) policies does not meet the minimum notice requirement

## EXHIBIT "C"

found herein, DEVELOPER shall cause DEVELOPER's insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

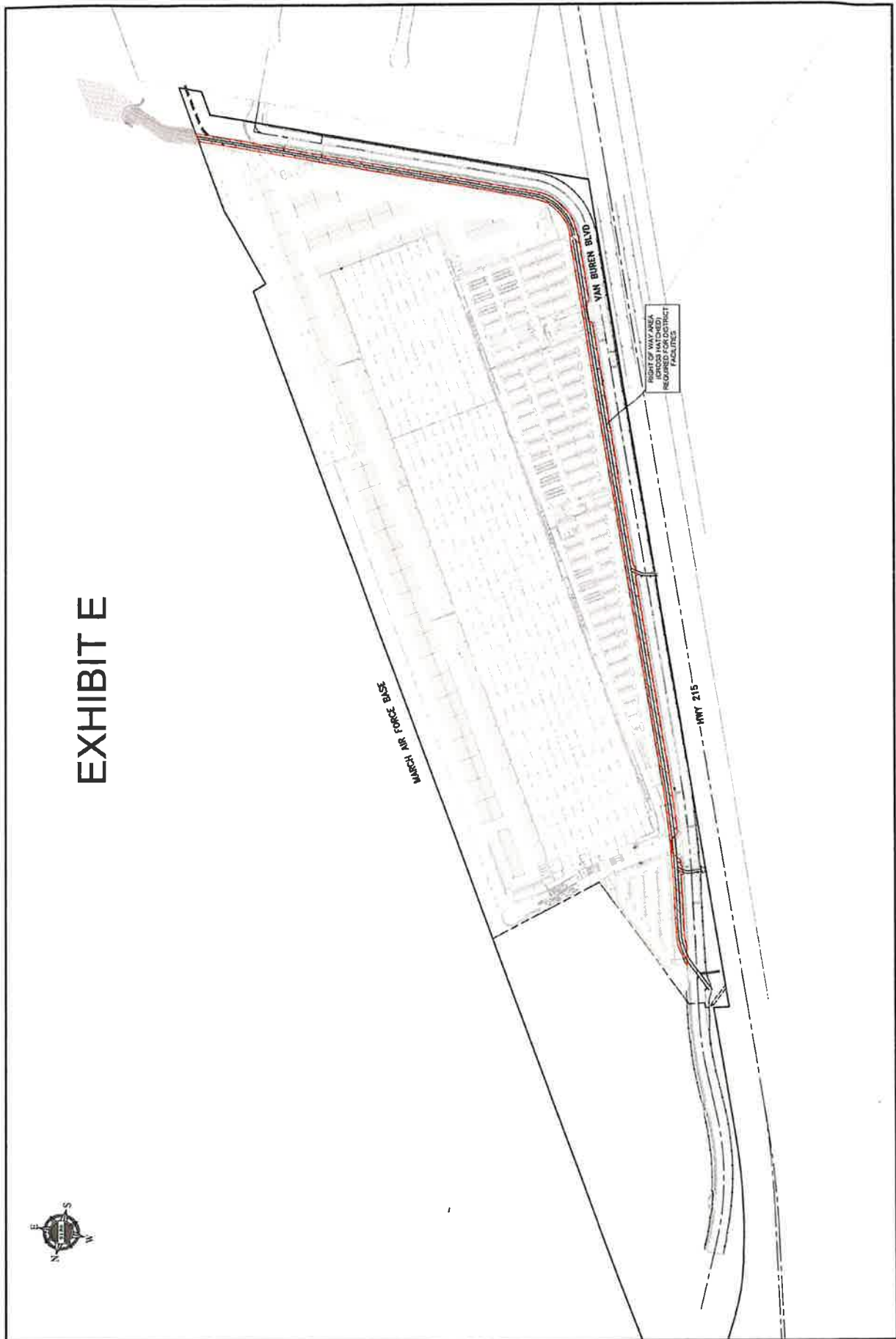
- iv. In the event of a material modification, cancellation, expiration or reduction in coverage, this Agreement shall terminate forthwith, unless DISTRICT receives, prior to such effective date, another properly executed original certificate of insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto, evidencing coverages set forth herein and the insurance required herein is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the certificate of insurance.
- v. It is understood and agreed by the parties hereto that DEVELOPER's insurance shall be construed as primary insurance, and DISTRICT's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
- vi. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of work or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or the term of this Agreement, including any extensions thereof, exceeds five (5) years, DISTRICT reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverages currently required herein, if, in the DISTRICT Risk Manager's reasonable judgment, the amount or type of insurance carried by DEVELOPER has become inadequate.
- vii. DEVELOPER shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- viii. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to DISTRICT.
- ix. DEVELOPER agrees to notify DISTRICT of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

# EXHIBIT D

Perris Valley Channel Lateral B Stage 5 (Developer Agreement)

	2021	2022	2023	2024	2025
Execute Development Agreement	▲ Jun 2021				
Construction Civil Plans to MIPA	▲ Jun 2021				
Approval of Mass Grading	▲ Jun 2021				
Stage 5: Begin Construction	▲ Aug 2021				
Stage 5: Construction	5 months				
Stage 5: Complete Construction	Nov 2021 ▲				
Pay \$2.5 M for Stage 4 Storm Drain		▲ August 29, 2022			

# EXHIBIT E



## **ATTACHMENT 2**

Amendment No. 1  
to the  
Cooperative Agreement  
between the  
March Joint Powers Authority,  
Riverside County Flood Control and Water Conservation District,  
and Riverside Inland Development, LLC  
for the  
Perris Valley Flood Control & Drainage Project, Lateral B Project, Stage 5

AMENDMENT NO. 1

to

COOPERATIVE AGREEMENT

Perris Valley Channel – Lateral B, Stage 5  
Perris Valley – Van Buren Blvd – 1215 – Lateral 1, Stage 1  
Perris Valley – Van Buren Blvd – 1215 – Lateral 3, Stage 1  
Perris Valley – Van Buren Blvd – 1215 – Lateral 4, Stage 1  
Project No. 4-0-00009-05, 4-0-00547, 4-0-00548, and 4-0-00549  
Parcel Map No. 37220

This Amendment No. 1 to Cooperative Agreement ("Amendment"), dated as of \_\_\_\_\_, is entered into by and between the Riverside County Flood Control and Water Conservation District, a body politic ("DISTRICT"); the March Joint Powers Authority, a joint powers authority established under the laws of the State of California ("MJPA"); and Riverside Inland Development, LLC, a California limited liability company ("DEVELOPER") (together, the "Parties"). The Parties hereto agree as follows:

RECITALS

A. DISTRICT, MJPA and DEVELOPER have previously entered into that certain Cooperative Agreement dated June 8, 2021 (DISTRICT's Board Agenda Item No. 11.2) and recorded as Document No. 2021-0446510 in the Official Records of the County of Riverside and is hereinafter called ("AGREEMENT"), setting forth the Parties' respective rights and obligations concerning DEVELOPER's proposed design and construction of certain flood control and drainage facilities required as a condition of approval for Parcel Map No. 37220, located within an unincorporated area in Western Riverside County, County of Riverside, State of California (hereinafter known as the "PROJECT"); and

B. Subsequent to the execution of said AGREEMENT, the Parties hereto have mutually agreed to include the addition of certain DISTRICT operation and maintenance responsibilities of PROJECT as described in AGREEMENT; and



C. The Parties now desire to amend the AGREEMENT to define the associated responsibilities of PROJECT as described in AGREEMENT, as well as replace Exhibit "B" with Exhibit "B-1" in AGREEMENT is attached hereto and made a part hereof; and

E. Section IV.17 of the AGREEMENT specifies that AGREEMENT may be changed or modified subject to the written consent of the Parties thereto; and

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the Parties hereto mutually agree to amend AGREEMENT as follows, effective upon approval of this Amendment by DISTRICT's Board of Supervisors:

1. AGREEMENT is hereby amended as follows:

i. Exhibit "B" to the AGREEMENT is hereby deleted in its entirety and replaced by the attached Exhibit "B-1" and made a part hereof.

ii. RECITALS D.v. of AGREEMENT is added to read:

"A rock lined open channel, maintenance and access road, hereinafter called "INTERIM OUTLET STRUCTURE" as shown in concept in green polygon on Exhibit "B-1"; and"

iii. RECITALS D.v. of AGREEMENT is re-lettered as D.vi and last sentence is amended to read:

"Together MAINLINE, LATERAL 1, LATERAL 3, LATERAL 4, INTERIM OUTLET STRUCTURE and SAFETY DEVICES are hereinafter called "DISTRICT FACILITIES"; and"

iv. RECITALS E of AGREEMENT is amended to read:

"INTERIM OUTLET STRUCTURE shall be located within the property of and the March Air Reserve Base, and United States Air Force Reserve Component installation, hereinafter referred to as "USAF", acting by and

through the Commander, 452<sup>nd</sup> Air Mobility Wing. DISTRICT shall maintain or cause to be maintained the INTERIM OUTLET STRUCTURE which shall be secured and abandoned when constructing of the ultimate downstream facility, Perris Valley Channel – Lateral B, Stage 4 ("ULTIMATE DOWNSTREAM FACILITY") is completed by DISTRICT pursuant to a Separate Instrument between MJPA, USAF and DISTRICT ("SEPARATE INSTRUMENT"); and".

v. RECITALS G of AGREEMENT is amended to read: Together, DISTRICT FACILITIES, and APPURTENANCES are hereinafter called "PROJECT"; and

vi. Section I.22 of AGREEMENT is deleted in its entirety.

vii. New Section IV.1 of AGREEMENT is added to read:

"DISTRICT may withhold acceptance for ownership and sole responsibility for the operation and maintenance of DISTRICT FACILITIES unless and until DEVELOPER performs all obligations under this Agreement."

viii. Sections IV.I to IV.22 of AGREEMENT are re-numbered as IV.2 to IV.23 of AGREEMENT.

2. Except to the extent specifically deleted, added to or amended herein, all of the terms, covenants and conditions of said AGREEMENT executed on June 8, 2021, shall remain in full force and effect between the Parties hereto.

3. This Amendment may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on

\_\_\_\_\_  
(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

**RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

By \_\_\_\_\_  
JASON E. UHLEY  
General Manager-Chief Engineer

By \_\_\_\_\_  
KAREN SPIEGEL, Chair  
Riverside County Flood Control and Water  
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

MINH C. TRAN  
County Counsel

KIMBERLY RECTOR  
Clerk of the Board

By \_\_\_\_\_  
NAME  
Deputy County Counsel

By \_\_\_\_\_  
Deputy

(SEAL)

Amendment No. 1 to Cooperative Agreement  
Perris Valley Channel - Lateral B, Stage 5  
Perris Valley - Van Buren Blvd -1 215 - Lateral 1, Stage 1  
Perris Valley - Van Buren Blvd -1 215 - Lateral 3, Stage 1  
Perris Valley - Van Buren Blvd -1 215 - Lateral 4, Stage 1  
Project No. 4-0-00009-05, 4-0-00547, 4-0-00548, and 4-0-00549  
Parcel Map No. 37220  
10/04/2023  
AGR:rlp

**MARCH JOINT POWERS AUTHORITY**

APPROVED:

By \_\_\_\_\_  
DR. GRACE I. MARTIN, DPPD  
Chief Executive Officer

APPROVED AS TO FORM:

ATTEST:

By \_\_\_\_\_  
BEST BEST & KRIEGER LLP  
General Counsel

By \_\_\_\_\_  
CINDY CAMARGO  
Executive Assistant/Clerk

(SEAL)

Amendment No. 1 to Cooperative Agreement  
Perris Valley Channel - Lateral B, Stage 5  
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Project No. 4-0-00009-05, 4-0-00547, 4-0-00548, and 4-0-00549  
Parcel Map No. 37220  
10/04/2023  
AGR:rlp

**RIVERSIDE INLAND DEVELOPMENT, LLC,**  
a California limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

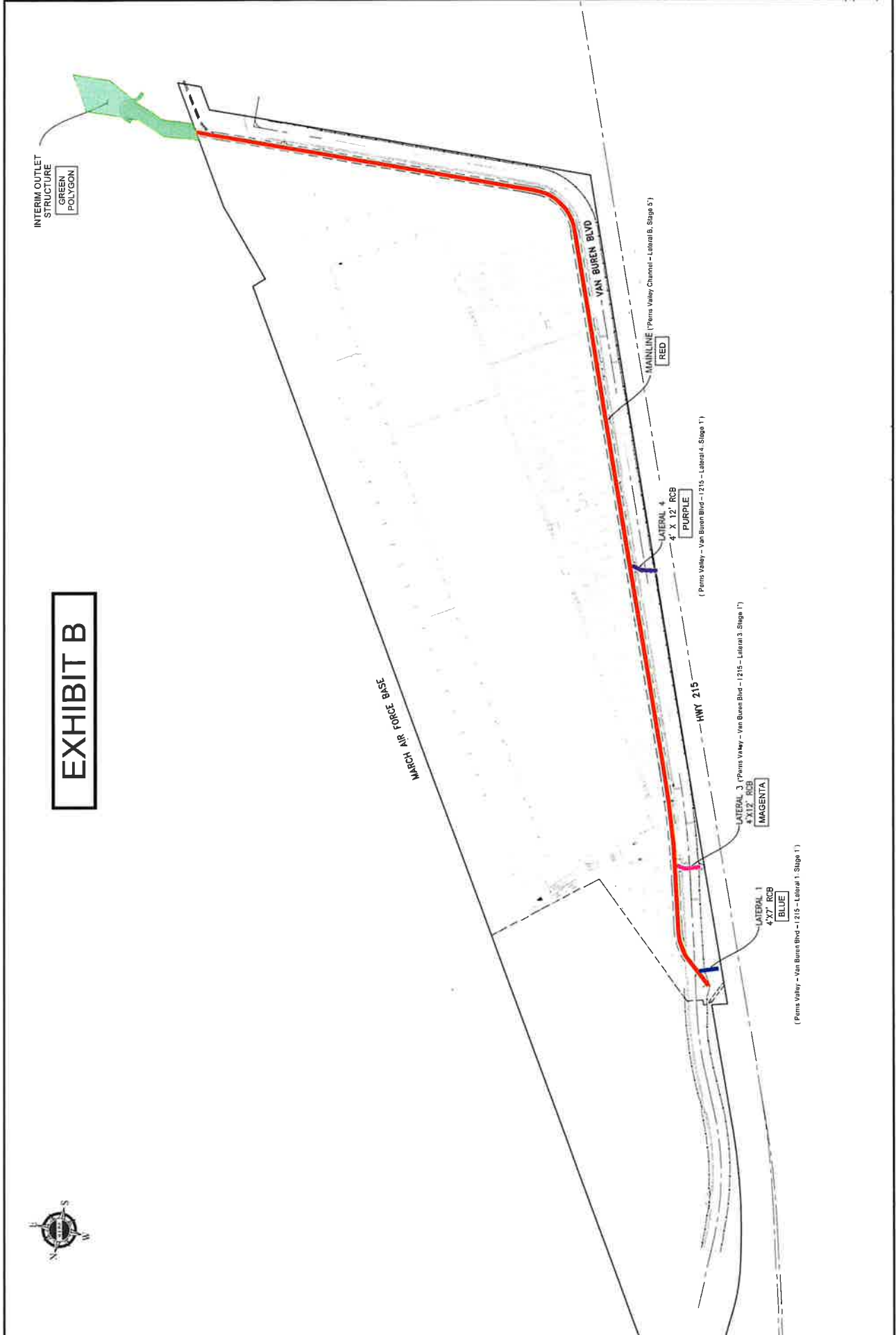
(ATTACH NOTARY ACKNOWLEDGEMENT)

Amendment No. 1 to Cooperative Agreement  
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Parcel Map No. 37220  
10/04/2023  
AGR:rlp



# EXHIBIT B

INTERIM OUTLET  
STRUCTURE  
GREEN  
POLYGON



**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

***MJPA Operations - Consent Calendar***  
***Agenda Item No. 8 (11)***

**Meeting Date:** December 13, 2023

**Action:** **APPROVE A PROFESSIONAL SERVICES AGREEMENT FOR SERVICES WITH DAVIS FARR LLP TO PROVIDE ANNUAL AUDITING SERVICES FOR MARCH JOINT POWERS AUTHORITY AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE ANY RELATED DOCUMENTS**

**Motion:** Move to approve a Professional Services Agreement for services with Davis Farr LLP to provide annual auditing services for March Joint Powers Authority and authorize the Chief Executive Officer to execute any related documents.

**Background:**

At the August 9, 2023, March JPC meeting, the Commission authorized staff to solicit a Request for Proposal (RFP) from audit firms to perform the annual audit for all three agencies for the next five years, as well as agreed upon procedures each year for different functions at the golf course. Staff received three responses to the solicitation. Staff analyzed the submittals and created a matrix to aid the Finance Subcommittee with their review of the audit firms.

The total cost for the audits for all JPA entities combined is \$38,000 with the JPA portion of the audit estimated at \$25,000. This approval is for a JPA audit in Fiscal Year 2022/2023 only. The four subsequent years of the proposal are considered options and will be brought back to the Commission for action each year. This item appeared before the Finance Subcommittee on December 11, 2023 and the Technical Advisory Committee on December 13, 2023.

**Attachments:**

1. Engagement letter included a JPA annual audit for \$25,000.
2. Proposal for Professional Auditing Services

**November 29, 2023**

**March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518**

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide March Joint Powers Authority, March Inland Port Airport Authority, and the March Joint Powers Utility Authority, (the "Entities").

You have requested that we audit the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the March Joint Powers Authority and the financial statements of the March Inland Port Airport Authority and the March Joint Powers Utility Authority, as of June 30, 2023, and for the year then ended and the related notes, which collectively comprise the Entities' basic financial statements as listed in the table of contents. In addition, we will audit the Entities' compliance over major federal award programs for the period ended June 30, 2023.

Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the Entities' major federal award programs. The objectives of our audit of the financial statements 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 auditing standards generally accepted in the United States of America (GAAS) and in accordance with Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and 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.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the Entities complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and Government Auditing Standards, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information ("RSI") such as management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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. As part of our engagement, we will apply certain



limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

March Joint Powers Authority

1. Management's Discussion and Analysis
2. Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
3. Schedule of Pension Plan Contributions
4. Schedule of Changes in the Net OPEB Liability and Related Ratios
5. Schedule of OPEB Plan Contributions
6. Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual Schedules

Supplementary information other than RSI will accompany the Entities' basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

1. Schedule of Expenditures of Federal Awards

**Data Collection Form**

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

**Auditor Responsibilities**

We will conduct our audits in accordance GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit*

*Requirements for Federal Awards* (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 Entities' internal control.<sup>2</sup> However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entities' ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

## **Reporting**

We will issue a written report upon completion of our audit of the Entities' basic financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including

the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

### **Audit of Major Program Compliance**

Our audit of the Entities' major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the Entities' compliance based on the audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Entities' compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Entities' major programs, and performing such other procedures as we considers necessary in the circumstances. The purpose of those procedures will be to express an opinion on the Entities' compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the Entities' internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the Entities' major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant

deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the Entities' major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

### **Management Responsibilities**

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit;
  - iii. Unrestricted access to persons within the Entities from whom we determine it necessary to obtain audit evidence.
  - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
  - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the Entities complies with the laws and regulations applicable to its activities;
- f. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
- g. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- h. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- i. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;

- j. For informing us of any known or suspected fraud affecting the Entities involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- k. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

### **Nonattest Services**

With respect to any nonattest services we perform,

*At the end of the year, we agree to perform the following:*

- *Propose adjusting or correcting journal entries detected during the audit, if applicable, to be reviewed and approved by the Entities' management.*

We will not assume management responsibilities on behalf of the Entities. However, we will provide advice and recommendations to assist management of the Entities in performing its responsibilities.

The Entities' management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the Entities with regard to tax positions taken in the preparation of the tax return, but the Entities must make all decisions with regard to those matters.

### Engagement Fees

Our fixed fees for the services previously outlined will be as follows:

March Joint Powers Authority	\$ 25,000
March Inland Port Airport Authority	8,000
March Joint Powers Utility Authority	5,000
Single Audit	<u>5,000</u>
	<u>\$ 43,000</u>

Additionally, our fees are dependent on the availability, quality, and completeness of the Entities' records and, where applicable, upon the Entities' personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Entities employees preparing confirmation and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable.

### Other Engagement Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

**Jonathan Foster, CPA**, is the engagement partner responsible for supervising the engagement and signing the report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the Entities' significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Davis Farr LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Davis Farr LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement.

Very truly yours,



**Jonathan Foster, Partner**  
Davis Farr LLP

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The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

**March Joint Powers Authority**

By \_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_



## Report on the Firm's System of Quality Control

### **Davis Farr LLP**

and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **CPAs ■ Advisors**

 4120 Concours, Suite 100, Ontario, CA 91764  
 909.948.9990 / 800.644.0696 / FAX 909.948.9633  
 [gyl@gylcpa.com](mailto:gyl@gylcpa.com)  
 [www.gylcpa.com](http://www.gylcpa.com)

**CPA**America  
Member  Crowe Global



## Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

***GYL LLP***

Ontario, California  
August 8, 2022

**PROPOSAL FOR**  
**PROFESSIONAL AUDITING**  
**SERVICES**

**Prepared By:**  
Davis Farr LLP  
18201 Von Karman Ave | Suite 1100  
Irvine, CA 92612

**Contact Person:**  
Jonathan Foster, CPA | Partner  
Office: 949.474.2020 | Direct: 949.783.1744  
Email: [jfoster@davisfarr.com](mailto:jfoster@davisfarr.com)



**MARCH JOINT POWERS AUTHORITY**

14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

September 29, 2023

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### APPENDIX

Peer Review Documentation

**September 29, 2023**

March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

**Re: Proposal for Professional Auditing Services**

We are pleased to provide our proposal to perform auditing services to the March Joint Powers Authority (the "Authority") for the years ending June 30, 2023-25 with 2 option years.

Our service philosophy is one of open and constant communication, a proactive approach and responsive, value-added services. We will listen to your ideas and concerns and will bring creative solutions to you in both financial and other operational areas. We are aware that while the Authority has solicited numerous proposals, Davis Farr LLP would be your best selection for the following reasons which are set forth in greater detail in our proposal:

- We take a proactive leadership role in local government accounting and auditing issues. We serve on the Government Accounting and Audit Committee of the Cal CPA Society, the CSMFO Professional Standards Committee and are frequent speakers on technical topics at conferences and training events throughout California.
- We currently provide audit services to various government agencies throughout California, many of which include JPA's and various similar relationships. Our deep understanding of the issues facing California governments enables us to provide high quality audit services to the March Joint Powers Authority.
- We utilize data mining software to evaluate anomalies in your accounting data. This helps focus our auditors' attention on potential errors in the accounting records and transactions that could be more susceptible to fraud.

We appreciate the opportunity to share our credentials and look forward to developing our professional relationship. Our proposal remains a firm and irrevocable offer for 90 days for the fiscal years ending June 30, 2023 through 2027 and are committed to performing the work within the time period specified. I look forward to you contacting me so that I may answer any questions which you may have. You may contact me at (949) 783-1744.

Very truly yours,



**Jonathan Foster, CPA**  
Partner

## Section A – About Davis Farr LLP

**Background Information** – Davis Farr LLP is a full-service regional accounting firm that specializes in providing attest and advisory services to federal, state, and local governments as well as non-profit entities out of our Irvine and Carlsbad offices. This engagement would be serviced by our Irvine office. Our personnel have served governmental and non-profit entities for over 30 years. A breakdown of our government audit personnel by classification is located below.



**License to Practice in California** – Davis Farr LLP and all key personnel are licensed with the California State Board of Accountancy to practice as independent certified public accountants.

**Independence** – Davis Farr LLP is independent with respect to the March Joint Powers Authority as defined by U.S. General Accounting Office’s *Government Auditing Standards* and Generally Accepted Auditing Standards. Neither Davis Farr LLP nor the key personnel have any potential or real conflicts of interest.

**Insurance** – Davis Farr LLP has sufficient insurance coverage to meet or exceed the Authority’s requirements and will provide insurance certificates to the Authority prior to entering into a contract.

**Quality Control** – Davis Farr LLP and its Partners are members of the American Institute of Certified Public Accountants (AICPA) and is a member of the AICPA’s Government Audit Quality Center. Our firm is a voluntary participant in the AICPA Peer Review Program. Included in the appendix is our most recent Peer Review report where our firm received a *Pass*. A *Pass* demonstrates the highest level of quality control in a Peer Review. The Peer Review included a review of government engagements.

**Training** – Every professional of the firm must enroll in continuing professional education courses. Each person is required to take at least 80 hours of training over a two-year period including 24 hours a year specific to government accounting and audit topics. Courses cover a wide spectrum of professional and technical subjects, and include Fraud Auditing, Professional Ethics and Governmental Accounting and Auditing topics to help the practitioner maintain his/her professional expertise.

	Classification	Number of Employees
	<i>Partners</i>	7
	<i>Managers</i>	8
	<i>Supervisors</i>	4
	<i>Seniors</i>	17
	<i>Staff</i>	13
	<i>Administrative</i>	3
	<b><i>Total personnel</i></b>	<b>52</b>
		

## Professional Affiliations

**Government Audit Quality Center** – Davis Farr LLP is a member of the Government Audit Quality Center (GAQC). The GAQC promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. GAQC is a voluntary membership center for CPA firms and state audit organizations that perform governmental audits.

**National Registry of CPE Sponsors** – Davis Farr LLP is registered to provide continuing professional education through the National Association of State Board of Accountancy (NASBA). NASBA recognizes CPE program sponsors who provide continuing professional education programs in accordance with nationally recognized standards.

**Cal CPA** – Many of the CPAs employed by Davis Farr LLP are members of Cal CPA and regularly participate in chapter meetings, education, and events. Currently, Jennifer Farr and Jonathan Foster sit on the CalCPA Governmental and Accounting and Auditing Committee with Ms. Farr sitting as past chair of the committee.

**American Institute of CPAs** – Davis Farr LLP and the firm’s Partners are members of the American Institute of CPAs (AICPA). The AICPA develops standards for audits, provides educational guidance materials to its members, and monitors and enforces compliance with the profession’s technical and ethical standards.

**CSMFO** – The Partners of Davis Farr LLP are members of the California Society of Municipal Finance Officers (CSMFO), the statewide organization serving all California municipal finance professionals. Firm personnel regularly attend CSMFO Chapter Meetings and Conferences. The Partners of Davis Farr LLP are frequent presenters on accounting and auditing technical topics at Chapter Meetings, Annual Conferences, and online courses. **Currently, Jonathan Foster is an online instructor for CSMFO’s Capital Assets courses.**

**GFOA** – The Government Finance Officers Association (GFOA) enhances and promotes the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for the public benefit. The Partners of Davis Farr LLP are members of the Certificate of Achievement Program’s Special Review Committee. The Committee reviews Comprehensive Annual Financial Reports submitted to GFOA for the CAFR Award Program.



## Section B – Our Prior Experience Auditing Government Agencies

Davis Farr LLP is a leader in the local government sector throughout California. Currently, we service approximately 60 local, state, and federal government entities. Davis Farr LLP services routinely provided to our clients include, but are not limited to:



Our government expertise includes Cities, Special Districts, and other Governmental entities. Among the government agencies that the professionals of Davis Farr LLP have served recently are the following:

- City of Avalon
- City of Carlsbad
- City of Commerce
- City of Coronado
- City of Costa Mesa
- City of Dana Point
- City of Delano
- City of Encinitas
- City of Fontana
- City of Fountain Valley
- City of Garden Grove
- City of Huntington Beach
- City of Laguna Niguel
- City of Mission Viejo
- City of Poway
- City of Rancho Santa Margarita
- City of Santee
- City of Victorville
- County of Woodland
- County of Fresno Housing Authority
- County of San Diego
- Cucamonga Valley Water District
- Eastern Municipal Water District
- Hass Avocado Board
- Irvine Ranch Water District
- Leucadia Wastewater District
- Metropolitan Water District of Southern CA
- Municipal Water District of Southern CA
- Orange County LAFCO
- Oxnard Housing Authority
- Placer County Water Agency
- Salton Sea Authority
- San Diego County Water Authority
- San Diego Association of Governments
- San Diego LAFCO
- San Dieguito Riverpark Authority
- Sweetwater Authority
- Tahoe Regional Planning Agency
- Tahoe Transportation District
- Vallecitos Water District
- Walnut Valley Water District

## Section C – Client References

For your convenience, we have listed below references for audit work currently being performed by Davis Farr LLP personnel for several agencies throughout California. For each of the references, we currently serve as independent auditors and have served these clients for a number of years.

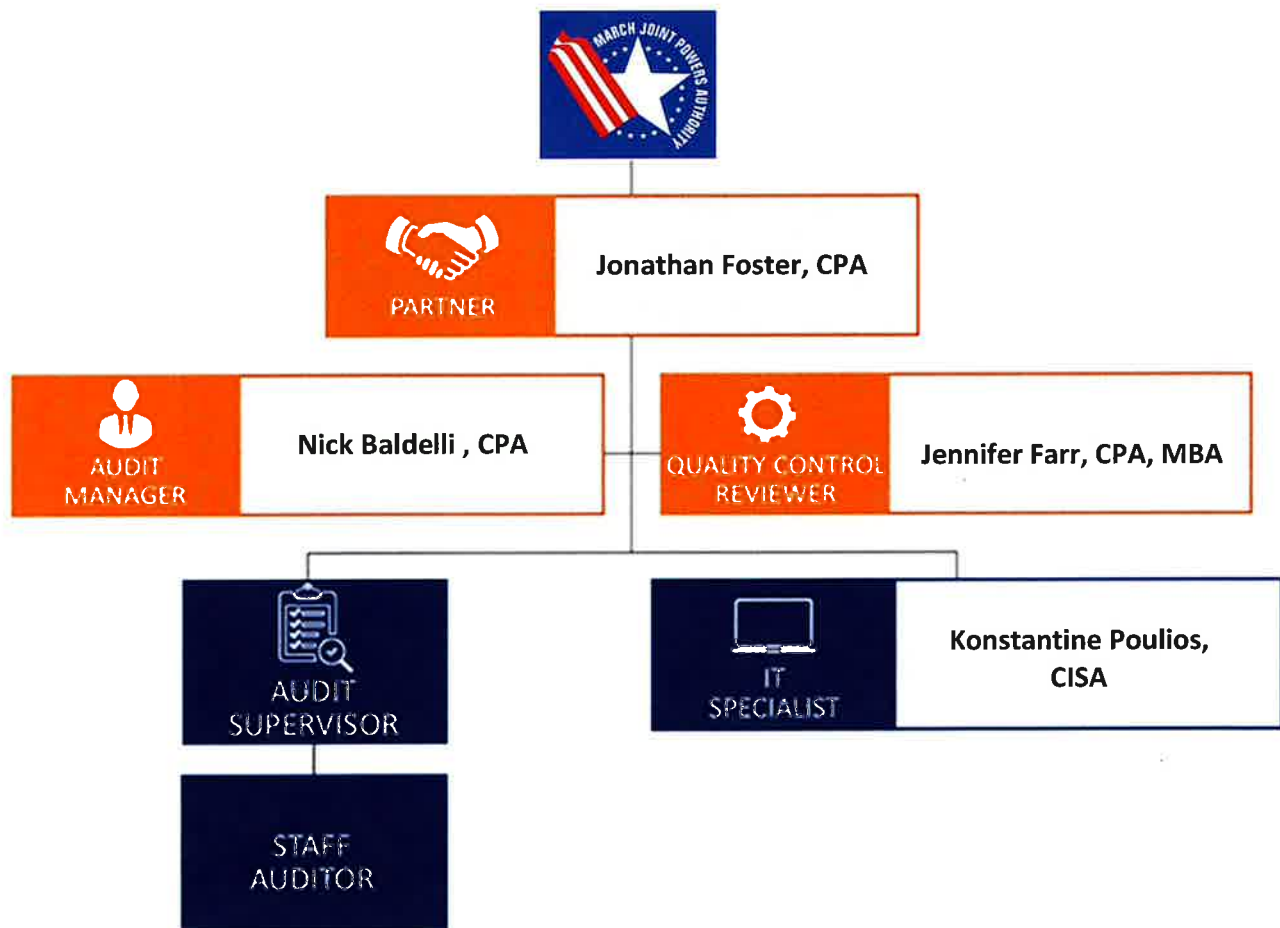
<b>CLIENT 1</b>	<b>City of Huntington Beach</b> 2000 Main Street   Huntington Beach, CA <b>Sunny Rief, Interim CFO</b> 714.536.5907 <a href="mailto:sunny.rief@surfcity-hb.org">sunny.rief@surfcity-hb.org</a>	<i>Financial Statement Audit of City, JPA Audit, Single Audit, Agreed-Upon Procedures engagements for Transient Occupancy Tax and Concessionaire compliance.</i>
<b>CLIENT 2</b>	<b>City of Fountain Valley</b> 10200 Slater Avenue   Fountain Valley, CA <b>Robin Harnish, Finance Manager</b> 714.593.4681 <a href="mailto:Robin.Harnish@fountainvalley.org">Robin.Harnish@fountainvalley.org</a>	<i>Financial Statement Audit of City, Measure HH Audit, Single Audit, Agreed-Upon Procedures.</i>
<b>CLIENT 3</b>	<b>City of Encinitas – San Dieguito WD</b> 505 S. Vulcan Avenue   Encinitas, CA <b>Teresa McBroome, Director of Finance</b> 760.633.2772 <a href="mailto:tmcbroome@encinitasca.gov">tmcbroome@encinitasca.gov</a>	<i>Financial Statement Audit of City</i>
<b>CLIENT 4</b>	<b>City of Garden Grove</b> 11222 Acacia Pkwy   Garden Grove, CA <b>Heidy Munoz, Accounting Supervisor</b> 714.741.5055 <a href="mailto:heidym@ggcity.org">heidym@ggcity.org</a>	<i>Financial Statement Audit of City, Housing Authority, Single Audit, Agreed-Upon Procedures engagements for Transient Occupancy Taxes, Franchise Taxes, and Revenue agreements.</i>
<b>CLIENT 5</b>	<b>City of Rancho Santa Margarita</b> 22112 El Paseo   Rancho Santa Margarita <b>Stefanie Turner, Finance Director</b> 949.635.1805 <a href="mailto:sturner@cityofrsm.org">sturner@cityofrsm.org</a>	<i>Financial Statement Audit, Single Audit.</i>



## Section D – Partner, Supervisory and Staff Qualifications and Experience

The successful outcome of any audit requires personnel with the managerial and technical skills to perform the work required. The engagement team who will serve the March Joint Powers Authority have served together as a team of professionals on numerous financial audit examinations of local government entities. While not anticipated, any personnel substitutions will be of equally qualified personnel.

We believe that efficient administrative management and supervision of the audits is an extremely critical factor in achieving the desired results for March Joint Powers Authority. In that regard, our proposal organizational structure for providing independent auditing services is as follows:





## Jonathan Foster, CPA

### *Partner*

Mr. Foster will serve as the *Engagement Partner* to the Authority. He has 17 years of audit experience with government agencies. The types of audits Mr. Foster are involved in include financial audits of cities and special districts and Single Audits in accordance with the Uniform Guidance. Mr. Foster is also a Budget reviewer for the CSMFO award and is a regular presenter at firm wide training and external training events as requested. Mr. Foster has presented at the annual 2019 and 2021 CSMFO conference regarding capital assets and teaches online courses for CSMFO.

#### Employment History

- Davis Farr LLP – Since 2015
- National CPA Firm – 9 years

#### Education

- Bachelor of Accountancy (University of San Diego)

#### Licenses / Registrations

- California CPA Certificate No. 117853

#### Professional Affiliations & Awards

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants
- Cal CPA Government Audit & Accounting Committee
- California Society of Municipal Finance Officers

### AUDITS OF SPECIAL DISTRICTS AND AGENCIES

- ✓ Big Bear Area Regional Wastewater
- ✓ Big Bear Community Facilities District
- ✓ Cucamonga Valley Water District
- ✓ East Orange County Water Agency
- ✓ Irvine Ranch Water District
- ✓ Municipal Water District of OC
- ✓ Orange County Sanitation District
- ✓ Placer County Water Agency
- ✓ Rancho California Water District
- ✓ San Bernardino Municipal Water Department
- ✓ San Diego Association of Governments
- ✓ Santiago Aqueduct Commission
- ✓ Saticoy Sanitary District
- ✓ Soquel Creek Water District
- ✓ Tahoe Truckee Sanitation Agency
- ✓ Trabuco Canyon Water District
- ✓ Valley Sanitation District
- ✓ Ventura Regional Sanitation District
- ✓ West Basin Municipal Water District

## Jonathan Foster, CPA

(continued)

### *Partner*

Mr. Foster has significant experience working with federal grant programs typically awarded to local governments. These federal awarding agencies include Department of Housing and Urban Development, Department of Homeland Security, Department of Energy, Department of Justice, Department of the Interior, Environmental Protection Agency, and the Executive Office of the President

Mr. Foster has also worked on various financial statement, compliance in SOC1 Type II audits (formerly SAS 70) for various commercial companies and Federal agencies.

### AUDITS OF CITIES

- ✓ City of Avalon
- ✓ City of Carlsbad
- ✓ City of Commerce
- ✓ City of Costa Mesa
- ✓ City of Dana Point
- ✓ City of Delano
- ✓ City of Fontana
- ✓ City of Huntington Beach
- ✓ City of Indian Wells
- ✓ City of Laguna Niguel
- ✓ City of Rancho Santa Margarita
- ✓ City of Santee

### AUDITS OF FEDERAL GOVERNMENT

- ✓ Centers for Medicare and Medicaid Services
- ✓ Special Inspector General for Afghanistan Reconstruction

### AUDITS OF COMMERCIAL ENTITIES

- ✓ Cal Domestic Water Company
- ✓ Cahaba GBA
- ✓ CGS Administrators LLC
- ✓ Delta Dental of Arizona
- ✓ DHS Consulting
- ✓ Montebello Land and Water Company
- ✓ Mutual Insurance Company of Arizona
- ✓ Sunnyslope Water Company

# Nick Baldelli, CPA

## Manager

Mr. Baldelli has ten years of experience in governmental accounting and financial reporting as a CPA. Mr. Baldelli spent 7 years in audit prior to working as the Accounting and Financial Reporting Supervisor for the Town of Gilbert. As Accounting and Financial Reporting Supervisor for the Town, Mr. Baldelli managed implementation of GASB 87 and 96 in addition to writing and updating existing procedures.

### Employment History

- Regional CPA Firm 2013-2020
- Town of Gilbert Arizona 2020-2023
- Davis Farr 2023 - Present

### Licenses / Registrations

- Certified Public Accountant

### Education

- University of North Carolina – Bachelor of Science in Accounting
- Dr. Bob Williams Award – For Leadership, Scholarship and Service

## AUDITS OF GOVERNMENT AGENCIES

- ✓ City of Mission Viejo
- ✓ Cucamonga Valley Water District
- ✓ Rutherford County
- ✓ Madison County
- ✓ Yancey County
- ✓ Haywood County
- ✓ Buncombe County
- ✓ Polk County
- ✓ Alleghany County
- ✓ Council of Aging of BC



## Jennifer Farr, CPA, MBA

### *Quality Control Reviewer*

Ms. Farr will serve as the Quality Control Reviewer on this audit. She will provide technical assistance to the audit teams, review audit reports and workpapers. Ms. Farr is a Certified Public Accountant with over 20 years of experience in local government auditing. Ms. Farr is a frequent speaker and author on matters pertaining to technical accounting and audit issues including new GASB pronouncements.

#### Employment History

- Davis Farr LLP – Founding Partner
- Shareholder – National CPA Firm

#### Education

- Bachelor of Arts in Business Administration & Accounting (California State University, Fullerton)
- Bachelor of Arts in English (California State University, Fullerton)
- Master of Business Administration (California State University, Fullerton)

#### Licenses / Registrations

- California CPA Certificate No. 76292, October 1998

#### Professional Affiliations & Awards

- California Society of Certified Public Accountants
- Government Accounting & Auditing Committee
  - Current Chair of Committee
- California Society of Municipal Finance Officers
- American Institute of Certified Public Accountants
- Government Finance Officers Association
  - Financial Review Committee

### **AUDITS OF SPECIAL DISTRICTS AND SPECIAL PURPOSE GOVERNMENTS**

- |   |  |
|---|--|
| ✓ Coachella Valley Assoc of Governments   | ✓ Rancho California Water District       |
| ✓ Cucamonga Valley Water District         | ✓ Salton Sea Authority                   |
| ✓ Eastern Municipal Water District        | ✓ San Diego Association of Governments   |
| ✓ Inland Empire Utilities Agency          | ✓ San Diego County Water Authority       |
| ✓ Irvine Ranch Water District             | ✓ Santa Rosa Regional Resources Auth     |
| ✓ Leucadia Wastewater District            | ✓ South Coast Water District             |
| ✓ Los Angeles Homeless Services Authority | ✓ Southern CA Association of Governments |
| ✓ Mesa Water District                     | ✓ Sweetwater Authority                   |
| ✓ Middle Fork Financing Authority         | ✓ Vallecitos Water District              |
| ✓ Moulton Niguel Water District           | ✓ Vista Irrigation District              |
| ✓ Orange County Sanitation District       | ✓ Walnut Valley Water District           |
| ✓ Orange County Water District            | ✓ West Basin Municipal Water District    |
| ✓ Cucamonga Valley Water District         | ✓ Yucaipa Valley Water District          |

## Konstantine Poullos, CISA

### *IT Specialist*



Konstantine Poullos, a Senior Manager with the firm, has over 20 years of experience in information technology audit, compliance, and consulting for the financial services, healthcare, and cloud services industries. Mr. Poullos has vast experience in the performance of System and Organization Controls (SOC) examinations for many commercial Information Technology companies nationwide. Mr. Poullos has also conducted information security reviews on financial systems based on ISO/IEC 27001, as well as assisted companies with the compliance of the Sarbanes-Oxley Act. Mr. Poullos will serve as the IT Auditor and Information Technology Specialists for the financial statements

audit.

#### Employment History

- Davis Farr LLP: February 2018 – Present
- TrueCar: 2015 – 2017
- Cornerstone OnDemand: 2014 - 2015
- Top 10 National CPA Firm: 2008 – 2014
- First Data Corporation: 2001 – 2007
- US OPM / OIG: 1998 – 2001

#### Education

- Bachelor of Science in Accounting, University of Scranton

#### Licenses / Registrations

- Certified Information Systems Auditor, Certificate No. 0126702

#### Professional Affiliations & Awards

- Information Systems Audit and Control Association (ISACA)

#### IT RISK ASSESSMENTS:

**Local Government IT Assessments** - Mr. Poullos assists the firm's financial statement auditors by reviewing information systems of our municipal clients and identifying and communicating IT risks to the auditors to assist the planning and risk assessment of the audit and communicated deficiencies and recommendations to the client.

**Los Angeles County Metropolitan Transportation Authority (METRO)** -Mr. Poullos served as the IT Manager on the Information Technology Risk Assessments. The Risk Assessment included a review of METRO Operations and the IT Organization to determine if Information Technology Services (ITS) is meeting the needs of the organization.

**IT Internal Audit / Compliance:** - Mr. Poullos served as an IT Internal Auditor/Consultant for nearly 10 years with First Data Corporation and the U.S. Office of Personnel Management. In addition, Mr. Poullos served as the Security Compliance Manager for over 3 years with Cornerstone OnDemand and TrueCar. Mr. Poullos performed information technology reviews based on ISO 27001 and the Federal Information System Controls Audit Manual (FISCAM), coordinated with internal/external audit and technology personnel in the performance of internal control projects (including SOC engagements), documented policies/procedures, reviewed third party security controls, performed user access reviews of SOX significant systems, and monitored internal vulnerabilities using third party tools (e.g., Nessus).

## Section E – Audit Approach

Davis Farr plans and conducts our engagements in the most efficient manner possible, and our audit approach is unique with regard to the following:

- Our firm is sensitive to the priorities and work requirements of our clients. We work around the schedules of our clients when scheduling segments of the audit or requesting documentation in order to minimize disruption of Authority staff and to complete the audit in a timely manner.
- Whenever possible, we use accounting support already prepared by the Authority staff to avoid duplication or unnecessary requests for audit supporting schedules. Typically, we request support for balance sheet items, the year ending trial balance and cash and long-term debt confirmations.
- Our firm's expertise is in governmental auditing. Our auditors are GASB experts and skilled at addressing audit issues that are specific to local governments. You will not spend time training our personnel.
- When formulating internal control recommendations, we obtain a thorough understanding of the specific circumstances at your Authority to provide a tailored, practical recommendation.
- Throughout the year we are a resource to our clients in providing accounting advice, researching technical questions, dealing with tax problems, and helping with other problems as they arise.

**Audit Software** - We utilize CaseWare audit software for the electronic workpapers. We have the ability to accept audit documentation in either hard copy or electronic format. CaseWare allows us the ability to import trial balances that can be provided in either excel or a text document. Some of the benefits of using CaseWare trial balance software are as follows:

- We create our own lead sheets (i.e., analytical review comparison schedules). This limits the amount of time finance staff spends creating audit schedules. Our software automatically generates analytical review reports by account number for ease of analyzing significant fluctuations between fiscal years.
- We can link the financial statement schedules directly to the CaseWare trial balances. Additionally, journal entries are easy to post to the financial statement schedules and the risk of data entry error is minimized.
- We can provide the Authority with reports showing the coding of the financial statement schedules for ease of review by Authority staff. These reports show each account coded to a specific financial statement line item as well as journal entries that are posted during the audit.

**Data Mining Software** - We have a dedicated team of personnel trained to use special data mining software, IDEA. Our software uses source data from your accounting system to search for anomalies, such as duplicate or voided checks, cross-referencing vendor addresses with employee addresses, detecting accounting transactions recorded on the weekend, reviewing journal entry postings for unauthorized individuals. The IDEA software identifies specific transactions for the auditors to review for potential fraud or error.

**Internal Control Evaluation** - Our approach to evaluating internal controls involves observation and inquiry. We spend time with the personnel responsible for the accounting cycles to gain an understanding of the processes. We also carefully evaluate your policies and procedures. After our initial evaluation, we identify key controls in your processes and design test to evaluate the effectiveness of those processes. In the initial year of the audit, we will focus on the following accounting cycles:

- Billing and cash receipting
- Capital assets
- Purchase and disbursements
- Payroll
- Investment and cash controls
- Information systems

In future years, we will review the accounting cycles noted above but also look at other processes such as credit card transactions, petty cash, inventory controls, offsite cash receipting, employee reimbursements, contract compliance, and other areas. Our goal is to modify our audit approach every year to further evaluate your internal controls.

Audit Stage	Procedures Performed
<b>Planning and Inquiry</b>	<p><b>During the planning phase of the audit, we plan to perform the following procedures:</b></p> <ul style="list-style-type: none"> <li>✓ Meet with finance personnel to obtain an understanding of significant transactions during the year.</li> <li>✓ Communicate with the Board of Directors regarding fraud, compliance with laws, and any concerns they have regarding the finances of the Authority.</li> <li>✓ Perform internal control evaluations as noted on the previous page.</li> <li>✓ Determine materiality levels that will be used in selecting audit transactions.</li> <li>✓ Perform a risk assessment to develop the audit plan for the year.</li> <li>✓ Review minutes of Board of Directors meetings.</li> <li>✓ Review important new contracts, bond documents, and agreements.</li> <li>✓ Evaluate compliance with investments.</li> <li>✓ Test purchase orders and contract management.</li> <li>✓ Test a sample of cash disbursements to determine adherence to policies and internal controls.</li> <li>✓ Perform a review of the organization’s information systems and controls.</li> <li>✓ Perform compliance testing of federal grants, as necessary.</li> <li>✓ Review the prior audited financial statements and provide feedback to Authority staff regarding best practices for financial reporting.</li> <li>✓ Provide a GASB Update and templates for implementing new accounting standards as needed.</li> </ul>
<b>Year-End Testing</b>	<p><b>After the books are closed and ready for audit, we will perform our year-end procedures which include the following:</b></p> <ul style="list-style-type: none"> <li>✓ Confirm 100% of all cash and investment balances and test market values provided by your investment custodians.</li> <li>✓ Test for proper cutoffs of accounts receivable and other receivables.</li> <li>✓ Test additions and deletions to capital assets. We will review depreciation expense for reasonableness.</li> <li>✓ Test current liabilities and perform a search for unrecorded liabilities.</li> <li>✓ Test the balances of accrued payroll and employee related liabilities.</li> <li>✓ Confirm long-term debt with independent parties.</li> <li>✓ In years of new debt issuances, we will review the journal entry to record the debt to ensure the accuracy of the accounting.</li> <li>✓ Testing of actuarial valuations and calculations related to OPEB obligations and disclosures under GASB 75.</li> <li>✓ Testing of actuarial valuations and calculations related to pension obligations and disclosures under GASB 68.</li> <li>✓ Testing of lease receivables and payable under GASB 87</li> <li>✓ Testing of SBITA’s in accordance with GASB 96</li> <li>✓ Evaluation of claims and judgments payable.</li> <li>✓ Testing of restrictions and classifications of net position.</li> <li>✓ Analytically and substantively test revenues and expense reported in the financial statements.</li> <li>✓ Analyze grant revenues and expenses, if any, to ensure proper matching within the fiscal year.</li> <li>✓ Test the reasonableness of interest income, realized, and unrealized gains/losses on investments.</li> <li>✓ Analytically and substantively test revenues and expenses reported in the financial statements.</li> <li>✓ We will incorporate an element of unpredictability every year that will focus on an audit area that is not typically considered a high or significant risk area such as petty cash, credit card purchases, new vendors, travel expenses, etc.</li> </ul>



Audit Stage	Procedures Performed
	<p>The aforementioned tests are only a few of the tests performed during the examination and by no means is it meant to be all inclusive. During the final stage of the audit, we will meet with Finance staff to review our audit findings and any adjusting journal entries.</p>
<p><b>Single Audit Approach</b></p>	<p><b>As part of our Single Audit for the years in which the Authority expends greater than \$750,000, we will perform the following procedures in accordance with the Uniform Guidance:</b></p> <ul style="list-style-type: none"> <li>✓ Perform an evaluation of the major programs required to be tested.</li> <li>✓ Review OMB guidance and the OMB Compliance Supplement for the grant program audited.</li> <li>✓ Review internal controls for each of the applicable 14 compliance areas for each program audited.</li> <li>✓ Using AICPA sampling guidance, we will select a sample for each of the applicable 14 compliance areas for each program audited. We will test the sample for compliance with those 14 areas.</li> <li>✓ Test the indirect cost rate, if applicable.</li> <li>✓ Review monitoring reports for noncompliance and follow up on the resolution of past noncompliance, if applicable.</li> <li>✓ Issue a single audit report of federal expenditures.</li> <li>✓ File the data collection form within the specified deadline.</li> </ul>
<p><b>Completion of the Audit</b></p>	<p><b>The nature and extent of the work required is dependent on our assessment of the likelihood of misstatements in the financial statements together with our conclusions from the planning and testing stages of the audit. All of the audit information is then used to reach a conclusion on whether the financial statements taken as a whole conform with generally accepted accounting principles.</b></p> <ul style="list-style-type: none"> <li>✓ We will review significant events after year end.</li> <li>✓ We will review attorney letters for significant legal matters.</li> <li>✓ We will meet with the Board of Directors to present the results of the audit.</li> </ul>

## Section F – Implementation of New GASB Pronouncements

The Authority will be required to implement the following accounting standards during the upcoming fiscal years. Part of our service to you includes consulting on these new auditing standards. A sampling of significant new GASB pronouncements planned or proposed for local governments that will impact the March Joint Powers Authority are listed below:

### **GASB 96: Subscription-Based Information Technology Arrangements**

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

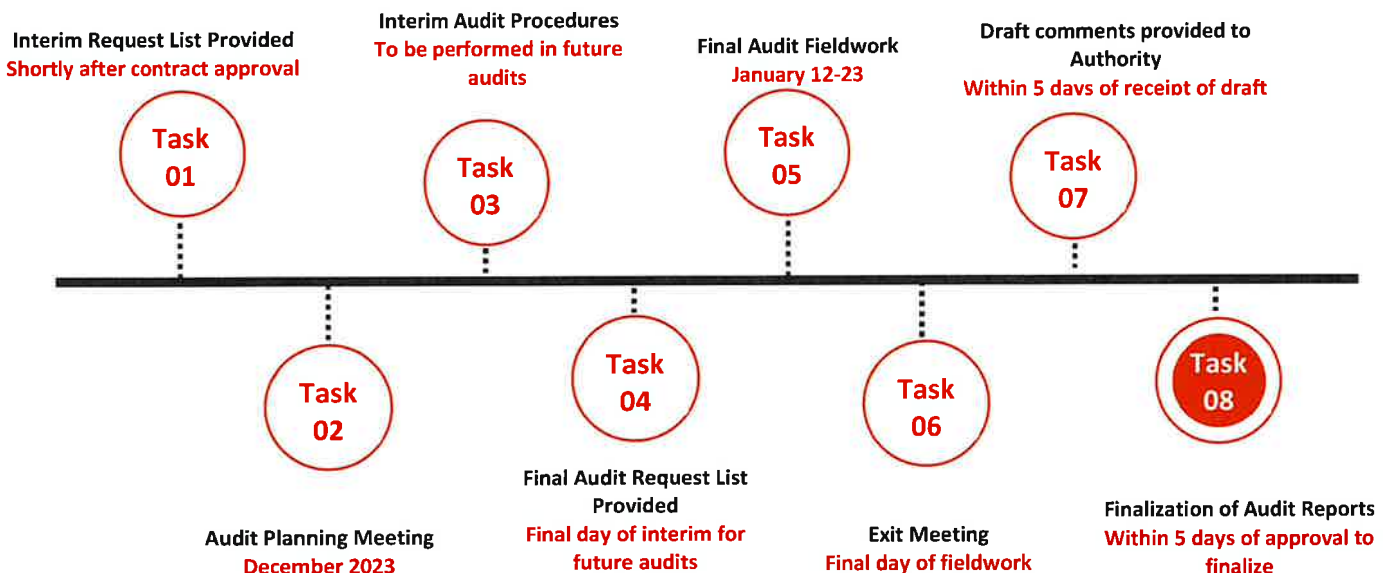
## Section G – Scope of Work

Our understanding of the objectives and scope of the work to be performed is as follows:

- We will perform an audit examination of the financial statements of the March Joint Powers Authority for the fiscal year ending June 30, 2023. Our examination will be conducted in accordance with generally accepted auditing standards, the AICPA Audit and Accounting Guide, Audits of State and Local Government Units, and the Government Auditing Standards issued by the Comptroller General of the United States. We will prepare the Annual Comprehensive Financial Report (ACFR). We will ensure that the report is prepared in conformity with the most recent edition of the GAAFR, the GAAFR Update, and subsequent GASB pronouncements.
- We will prepare a letter to the Board of Directors summarizing the audit results in accordance with the Codification of Auditing Standards Section 260.
- We will prepare a letter to the Board of Directors reporting matters dealing with internal control that meet the threshold of being a significant deficiency or material weakness, as defined by the Codification of Auditing Standards Section 265. We will immediately report any irregularities or illegal acts that come to our attention to management and/or those charged with governance.
- We will meet with the Board of Directors to discuss the results of the audit.
- Finally, we perceive the scope of our work as being advisors regarding generally accepted accounting principles. Throughout the year, the management and other finance personnel of the Authority will have access to us to seek advice in the application of generally accepted accounting principles, advice regarding debt issuance, financial statement preparation and content, and any other matters relating to the Authority. Each year, we will go over upcoming accounting standards in a meeting with Authority staff.

## Section H – Proposed Timing of the Audit for FY 2023

The following proposed timing is subject to revision and approval. Note that interim and final fieldwork will be performed in person by audit staff:



## Section I – Proposed Costs

	FY 2023	FY 2024	FY 2025	OPTION YEARS		Total
				FY 2026	FY 2027	
March Joint Powers Authority	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 76,510
March Inland Port Authority	8,000	8,160	8,323	8,489	8,659	24,483
March Joint Powers Utility Authority	5,000	5,100	5,202	5,306	5,412	15,302
Out-of-pocket expenses	-	-	-	-	-	-
<b>Total</b>	<b>\$ 38,000</b>	<b>\$ 38,760</b>	<b>\$ 39,535</b>	<b>\$ 40,325</b>	<b>\$ 41,132</b>	<b>\$ 116,295</b>
Single Audit, if applicable	\$ 5,000	\$ 5,100	\$ 5,202	\$ 5,306	\$ 5,412	\$ 15,302
Golf Course AUP	\$ 3,200	\$ 3,264	\$ 3,329	\$ 3,396	\$ 3,464	\$ 9,793

\* nominal 2% price increase for subsequent years

Additional work can be performed at the quoted rates, with 2% price increases in subsequent years

	Rate
Partner	\$ 185
Manager	\$ 155
Supervisor	\$ 135
Staff	\$ 115



A close-up photograph of a person's hand holding a gold pen, writing on a document. The document has some faint lines and text. A pair of glasses is visible on the left side of the frame. The word "APPENDIX" is overlaid in large, bold, red, sans-serif capital letters across the center of the image.

# APPENDIX



### Report on the Firm's System of Quality Control

**Davis Farr LLP**  
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

#### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### **CPAs • Advisors**

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Peer Review Report  
Page 2 of 2

**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

***GYL LLP***

Ontario, California  
August 8, 2022





**DavisFarr**  
CERTIFIED PUBLIC ACCOUNTANTS



**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

***MJPA Operations - Consent Calendar***  
***Agenda Item No. 8 (12)***

**Meeting Date:** December 13, 2023

**Action:** **AUTHORIZE ADVERTISEMENT OF REQUEST FOR PROPOSALS FOR LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1 (LLMD1) FOR TREE TRIMMING AND TREE REPLACEMENT SERVICES AND APPROVE A NOT-TO-EXCEED AMOUNT OF \$300,000 OF LLMD1 FUNDS FOR THE PROJECT**

**Proposed Motion:**

- Move to:
1. Authorize the Advertisement of Requests for Proposals for Landscaping and Lighting Maintenance District No. 1 (LLMD1) for Tree Trimming and Tree Replacement services,
  2. Approve a not-to-exceed amount of \$300,000 of LLMD1 Funds for the project, and
  3. Authorize the Chief Executive Officer to execute the contract.

Move to authorize staff to advertise a Request for Proposals (RFP) for Landscaping Lighting Maintenance District No. 1 (LLMD1) for tree replacement and trimming services.

**Background:**

The March JPA LLMD1 contains an estimated 40,000 trees throughout the North and South Campus streetscapes as well as on landscaped manufactured slopes and detention basins. These trees have only been selectively pruned since 2018/19.

Trees will be prioritized (by street and area) for trimming and replacement to maximize the available budget. Once bids are received and the lowest responsive contractor is identified, contract approvals will be scheduled for the Commission's consideration.

The engineer's estimate for this project is as follows:

<b>Item</b>	<b>Cost</b>
Tree Trimming	\$200,000
Tree Replacement-131 Trees @ \$420. Each	\$55,000
Contingencies and Soft Costs (15%)	\$45,000
<b>Total</b>	<b>\$300,000</b>

**Attachment:** None

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

***MJPA - Reports, Discussions and Action Items***  
***Agenda Item No. 9 (1)***

**Meeting Date:** December 13, 2023

**Report:** **TECHNICAL ADVISORY COMMITTEE MEETING**

**Motion:** Receive and file the monthly Technical Advisory Committee - Regular Meeting report for December 4, 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.

On December 4<sup>th</sup>, the TAC held its regular meeting and received updates that included, but were not limited to, the following items: 1) GP 23-02: March JPA Environmental Justice Element report, 2) US Vets Initiative Transitional Housing Program, 3) FAA ACIP update, 4) ROPS review, 5) 2023 March JPA Year-End Review; and 6) March Joint Powers Commission rolling calendar.

The March JPA Commission will receive a meeting summary from TAC Alternate Member, Michele Patterson.

**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:** December 13, 2023

**Report:** **RECEIVE AND FILE A REPORT ON GP 23-02: MARCH JPA ENVIROMENTAL JUSTICE ELEMENT**

**Motion:** Move to receive and file a report on GP 23-02: March JPA Environmental Justice Element.

**Background:**

March Joint Powers Authority (March JPA) is preparing an Environmental Justice Element to the March JPA General Plan. According to the State of California, Environmental Justice is defined as “the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.”

Upon completion, the Environmental Justice Element will be included as part of the March JPA General Plan, and it will reflect the agency’s commitment to reducing environmental burdens and ensuring all residents have the opportunity to access public facilities and services that improve their quality of life.

Consistent with the recently adopted 14th Amendment to the Joint Powers Agreement by and between the Cities of Moreno Valley, Perris, Riverside and the County of Riverside, the March Joint Powers Authority is planned to sunset on July 1, 2025. As the March JPA planning jurisdiction will be absorbed by Riverside County, with the County fully responsible for future land use reviews and approvals after July 1, 2025, March JPA is reviewing an Environmental Justice Element based on Riverside County’s adopted Environmental Justice Element.

The March JPA Environmental Justice Element would be applicable within the existing March JPA planning jurisdiction. Other nearby land, including the adjacent March Air Reserve Base and Riverside National Cemetery would not be subject to the provisions of the Environmental Justice Element.

In California, state law requires every local jurisdiction to prepare and adopt a comprehensive and long-range general plan to guide its growth and physical development. The General Plan provides a consistent framework for land use and development decisions in accordance with an established community vision. In 2016, the State of California passed

Senate Bill 1000 - the Planning for Healthy Communities Act requiring cities and counties to address environmental justice within their general plans.

**Environmental Justice Element will include objectives and policies:**

The March JPA Environmental Justice Element will include objectives and policies as required by Government Code section 65302(h) that have as a goal:

- a) Promote Civic Engagement
- b) Health Risk Reduction (e.g., Food Access, Safe and Sanitary Homes, Physical Activity, and Reduce Pollution exposure)
- c) Public Facilities and Health Care Facilities
- d) Other Environmental Justice Objectives (e.g., stormwater capture, solar and renewable energy, and implementation of climate action plans)

**Community Workshop:**

Community participation is an important component in the development of the March JPA's Environmental Justice Element. The March JPA will schedule workshops to provide opportunities for the public to participate in the development of the element.

During the development of the Environmental Justice Element, the March JPA will host the first of two workshops, identified below, to support the Environmental Justice Element planning process.

**Workshop 1: Tuesday, December 19, 2023, 6:30 – 8:00 PM at  
March Field Air Museum, 22550 Van Buren Boulevard, Riverside, CA 92518**

**CEQA:**

March JPA has completed a task order to contract with an environmental consulting firm to analyze and assist March JPA in the review of the March JPA Environmental Justice Element.

**SB 18 - Tribal Consultation:**

The Project includes amending the General Plan, thus, tribal consultation under SB 18 is required. On November 14, 2023, staff sent thirty letters to local Tribes to initiate consultation.

**ALUC Review:**

On October 26, 2023, the Riverside County Airport Land Use Commission issued a determination of consistency with the March ARB/IP Airport Compatibility Plan.

**Attachment(s):**

- 1. March JPA Planning Area Exhibit
- 2. Draft March JPA Environmental Justice Element (November 2023)



**GP 23-02 March JPA Environmental Justice Element**

Approximately 4,400 acres of the former March Air Force Base now within the March Joint Powers Authority

**GENERAL PLAN**  
*of the*  
**MARCH JOINT POWERS AUTHORITY**  
**Environmental Justice Element**

2<sup>nd</sup> Draft \ November 2023

# SECTION 7: ENVIRONMENTAL JUSTICE ELEMENT

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## SUMMARY

Under Government Code Section 65302(h), if a jurisdiction includes a disadvantaged community, an environmental justice element is a required element of that jurisdiction's general plan. The March JPA planning area is within a disadvantaged community (Census Tract 6065046700) as identified by CalEnviroScreen 4.0. Environmental Justice Element Exhibit 7-1 identifies that the full March JPA planning area is contained within a disadvantaged community. In addition, an irregular shaped portion of the City of Moreno Valley, generally located north of Cactus Avenue, south of Allesandro Boulevard and Cottonwood Avenue, east of Old 215 Road and Elsworth Street, and west of Frederick Street, is located within Census Tract 6065046700, but is not a part of March JPA and is not subject to the March JPA Environmental Justice Element. Finally, March Air Reserve Base and Riverside National Cemetery are within the same census tract, but Federal facilities and are not subject to the March JPA Environmental Justice Element.

This Environmental Justice Element incorporates the environmental justice policies of the County of Riverside Healthy Communities Element pursuant to Government Code Section 65301(a). The County environmental justice policies apply to the unincorporated territory within the County of Riverside. When March JPA's land use authority reverts back to the County on July 1, 2025, in accordance with 14<sup>th</sup> amendment to the March Joint Powers Agreement, the March JPA planning area will be recognized as unincorporated territory within the County of Riverside and subject to the County environmental justice policies. The County environmental justice element is sufficiently detailed, and its policies are appropriate to apply to the March JPA planning area in compliance with Government Code Sections 65301(a) and 65302(h).

The County Board of Supervisors adopted the environmental justice policies by Resolution 2021-182 on September 21, 2021.

## Background

The March JPA planning area is an approximate 4,500-acre area formerly part of March Air Force Base. This area was declared surplus as part of the 1996 Base Realignment and Closure Commission (BRAC) process and transferred to March JPA for reuse, redevelopment and/or joint use with the United States Air Force Reserve. The March JPA planning area includes two residential communities: (1) Green Acres, a 111-unit historic housing area originally part of the base and excessed to March JPA as part of the 1996 BRAC process; and (2) Westmont Village, an approximate 550-unit retirement community, originally developed as a continuum of care facility for retired military officers, and subsequently purchased and modified to a market rate housing development with a majority of senior citizens.

## Environmental Justice

Environmental justice is "the fair treatment of people of all races, cultures, and incomes with respect to development, adoption, implementation, and enforcement of environmental laws, regulations, and policies." (Gov. Code, § 65040.12). To this end, the state legislature approved Senate Bill (SB) 1000 in 2016 that

requires local general plans to address environmental justice and include related policy, if a “disadvantaged community” is identified within the area covered by the general plan. In order to fully address environmental justice, the general plans must include new or existing policies intended to: (1) reduce unique or compounded health risks in disadvantaged communities; (2) promote civic engagement in public decision-making process; and (3) prioritize improvements and programs that address the needs of disadvantaged communities. (Gov. Code, § 65302(h)).

A disadvantaged community or environmental justice community (“EJ Community”) is defined as a “low-income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation” or a geographic area that is identified by the California Environmental Protection Agency (“CalEPA”) based on the area’s socioeconomic, public health, and environmental hazard criteria. (Gov. Code, § 65302). Using an environmental health screening tool, CalEnviroScreen 4.0, CalEPA has identified and designated EJ Communities throughout the state that are burdened by multiple sources of pollution. The March JPA Planning Area is within a disadvantaged community (Census Tract 6065046700) as identified by CalEnviroScreen 4.0.

The goal of the Environmental Justice Element is to ensure the consideration of environmental justice policies, in order to improve public health and the environment within the March JPA Planning Area. Policies and new land use development proposed within the March JPA Planning Area will be evaluated for promoting all environmental justice policies. The land use entitlement process provides a key opportunity to address environmental justice policies through the creation of safe, healthy, and environmentally sustainable communities.

### **Application of Environmental Justice Policies**

The General Plan represents the build-out vision of March JPA. It not only addresses what March JPA envisions to be achieved from new development, it also provides a framework for the collective living and working environment of its residents. Policies applicable to new development will be implemented by March JPA. Other policies to be implemented require cooperation with non-profits, community-based organizations, foundations, other government agencies, as feasible.

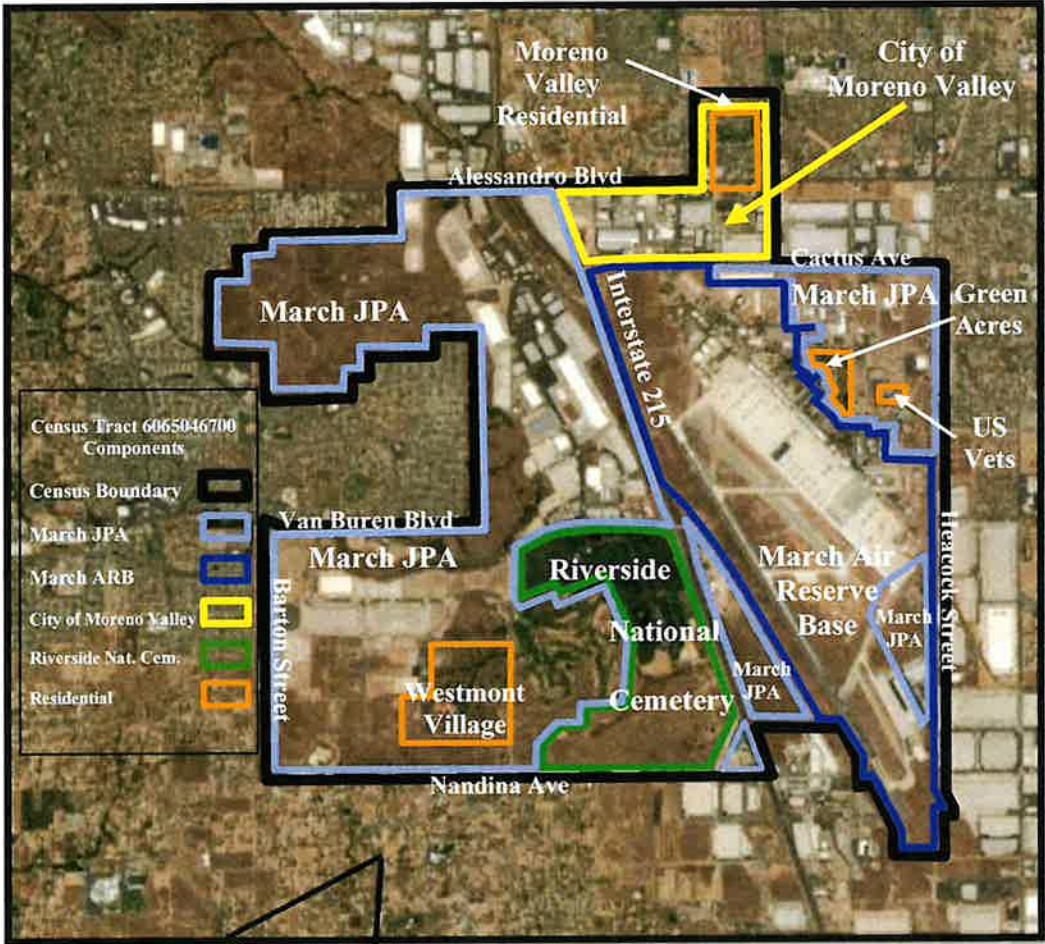
To be clear, the General Plan is a document consisting of goals and policies. Such goals and policies are evaluated as a continuum of direction within broad interpretation parameters. They are not regulations in the manner that a zoning code consists of regulations with which compliance must be achieved. Goals and policies are interpreted and if the direction set by the goal or policy is met, a level of compliance is achieved such that the direction set by the goal or policy is met within a continuum framework. EJ Policies are evaluated in the same manner as all other General Plan goals and policies - subject to interpretation with appropriate determinations of compliance.

In addition to the General Plan Amendment noticing requirements, future amendments to the Environmental Justice Element will be reviewed for comment and input with the residents of the March JPA Planning Area. Environmental justice policies address topics under the following categories:

**Civic Engagement:** this category includes policies that promote civic engagement in the decision-making process.



**Exhibit 7-1  
March JPA Planning Area Boundaries Within Census Tract 6065046700**



SB535 Disadvantaged Communities shown in red.  
See enlargement of Census Tract 6065046700.

**Health Risk Reduction:** this category addresses pollution prevention in the day to day living environment that are grouped under the following headings:

- Pollution Exposure
- Food Access
- Safe and Sanitary Homes
- Physical Activity

**Public Facilities:** this category includes policies that prioritize improvements and programs for public facilities.

- Health Care Facilities

**Other:** this category includes policies that do not fall under one of the above sections.

The objectives of these environmental justice policies are to increase civic engagement, reduce unique and compounded health risks, and prioritize improvements and programs for public facilities within EJ Communities. Meeting these objectives involves collaboration and coordination with the unincorporated communities and constituents, stakeholder groups, other government agencies, service districts, and the development community.

The environmental justice policies are provided below grouped under the headings discussed above.

### *Civic Engagement*

This category includes policies that promote civic engagement in the decision-making process.

#### **Policies:**

- HC 15.1 In coordination with community-based organizations and community members, develop an outreach and engagement plan using multiple means for increasing public awareness and participation in the local planning process in furtherance of environmental justice planning.
- HC 15.2 Encourage collaboration among the March JPA, county, community, and community-based organizations, as well as local stakeholders, and environmental justice focus groups in promoting environmental justice.
- HC 15.3 Work with local community-based organizations and environmental justice focus groups to promote civic engagement activities in furtherance of environmental justice as set forth in the General Plan and related programs established within environmental justice communities.
- HC 15.4 Coordinate with environmental groups, Native American tribal groups, the business community, special interests, county and non-county agencies and the general public in the

development of programs that effectively reduce greenhouse gas emissions and air pollution, and as applicable pursuant to the Community Air Protection Program (AB617).

- HC 15.5 Develop a sustainability plan for siting hazardous waste and hazardous materials facilities, including solid waste and recycling facilities, through the local planning processes utilizing public outreach and engagement pursuant to policies HC 15.1, HC 15.2 and HC 15.3. The plan shall increase waste reduction measures, address illegal dumping, and increase access and affordability to composting and recycling facilities.
- HC 15.6 Utilize multilingual staff personnel to assist in evacuation and short-term recovery activities and meeting general community needs.
- HC 15.7 Establish a far-ranging, creative, forward-thinking public education and community-oriented outreach campaign, to inform the environmental justice communities about the following in conjunction with implementation of policy HC15.1:
- a. Potential hazards.
  - b. The costs of not mitigating hazards and the health and environmental implications associated therewith
  - c. Facts about each hazard.
  - d. Methods to ameliorate health and environmental constraints.
  - e. Opportunities and constraints the March JPA has to address regarding environmental justice criteria.

### *Health Risk Reduction*

This category includes policies that work towards reducing unique and compounded health risks. The following policies address pollution exposure and access to food and encourage safe and sanitary homes and an environment conducive to engaging in physical activity.

#### **Pollution Exposure Policies:**

- HC 16.1 In cooperation with affected federal state, local agencies, county departments, and impacted community residents, monitor changes to the Salton Sea and other bodies of water that impact air quality and water quality and seek and pursue opportunities to address impacts to the maximum extent possible, and make public the data and other information related to the status of the effort.
- HC 16.2 Pursue funding and other opportunities from state, federal, and local government and non-government sources and allocate March JPA general funds to improve public health and limit pollution exposure and promote efforts to ameliorate environmental justice constraints in environmental justice communities.

- HC 16.3 Assist communities in seeking funding for community initiated clean air projects including the installation of on-site air monitoring equipment in areas of high exposure to air contaminants.
- HC 16.4 Pursue funding to connect low-income residents and communities to municipal water and wastewater services. In the interim, seek financial assistance for septic system repair in order to limit groundwater contamination by poorly maintained septic systems or to provide for connections to wastewater systems as a viable alternative if such systems can be made readily available.
- HC 16.5\* Evaluate the compatibility of unhealthy and polluting land uses being located near sensitive receptors including possible impacts on ingress, egress, and access routes. Similarly, encourage sensitive receptors, such as housing, schools, hospitals, clinics, and childcare facilities to be located away from uses that pose potential hazards to human health and safety.
- HC 16.6\* When developing and siting large scale logistics, warehouse and distribution projects, address the Good Neighbor Policy for Logistics and Warehouse/Distribution uses criteria adopted by the Board of Supervisors on November 19, 2019 and as may be subsequently amended.
- HC 16.7 Evaluate public and private facilities for health hazards or major sources of contamination and identify and implement alternatives for removal of contamination.
- HC 16.8 Evaluate creating a cap or threshold on the number of pollution sources within EJ communities and make recommendations thereon.
- HC 16.9 Explore the feasibility of creating a partnership with the South Coast Air Quality Management District (SCAQMD) to establish a mitigation program to reduce the impact of air pollution as well as assist with the implementation of air quality programs.
- HC 16.10\* Plan for compact development projects in appropriate locations, including in existing communities and the clustering of affordable and mixed income housing therein, that make the most efficient use of land and concentrate complementary uses in close proximity to transit or non-transit mobility options and advocate for expanded transit and non-transit mobility options to serve such areas.
- HC 16.11 Implement development of bicycle and pedestrian facilities to reduce dependency on fossil fuel-based transportation and pursue funding to implement mobility plans and projects.
- HC 16.12 Plan and implement complete streets which include sidewalks, greenbelts, and trails to facilitate use by pedestrians and bicyclists where such facilities are well separated from parallel or cross through traffic to ensure pedestrian and cyclist safety and rehabilitate/expand existing to achieve same or similar design features.
- HC 16.13 Provide buffer spaces and vegetative barriers between high-volume roadways/ transportation and train track corridors and sensitive land uses.

- HC 16.14\* Assure that sensitive receptors are separated and protected from polluting point sources, as feasible, including agricultural businesses that produce or use pesticides and chemical fertilizers.
- HC 16.15\* Assure that site plan design protects people and land, particularly sensitive land uses such as housing and schools, from air pollution and other externalities associated with industrial and warehouse development through the use of barriers, distance, or similar solutions or measures from emission sources when possible.
- HC 16.16\* Apply pollution control measures such as landscaping, vegetation, and green zones (in cooperation with the SCAQMD) and other materials, which trap particulate matter or control air pollution.
- HC 16.17 Landscape by planting of trees on a community basis that removes pollutants from the air, provides shade and decreases the negative impacts of extreme heat on the community.
- HC 16.18\* Promote new development that emphasizes job creation and reduction in vehicle miles traveled in job-poor areas and does not otherwise contribute to onsite emissions in order to improve air quality.
- HC 16.19 Promote reduction of vehicle miles traveled (VMT) by encouraging expanded multi-modal facilities, linkages between such facilities, and services that provide transportation alternatives, such as transit, bicycle and pedestrian modes.
- HC 16.20 Facilitate an increase in transit options. In particular, coordinate with adjacent municipalities, transit providers and regional transportation planning agencies in the development of mutual policies and funding mechanisms to increase the use of alternative transportation modes. All new development should contribute and invest in increasing access to public transit and multimodal active transportation infrastructure.
- HC 16.21 Require the creation of programs that increase carpooling and public transit use, decrease trips and commute times, and increase use of alternative-fuel vehicles and facilities supporting the use of such vehicles including charging stations.
- HC 16.22\* Discourage industrial uses which use large quantities of water in manufacturing or cooling processes that result in subsequent effluent discharges and encourage agricultural businesses to limit and reduce the production and use of pesticides and chemical fertilizers to the maximum extent possible thereby minimizing contaminated infiltration and runoff, including runoff to the Salton Sea and other standing bodies of water.
- HC 16.23\* Discourage industrial and agricultural uses which produce significant quantities of toxic emissions into the air, soil, and groundwater to prevent the contamination of these physical environments.

- HC 16.24\* Ensure compatibility between industrial development and agricultural uses and adjacent land uses. To achieve compatibility, industrial development and agricultural uses will be required to include criteria addressing noise, land, traffic and greenhouse gas emissions to avoid or minimize creating adverse conditions for adjacent communities.
- HC 16.25\* Require the conversion of mining operations into uses that are compatible with surrounding areas in accordance with the Surface Mining and Reclamation Act.
- HC 16.26 Enforce the land use policies and siting criteria related to hazardous materials and wastes through continued implementation of the programs identified in the County of Riverside Hazardous Waste Management Plan including the following:
- a. Ensure March JPA businesses comply with federal, state, and local laws pertaining to the management of hazardous wastes and materials including all Certified Unified Program Agency (CUPA) programs.
  - b. Require and promote the programs, practices, and recommendations contained in the Riverside County Hazardous Waste Management Plan, giving the highest waste management priority to the reduction of hazardous waste at its source.

**Food Access Policies:**

- HC 17.1 Cooperate with transit providers in the review of transit routes to provide service to jobs, shopping, schools, libraries, parks, healthcare facilities, grocery stores, markets, food distribution centers, and healthy restaurants that provide whole grain, low fat, low salt and fresh and cooked vegetable options. This policy must also coordinate with transit policies to ensure stronger connectivity and accessibility for residents.
- HC 17.2\* Orient buildings closer to streets or provide landscaped promenades that connect buildings to bus stops with routes that provide access to shopping centers, grocery stores, and areas where farmers markets are held.
- HC 17.3\* Encourage site design for new development to accommodate interior spaces for recreational and other neighborhood uses, such as community gardens and farmer’s markets in order to increase access to fresh and healthy foods; and to render such spaces convenient and available to neighboring streets, neighborhoods, and other nearby facilities to fill the void or lack of small grocery stores and increase access to fresh and healthy foods within EJ Communities.
- HC 17.4 Work with community organizations to develop a food recovery plan which minimizes wasting of edible food products prioritizing after school sites and other community centers as spaces to distribute recovered food.
- HC 17.5\* Encourage the development of diverse food establishments prioritizing mom and pop healthy food establishments and community kitchens for homemade foods to be sold in areas with a high concentration of fast-food establishments, convenience stores and liquor stores.

- HC 17.6\* Work with local farmers and growers to develop a program to provide affordable access to fruits and vegetables grown in the area to the EJ communities. Identify and establish the location of grocery stores, healthy corner stores, farmers markets all which carry a complement of healthy foods to be located in close proximity to transit nodes and other active transportation system links.
- HC 17.7\* Promote edible landscaping and community gardens for suitable public and private land as well as for residential and mixed-use projects.

**Safe and Sanitary Home Policies:**

- HC 18.1 Promote code compliance inspections to also identify any observed pollution sources or safety hazards and establish rehabilitation and weatherization programs to assist various housing types.
- HC 18.2 Identify funding sources for an education program for housing related hazards, such as lead, asbestos, mold and pests with guidance on how to upgrade these safely, including available assistance programs.
- HC 18.3 Assist and provide support to service agencies in their application for state and federal funding to upgrade water infrastructure, including wastewater and electric infrastructure giving priority to disadvantaged communities that have contaminated or vulnerable water sources.
- HC 18.4 In cooperation with service agencies, ensure that sources of potable water are protected from contamination. Codevelop plans for updating dated water infrastructure and have contingency plans for when contamination occurs under unforeseen circumstances. Develop and implement a water quality testing program applicable to small water systems and domestic wells.
- HC 18.5 In cooperation with service agencies, seek funding to develop the use of innovative potable water and wastewater systems in areas of diminished water quality.
- HC 18.6 In cooperation with service agencies, encourage the consolidation of public potable water systems or the extension of water service from existing systems, especially for communities that lack access to clean drinking water.
- HC 18.7\* Discourage industrial, agricultural and other land uses that may pollute and cause health conflicts with residential land uses either directly or indirectly. Ensure that community members are properly notified and involved in the decision-making process for new land use proposals.

- HC 18.8\* Work with the development community including small property and mobile home park owners so new residential development, particularly for low-income households, is designed to limit their exposure to high noise levels, pesticide and fertilizer exposure, dust pollution, and other potential impacts associated with adjacent industrial and agricultural uses.
- HC 18.9\* Encourage the location and design of new developments to visually enhance and not degrade the character of the surrounding area through consideration of the following concepts.
- a. Using design standards of the appropriate Specific Plan land use category.
  - b. Construction of structures in accordance with the requirements of March JPA's zoning, building, and other pertinent codes and regulations.
  - c. Require that an appropriate landscape plan be submitted and implemented for development projects subject to discretionary review.
  - d. Use of drought tolerant landscaping that incorporates adequate drought-conscious irrigation systems.
  - e. Application of energy efficiency through street configuration, building orientation, and landscaping to capitalize on shading and facilitate solar energy.
  - f. Application of water conservation techniques, such as groundwater recharge basins, use of porous pavement, drought tolerant landscaping, and water recycling, as appropriate.
  - g. Encourage innovative and creative design concepts.
  - h. Encourage the provision of public art that enhances the community's identity, which may include elements of historical significance and creative use of children's art.
  - i. Include consistent and well-designed signage that is integrated with the building's architectural character.
  - j. Provide safe and convenient vehicular access and reciprocal access between adjacent commercial uses.
  - k. Locate site entries and storage bays to minimize conflicts with adjacent residential neighborhoods.
  - l. Mitigate noise, odor, lighting, pollution exposure and other impacts on surrounding properties.
  - m. Provide and maintain landscaping in open spaces and parking lots.
  - n. As feasible, maximize landscape coverage with emphasis on drought-tolerant landscaping.
  - o. Preserve, as feasible, natural features, such as unique natural terrain, arroyos, canyons, and other drainage ways, and native vegetation, wherever possible, particularly where they provide continuity with more extensive regional systems.
  - p. Require, as feasible, that new development be designed to provide adequate space for pedestrian connectivity and access, recreational trails, vehicular access and parking, supporting functions, open space, and other pertinent elements.
  - q. Design parking lots and structures to be functionally and visually integrated and connected.
  - r. As feasible, site building access points along sidewalks, pedestrian areas, and bicycle routes, and include amenities that encourage pedestrian activity where such pass-through areas include wayfinding signage, street trees, grade, and lateral separation from roads, all with consideration given to adequate safety lighting, and landscape screening.



- s. Encourage safe and frequent pedestrian crossings and ensure that sidewalks and other pedestrian walkways provide continuity between land uses essential to a functional lifestyle, and as needed such sidewalks and pedestrian walkways should provide sufficient lighting and signage to ensure public safety.
- t. Encourage creation of a human-scale ground floor environment that includes public open areas that separate pedestrian space from auto traffic or where mixed, it does so with special regard to pedestrian safety.
- u. Recognize open space, including hillsides, arroyos, riparian areas, and other natural features as amenities that add community identity, beauty, recreational opportunities, and monetary value to adjacent developed areas.
- v. Manage wild land fire hazards in the design of development proposals located adjacent to natural open space.

HC 18.10 Work with local service and utility providers to monitor and expand the capacities of infrastructure and services in coordination with outside agencies and jurisdictions to ensure that growth does not exceed acceptable levels of service and that such capacity analysis also addresses the infrastructure and service needs of existing disadvantaged communities. Develop contingency plans for growing areas that are near or exceeding the current infrastructure capacity.

HC 18.11 In coordination with service agencies, limit or prohibit new development or activities in areas lacking water and access roads in the absence of a plan to address such deficiencies to meet the needs of both new development and within existing disadvantaged communities. Work with community partners and service agencies to establish future plans to meet needs for potential community growth in areas lacking water and road infrastructure.

HC 18.12\* Prioritize the development of safe and affordable housing in EJ Communities while at the same time minimizing the displacement of existing residents consistent with the March JPA Housing Element and the County Housing Element, Goal 2, Action 2.1h and as may be amended by the 6th Cycle Housing Element. Affordable housing projects should include various housing types that respond to community priorities and input.

HC 18.13 Plan for the removal or remediation of hazardous material from older homes and mobile homes including but not limited to asbestos and lead containing material.

**Physical Activity Policies:**

HC 19.1 Collaborate with the relevant agencies to promote opportunities to provide recreational facilities for residents, including bodies of water, as applicable, that are accessible via public transit and active transportation, including pedestrian friendly local roads with sidewalks and bikeways. Other projects and amenities should be developed as identified by community members.

HC 19.2\* Develop of high-quality parks, green space, hiking trails, recreational facilities and natural environments in areas where such facilities are lacking.

- HC 19.3 Promote pedestrian and bicycle access to parks and open space through infrastructure investments, education and improvements.
- HC 19.4 Promote the preparation of a pedestrian network plan that allows for safe travel between all areas and destinations of the community to include as feasible shade structures, street furniture, signage, and exercise areas such as par courses.
- HC 19.5 Paseos, pedestrian and bicycle paths should be provided between residential structures and nonresidential structures.
- HC 19.6\* Plan for a system of local trails that enhances recreational opportunities and connects with regional trails.
- HC 19.7\* Incorporate open space, community greenbelt separators, and recreational amenities into development areas in order to enhance recreational opportunities and community aesthetics to improve the quality of life.
- HC 19.8 Paseos and pedestrian/bicycle connections should be provided between the highest density residential uses and those nonresidential uses so that the local population can safely connect with ease. Alternative transportation mode connections should also be provided to the public facilities in the vicinity, including schools, libraries, and community facilities.
- HC 19.9 Pursue joint use agreements with school districts for park and recreational facility use, especially when access to comparable public facilities is not available.

*Public Facilities*

This category includes policies that prioritize improvements and programs for public facilities.

**Policies:**

- HC 20.1\* New development should provide for public services including but not limited to solar street lighting, shading structures at bus stops, other supporting infrastructure, and extension of trash and recyclables pickup routes.
- HC 20.2\* New development should promote convenient internal pedestrian circulation among land uses (existing and proposed) within each neighborhood and connecting with existing adjacent developed areas, and as applicable consistent with the Southern California Association of Governments Regional Transportation Plan/Sustainable Communities Strategy, and amendments thereto.
- HC 20.3 Enhance the quality of existing residential neighborhoods by including adequate maintenance of public facilities in the March JPA’s capital improvement program and requiring residents and landlords to maintain their properties in good condition and seek opportunities,

particularly funding, to enhance quality of life conditions in existing mobile home parks particularly those which are affected by deteriorating infrastructure and hardscape.

- HC 20.4\* New development and conservation land uses should not infringe upon existing essential public facilities and public utility corridors, which include county regional landfills, fee owned rights-of-way and permanent easements, whose true land use is that of public facilities.
- HC 20.5 In working with transit service providers and developers of residential projects, promote better and safer connections between residential areas and services to include local and regional transportation hubs as well as ancillary components such as sidewalks and shade structures as being associated with these connections for better access to parks, schools, and employment areas.
- HC 20.6 With the availability of funding and pursuant to health and safety considerations, ensure that surface drainage is properly captured and disposed and does not mix or otherwise interface with septic systems.
- HC 20.7 Ensure that health and safety facilities such as fire stations and sheriff substations are adequately sited, improved and staffed to serve affected communities. Identify which communities need services to be built in close proximity to reduce the amount of time it takes to respond to an emergency.
- HC 20.8 Review the location and extent of community recreational facilities to ensure maximum use by children and adults and use that information to develop new recreational facilities and opportunities for the community, including indoor and outdoor facilities.
- HC 20.9 Ensure that safe and potable drinking and cooking water is available in the EJ communities.

### **Health Care Facilities Policies**

This category encompasses the need for facilities to maintain community health.

- HC 21.1 Review and analyze the location of medical, dental and vision clinics and staffing to ensure that community health can be maintained for routine and complex health issues and ensure that facilities have cooperative agreements in place with similar facilities in the area. Locate interim facilities and mobile clinics until permanent facilities can be built.

### *Other EJ Related Policies*

This category includes policies not directly related to the SB1000 categories but will help improve the quality of life in EJ communities.

- HC 22.1 Increase coordination and collaboration with the implementation of existing climate action plans such as the county’s 2020 Climate Action Plan update, resilience action plans, mobility plans and AB 617 plans, as may be amended.
- HC 22.2 Develop a stormwater capture system in areas that do not have the appropriate curb and gutter infrastructure.
- HC 22.3 Work with community residents to identify a pathway for community solar projects and other renewable energy projects that do not harm the natural habitat, resources, and environment of the community.
- HC 22.4 Utilizing public outreach and engagement pursuant to policies HC 15.1, HC 15.2 and HC 15.3, update specific plans, and create new plans to be determined, located in the environmental justice communities adapting the polices contained herein to address local needs including in conjunction with the County’s development of an Unincorporated Communities Initiative.
- HC 22.5 New specific plans or existing specific plans that includes a substantial revision that are within “disadvantaged communities,” as identified by CalEPA should address Environmental Justice goals and include appropriate policies similarly to this section.

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

***MJPA - Reports, Discussions and Action Items***  
***Agenda Item No. 9 (3)***

**Meeting Date:** December 13, 2023

**Report:** RECEIVE AND FILE A REPORT ON THE ASSOCIATION OF DEFENSE COMMUNITIES (ADC) INSTALLATION INNOVATION FORUM (IIF) NOVEMBER 2023

**Motion:** Receive and file a report on the Association of Defense Communities (ADC) Installation Innovation Forum (IIF) November 2023

**Background:**

On September 27<sup>th</sup>, The Joint Powers Commission authorized Chair Conder, Vice Chair Delgado, and the Chief Executive Officer to attend the Association of Defense Communities (ADC) Installation Innovation Forum (IIF) on November 6<sup>th</sup> through November 8<sup>th</sup>, 2023.

The 2023 Association Defense Communities National Summit aimed to maximize the impact of America's defense communities to advance policies and ideas that address the key challenges facing installations, military families and the communities they call home.

The March Joint Powers Authority is the federally recognized local redevelopment agency for the March Air Force Base reuse plan and is a member of the Association of Defense Communities (ADC). The ADC's National Summit allowed JPA leaders to meet with key federal agencies that are a part of the Authority's annual legislative visits to Washington DC such as the Office of Local Defense Community Cooperation (OLDCC), and Air Force Reserve Command (AFRC).

This report is to provide an update to the Commission of conference meetings and outcomes.

**Attachment:** None

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS AUTHORITY**

***MJPA - Reports, Discussions and Action Items***  
***Agenda Item No. 9 (4)***

**Meeting Date:** December 13, 2023

**Report:** **RECEIVE AND FILE A YEAR-END REVIEW REPORT**

**Motion:** Receive and file a year-end review report.

**Background:**

The Chief Executive Officer will provide a report of March Joint Powers Authority accomplishments in 2023, with goals for 2024. Following is a summary of notable items:

**ACCOMPLISHMENTS SEPTEMBER 2023 – SEPTEMBER 2024**

1	Completed Sunset Planning negotiations:	Completed JPA Agreement Amendment #14 and Revenue Sharing Agreement for JPA Transition, yielding new property and sales taxes to cities annually starting 2023.
2	Improved Operations Efficiencies:	<p>Transitioned agency out of remote work to full-time in person services for businesses and the public.</p> <p>Restored critical relationships with the March Air Base and developers.</p> <p>Transitioned agency to in-person public meetings.</p> <p>Expand LLMD Area CIP to include airport Parcel D-2</p> <p>Streamlined Authority project reviews by removing unnecessary bureaucracies and cutting staff review times from 6 months to 10 business days.</p>
3	Initiated New Deals for the JPA/MIPAA	<p>Initiated negotiation process for fuel farm expansion following an emergency response on a fuel spill on the airport in July. Future revenues for airport.</p> <p>Facilitated Riverside County’s use of Allen Avenue for emergency access and completing review of Village West Drive Extension with VA. New MOU with Riverside County completed for funding and maintenance of VA underpass section. Water tank demo work to start October 2023.</p> <p>CA Army National Guard approved for \$500,000 to start assessment of the NOSC building for Sunburst Youth Leadership Program. Started July 2023.</p>
4	Completed Financial Deals for Authority:	<p>Third Amendment to the March LifeCare Campus DDA, yielding \$250,000 in revenue to the JPA general fund and needed public improvements to the Northeast corner.</p> <p>Closed a land sale to a Sycamore Canyon realty group, yielding \$4 million to MIPAA.</p>

5	Completed Financial Deals for Authority:	Negotiated revised DDA terms for West March area (all properties within MJPA, west of the I-215 freeway), yielding over \$100 million worth of financial benefits to communities to include \$80 million in land sales revenue deal. <ul style="list-style-type: none"> <li>- First \$15.5 Million distributed July 2023.</li> <li>- \$14 Million prior to July 1, 2025</li> </ul>
		Completed Outfall Channel Easement Agreement between March JPA, March Air Reserve Base, Hillwood and Riverside County Flood Control – \$2.1 million in annual lease revenues to MIPAA. 2023.
		Retain Green-Acres and adopt a military housing policy for March. Pursue DOD grant funding for energy infrastructure.
		Completed Lateral B Agreements for Riverside County Flood Control’s Perris Valley Drainage Plan – will completed March JPA’s regional flood project an approximate \$14 million benefit to March.
		Negotiated a new fire station (approx. \$10 million in value) in Meridian North Campus.

<b>PLANNING ITEMS 2023</b>	<b>DESCRIPTION</b>
Village West Drive Extension	MOU between County, MJPA and developer memorializing the terms of funding, construction and maintenance of the road extension and underpass.  Demolition of abandoned water tank in September 2023.
No Trucks Signage and Striping	Updated “No Trucks” Signage throughout the North and South Campus business parks and added “No Trucks” Striping to pavement at intersections where missing.
Bike Lane Striping and Signage	Added Bike lane striping and signage on Caroline Way and Gless Ranch Road in the South Campus to mitigate parking issues by trucks and vagrants.
Commercial Truck Enforcement	Sheriff conducted commercial truck enforcement in the South Campus in April and May 2023.
Temporary Use Permit	WMWD had an Open House in May 2023.
Home Occupation Permit	Permit issued to a Westmont Village resident to make candy from their home.
War Dog Memorial Park	Grand Opening in January 2023.
Seefried Building 2	Building permit issued in January 2023 for the construction of a 127,134 sf warehouse off Bundy Avenue in the South Campus.
Seefried Building 3	Building permit issued in February 2023 for the construction of a 53,085 sf warehouse off Bundy Avenue in the South Campus.
Fire Inspections	County to begin fire inspections of businesses starting 11/2023.

VIP 215 Project / Target Building 23000 Van Buren Boulevard	Certificate of Occupancy issued for the 1.8 million sq. ft., distribution warehouse, June 20, 2023 Performance Bonds released in October and November 2023.
Meridian West / Building 4 14089 Meridian Parkway	Building Permit issued for the approximately 81,000 sq. ft., industrial warehouse, April 10, 2023. The warehouse is on track to be completed during the First Quarter 2024.
Riverside Flood Control Easement Requests Perris Valley, Lateral B Stage 5	JPC approved construction and maintenance easements on March 22, 2023, and October 11, 2023.
Riverside County Fire Department Inspections	MJPA Staff prepared address lists for County Fire to start inspections of commercial and industrial businesses. Letters were sent out to all business regarding the inspections. Inspections started in early November 2023.
West Campus Upper Plateau	DEIR Circulated January 9, 2023, for public review. Recirculated draft EIR: re-circulated December 1, 2023, for public review.  West Campus Upper Plateau community meeting: held at March Field Air Museum, held February 9, 2023.
Public Safety Training in Northeast Corner	Right of Entry for Sheriff's Department: for training at former March Offices at 23555 Meyer Drive issued September 14, 2023.  Right of Entry for 452 <sup>nd</sup> Security Forces: for training at former March Offices at 23555 Meyer Drive issued Nov 20, 2023.
Landscaping and Lighting Maintenance District (West March) and Community Facilities District (Northeast Corner)	March JPA LLMD-1 Engineers Report, annexation of airport parcel D1, and annual levy approved June 14, 2023. March JPA Community Facilities District No. 2013-01 annual levy approved on June 14, 2023.



## GOALS FOR 2023-2024

	<u>Measure</u>	<u>Status</u>
1	Implement the 14 <sup>th</sup> Amendment to the JPA Agreement & Revenue Sharing Agreement between Member agencies – including hand off plan to County of Riverside	In Progress
2	Restructure Joint Powers Utility Authority into a March Inland Port Authority and partner with SoCal gas on MJPUA wind down	In Progress
3	Transition planning/implementation with County	In Progress
4	Complete West March Planning efforts – a) South Campus Planning/Permitting b) North Campus Planning/Permitting c) West March Upper Plateau	In Progress
5	Northeast Corner Planning – a) US Vets Plaza expansion b) March LifeCare DDA negotiations c) Zone 4 Planning	In Progress
6	Complete Airport Authority Parcel D-1 Agreement	In Progress
7	Complete the Airport Authority Airport Master Plan and Pavement Management Plan	In Progress
8	AF Village West Drive Extension to Nandina – with VA	In Progress
9	Airport Master Plan / Pavement Plan / FAA Compliance for Funding	In Progress
10	Complete NOSC Lease with National Guard for Sunburst Program	In Progress
11	Develop airport community partnership agreements with MARB for energy projects, airport management projects, etc.	Early discussions in progress
12	Establish Business Fire/Building Inspection Program	In Progress
13	Fuel Farm and GA Terminal expansions with Million Air	In Progress
14	Complete Meridian South Campus Developments	In Progress
15	Expand Foreign Trade Zone and establish a CBP office at the airport – potential partnership with other airports	Early discussions in progress
16	Establish a User Fee Airport	Early discussions in progress
17	Initiate Joint Use Agreement Amendments with Air Force	2024
18	Cactus Avenue Channel (transfer ROWs and establish MOUs with RCFCWCD)	Early discussions in progress
19	Riverside County Sheriff Aviation Ops relocation to March (Discussions Only)	Pending
20	Moreno Valley Park	Early discussions
21	Complete Parcel D-1 Ground Lease for new revenue to Airport	In Progress
22	Tri-Party Collaboration – IE Airports	In Progress

**Attachment:** None.

**MARCH JOINT POWERS COMMISSION**  
OF THE  
MARCH JOINT POWERS AUTHORITY

***MJPA - SA - Reports, Discussions and Action Items***  
***Agenda Item No. 10 (1)***

**Meeting Date:** December 13, 2023

**Report/Action:** **ADOPT RESOLUTION JPA-SA 23-01 A RESOLUTION OF THE SUCCESSOR AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2024 THROUGH JUNE 30, 2025, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(o)**

**Motion:** Move to adopt Resolution JPA-SA 23-01 a Resolution of the Successor Agency, approving and adopting a Recognized Obligation Payment Schedule (ROPS) for the period July 1, 2024 through June 30, 2025, pursuant to Health and Safety Code Section 34177(o).

**Background:**

The “enforceable obligations” listed in the ROPS may include the following: bonds; loans legally required to be repaid pursuant to a payment schedule with mandatory repayment terms; payments required by the federal government, pre-existing obligations to the state or obligations imposed by state law; judgments, settlements or binding arbitration decisions that bind the agency; legally binding and enforceable agreements or contracts; contracts or agreements necessary for the continued administration or operation of the agency, including agreements to purchase or rent office space, equipment and supplies; and amounts borrowed from or payments owed to the Low and Moderate Income Housing Fund of a redevelopment agency.

It should be noted that this ROPS covers an entire year instead of six months. The ROPS will be submitted to and duly approved by the Oversight Board (“Approved ROPS”). The Approved ROPS will then finally be submitted to the County Auditor-Controller, the State Controller’s office and the State Department of Finance and posted on the RDA Successor Agency’s website.

**Time is of the essence in that the ROPS is due to the State no later than February 1, 2024 or the Successor Agency will face penalties for each day it is late. The Oversight Board meeting to consider this ROPS is scheduled for January 18, 2024.**

**Attachment:** Resolution JPA-SA 23-01  
Exhibit A – Recognized Obligation Payment Schedule 2024/25.

**RESOLUTION JPA-SA 23-01**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED MARCH JOINT POWERS REDEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE, FOR THE PERIOD JULY 1, 2024 THROUGH JUNE 30, 2025, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(o)**

**WHEREAS**, pursuant to Health and Safety Code section 34173(d), the March Joint Powers Authority (“Successor Agency”) elected to ratify its decision to elect to become the successor agency to the March Joint Powers Redevelopment Agency by Resolution JPA 12-04, dated January 18, 2012; and

**WHEREAS**, Health and Safety Code section 34177(o) requires the Successor Agency to prepare a recognized obligation payment schedule (“ROPS”), covering the period from July 1, 2024 through June 30, 2025; and

**WHEREAS**, the ROPS must be approved by the Oversight Board to the Successor Agency and submitted to the Department of Finance no later than February 1, 2024; and

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE MARCH JOINT POWERS REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2. Approval of the ROPS.** The Successor Agency hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

**Section 3. Transmittal of the ROPS.** The Executive Director is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS, including submitting the ROPS to the Oversight Board to the Successor Agency, the County of Riverside Auditor-Controller, or its designee, the California State Controller, and the State of California Department of Finance, and posting the approved ROPS on the Successor Agency’s website.

**Section 4. Effectiveness.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the March Joint Powers Commission of the March Joint Powers Authority, serving as the successor agency to the March Joint Powers Redevelopment Agency on the 13<sup>th</sup> day of December, 2023.

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Chuck Conder, Chair  
March Joint Powers Authority Successor Agency Commission

**ATTEST:**

I, Cindy Camargo, Clerk of the Successor Agency March Joint Powers Authority Commission, California, do hereby certify that the foregoing Resolution JPA-SA 23-01 was duly and regularly adopted by the Commission of the Successor Agency March Joint Powers Authority at a regular meeting thereof held this 13<sup>th</sup> day of December, 2023, by the following called vote:

Ayes:

Noes:

Abstain:

Absent:

Date: December 13, 2023

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Cindy Camargo, Clerk  
March Joint Powers Authority Successor Agency Commission

**EXHIBIT A**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

**[Attached behind this page]**

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary  
Filed for the July 1, 2024 through June 30, 2025 Period**

**Successor Agency:** March Joint Powers  
**County:** Riverside

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>24-25A Total (July - December)</b>	<b>24-25B Total (January - June)</b>	<b>ROPS 24-25 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 2,230,061</b>	<b>\$ 125,000</b>	<b>\$ 2,355,061</b>
F RPTTF	2,105,061	-	2,105,061
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 2,230,061</b>	<b>\$ 125,000</b>	<b>\$ 2,355,061</b>

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date





**March Joint Powers**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
 (Report Amounts in Whole Dollars)

A	B	C				E			F	G	H
		Fund Sources				Reserve Balance	Other Funds				
		Bond Proceeds		Bonds issued on or after 01/01/11			Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Other Funds			
Bonds issued on or before 12/31/10		Bonds issued on or after 01/01/11				Reserve Balance	Other Funds	RPTTF	Comments		
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>										
1	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.										-
2	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller										2,497,031
3	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>										2,476,349
4	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)										
5	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC										No entry required
6	<b>Ending Actual Available Cash Balance (06/30/22)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)										\$-
											\$-
											\$-
											\$20,682

**March Joint Powers  
Recognized Obligation Payment Schedule (ROPS 24-25) - Notes  
July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
3	
4	
5	
10	
16	
19	
20	

**SUCCESSOR AGENCY to the  
MARCH JOINT POWERS REDEVELOPMENT AGENCY**

**ADMINISTRATIVE BUDGET  
for the Period July 1, 2024 through June 30, 2025**

**Salaries and Benefits** \$ 210,000  
Chief Executive Officer, Finance personnel, JPA Commision Clerk

**Professional Services**  
Audit, Financial, Bond Administration \$ 25,000

**Overhead Costs**  
Successor Agency Board, Other \$ 15,000

**Total Administrative Allocation** \$ 250,000

**MARCH JOINT POWERS COMMISSION**  
OF THE  
**MARCH INLAND PORT AIRPORT AUTHORITY**

***MIPAA Operations - Consent Calendar***  
***Agenda Item No. 11 (1)***

**Meeting Date:** December 13, 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. Staff is engaged with consultant in preliminary planning for highest and best use of available properties. Additionally, discussion continue on short-term priority infrastructure needs in addition to longer-term infrastructure demands based on projected growth factors. All of which are to be depicted on the Airport Layout Plan with a focus on projects funded by the FAA Capital Improvement Plan (CIP). The July PAC meeting involved input from various stakeholders regarding opportunities for development and infrastructure improvements at the airport. **Staff and consultant participated in a Master Plan “Working Session” on December 5, 2023.**

#### 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 3<sup>rd</sup> or early 4<sup>th</sup> 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. Project team continues its inspection and final sign-off on the job card. Van Buren extension is in place with just a few finishing items. Signage and landscape is in place and overall utilities are tested and complete. Hillwood is seeking a CO as soon as May 30, 2023, pending complete job card signatures and satisfaction of a remaining conditions of approval. On June 20, 2023, MJPA issued a Certificate of Occupancy (Building Shell Only), to Riverside Inland Development (Hillwood) for the Target Building. Work still continues on the building interior, consisting mainly of conveyor/racking systems. The interior work is estimated to be completed sometime during the month of August 2023. **Amendment to Perris Valley Flood Control & Drainage Project, Lateral B Project, Stage 5, Cooperative Agreement is on the 12/13/23 agenda for Commission consideration. The Developer (Riverside Inland Development, LLC) completed its required flood control and drainage facilities and facilities were accepted by the Riverside County Flood in June 2023.**

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 completed 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 ”raft 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 JOINT POWERS AUTHORITY**

***MIPAA Operations - Consent Calendar***  
***Agenda Item No. 11 (2)***

**Meeting Date:** December 13, 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 month of September 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 2023/24 budget.

Included in the financials are the quarterly Investment Policy Compliance Statement reports which includes the report provided by Citizens Trust for the quarter ending September 30, 2023.

**Attachment:**

- 1) Financial Status Reports for September 2023.
- 2) First Quarter 2023 Investment Policy Compliance Statement Reports

## *March Inland Port*

### **Balance Sheet General Fund – Fund 500 As of September 30, 2023**

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#### **ASSETS**

Cash In Bank	\$ 7,661,302.24
Investment Account	1,993,860.39
Accounts Receivable	6,234.41
Accounts Receivable - Leases	5,613,598.68
Fixed Assets	36,352.00
Improvements	27,679,399.45
Infrastructure	2,110,182.11
Accumulated Depreciation	(8,193,500.48)
Equipment	1,434.97
Land and Buildings	36,221,477.22
Deferred Outflows - Pension	122,511.31
Deferred Outflows - OPEB	59,076.00
	<hr/>
Total Assets	\$ 73,311,928.30

#### **LIABILITIES**

Debt to the JPA	2,687,896.35
Accounts Payable	138,773.71
Payroll Liabilities	187,351.17
Interest Payable	1,567,866.67
Net Pension Liability	234,389.76
OPEB Liability	4,012.00
Compensated Absences	131,778.20
Deferred Inflows - Pension	221,807.47
Deferred Inflows - OPEB	42,565.00
Deferred Inflows - Leases	5,613,598.68
	<hr/>
Total Liabilities	10,830,039.01

#### **FUND BALANCE**

Net Position, Beginning of Fiscal Year	61,963,060.75
Change in Fund Balance for the three months ending September 30, 2023	518,828.54
	<hr/>
Ending Net Position, September 30, 2023	62,481,889.29
	<hr/>
Total Liabilities and Net Position	\$ 73,311,928.30

**General Ledger  
Expenses vs Budget**



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

User: le@marchjpa.com  
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Period 03 - 03  
Fiscal Year 2024

Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% Avail
500	March Inland Port Fund	508,548.00	24,862.86	169,302.89	339,245.11	66.71
500-10-50100-05	Salaries and Wages	70,377.00	4,090.66	12,830.40	57,546.60	81.77
500-10-50100-10	Benefits	53,809.00	2,191.54	8,041.18	45,767.82	85.06
500-10-50100-15	PERS Contributions	8,288.00	389.89	2,523.28	5,764.72	69.56
500-10-50100-20	Medicare Tax	7,915.00	0.00	0.00	7,915.00	100.00
500-10-50100-30	Workers Compensation Ins.	54,605.00	0.00	0.00	54,605.00	100.00
500-10-50100-99	Unfunded Accrued Liab(UAL)	1,700.00	0.00	0.00	1,700.00	100.00
500-10-50150-02	Mileage Reimbursement	3,650.00	275.00	275.00	3,375.00	92.47
500-10-50150-06	PeriodicalsMemberships	5,000.00	1,750.00	1,750.00	3,250.00	65.00
500-10-50150-08	Education Training	5,000.00	0.00	0.00	5,000.00	100.00
500-10-50150-12	Travel	1,500.00	39.40	85.80	1,414.20	94.28
500-10-50150-16	Office Supplies	17,000.00	1,209.21	4,746.30	12,253.70	72.08
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	100.00	0.00	0.00	100.00	100.00
500-10-50150-24	Postage	28,000.00	0.00	22,982.44	5,017.56	17.92
500-10-50150-26	Liability Insurance - PERMA	250.00	0.00	0.00	250.00	100.00
500-10-50150-30	Printing - Outside	1,700.00	168.28	438.88	1,261.12	74.18
500-10-50150-32	Office Equipment Leases	8,000.00	1,567.83	1,942.58	6,057.42	75.72
500-10-50150-34	Office Equipment Maintenance	3,500.00	0.00	0.00	3,500.00	100.00
500-10-50150-36	Advertisement	1,000.00	0.00	0.00	1,000.00	100.00
500-10-50150-38	Production/Artwork	15,000.00	0.00	0.00	15,000.00	100.00
500-10-50150-40	Promotional Activities	0.00	0.00	0.00	0.00	0.00
500-10-50150-42	Bank Fees	4,600.00	378.01	1,244.10	3,355.90	72.95
500-10-50150-47	Office Rent	8,000.00	3,149.36	3,223.54	4,776.46	59.71
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	25,000.00	19,023.20	20,480.63	4,519.37	18.08
500-10-50200-02	General Legal Services	20,000.00	0.00	0.00	20,000.00	100.00
500-10-50200-04	Special Legal Services	15,000.00	0.00	84,762.64	-69,762.64	-465.08
500-10-50200-12	Environmental Review	10,000.00	0.00	0.00	10,000.00	100.00
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	0.00	0.00	35,000.00	100.00
500-10-50200-26	Aviation Planning	0.00	205.52	205.52	-205.52	0.00
500-10-50300-02	Furniture	2,000,000.00	0.00	0.00	2,000,000.00	100.00
500-10-50300-05	ARPA FAA Grant AIP 17	7,000.00	0.00	0.00	7,000.00	100.00
500-10-50300-06	Computer Hardware & Software	300,000.00	0.00	0.00	300,000.00	100.00
500-10-50300-12	Taxiway G Realignment					

Account Number	Description	Budget	Per Range Amt	End Bal	Variance	% Avail
500-20-51150-00	Property Insurance - PERMA	79,000.00	0.00	77,057.00	1,943.00	2.46
500-20-51155-00	Airside Liability Insurance	50,000.00	21,900.00	31,124.21	18,875.79	37.75
500-20-51200-00	Building Maintenance	20,000.00	894.00	5,426.01	14,573.99	72.87
500-20-51250-00	Grounds Maintenance	11,000.00	235.04	1,736.86	9,263.14	84.21
500-20-51300-00	Equipment Maintenance	2,000.00	0.00	0.00	2,000.00	100.00
500-20-51350-00	Utilities	16,000.00	1,165.40	1,882.38	14,117.62	88.24
500-20-52150-00	Ramp Maintenance	10,000.00	0.00	0.00	10,000.00	100.00
500-20-52175-00	Taxiway Maintenance	10,000.00	0.00	0.00	10,000.00	100.00
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
500-20-52350-00	Airport Equip. Rental	0.00	0.00	179.05	-179.05	0.00
500-20-54020-00	Vehicle Fuel/Main.Ins.	3,500.00	81.05	1,320.62	2,179.38	62.27
500-20-55000-00	Environmental Fees	22,000.00	0.00	0.00	22,000.00	100.00
500-20-55005-00	Fuel Service O & M	15,000.00	0.00	0.00	15,000.00	100.00
500-20-55010-00	Airfield OPS Maintenance	12,000.00	1,342.00	10,610.58	1,389.42	11.58
500-20-55015-00	Air Force Payments (JUA)	137,000.00	0.00	0.00	137,000.00	100.00
500-23-56005-00	TRAFFIC SIGNALS	15,000.00	0.00	0.00	15,000.00	100.00
500-23-56010-00	SIGNAGE	1,000.00	300.15	300.15	699.85	69.99
500-23-56015-00	LIGHTING	15,000.00	0.00	0.00	15,000.00	100.00
500-23-56020-00	LANDSCAPING	400,000.00	0.00	0.00	400,000.00	100.00
500-23-56025-00	Drainage	20,000.00	0.00	0.00	20,000.00	100.00
500-23-56030-00	Street Sweeping	10,000.00	0.00	0.00	10,000.00	100.00
500-23-56035-00	Graffiti Removal/Vandalism	5,000.00	0.00	0.00	5,000.00	100.00
Expense Total		4,969,740.00	85,218.40	464,472.04	4,505,267.96	90.654
Grand Total		4,969,740.00	85,218.40	464,472.04	4,505,267.96	0.9065

General Ledger  
Revenue vs Budget

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Period 03 - 03  
Fiscal Year 2024



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	-2,454,360.00	-206,078.91	-617,659.93	-1,836,700.07	25.17
500-00-40300-00	PERMIT FEES	-3,500.00	0.00	0.00	-3,500.00	0.00
500-00-40500-00	GRANTS/FEDERAL	-2,070,000.00	0.00	-121,284.00	-1,948,716.00	5.86
500-00-40600-00	INTEREST INCOME	0.00	-2,031.44	-1,551.44	1,551.44	0.00
500-00-40750-00	MISCELLANEOUS	0.00	0.00	-110.00	110.00	0.00
500-00-40799-00	GAIN/LOSS ON FV OF INVESTMENT	0.00	7,272.20	7,402.10	-7,402.10	0.00
500-00-44050-02	Fuel Flowage Fees	-570,888.00	-38,888.38	-38,888.38	-531,999.62	6.81
500-00-44050-04	Aircraft landing Fees	-481,010.00	-13,305.28	-112,752.08	-368,257.92	23.44
500-00-44050-14	Ramp Use Fees	-3,000.00	-155.68	-258.48	-2,741.52	8.62
500-00-44050-16	Security Fees	-13,000.00	0.00	0.00	-13,000.00	0.00
500-00-44050-18	Vendor Surcharges	-190,000.00	-6,285.41	-81,974.27	-108,025.73	43.14
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	-4,000.00	0.00	-5,623.00	1,623.00	140.58
	Revenue Total	<b>5,794,758.00</b>	<b>259,472.90</b>	<b>972,699.48</b>	<b>4,822,058.52</b>	<b>16,785.9</b>
	Grand Total	<b>5,794,758.00</b>	<b>259,472.90</b>	<b>972,699.48</b>	<b>4,822,058.52</b>	<b>0,167.9</b>

# Attachment 2

# March Inland Port Airport Authority Investment Quarterly Report Airport Fund September 30, 2023

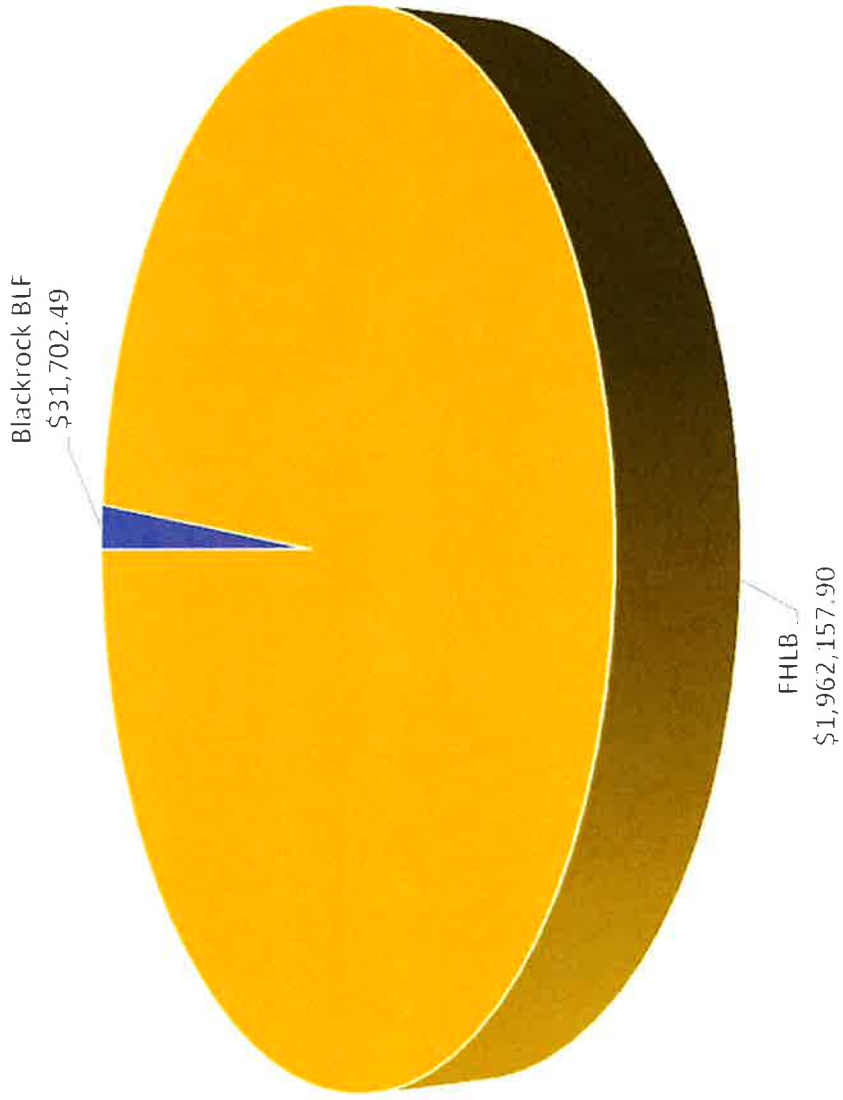
Type	Issuer	Coupon	CUSIP	Purchase Date	Maturity Date	Cost	Market Value
Cash & Cash Equivalents	BLACKROCK BLF LIQUIDITY FEDFUND		09248U700	On going	Open	\$ 31,702.49	\$ 31,702.49
Fixed Income							
US Government Agency	FEDERAL HOME LOAN BANK	5.450%	3130AWXH8		8/21/2024	\$ 570,000.00	\$ 568,215.90
	FEDERAL HOME LOAN BANK	5.250%	3130AWZM5		12/13/2024	\$ 499,800.00	\$ 498,935.00
	FEDERAL HOME LOAN BANK	5.625%	3130AWYV6		2/28/2025	\$ 500,000.00	\$ 497,395.00
	FEDERAL HOME LOAN BANK	5.400%	3130AWVL1		5/14/2025	\$ 399,760.00	\$ 397,612.00
	Total US Government Agency					\$ 1,969,560.00	\$ 1,962,157.90
	Total Fixed Income					\$ 1,969,560.00	\$ 1,962,157.90
	Total Assets					\$ 2,001,262.49	\$ 1,993,860.39

**Investment Policy Assertions**

- 2) All investment actions executed since the last Investment Report are in full compliance with the Investment Policy.
- 3) The March Joint Powers Authority has sufficient funds to meet its expenditures obligations for the next six months.

\_\_\_\_\_  
Dr Grace Martin  
Executive Director/Treasurer

**March Joint Powers Authority  
Airport Fund  
September 30, 2023**







March JPA (Consolidated 6 Accounts) as of September 30, 2023

Category	List of Categories for California Government Code Compliant Investments	Comment
MIPA Bonds	No limitations.	
Treasury Issues	No limitations, Faith and credit of the U.S. are pledged for the payment of principal and interest.	
California Issues	Securities issued by the State of California or any City or local agency in the state; must have at least an A rating by a NRSRO.	
Federal Agencies	Federal Agencies or U.S. Government -Sponsored Enterprise obligations, participants; or other instruments, including those by or fully guaranteed as to principal and interest by federal agencies or U.S. government-sponsored enterprises. No limitation on amount.	Complies
Bankers' Acceptance	A1 short-term rated or better by a NRSRO; or "A" long-term debt rating category or better by a NRSRO; 180 days maximum maturity. No CitizensTrust holdings.	
Commercial Paper	A-1 rating or better by a NRSRO; A long-term rating or better by NRSRO; 30% maximum; 270 days max maturity. Issuer must be a corporation organized and operating within the US and have at least \$500 total assets. No CitizensTrust holdings.	
Negotiable CDs	No rating required if under FDIC limit; if above limit, must have at least A-1 commercial paper rating and at least A long-term rating by an NRSRO; 30% maximum; Issued by a nationally or state-chartered bank, savings association or federal association, a state or federal credit union; or a foreign bank with a federal or state license.	
Repurchase Agreements	Securities underlying the repo agreement must have a market value of at least 102% of the funds borrowed against these securities. No CitizensTrust holdings.	
Medium-Term Notes	A rating category or better by a NRSRO; 30% maximum. Issued by corporations organized and operating within the US or by depository institutions licensed by the US or any state and operating within the US.	Complies
Money-Market Mutual Funds	Highest rating/AAA rating by two NRSROs; SEC-registered adviser with assets under management >\$500 million and experience >5 years; 20% maximum in money market mutual funds.	Complies
Trust Indentures	Funds held under the terms of a Trust Indenture or other contract/agreement may be invested according to its provisions. No CitizensTrust holdings.	
Collateralized Bank Deposits	Must be held in accordance with Uniform Commercial Code or applicable federal security regulations. No CitizensTrust holdings.	
Mortgage-Backed, Mortgage Pass-Through Securities, Collateralized Mortgage Obligations	"AA" rating category or better by a NRSRO; 20% maximum.	Complies
Local Agency Investment Fund (LAIF)	Client invests directly in this category.	
Other securities authorized under CGC sections 5922 & 53601.	No CitizensTrust holdings.	
Prohibited Investments	Inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero-interest accrual if held to maturity.	

Assets managed by CitizensTrust are in full compliance with California Government Code and Client investment policy.

 Represents investments currently in March JPA portfolios and in compliance.

 Represents investments currently in March JPA portfolios and not in compliance.

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH INLAND PORT AIRPORT AUTHORITY**

***MIPAA Operations - Consent Calendar***  
***Agenda Item No. 11 (3)***

**Meeting Date:** December 13, 2023

**Action:** **APPROVE SEPTEMBER 2023 FINANCIAL DISBURSEMENTS**

**Motion:** Move to approve the check disbursements for the month of September 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 September 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 September 2023 for the March Inland Port Airport Authority.

# Accounts Payable

## Checks by Date - Summary by Check Number

User: finance@marchjpa.com  
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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
5005051	frontier	Frontier Communications	09/18/2023	660.00
5005052	mgs	M.G.S.	09/18/2023	744.00
5005053	Million	Million Air, Riverside	09/18/2023	2,877.25
5005054	StaplesA	Staples Business Credit	09/18/2023	39.40
5005055	sce4	Southern California Edison	09/18/2023	868.46
5005056	wmwd	Western Municipal Water District	09/18/2023	427.09
5005057	WASTEM	WM Corporate Services, Inc.	09/18/2023	235.04
5005058	bankofam	Bank Of America	09/19/2023	2,230.52
5005059	bestbe	Best Best & Krieger, LLP	09/19/2023	12,005.60
5005060	DesignAi	Design Air, Inc.	09/19/2023	150.00
5005061	frontier	Frontier Communications	09/19/2023	5.59
5005062	Million	Million Air, Riverside	09/19/2023	81.05
5005063	bestbe	Best Best & Krieger, LLP	09/28/2023	7,017.60
5005064	frontier	Frontier Communications	09/28/2023	125.35
5005065	TrafficM	Traffic Management Products, Inc.	09/28/2023	300.15
5005066	BRIGHT	BrightView Landscape Services, Inc.	09/28/2023	1,342.00
5005067	CanonF	Canon Financial Services, Inc.	09/28/2023	168.28
5005068	TroyA	Troy Alarm Inc.	09/28/2023	296.94
5005069	wmwd2	Western Municipal Water District	09/28/2023	892.13
Report Total (19 checks):				<u>\$ 30,466.45</u>

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH INLAND PORT AIRPORT AUTHORITY**

***MIPAA Operations - Consent Calendar***  
***Agenda Item No. 11 (4)***

**Meeting Date:** December 13, 2023

**Action:** **APPROVE A PROFESSIONAL SERVICES AGREEMENT FOR SERVICES WITH DAVIS FARR LLP TO PROVIDE ANNUAL AUDITING SERVICES FOR MARCH INLAND PORT AIRPORT AUTHORITY AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE ANY RELATED DOCUMENTS**

**Motion:** Move to approve a Professional Services Agreement for services with Davis Farr LLP to provide annual auditing services for March Inland Port Airport Authority and authorize the Chief Executive Officer to execute any related documents.

**Background:**

At the August 9, 2023, March JPC meeting, the Commission authorized staff to solicit a Request for Proposal (RFP) from audit firms to perform the annual audit for all three agencies for the next five years, as well as agreed upon procedures each year for different functions at the golf course. Staff received three responses to the solicitation. Staff analyzed the submittals and created a matrix to aid the Finance Subcommittee with their review of the audit firms.

The total cost for a MIPAA audit is \$8,000. This approval is for the audit of Fiscal Year 2022/2023 only. The four subsequent years of the proposal are considered options and will be brought back to the Commission for action each year. This item appeared before the Finance Subcommittee on December 11, 2023, and the Technical Advisory Committee on December 13, 2023.

**Attachments:**

1. Engagement letter includes a MIPAA annual audit for \$8,000.
2. Proposal for Professional Auditing Services

**November 29, 2023**

**March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518**

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide March Joint Powers Authority, March Inland Port Airport Authority, and the March Joint Powers Utility Authority, (the "Entities").

You have requested that we audit the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the March Joint Powers Authority and the financial statements of the March Inland Port Airport Authority and the March Joint Powers Utility Authority, as of June 30, 2023, and for the year then ended and the related notes, which collectively comprise the Entities' basic financial statements as listed in the table of contents. In addition, we will audit the Entities' compliance over major federal award programs for the period ended June 30, 2023.

Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the Entities' major federal award programs. The objectives of our audit of the financial statements 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 auditing standards generally accepted in the United States of America (GAAS) and in accordance with Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and 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.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the Entities complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and Government Auditing Standards, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information ("RSI") such as management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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. As part of our engagement, we will apply certain

limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

March Joint Powers Authority

1. Management's Discussion and Analysis
2. Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
3. Schedule of Pension Plan Contributions
4. Schedule of Changes in the Net OPEB Liability and Related Ratios
5. Schedule of OPEB Plan Contributions
6. Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual Schedules

Supplementary information other than RSI will accompany the Entities' basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

1. Schedule of Expenditures of Federal Awards

**Data Collection Form**

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

**Auditor Responsibilities**

We will conduct our audits in accordance GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit*

*Requirements for Federal Awards* (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 Entities' internal control.<sup>2</sup> However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entities' ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

## **Reporting**

We will issue a written report upon completion of our audit of the Entities' basic financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including

the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

### **Audit of Major Program Compliance**

Our audit of the Entities' major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the Entities' compliance based on the audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Entities' compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Entities' major programs, and performing such other procedures as we considers necessary in the circumstances. The purpose of those procedures will be to express an opinion on the Entities' compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the Entities' internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the Entities' major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant



deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the Entities' major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

### **Management Responsibilities**

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit;
  - iii. Unrestricted access to persons within the Entities from whom we determine it necessary to obtain audit evidence.
  - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
  - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the Entities complies with the laws and regulations applicable to its activities;
- f. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
- g. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- h. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- i. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;

- j. For informing us of any known or suspected fraud affecting the Entities involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- k. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

### **Nonattest Services**

With respect to any nonattest services we perform,

*At the end of the year, we agree to perform the following:*

- *Propose adjusting or correcting journal entries detected during the audit, if applicable, to be reviewed and approved by the Entities' management.*

We will not assume management responsibilities on behalf of the Entities. However, we will provide advice and recommendations to assist management of the Entities in performing its responsibilities.

The Entities' management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the Entities with regard to tax positions taken in the preparation of the tax return, but the Entities must make all decisions with regard to those matters.

## Engagement Fees

Our fixed fees for the services previously outlined will be as follows:

March Joint Powers Authority	\$ 25,000
March Inland Port Airport Authority	8,000
March Joint Powers Utility Authority	5,000
Single Audit	<u>5,000</u>
	<u>\$ 43,000</u>

Additionally, our fees are dependent on the availability, quality, and completeness of the Entities' records and, where applicable, upon the Entities' personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Entities employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable.

### Other Engagement Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

**Jonathan Foster, CPA**, is the engagement partner responsible for supervising the engagement and signing the report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the Entities' significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Davis Farr LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Davis Farr LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement.

Very truly yours,



**Jonathan Foster, Partner**  
Davis Farr LLP

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The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

**March Joint Powers Authority**

By \_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_



## Report on the Firm's System of Quality Control

### **Davis Farr LLP**

and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **CPAs ■ Advisors**

 4120 Concourse, Suite 100, Ontario, CA 91764  
 909.948.9990 / 800.644.0696 / FAX 909.948.9633  
 [gyl@gylcpa.com](mailto:gyl@gylcpa.com)  
 [www.gylcpa.com](http://www.gylcpa.com)

**CPAmerica**  
Member  Crowe Global

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

***GYL LLP***

Ontario, California  
August 8, 2022

**PROPOSAL FOR**  
**PROFESSIONAL AUDITING**  
**SERVICES**

**Prepared By:**

Davis Farr LLP  
18201 Von Karman Ave | Suite 1100  
Irvine, CA 92612

**Contact Person:**

Jonathan Foster, CPA | Partner  
Office: 949.474.2020 | Direct: 949.783.1744  
Email: [jfoster@davisfarr.com](mailto:jfoster@davisfarr.com)



**MARCH JOINT POWERS AUTHORITY**

14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

September 29, 2023

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### **APPENDIX**

Peer Review Documentation



**September 29, 2023**

March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

**Re: Proposal for Professional Auditing Services**

We are pleased to provide our proposal to perform auditing services to the March Joint Powers Authority (the "Authority") for the years ending June 30, 2023-25 with 2 option years.

Our service philosophy is one of open and constant communication, a proactive approach and responsive, value-added services. We will listen to your ideas and concerns and will bring creative solutions to you in both financial and other operational areas. We are aware that while the Authority has solicited numerous proposals, Davis Farr LLP would be your best selection for the following reasons which are set forth in greater detail in our proposal:

- We take a proactive leadership role in local government accounting and auditing issues. We serve on the Government Accounting and Audit Committee of the Cal CPA Society, the CSMFO Professional Standards Committee and are frequent speakers on technical topics at conferences and training events throughout California.
- We currently provide audit services to various government agencies throughout California, many of which include JPA's and various similar relationships. Our deep understanding of the issues facing California governments enables us to provide high quality audit services to the March Joint Powers Authority.
- We utilize data mining software to evaluate anomalies in your accounting data. This helps focus our auditors' attention on potential errors in the accounting records and transactions that could be more susceptible to fraud.

We appreciate the opportunity to share our credentials and look forward to developing our professional relationship. Our proposal remains a firm and irrevocable offer for 90 days for the fiscal years ending June 30, 2023 through 2027 and are committed to performing the work within the time period specified. I look forward to you contacting me so that I may answer any questions which you may have. You may contact me at (949) 783-1744.

Very truly yours,



**Jonathan Foster, CPA**  
**Partner**

## Section A – About Davis Farr LLP

**Background Information** – Davis Farr LLP is a full-service regional accounting firm that specializes in providing attest and advisory services to federal, state, and local governments as well as non-profit entities out of our Irvine and Carlsbad offices. This engagement would be serviced by our Irvine office. Our personnel have served governmental and non-profit entities for over 30 years. A breakdown of our government audit personnel by classification is located below.

**License to Practice in California** – Davis Farr LLP and all key personnel are licensed with the California State Board of Accountancy to practice as independent certified public accountants.

**Independence** – Davis Farr LLP is independent with respect to the March Joint Powers Authority as defined by U.S. General Accounting Office’s *Government Auditing Standards* and Generally Accepted Auditing Standards. Neither Davis Farr LLP nor the key personnel have any potential or real conflicts of interest.

**Insurance** – Davis Farr LLP has sufficient insurance coverage to meet or exceed the Authority’s requirements and will provide insurance certificates to the Authority prior to entering into a contract.

**Quality Control** – Davis Farr LLP and its Partners are members of the American Institute of Certified Public Accountants (AICPA) and is a member of the AICPA’s Government Audit Quality Center. Our firm is a voluntary participant in the AICPA Peer Review Program. Included in the appendix is our most recent Peer Review report where our firm received a *Pass*. A *Pass* demonstrates the highest level of quality control in a Peer Review. The Peer Review included a review of government engagements.

**Training** – Every professional of the firm must enroll in continuing professional education courses. Each person is required to take at least 80 hours of training over a two-year period including 24 hours a year specific to government accounting and audit topics. Courses cover a wide spectrum of professional and technical subjects, and include Fraud Auditing, Professional Ethics and Governmental Accounting and Auditing topics to help the practitioner maintain his/her professional expertise.

	Classification	Number of Employees
	Partners	7
	Managers	8
	Supervisors	4
	Seniors	17
	Staff	13
	Administrative	3
	<b>Total personnel</b>	<b>52</b>
		

## Professional Affiliations

**Government Audit Quality Center** – Davis Farr LLP is a member of the Government Audit Quality Center (GAQC). The GAQC promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. GAQC is a voluntary membership center for CPA firms and state audit organizations that perform governmental audits.

**National Registry of CPE Sponsors** – Davis Farr LLP is registered to provide continuing professional education through the National Association of State Board of Accountancy (NASBA). NASBA recognizes CPE program sponsors who provide continuing professional education programs in accordance with nationally recognized standards.

**Cal CPA** – Many of the CPAs employed by Davis Farr LLP are members of Cal CPA and regularly participate in chapter meetings, education, and events. Currently, Jennifer Farr and Jonathan Foster sit on the CalCPA Governmental and Accounting and Auditing Committee with Ms. Farr sitting as past chair of the committee.

**American Institute of CPAs** – Davis Farr LLP and the firm’s Partners are members of the American Institute of CPAs (AICPA). The AICPA develops standards for audits, provides educational guidance materials to its members, and monitors and enforces compliance with the profession’s technical and ethical standards.

**CSMFO** – The Partners of Davis Farr LLP are members of the California Society of Municipal Finance Officers (CSMFO), the statewide organization serving all California municipal finance professionals. Firm personnel regularly attend CSMFO Chapter Meetings and Conferences. The Partners of Davis Farr LLP are frequent presenters on accounting and auditing technical topics at Chapter Meetings, Annual Conferences, and online courses. **Currently, Jonathan Foster is an online instructor for CSMFO’s Capital Assets courses.**

**GFOA** – The Government Finance Officers Association (GFOA) enhances and promotes the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for the public benefit. The Partners of Davis Farr LLP are members of the Certificate of Achievement Program’s Special Review Committee. The Committee reviews Comprehensive Annual Financial Reports submitted to GFOA for the CAFR Award Program.



## Section B – Our Prior Experience Auditing Government Agencies

Davis Farr LLP is a leader in the local government sector throughout California. Currently, we service approximately 60 local, state, and federal government entities. Davis Farr LLP services routinely provided to our clients include, but are not limited to:



Our government expertise includes Cities, Special Districts, and other Governmental entities. Among the government agencies that the professionals of Davis Farr LLP have served recently are the following:

- City of Avalon
- City of Carlsbad
- City of Commerce
- City of Coronado
- City of Costa Mesa
- City of Dana Point
- City of Delano
- City of Encinitas
- City of Fontana
- City of Fountain Valley
- City of Garden Grove
- City of Huntington Beach
- City of Laguna Niguel
- City of Mission Viejo
- City of Poway
- City of Rancho Santa Margarita
- City of Santee
- City of Victorville
- County of Woodland
- County of Fresno Housing Authority
- County of San Diego
- Cucamonga Valley Water District
- Eastern Municipal Water District
- Hass Avocado Board
- Irvine Ranch Water District
- Leucadia Wastewater District
- Metropolitan Water District of Southern CA
- Municipal Water District of Southern CA
- Orange County LAFCO
- Oxnard Housing Authority
- Placer County Water Agency
- Salton Sea Authority
- San Diego County Water Authority
- San Diego Association of Governments
- San Diego LAFCO
- San Dieguito Riverpark Authority
- Sweetwater Authority
- Tahoe Regional Planning Agency
- Tahoe Transportation District
- Vallecitos Water District
- Walnut Valley Water District

## Section C – Client References

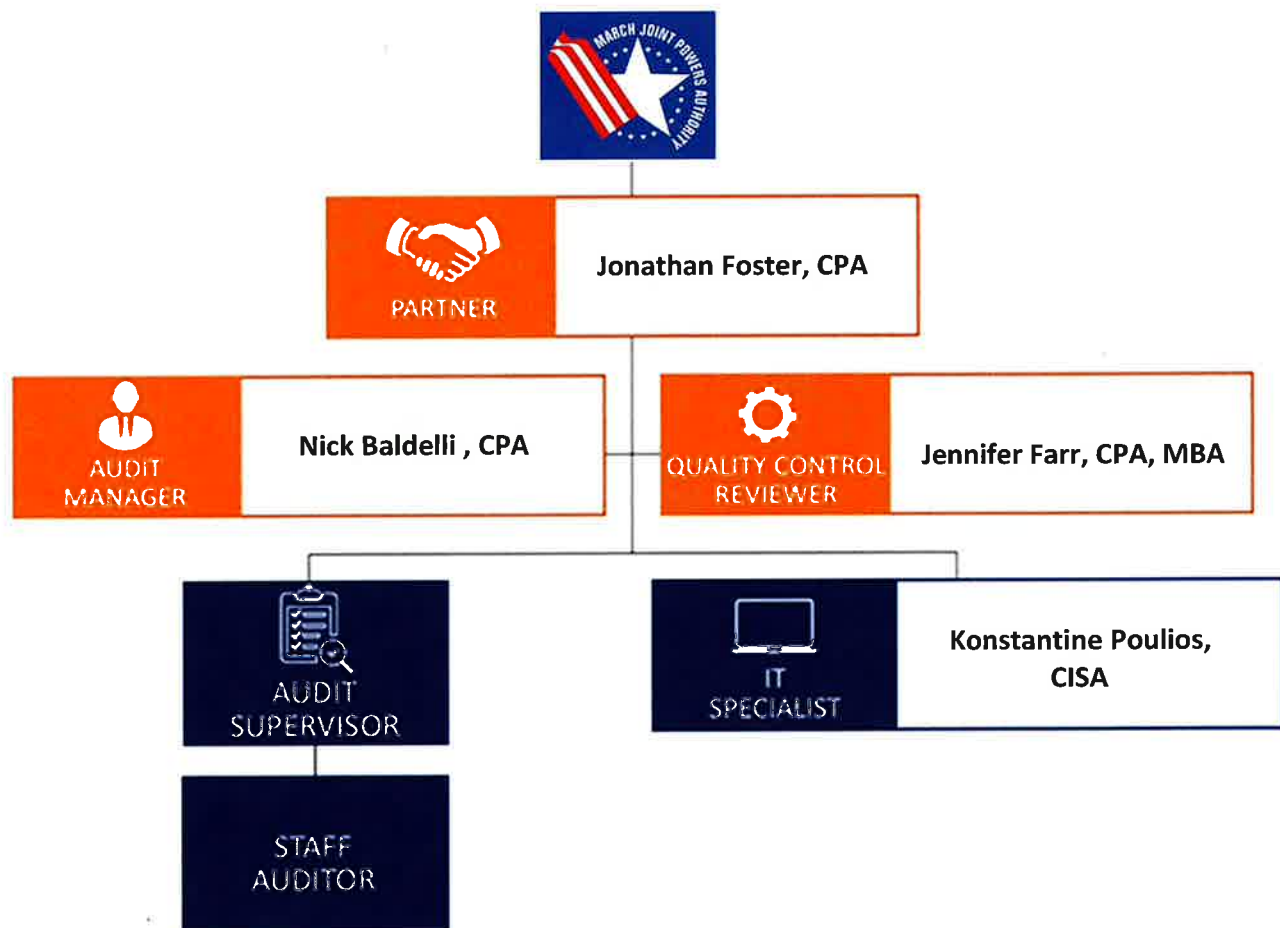
For your convenience, we have listed below references for audit work currently being performed by Davis Farr LLP personnel for several agencies throughout California. For each of the references, we currently serve as independent auditors and have served these clients for a number of years.

<b>CLIENT 1</b>	<b>City of Huntington Beach</b> 2000 Main Street   Huntington Beach, CA  <b>Sunny Rief, Interim CFO</b> 714.536.5907 <a href="mailto:sunny.rief@surfcity-hb.org">sunny.rief@surfcity-hb.org</a>	<i>Financial Statement Audit of City, JPA Audit, Single Audit, Agreed-Upon Procedures engagements for Transient Occupancy Tax and Concessionaire compliance.</i>
<b>CLIENT 2</b>	<b>City of Fountain Valley</b> 10200 Slater Avenue   Fountain Valley, CA  <b>Robin Harnish, Finance Manager</b> 714.593.4681 <a href="mailto:Robin.Harnish@fountainvalley.org">Robin.Harnish@fountainvalley.org</a>	<i>Financial Statement Audit of City, Measure HH Audit, Single Audit, Agreed-Upon Procedures.</i>
<b>CLIENT 3</b>	<b>City of Encinitas – San Dieguito WD</b> 505 S. Vulcan Avenue   Encinitas, CA  <b>Teresa McBroome, Director of Finance</b> 760.633.2772 <a href="mailto:tmcbroome@encinitasca.gov">tmcbroome@encinitasca.gov</a>	<i>Financial Statement Audit of City</i>
<b>CLIENT 4</b>	<b>City of Garden Grove</b> 11222 Acacia Pkwy   Garden Grove, CA  <b>Heidy Munoz, Accounting Supervisor</b> 714.741.5055 <a href="mailto:heidym@ggcity.org">heidym@ggcity.org</a>	<i>Financial Statement Audit of City, Housing Authority, Single Audit, Agreed-Upon Procedures engagements for Transient Occupancy Taxes, Franchise Taxes, and Revenue agreements.</i>
<b>CLIENT 5</b>	<b>City of Rancho Santa Margarita</b> 22112 El Paseo   Rancho Santa Margarita  <b>Stefanie Turner, Finance Director</b> 949.635.1805 <a href="mailto:sturner@cityofrsm.org">sturner@cityofrsm.org</a>	<i>Financial Statement Audit, Single Audit.</i>

## Section D – Partner, Supervisory and Staff Qualifications and Experience

The successful outcome of any audit requires personnel with the managerial and technical skills to perform the work required. The engagement team who will serve the March Joint Powers Authority have served together as a team of professionals on numerous financial audit examinations of local government entities. While not anticipated, any personnel substitutions will be of equally qualified personnel.

We believe that efficient administrative management and supervision of the audits is an extremely critical factor in achieving the desired results for March Joint Powers Authority. In that regard, our proposal organizational structure for providing independent auditing services is as follows:





## Jonathan Foster, CPA

### *Partner*

Mr. Foster will serve as the *Engagement Partner* to the Authority. He has 17 years of audit experience with government agencies. The types of audits Mr. Foster are involved in include financial audits of cities and special districts and Single Audits in accordance with the Uniform Guidance. Mr. Foster is also a Budget reviewer for the CSMFO award and is a regular presenter at firm wide training and external training events as requested. Mr. Foster has presented at the annual 2019 and 2021 CSMFO conference regarding capital assets and teaches online courses for CSMFO.

#### Employment History

- Davis Farr LLP – Since 2015
- National CPA Firm – 9 years

#### Education

- Bachelor of Accountancy (University of San Diego)

#### Licenses / Registrations

- California CPA Certificate No. 117853

#### Professional Affiliations & Awards

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants
- Cal CPA Government Audit & Accounting Committee
- California Society of Municipal Finance Officers

### AUDITS OF SPECIAL DISTRICTS AND AGENCIES

- ✓ Big Bear Area Regional Wastewater
- ✓ Big Bear Community Facilities District
- ✓ Cucamonga Valley Water District
- ✓ East Orange County Water Agency
- ✓ Irvine Ranch Water District
- ✓ Municipal Water District of OC
- ✓ Orange County Sanitation District
- ✓ Placer County Water Agency
- ✓ Rancho California Water District
- ✓ San Bernardino Municipal Water Department
- ✓ San Diego Association of Governments
- ✓ Santiago Aqueduct Commission
- ✓ Saticoy Sanitary District
- ✓ Soquel Creek Water District
- ✓ Tahoe Truckee Sanitation Agency
- ✓ Trabuco Canyon Water District
- ✓ Valley Sanitation District
- ✓ Ventura Regional Sanitation District
- ✓ West Basin Municipal Water District

## Jonathan Foster, CPA

*Partner*

(continued)

Mr. Foster has significant experience working with federal grant programs typically awarded to local governments. These federal awarding agencies include Department of Housing and Urban Development, Department of Homeland Security, Department of Energy, Department of Justice, Department of the Interior, Environmental Protection Agency, and the Executive Office of the President

Mr. Foster has also worked on various financial statement, compliance in SOC1 Type II audits (formerly SAS 70) for various commercial companies and Federal agencies.

### AUDITS OF CITIES

- ✓ City of Avalon
- ✓ City of Carlsbad
- ✓ City of Commerce
- ✓ City of Costa Mesa
- ✓ City of Dana Point
- ✓ City of Delano
- ✓ City of Fontana
- ✓ City of Huntington Beach
- ✓ City of Indian Wells
- ✓ City of Laguna Niguel
- ✓ City of Rancho Santa Margarita
- ✓ City of Santee

### AUDITS OF FEDERAL GOVERNMENT

- ✓ Centers for Medicare and Medicaid Services
- ✓ Special Inspector General for Afghanistan Reconstruction

### AUDITS OF COMMERCIAL ENTITIES

- ✓ Cal Domestic Water Company
- ✓ Cahaba GBA
- ✓ CGS Administrators LLC
- ✓ Delta Dental of Arizona
- ✓ DHS Consulting
- ✓ Montebello Land and Water Company
- ✓ Mutual Insurance Company of Arizona
- ✓ Sunnyslope Water Company



## Nick Baldelli, CPA

### *Manager*

Mr. Baldelli has ten years of experience in governmental accounting and financial reporting as a CPA. Mr. Baldelli spent 7 years in audit prior to working as the Accounting and Financial Reporting Supervisor for the Town of Gilbert. As Accounting and Financial Reporting Supervisor for the Town, Mr. Baldelli managed implementation of GASB 87 and 96 in addition to writing and updating existing procedures.

#### Employment History

- Regional CPA Firm 2013-2020
- Town of Gilbert Arizona 2020-2023
- Davis Farr 2023 - Present

#### Licenses / Registrations

- Certified Public Accountant

#### Education

- University of North Carolina – Bachelor of Science in Accounting
- Dr. Bob Williams Award – For Leadership, Scholarship and Service

### **AUDITS OF GOVERNMENT AGENCIES**

- |                                   |                          |
|-----------------------------------|--------------------------|
| ✓ City of Mission Viejo           | ✓ Haywood County         |
| ✓ Cucamonga Valley Water District | ✓ Buncombe County        |
| ✓ Rutherford County               | ✓ Polk County            |
| ✓ Madison County                  | ✓ Alleghany County       |
| ✓ Yancey County                   | ✓ Council of Aging of BC |



## Jennifer Farr, CPA, MBA

### *Quality Control Reviewer*

Ms. Farr will serve as the Quality Control Reviewer on this audit. She will provide technical assistance to the audit teams, review audit reports and workpapers. Ms. Farr is a Certified Public Accountant with over 20 years of experience in local government auditing. Ms. Farr is a frequent speaker and author on matters pertaining to technical accounting and audit issues including new GASB pronouncements.

#### Employment History

- Davis Farr LLP – Founding Partner
- Shareholder – National CPA Firm

#### Education

- Bachelor of Arts in Business Administration & Accounting (California State University, Fullerton)
- Bachelor of Arts in English (California State University, Fullerton)
- Master of Business Administration (California State University, Fullerton)

#### Licenses / Registrations

- California CPA Certificate No. 76292, October 1998

#### Professional Affiliations & Awards

- California Society of Certified Public Accountants
- Government Accounting & Auditing Committee
  - Current Chair of Committee
- California Society of Municipal Finance Officers
- American Institute of Certified Public Accountants
- Government Finance Officers Association
  - Financial Review Committee

### **AUDITS OF SPECIAL DISTRICTS AND SPECIAL PURPOSE GOVERNMENTS**

- |   |  |
|---|--|
| ✓ Coachella Valley Assoc of Governments   | ✓ Rancho California Water District       |
| ✓ Cucamonga Valley Water District         | ✓ Salton Sea Authority                   |
| ✓ Eastern Municipal Water District        | ✓ San Diego Association of Governments   |
| ✓ Inland Empire Utilities Agency          | ✓ San Diego County Water Authority       |
| ✓ Irvine Ranch Water District             | ✓ Santa Rosa Regional Resources Auth     |
| ✓ Leucadia Wastewater District            | ✓ South Coast Water District             |
| ✓ Los Angeles Homeless Services Authority | ✓ Southern CA Association of Governments |
| ✓ Mesa Water District                     | ✓ Sweetwater Authority                   |
| ✓ Middle Fork Financing Authority         | ✓ Vallecitos Water District              |
| ✓ Moulton Niguel Water District           | ✓ Vista Irrigation District              |
| ✓ Orange County Sanitation District       | ✓ Walnut Valley Water District           |
| ✓ Orange County Water District            | ✓ West Basin Municipal Water District    |
| ✓ Cucamonga Valley Water District         | ✓ Yucaipa Valley Water District          |

## Konstantine Poulios, CISA

### *IT Specialist*



Konstantine Poulios, a Senior Manager with the firm, has over 20 years of experience in information technology audit, compliance, and consulting for the financial services, healthcare, and cloud services industries. Mr. Poulios has vast experience in the performance of System and Organization Controls (SOC) examinations for many commercial Information Technology companies nationwide. Mr. Poulios has also conducted information security reviews on financial systems based on ISO/IEC 27001, as well as assisted companies with the compliance of the Sarbanes-Oxley Act. Mr. Poulios will serve as the IT Auditor and Information Technology Specialists for the financial statements

audit.

#### Employment History

- Davis Farr LLP: February 2018 – Present
- TrueCar: 2015 – 2017
- Cornerstone OnDemand: 2014 - 2015
- Top 10 National CPA Firm: 2008 – 2014
- First Data Corporation: 2001 – 2007
- US OPM / OIG: 1998 – 2001

#### Education

- Bachelor of Science in Accounting, University of Scranton

#### Licenses / Registrations

- Certified Information Systems Auditor, Certificate No. 0126702

#### Professional Affiliations & Awards

- Information Systems Audit and Control Association (ISACA)

#### IT RISK ASSESSMENTS:

**Local Government IT Assessments** - Mr. Poulios assists the firm's financial statement auditors by reviewing information systems of our municipal clients and identifying and communicating IT risks to the auditors to assist the planning and risk assessment of the audit and communicated deficiencies and recommendations to the client.

**Los Angeles County Metropolitan Transportation Authority (METRO)** -Mr. Poulios served as the IT Manager on the Information Technology Risk Assessments. The Risk Assessment included a review of METRO Operations and the IT Organization to determine if Information Technology Services (ITS) is meeting the needs of the organization.

**IT Internal Audit / Compliance:** - Mr. Poulios served as an IT Internal Auditor/Consultant for nearly 10 years with First Data Corporation and the U.S. Office of Personnel Management. In addition, Mr. Poulios served as the Security Compliance Manager for over 3 years with Cornerstone OnDemand and TrueCar. Mr. Poulios performed information technology reviews based on ISO 27001 and the Federal Information System Controls Audit Manual (FISCAM), coordinated with internal/external audit and technology personnel in the performance of internal control projects (including SOC engagements), documented policies/procedures, reviewed third party security controls, performed user access reviews of SOX significant systems, and monitored internal vulnerabilities using third party tools (e.g., Nessus).

## Section E – Audit Approach

Davis Farr plans and conducts our engagements in the most efficient manner possible, and our audit approach is unique with regard to the following:

- Our firm is sensitive to the priorities and work requirements of our clients. We work around the schedules of our clients when scheduling segments of the audit or requesting documentation in order to minimize disruption of Authority staff and to complete the audit in a timely manner.
- Whenever possible, we use accounting support already prepared by the Authority staff to avoid duplication or unnecessary requests for audit supporting schedules. Typically, we request support for balance sheet items, the year ending trial balance and cash and long-term debt confirmations.
- Our firm's expertise is in governmental auditing. Our auditors are GASB experts and skilled at addressing audit issues that are specific to local governments. You will not spend time training our personnel.
- When formulating internal control recommendations, we obtain a thorough understanding of the specific circumstances at your Authority to provide a tailored, practical recommendation.
- Throughout the year we are a resource to our clients in providing accounting advice, researching technical questions, dealing with tax problems, and helping with other problems as they arise.

**Audit Software** - We utilize CaseWare audit software for the electronic workpapers. We have the ability to accept audit documentation in either hard copy or electronic format. CaseWare allows us the ability to import trial balances that can be provided in either excel or a text document. Some of the benefits of using CaseWare trial balance software are as follows:

- We create our own lead sheets (i.e., analytical review comparison schedules). This limits the amount of time finance staff spends creating audit schedules. Our software automatically generates analytical review reports by account number for ease of analyzing significant fluctuations between fiscal years.
- We can link the financial statement schedules directly to the CaseWare trial balances. Additionally, journal entries are easy to post to the financial statement schedules and the risk of data entry error is minimized.
- We can provide the Authority with reports showing the coding of the financial statement schedules for ease of review by Authority staff. These reports show each account coded to a specific financial statement line item as well as journal entries that are posted during the audit.

**Data Mining Software** - We have a dedicated team of personnel trained to use special data mining software, IDEA. Our software uses source data from your accounting system to search for anomalies, such as duplicate or voided checks, cross-referencing vendor addresses with employee addresses, detecting accounting transactions recorded on the weekend, reviewing journal entry postings for unauthorized individuals. The IDEA software identifies specific transactions for the auditors to review for potential fraud or error.

**Internal Control Evaluation** - Our approach to evaluating internal controls involves observation and inquiry. We spend time with the personnel responsible for the accounting cycles to gain an understanding of the processes. We also carefully evaluate your policies and procedures. After our initial evaluation, we identify key controls in your processes and design test to evaluate the effectiveness of those processes. In the initial year of the audit, we will focus on the following accounting cycles:

- Billing and cash receipting
- Capital assets
- Purchase and disbursements
- Payroll
- Investment and cash controls
- Information systems

In future years, we will review the accounting cycles noted above but also look at other processes such as credit card transactions, petty cash, inventory controls, offsite cash receipting, employee reimbursements, contract compliance, and other areas. Our goal is to modify our audit approach every year to further evaluate your internal controls.

Audit Stage	Procedures Performed
<b>Planning and Inquiry</b>	<p><b>During the planning phase of the audit, we plan to perform the following procedures:</b></p> <ul style="list-style-type: none"> <li>✓ Meet with finance personnel to obtain an understanding of significant transactions during the year.</li> <li>✓ Communicate with the Board of Directors regarding fraud, compliance with laws, and any concerns they have regarding the finances of the Authority.</li> <li>✓ Perform internal control evaluations as noted on the previous page.</li> <li>✓ Determine materiality levels that will be used in selecting audit transactions.</li> <li>✓ Perform a risk assessment to develop the audit plan for the year.</li> <li>✓ Review minutes of Board of Directors meetings.</li> <li>✓ Review important new contracts, bond documents, and agreements.</li> <li>✓ Evaluate compliance with investments.</li> <li>✓ Test purchase orders and contract management.</li> <li>✓ Test a sample of cash disbursements to determine adherence to policies and internal controls.</li> <li>✓ Perform a review of the organization’s information systems and controls.</li> <li>✓ Perform compliance testing of federal grants, as necessary.</li> <li>✓ Review the prior audited financial statements and provide feedback to Authority staff regarding best practices for financial reporting.</li> <li>✓ Provide a GASB Update and templates for implementing new accounting standards as needed.</li> </ul>
<b>Year-End Testing</b>	<p><b>After the books are closed and ready for audit, we will perform our year-end procedures which include the following:</b></p> <ul style="list-style-type: none"> <li>✓ Confirm 100% of all cash and investment balances and test market values provided by your investment custodians.</li> <li>✓ Test for proper cutoffs of accounts receivable and other receivables.</li> <li>✓ Test additions and deletions to capital assets. We will review depreciation expense for reasonableness.</li> <li>✓ Test current liabilities and perform a search for unrecorded liabilities.</li> <li>✓ Test the balances of accrued payroll and employee related liabilities.</li> <li>✓ Confirm long-term debt with independent parties.</li> <li>✓ In years of new debt issuances, we will review the journal entry to record the debt to ensure the accuracy of the accounting.</li> <li>✓ Testing of actuarial valuations and calculations related to OPEB obligations and disclosures under GASB 75.</li> <li>✓ Testing of actuarial valuations and calculations related to pension obligations and disclosures under GASB 68.</li> <li>✓ Testing of lease receivables and payable under GASB 87</li> <li>✓ Testing of SBITA’s in accordance with GASB 96</li> <li>✓ Evaluation of claims and judgments payable.</li> <li>✓ Testing of restrictions and classifications of net position.</li> <li>✓ Analytically and substantively test revenues and expense reported in the financial statements.</li> <li>✓ Analyze grant revenues and expenses, if any, to ensure proper matching within the fiscal year.</li> <li>✓ Test the reasonableness of interest income, realized, and unrealized gains/losses on investments.</li> <li>✓ Analytically and substantively test revenues and expenses reported in the financial statements.</li> <li>✓ We will incorporate an element of unpredictability every year that will focus on an audit area that is not typically considered a high or significant risk area such as petty cash, credit card purchases, new vendors, travel expenses, etc.</li> </ul>

Audit Stage	Procedures Performed
	<p>The aforementioned tests are only a few of the tests performed during the examination and by no means is it meant to be all inclusive. During the final stage of the audit, we will meet with Finance staff to review our audit findings and any adjusting journal entries.</p>
<p><b>Single Audit Approach</b></p>	<p><b>As part of our Single Audit for the years in which the Authority expends greater than \$750,000, we will perform the following procedures in accordance with the Uniform Guidance:</b></p> <ul style="list-style-type: none"> <li>✓ Perform an evaluation of the major programs required to be tested.</li> <li>✓ Review OMB guidance and the OMB Compliance Supplement for the grant program audited.</li> <li>✓ Review internal controls for each of the applicable 14 compliance areas for each program audited.</li> <li>✓ Using AICPA sampling guidance, we will select a sample for each of the applicable 14 compliance areas for each program audited. We will test the sample for compliance with those 14 areas.</li> <li>✓ Test the indirect cost rate, if applicable.</li> <li>✓ Review monitoring reports for noncompliance and follow up on the resolution of past noncompliance, if applicable.</li> <li>✓ Issue a single audit report of federal expenditures.</li> <li>✓ File the data collection form within the specified deadline.</li> </ul>
<p><b>Completion of the Audit</b></p>	<p><b>The nature and extent of the work required is dependent on our assessment of the likelihood of misstatements in the financial statements together with our conclusions from the planning and testing stages of the audit. All of the audit information is then used to reach a conclusion on whether the financial statements taken as a whole conform with generally accepted accounting principles.</b></p> <ul style="list-style-type: none"> <li>✓ We will review significant events after year end.</li> <li>✓ We will review attorney letters for significant legal matters.</li> <li>✓ We will meet with the Board of Directors to present the results of the audit.</li> </ul>

## Section F – Implementation of New GASB Pronouncements

The Authority will be required to implement the following accounting standards during the upcoming fiscal years. Part of our service to you includes consulting on these new auditing standards. A sampling of significant new GASB pronouncements planned or proposed for local governments that will impact the March Joint Powers Authority are listed below:

### **GASB 96: Subscription-Based Information Technology Arrangements**

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

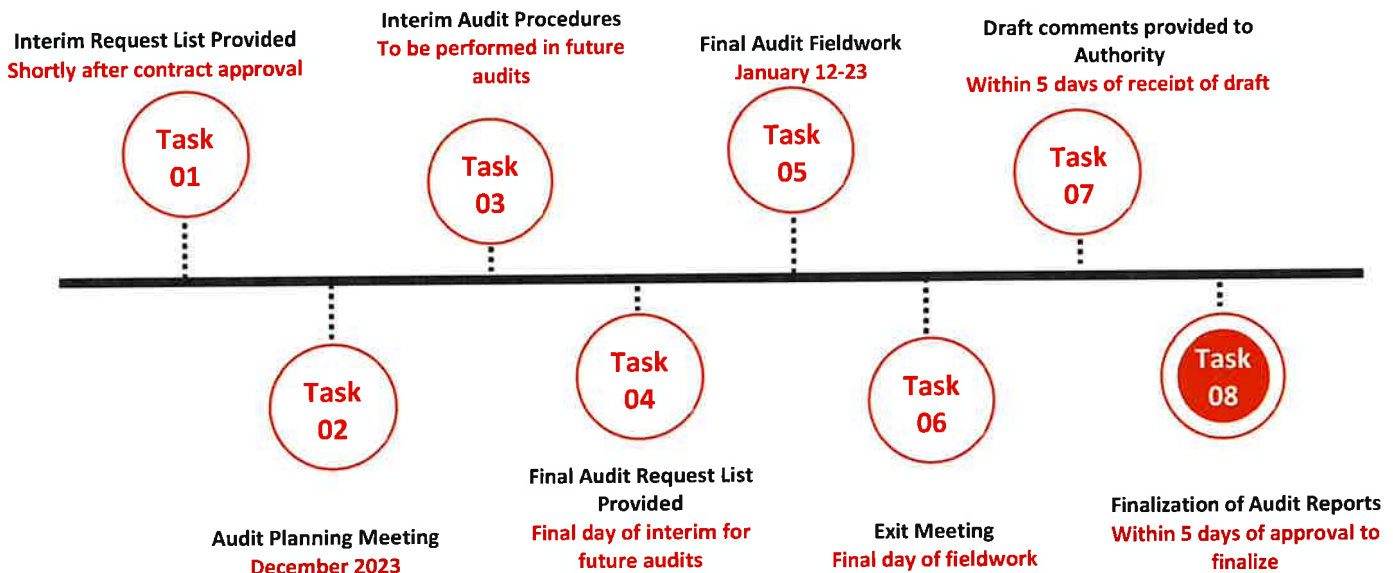
## Section G – Scope of Work

Our understanding of the objectives and scope of the work to be performed is as follows:

- We will perform an audit examination of the financial statements of the March Joint Powers Authority for the fiscal year ending June 30, 2023. Our examination will be conducted in accordance with generally accepted auditing standards, the AICPA Audit and Accounting Guide, Audits of State and Local Government Units, and the Government Auditing Standards issued by the Comptroller General of the United States. We will prepare the Annual Comprehensive Financial Report (ACFR). We will ensure that the report is prepared in conformity with the most recent edition of the GAAFR, the GAAFR Update, and subsequent GASB pronouncements.
- We will prepare a letter to the Board of Directors summarizing the audit results in accordance with the Codification of Auditing Standards Section 260.
- We will prepare a letter to the Board of Directors reporting matters dealing with internal control that meet the threshold of being a significant deficiency or material weakness, as defined by the Codification of Auditing Standards Section 265. We will immediately report any irregularities or illegal acts that come to our attention to management and/or those charged with governance.
- We will meet with the Board of Directors to discuss the results of the audit.
- Finally, we perceive the scope of our work as being advisors regarding generally accepted accounting principles. Throughout the year, the management and other finance personnel of the Authority will have access to us to seek advice in the application of generally accepted accounting principles, advice regarding debt issuance, financial statement preparation and content, and any other matters relating to the Authority. Each year, we will go over upcoming accounting standards in a meeting with Authority staff.

## Section H – Proposed Timing of the Audit for FY 2023

The following proposed timing is subject to revision and approval. Note that interim and final fieldwork will be performed in person by audit staff:





## Section I – Proposed Costs

	FY 2023	FY 2024	FY 2025	OPTION YEARS		Total
				FY 2026	FY 2027	
March Joint Powers Authority	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 76,510
March Inland Port Authority	8,000	8,160	8,323	8,489	8,659	24,483
March Joint Powers Utility Authority	5,000	5,100	5,202	5,306	5,412	15,302
Out-of-pocket expenses	-	-	-	-	-	-
<b>Total</b>	<b>\$ 38,000</b>	<b>\$ 38,760</b>	<b>\$ 39,535</b>	<b>\$ 40,325</b>	<b>\$ 41,132</b>	<b>\$ 116,295</b>
Single Audit, if applicable	\$ 5,000	\$ 5,100	\$ 5,202	\$ 5,306	\$ 5,412	\$ 15,302
Golf Course AUP	\$ 3,200	\$ 3,264	\$ 3,329	\$ 3,396	\$ 3,464	\$ 9,793

\* nominal 2% price increase for subsequent years

Additional work can be performed at the quoted rates, with 2% price increases in subsequent years

	Rate
Partner	\$ 185
Manager	\$ 155
Supervisor	\$ 135
Staff	\$ 115



A close-up photograph of a person's hand holding a gold pen and writing on a document. The document has a table with several rows. A pair of black-rimmed glasses is visible on the left side of the document. The background is blurred, showing a person wearing a blue shirt. The word "APPENDIX" is overlaid in large, bold, red capital letters across the center of the image.

# APPENDIX



### Report on the Firm's System of Quality Control

**Davis Farr LLP**  
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

#### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### **CPAs • Advisors**

4120 Concourse, Suite 100, Ontario, CA 91764  
909.948.9990 / 800.644.0696 / FAX 909.948.9633  
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www.gylcpa.com

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Peer Review Report  
Page 2 of 2

**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

***GYL LLP***

Ontario, California  
August 8, 2022

**GYL**



DavisFarr  
CERTIFIED PUBLIC ACCOUNTANTS

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH INLAND PORT AIRPORT AUTHORITY**

***MIPAA Operations – Reports, Discussions and Action Items***  
***Agenda Item No. 12 (1)***

**Meeting Date:** December 13, 2023

**Report/Action:** **RECEIVE AND FILE THE 2023 AIRPORT OPERATIONAL REPORT AND AIRPORT CAPITAL IMPROVEMENT PLAN AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE FAA SUBMITTAL DOCUMENTS**

**Motion:** Receive and file the 2023 Airport Operational Report and Airport Capital Improvement Plan (ACIP) and authorize the Chief Executive Officer to execute FAA submittal documents

**Background:**

The Federal Aviation Administration (FAA) requires that an Airport Capital Improvement Plan (ACIP) be submitted annually for airports wishing to participate in FAA funding opportunities. ACIP submissions are due December 31, 2023.

Airport ACIPs are projections that identify environmental, design, and construction of proposed capital improvement within a 5-year planning period. Projects identified within the planning period are projected to include FAA funding and desired projects are reflected on the existing Airport Layout Plan (ALP). Projects that are not identified on the ALP cannot be considered for FAA grant funding. Airports must update their ALPs and depict desired capital improvement projects for funding as considered by the airport authority from time to time. March Inland Port Airport Authority (MIPAA) is currently developing an airport master plan that will include an update to its ALP in 2024. The master planning effort is funded by an FAA grant.

The report by staff will include a list of projects and funding estimates of proposed projects. Projects identified in this year's ACIP are depicted on the current ALP. This ACIP report is also scheduled to appear before the March JPA Commission on December 13th, 2023. Any comments and/or recommendations generated by TAC and the Commission will be incorporated into the final ACIP submittal to the FAA.

Staff recommends that the Commission receive and file this report and authorize the Chief Executive Officer to execute submittal documents to the FAA to include the attached March Inland Port Airport (RIV) RCIP.

**Attachment:** RIV Airport Capital Improvement Submittal



(KRIV) (Submitted)

FY's 2025-2029	State: California										NPIAS# 3-06-0201		Airport: March		LOCID: RIV		DATE: 11/29/23		
	Federal Funds (\$1,000)			State Funds (\$1,000)			Local (\$1,000)		Total (\$1,000)		Proposal RFO/RFP	Start Date	Comp. Date	FED / STATE	MIPAA Priority				
	Entitlement	REGULAR \$931,623	Discretionary	MAP	Other	PFC	Other	Total	Environmental										
<b>Already Funded</b>																			
Already Funded Conduct Planning - Airport	762								762					4/28/2020	10/5/2021	7/1/2023	762	HIGH	
Already Funded Conduct Planning - Pavement 2024	94								94					4/28/2020	10/5/2021	7/1/2023	94	HIGH	
Conduct Design - TW G Realignment and Apron Rehab (Phases 4, 5, & 15 from PMP Report)									1080										
<b>2025</b>																			856
Conduct Environmental - Apron Project #1 (Per 2021 Master Plan Determination) (NPR - 66.4)		360						40	400					RFQ- 10/1/2024 Task Order- 1/31/2025	2/1/2025	7/31/2026	360	HIGH	
Construct - TW G Realignment and Apron Rehab									6123										
<b>2026</b>																			
CEQA/EIR Reimbursement after Hangar Completion (CY2025)		175						20	196					Private Developer RFQ- 10/1/2024 Task Order- 1/31/2026	1/1/2026	12/1/2026	175	HIGH	
Conduct Environmental - Apron Project #2 (Per 2021 Master Plan Determination) (NPR - 66.4)		360						40	400									360	HIGH
Conduct Design - Apron Rehabilitation (Phase 1 Area from PMP Report)									356										
<b>2027</b>																			
Construct - Apron Rehabilitation (Phase 1 Area from PMP Report)									2018										
<b>2028</b>																			
Conduct Design - Apron Rehabilitation (Phase 2 Area from PMP Report)									398										
<b>2029</b>																			
Conduct Environmental - Parallel Taxiway J Phases 1-3 (NPR 66.4)								50	500					RFQ- 10/1/2024 Task Order- 1/31/2029	6/1/2029	5/1/2031	450	MED	
Construct - Apron Rehabilitation (Phase 2 Area from PMP Report)									2256										

**AWP ACIP DATA SHEET**

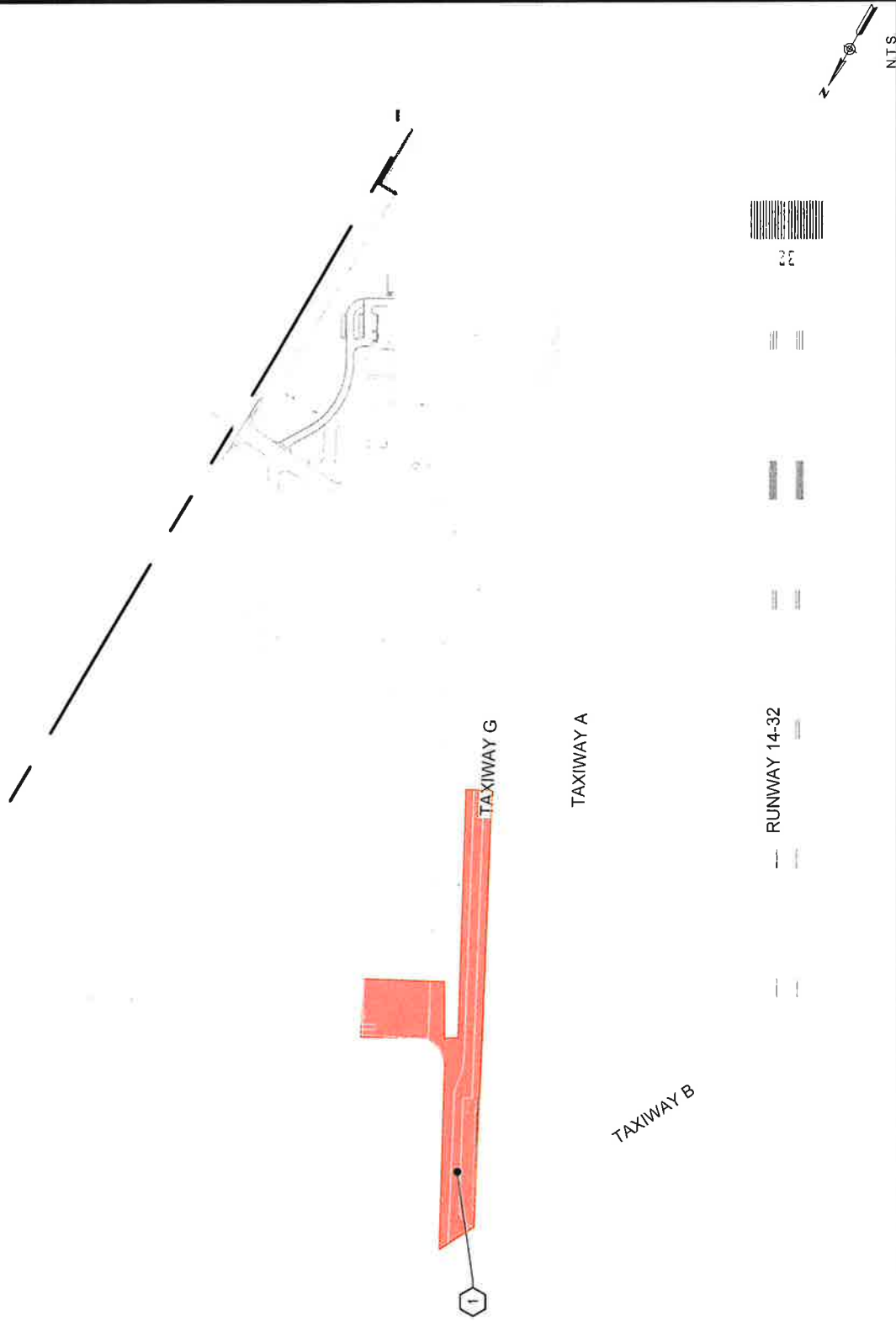
<b>Airport Name</b>		(RIV) March Inland Port	<b>Fiscal Year</b>		2024	
<b>Shown On ALP</b>	<b>Project Type*</b>	<b>Project Description</b>	<b>Federal Share (AIP)</b>	<b>Federal Share (BIL)</b>	<b>Local Share</b>	<b>Total</b>
Y	D	1 - Design: Taxiway G Realignment and Apron Rehabilitation (Phases 4, 5 and 15 from PMP)	\$585,000.00	\$0.00	\$65,000.00	\$650,000.00
		<b>TOTAL</b>	<b>\$585,000.00</b>	<b>\$0.00</b>	<b>\$65,000.00</b>	<b>\$650,000.00</b>
* D - Development; P - Planning; E - Environmental						
<b>PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS</b>						
<b>Detail Project Description (Square/Lineal Footage or Length/Width)</b>						
1 - The proposed project will consist of the realignment of Taxiway "G" to accommodate the existing Group V aircraft which currently park on the adjacent apron. In the current configuration the Group V aircraft encroach onto the Taxiway Object Free Area while parked. The realignment will consist of approximately 1,500 SY of new pavement surface. Project will also include a new apron approximately 11,000 SY concrete apron for a new hangar development north of the proposed Taxiway G realignment portion of the project, as well as incorporating phases 4, 5 and 15 pavement areas identified as being in poor condition (PCI is 31) based on the Pavement Management Program Report dated April 2022.						
<b>Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or environmental process)</b>						
1 - 100% plans and specifications to be submitted by January 2025						
1 - Bidding anticipated to be completed by March/April 2025						
1 - Anticipated grant closeout December 2025						
<b>NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)</b>						
1 - CATEX to be submitted in 2023						
<b>Land Title Status &amp; Date of Exhibit "A" Status</b>				<b>Date</b>		
Joint Use Agreement				May 7, 1997		
Parcel D-1 (project site) conveyed property deed to March JPA				September 2009		
Parcel D-2 (project area 2) conveyed property deed to March JPA				September 2001		
<b>Open AIP Funded Projects (include grant number and grant description)</b>				<b>Expected Close-out Date</b>		
AIP 3-06-0201-015-2021: Update Airport Master Plan or Study, Conduct or Update Miscellaneous Study				December 2024		
<b>Certification: To the best of my knowledge and belief, all information shown in the ACIP Data Sheet is true and correct and had been duly authorized by the Sponsor.</b>						
Dr. Grace Martin, Chief Executive Officer				Dr. Grace Martin, Chief Executive Officer		
Name and Title of Authorized Representative (Print or Type)				Contact Name and Title (Print or Type)		
				(951) 656-7000		
Signature				Date		Contact Phone (Print or Type)



# MARCH INLAND PORT

## AIRPORT CAPITAL IMPROVEMENT PROGRAM

### ACIP FY 2024



NTS

## LEGEND



DESIGN - TAXIWAY G REALIGNMENT AND APRON REHABILITATION

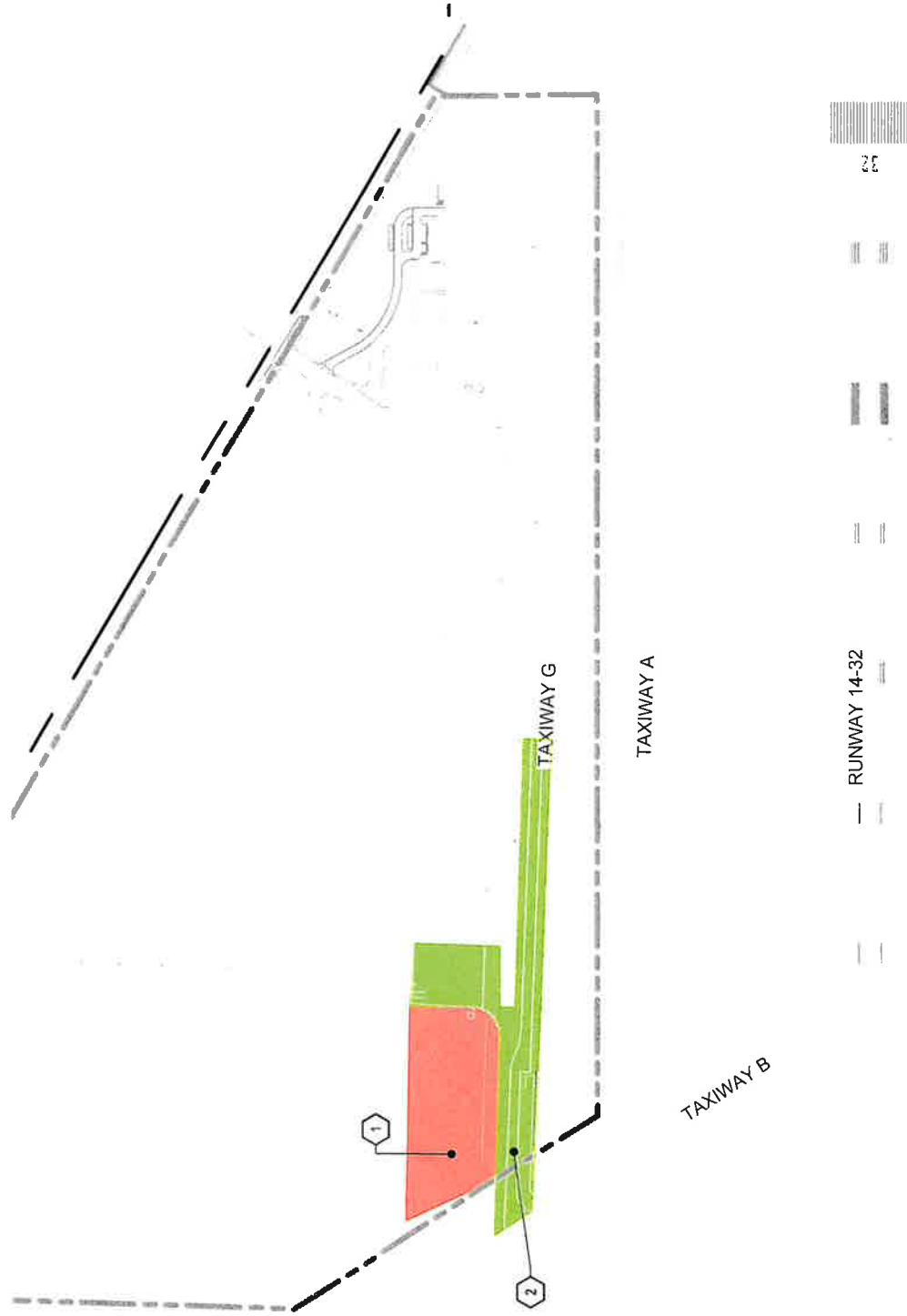
**AWP ACIP DATA SHEET**

<b>Airport Name</b>		(RIV) March Inland Port	<b>Fiscal Year</b>		<b>2025</b>	
<b>Shown On ALP</b>	<b>Project Type*</b>	<b>Project Description</b>	<b>Federal Share (AIP)</b>	<b>Federal Share (BIL)</b>	<b>Local Share</b>	<b>Total</b>
Y	E	1 - Conduct Environmental: Apron Project #1 (Per 2021 Master Plan Determination) (NPR - 66.4)	\$0.00	\$360,000.00	\$40,000.00	\$400,000.00
Y	D	2 - Construct: Taxiway G Realignment and Apron Rehabilitation (Phases 4, 5 and 15 from PMP)	\$5,510,700.00	\$0.00	\$612,300.00	\$6,123,000.00
<b>TOTAL</b>			<b>\$5,510,700.00</b>	<b>\$360,000.00</b>	<b>\$652,300.00</b>	<b>\$6,523,000.00</b>
* D - Development; P - Planning; E - Environmental						
<b>PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS</b>						
<b>Detail Project Description (Square/Lineal Footage or Length/Width)</b>						
<p>1 - Conduct an Environmental Assessment for the Apron Project #1 as determined by the 2023/2024 Master Plan. Likely location is filling the fillet area between TWY G and FBO apron to improve circulation and increase aircraft parking capacity for helicopters and GA aircraft. This project will be identified on the 2023-2024 ALP update. Additionally, if the private development for a new air cargo facility does not come to fruition, this project will revert to the planned apron on the existing ALP.</p> <p>2 - The proposed project will consist of the realignment of Taxiway "G" to accommodate the existing Group V aircraft which currently park on the adjacent apron. In the current configuration the Group V aircraft encroach onto the Taxiway Object Free Area while parked. The realignment will consist of approximately 1,500 SY of new pavement surface. Project will also include a new apron approximately 11,000 SY concrete apron for a new hangar development north of the proposed Taxiway G realignment portion of the project, as well as incorporating phases 4, 5 and 15 pavement areas identified as being in poor condition (PCI is 31) based on the Pavement Management Program Report dated April 2022.</p>						
<b>Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or environmental process)</b>						
<p>1 - Environmental Anticipated to be completed by October 2026          1 - Anticipated grant closeout May 2027          2 - Bidding anticipated to be completed by March/April 2025          2 - Construction anticipated to begin July/August 2025          2 - Anticipated grant closeout May 2026</p>						
<b>NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)</b>						
<p>1 - N/A          2 - CATEX to be submitted in 2024</p>						
<b>Land Title Status &amp; Date of Exhibit "A" Status</b>			<b>Date</b>			
Joint Use Agreement			May 7, 1997			
Parcel D-1 (project site) conveyed property deed to March JPA			September 2009			
Parcel D-2 (project area 2) conveyed property deed to March JPA			September 2001			
<b>Open AIP Funded Projects (include grant number and grant description)</b>					<b>Expected Close-out Date</b>	
AIP 3-06-0201-015-2021: Update Airport Master Plan or Study, Conduct or Update Miscellaneous Study					December 2024	
<b>Certification: To the best of my knowledge and belief, all information shown in the ACIP Data Sheet is true and correct and had been duly authorized by the Sponsor.</b>						
Dr. Grace Martin, Chief Executive Officer			Dr. Grace Martin, Chief Executive Officer			
Name and Title of Authorized Representative (Print or Type)			Contact Name and Title (Print or Type)			
			(951) 656-7000			
Signature			Date		Contact Phone (Print or Type)	

# MARCH INLAND PORT

## AIRPORT CAPITAL IMPROVEMENT PROGRAM

### ACIP FY 2025



### LEGEND

- 1 CONDUCT ENVIRONMENTAL - APRON PROJECT #1
- 2 CONSTRUCT - TAXIWAY G REALIGNMENT AND APRON REHABILITATION



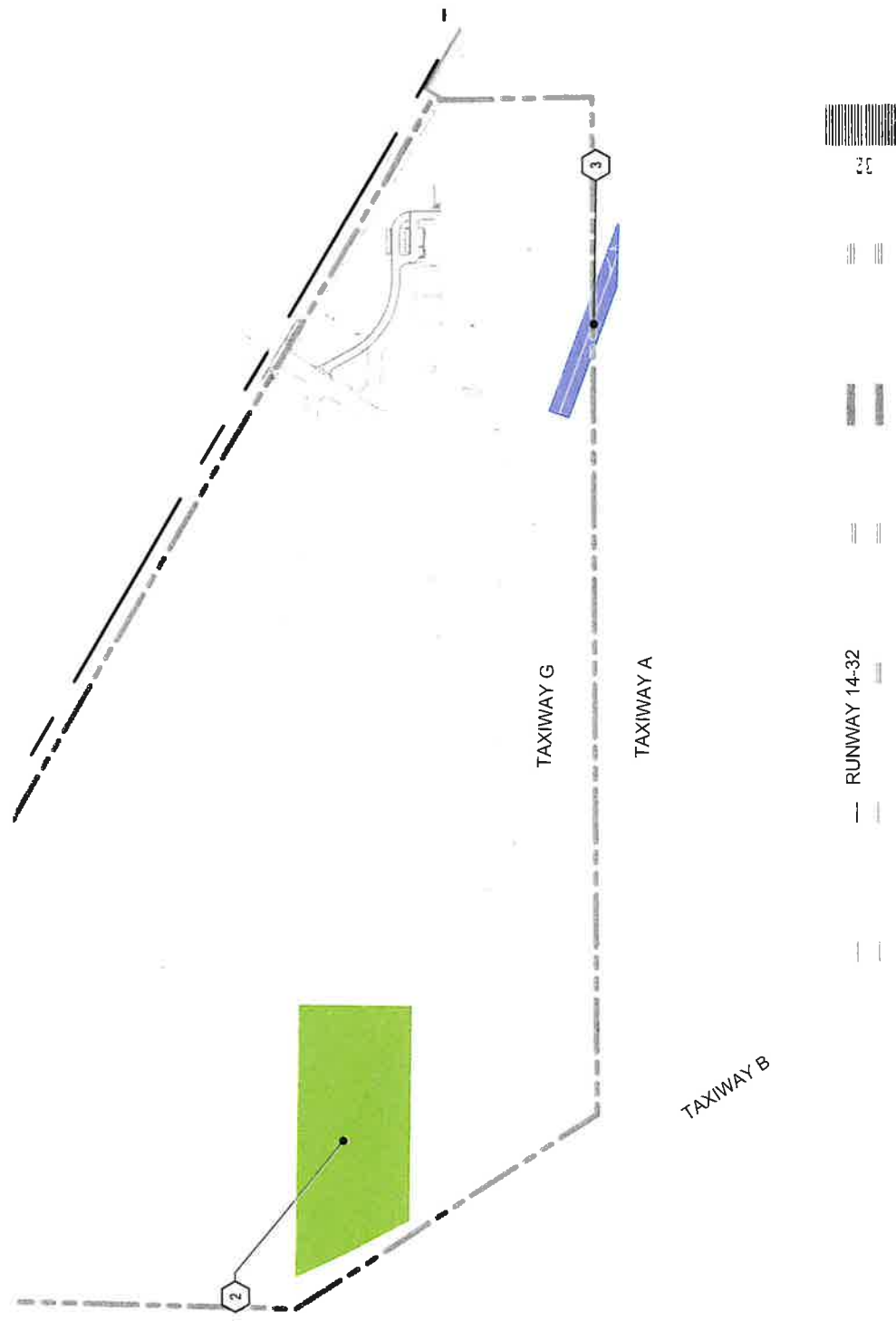
**AWP ACIP DATA SHEET**

Airport Name		(RIV) March Inland Port	Fiscal Year		2026	
Shown On ALP	Project Type*	Project Description	Federal Share (AIP)	Federal Share (BIL)	Local Share	Total
Y	E	1 - CEQA/EIR Reimbursement after Hangar Completion (CY2025)	\$0.00	\$176,400.00	\$19,600.00	\$196,000.00
Y	E	2 - Conduct Environmental: Apron Project #2 (Per 2021 Master Plan Determination) (NPR - 66.4)	\$0.00	\$360,000.00	\$40,000.00	\$400,000.00
Y	D	3 - Design: Apron Rehabilitation (Phase 1 Area from PMP Report)	\$320,400.00	\$0.00	\$35,600.00	\$356,000.00
<b>TOTAL</b>			<b>\$320,400.00</b>	<b>\$536,400.00</b>	<b>\$95,200.00</b>	<b>\$952,000.00</b>
* D - Development; P - Planning; E - Environmental						
<b>PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS</b>						
<b>Detail Project Description (Square/Lineal Footage or Length/Width)</b>						
<p>1 - CEQA Environmental Costs Reimbursement after Project is Complete. Construct a general aviation ramp and associated taxiway. The GA ramp is estimated as 300'x500' or 150,000 sq. ft. and an associated taxiway is estimated as 50'x300' or 15,000 sq. ft.. Total area is 165,000 square feet plus a pad for the Avgas storage tank. Terminal will consist of a 5,000 sq. ft. single level facility, parking and access road and two 10K or one 20k storage hangar. The Storage Hangars were not constructed during GA apron and terminal development. CEQA is not reimbursable until constructed.</p> <p>2 - Conduct an Environmental Assessment for the Apron Project #2 as determined by the 2023/2024 Master Plan. Likely location is south of existing GA apron. The new apron will facilitate additional commercial aircraft parking (2-3 AC Design Group III). This project will complete all available property for apron development at March Inland Port on Parcel D-1. Additionally, if the private development for a new air cargo facility does not come to fruition, this project will revert to the planned apron on the existing ALP.</p> <p>3 - Project will include rehabilitation of approximately 5,100 SY of concrete apron that has been identified as being in poor condition (PCI is 31) based on the Pavement Management Program Report dated April 2022. The rehabilitation would include remediation of existing subgrade, new pavement design, new lighting, marking and drainage.</p>						
<b>Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or environmental process)</b>						
<p>1 - Construction anticipated to be completed by December 2026</p> <p>2 - Environmental Anticipated to be completed by October 2027</p> <p>2 - Anticipated grant closeout May 2028</p> <p>3 - 100% plans and specifications to be submitted by January 2027</p> <p>3 - Bidding anticipated to be completed by March/April 2027</p> <p>3 - Anticipated grant closeout December 2027</p>						
<b>NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)</b>						
<p>1 - FONSI completed 06/20/2012</p> <p>2 - N/A</p> <p>3 - CATEX to be submitted in 2025</p>						
<b>Land Title Status &amp; Date of Exhibit "A" Status</b>				<b>Date</b>		
Joint Use Agreement				May 7, 1997		
Parcel D-1 (project site) conveyed property deed to March JPA				September 2009		
Parcel D-2 (project area 2) conveyed property deed to March JPA				September 2001		
<b>Open AIP Funded Projects (include grant number and grant description)</b>				<b>Expected Close-out Date</b>		
AIP 3-06-0201-015-2021: Update Airport Master Plan or Study, Conduct or Update Miscellaneous Study				December 2024		
<b>Certification: To the best of my knowledge and belief, all information shown in the ACIP Data Sheet is true and correct and had been duly authorized by the Sponsor.</b>						
Dr. Grace Martin, Chief Executive Officer				Dr. Grace Martin, Chief Executive Officer		
Name and Title of Authorized Representative (Print or Type)				Contact Name and Title (Print or Type)		
				(951) 656-7000		
Signature				Date		Contact Phone (Print or Type)

# MARCH INLAND PORT

## AIRPORT CAPITAL IMPROVEMENT PROGRAM

### ACIP FY 2026



NTS

### LEGEND

-  CEQA/EIR REIMBURSEMENT AFTER HANGAR COMPLETION - (NOT SHOWN ON EXHIBIT)
-  CONDUCT ENVIRONMENTAL - APRON PROJECT #2
-  DESIGN - APRON REHABILITATION (PHASE 1)
-  (Symbol for Apron Rehabilitation Phase 1)



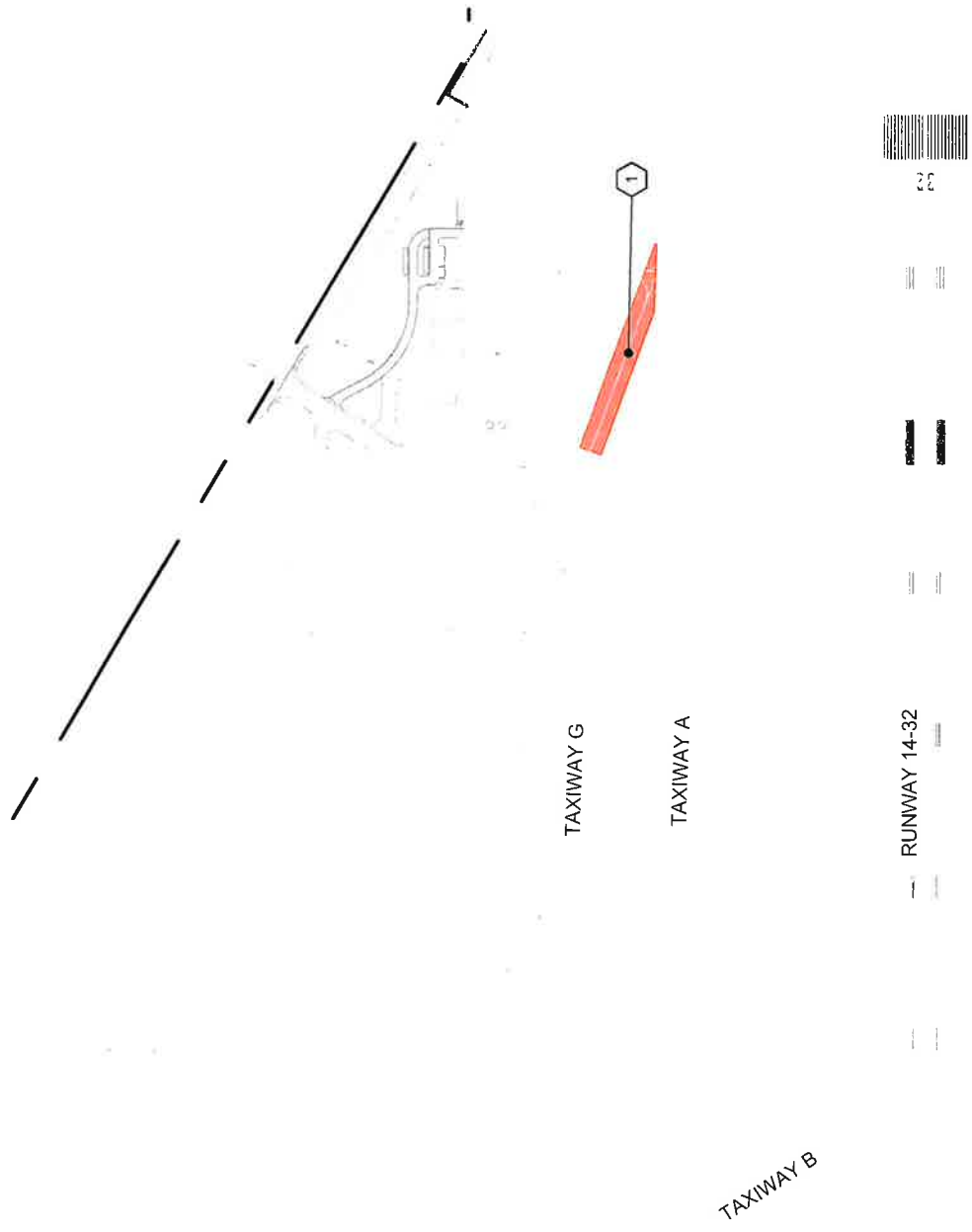
**AWP ACIP DATA SHEET**

Airport Name		(RIV) March Inland Port	Fiscal Year		2027	
Shown On ALP	Project Type*	Project Description	Federal Share (AIP)	Federal Share (BIL)	Local Share	Total
Y	D	1 - Construct: Apron Rehabilitation (Phase 1 Area from PMP Report)	\$292,500.00	\$0.00	\$32,500.00	\$325,000.00
<b>TOTAL</b>			<b>\$292,500.00</b>	<b>\$0.00</b>	<b>\$32,500.00</b>	<b>\$325,000.00</b>
* D - Development; P - Planning; E - Environmental						
<b>PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS</b>						
<b>Detail Project Description (Square/Lineal Footage or Length/Width)</b>						
1 - Project will include rehabilitation of approximately 5,100 SY of concrete apron that has been identified as being in poor condition (PCI is 31) based on the Pavement Management Program Report dated April 2022. The rehabilitation would include remediation of existing subgrade, new pavement design, new lighting, marking and drainage.						
<b>Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or environmental process)</b>						
1 - Bidding anticipated to be completed by March/April 2027 1 - Construction anticipated to begin July/August 2027 1 - Anticipated grant closeout May 2028						
<b>NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)</b>						
1 - CATEX to be submitted in 2025						
<b>Land Title Status &amp; Date of Exhibit "A" Status</b>				<b>Date</b>		
Joint Use Agreement				May 7, 1997		
Parcel D-1 (project site) conveyed property deed to March JPA				September 2009		
Parcel D-2 (project area 2) conveyed property deed to March JPA				September 2001		
<b>Open AIP Funded Projects (include grant number and grant description)</b>				<b>Expected Close-out Date</b>		
AIP 3-06-0201-015-2021: Update Airport Master Plan or Study, Conduct or Update Miscellaneous Study				December 2024		
<b>Certification: To the best of my knowledge and belief, all information shown in the ACIP Data Sheet is true and correct and had been duly authorized by the Sponsor.</b>						
Dr. Grace Martin, Chief Executive Officer				Dr. Grace Martin, Chief Executive Officer		
Name and Title of Authorized Representative (Print or Type)				Contact Name and Title (Print or Type)		
				(951) 656-7000		
Signature				Date		Contact Phone (Print or Type)

# MARCH INLAND PORT

## AIRPORT CAPITAL IMPROVEMENT PROGRAM

### ACIP FY 2027



### LEGEND

-  CONSTRUCT - APRON REHABILITATION (PHASE 1)
-  1



**AWP ACIP DATA SHEET**

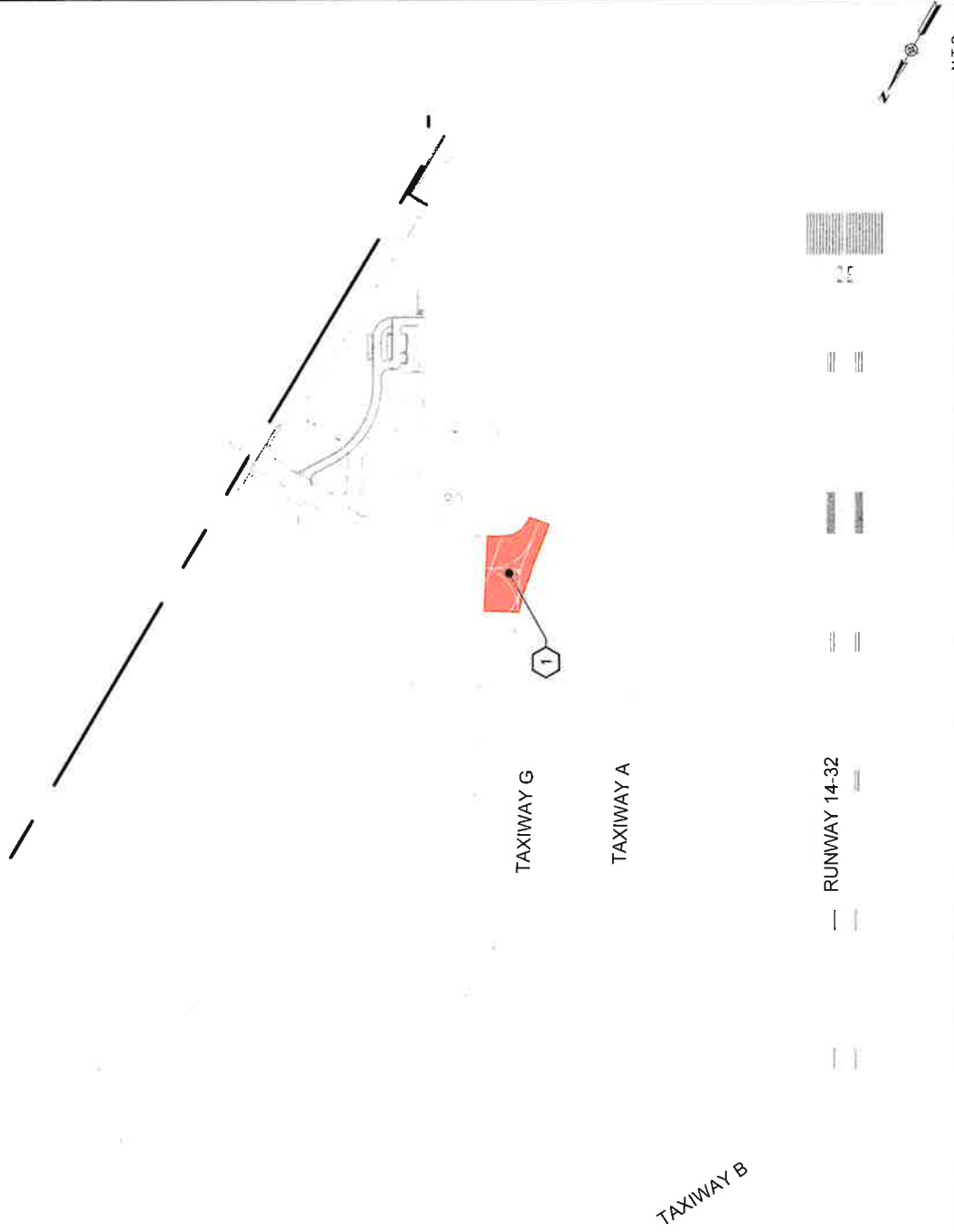
<b>Airport Name</b>		(RIV) March Inland Port	<b>Fiscal Year</b>		2028	
<b>Shown On ALP</b>	<b>Project Type*</b>	<b>Project Description</b>	<b>Federal Share (AIP)</b>	<b>Federal Share (BIL)</b>	<b>Local Share</b>	<b>Total</b>
		1 - Design: Apron Rehabilitation (Phase 2 Area from PMP Report)	\$358,200.00	\$0.00	\$39,800.00	\$398,000.00
		<b>TOTAL</b>	<b>\$358,200.00</b>	<b>\$0.00</b>	<b>\$39,800.00</b>	<b>\$398,000.00</b>
* D - Development; P - Planning; E - Environmental						
<b>PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS</b>						
<b>Detail Project Description (Square/Lineal Footage or Length/Width)</b>						
1 - Project will include rehabilitation of approximately 5,500 SY of concrete apron that has been identified as being in poor condition (PCI is 31) based on the Pavement Management Program Report dated April 2022. The rehabilitation would include remediation of existing subgrade, new pavement design, new lighting, marking and drainage.						
<b>Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or environmental process)</b>						
1 - 100% plans and specifications to be submitted by January 2029						
1 - Bidding anticipated to be completed by March/April 2029						
1 - Anticipated grant closeout December 2029						
<b>NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)</b>						
1 - CATEX to be submitted in 2027						
<b>Land Title Status &amp; Date of Exhibit "A" Status</b>				<b>Date</b>		
Joint Use Agreement				May 7, 1997		
Parcel D-1 (project site) conveyed property deed to March JPA				September 2009		
Parcel D-2 (project area 2) conveyed property deed to March JPA				September 2001		
<b>Open AIP Funded Projects (include grant number and grant description)</b>				<b>Expected Close-out Date</b>		
AIP 3-06-0201-015-2021: Update Airport Master Plan or Study, Conduct or Update Miscellaneous Study				December 2024		
<b>Certification: To the best of my knowledge and belief, all information shown in the ACIP Data Sheet is true and correct and had been duly authorized by the Sponsor.</b>						
Dr. Grace Martin, Chief Executive Officer				Dr. Grace Martin, Chief Executive Officer		
Name and Title of Authorized Representative (Print or Type)				Contact Name and Title (Print or Type)		
				(951) 656-7000		
Signature				Date		
				Contact Phone (Print or Type)		



# MARCH INLAND PORT

## AIRPORT CAPITAL IMPROVEMENT PROGRAM

### ACIP FY 2028



NTS

## LEGEND

1 DESIGN - APRON REHABILITATION (PHASE 2)



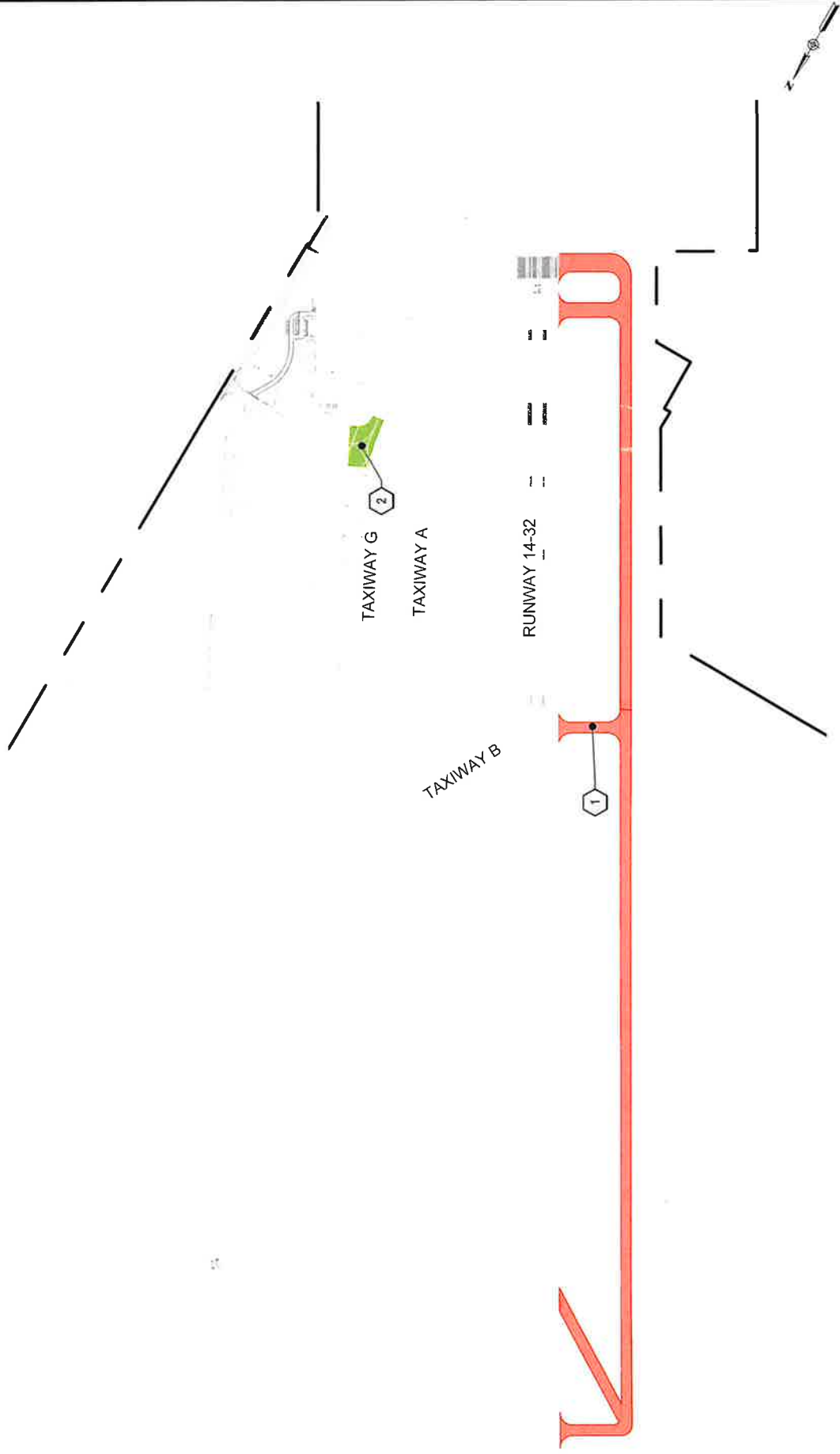
**AWP ACIP DATA SHEET**

Airport Name		(RIV) March Inland Port	Fiscal Year		2029	
Shown On ALP	Project Type*	Project Description	Federal Share (AIP)	Federal Share (BIL)	Local Share	Total
Y	E	1 - Conduct Environmental: Parallel Taxiway J Phases 1-3 (NPR 66.4)	\$450,000.00	\$0.00	\$50,000.00	\$500,000.00
Y	D	2 - Construct: Apron Rehabilitation (Phase 2 Area from PMP Report)	\$2,030,400.00	\$0.00	\$225,600.00	\$2,256,000.00
<b>TOTAL</b>			<b>\$2,480,400.00</b>	<b>\$0.00</b>	<b>\$275,600.00</b>	<b>\$2,756,000.00</b>
* D - Development; P - Planning; E - Environmental						
<b>PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS</b>						
<b>Detail Project Description (Square/Lineal Footage or Length/Width)</b>						
1 - Conduct an Environmental Assessment: Phase 1 Parallel taxiway - 4,600' X 100' wide with 40' asphalt shoulder, signage, lighting and connecting to TWY B and TWY C. Phase 2 will consist of an additional 3,500 X 100' extension south to runway threshold.						
2 - Project will include rehabilitation of approximately 5,500 SY of concrete apron that has been identified as being in poor condition (PCI is 31) based on the Pavement Management Program Report dated April 2022. The rehabilitation would include remediation of existing subgrade, new pavement design, new lighting, marking and drainage.						
<b>Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or environmental process)</b>						
1 - Environmental Anticipated to be completed by October 2030						
1 - Anticipated grant closeout May 2031						
2 - Bidding anticipated to be completed by March/April 2029						
2 - Construction anticipated to begin July/August 2029						
2 - Anticipated grant closeout May 2030						
<b>NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)</b>						
1 - EA anticipated to be completed in 2027						
2 - CATEX to be submitted in 2027						
<b>Land Title Status &amp; Date of Exhibit "A" Status</b>			<b>Date</b>			
Joint Use Agreement			May 7, 1997			
Parcel D-1 (project site) conveyed property deed to March JPA			September 2009			
Parcel D-2 (project area 2) conveyed property deed to March JPA			September 2001			
<b>Open AIP Funded Projects (include grant number and grant description)</b>				<b>Expected Close-out Date</b>		
AIP 3-06-0201-015-2021: Update Airport Master Plan or Study, Conduct or Update Miscellaneous Study				December 2024		
<b>Certification: To the best of my knowledge and belief, all information shown in the ACIP Data Sheet is true and correct and had been duly authorized by the Sponsor.</b>						
Dr. Grace Martin, Chief Executive Officer			Dr. Grace Martin, Chief Executive Officer			
Name and Title of Authorized Representative (Print or Type)			Contact Name and Title (Print or Type)			
			(951) 656-7000			
Signature			Date		Contact Phone (Print or Type)	

# MARCH INLAND PORT

## AIRPORT CAPITAL IMPROVEMENT PROGRAM

### ACIP FY 2029



### LEGEND

- 1 CONDUCT ENVIRONMENTAL - PARALLEL TAXIWAY J
- 2 CONSTRUCT - APRON REHABILITATION (PHASE 2)



**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS UTILITIES AUTHORITY**

***MJPUA Operations - Consent Calendar***  
***Agenda Item No. 13 (1)***

**Meeting Date:** December 13, 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 September 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 2023/24 budget.

**Attachment:** Financial Status Reports for September 2023.

*March Joint Powers Authority*

**Balance Sheet**  
**March Joint Powers Utility Authority Fund 600**  
**As of September 30, 2023**

---

**ASSETS**

Cash In Bank	\$ 225,823.51
Accounts Receivable	<u>13,490.46</u>
Total Assets	<u>\$ 239,313.97</u>

**LIABILITIES**

JPA Loan Payable	<u>450,000.00</u>
Total Liabilities	<u>450,000.00</u>

**FUND BALANCE**

Net Position, Beginning of Fiscal Year	(225,894.50)
Change in Fund Balance for the three months ending September 30, 2023	<u>15,208.47</u>
Ending Net Position, September 30, 2023	<u>(210,686.03)</u>
Total Liabilities and Net Position	<u>\$ 239,313.97</u>

**General Ledger  
Expenses vs Budget**

User: le@marchjpa.com  
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 Period 03 - 03  
 Fiscal Year 2024



**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	0.00	5,500.00	100.00
600-10-50200-14	Annual Audit	180,000.00	9,939.84	-62,734.61	242,734.61	134.85
600-20-51350-00	Gas Commodity Expense	25,000.00	76.50	267.50	24,732.50	98.93
600-20-51360-00	Gas Operation and Maintenance	210,500.00	10,016.34	-62,467.11	272,967.11	129.6756
Expense Total		210,500.00	10,016.34	-62,467.11	272,967.11	1.2968
Grand Total						

**General Ledger  
Revenue vs Budget**

Uscr: le@marchjpa.com  
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 Period 03 - 03  
 Fiscal Year 2024



**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	% Expend	Collect
600	March J.P. Utility Authority	-180,000.00	0.00	-11,212.74	-168,787.26		6.23
600-00-40620-00	GAS UTILITY	-38,000.00	0.00	-2,244.32	-35,755.68		5.91
600-00-40625-00	GAS O & M	218,000.00	0.00	13,457.06	204,542.94		6.173
Revenue Total		<u>218,000.00</u>	<u>0.00</u>	<u>13,457.06</u>	<u>204,542.94</u>		<u>0.0617</u>
Grand Total							

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS UTILITIES AUTHORITY**

***MJPUA Operations - Consent Calendar***  
***Agenda Item No. 13 (2)***

**Meeting Date:** December 13, 2023

**Action:** **APPROVE SEPTEMBER 2023 FINANCIAL DISBURSEMENTS**

**Motion:** Move to approve check disbursements for the month of September 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 September 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 September 2023 for the March Joint Powers Utilities Authority.



# Accounts Payable

## Checks by Date - Summary by Check Number

User: finance@marchjpa.com  
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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
6001037	socalgas	SoCalGas	09/06/2023	26,717.27
6001038	under2	Underground Service Alert /SC	09/06/2023	76.50
Report Total (2 checks):				<u>\$ 26,793.77</u>

**MARCH JOINT POWERS COMMISSION**  
**OF THE**  
**MARCH JOINT POWERS UTILITIES AUTHORITY**

***MJPUA Operations - Consent Calendar***  
***Agenda Item No. 13 (3)***

**Meeting Date:** December 13, 2023

**Action:** APPROVE A PROFESSIONAL SERVICES AGREEMENT FOR SERVICES WITH DAVIS FARR LLP TO PROVIDE ANNUAL AUDITING SERVICES FOR THE MARCH JOINT POWERS UTILITIES AUTHORITY AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE ANY RELATED DOCUMENTS

**Motion:** Move to approve a Professional Services Agreement for services with Davis Farr LLP to provide annual auditing services for the March Joint Powers Utilities Authority (MJPUA) and authorize the Chief Executive Officer to execute any related documents.

**Background:**

At the August 9, 2023, March JPC meeting, the Commission authorized staff to solicit a Request for Proposal (RFP) from audit firms to perform the annual audit for all three agencies for the next five years, as well as agreed upon procedures each year for different functions at the golf course. Staff received three responses to the solicitation. Staff analyzed the submittals and created a matrix to aid the Finance Subcommittee with their review of the audit firms.

The total cost for the audit is \$5,000. This approval is for the audit of Fiscal Year 2022/2023 only. The subsequent years of the proposal are considered options and will be brought back to the Commission for action each year. This item appeared before the Finance Subcommittee on December 11, 2023, and the Technical Advisory Committee on December 13, 2023.

**Attachments:**

1. Engagement letter includes an MJPUA annual audit for \$5,000.
2. Proposal for Professional Auditing Services

**November 29, 2023**

**March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518**

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide March Joint Powers Authority, March Inland Port Airport Authority, and the March Joint Powers Utility Authority, (the "Entities").

You have requested that we audit the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the March Joint Powers Authority and the financial statements of the March Inland Port Airport Authority and the March Joint Powers Utility Authority, as of June 30, 2023, and for the year then ended and the related notes, which collectively comprise the Entities' basic financial statements as listed in the table of contents. In addition, we will audit the Entities' compliance over major federal award programs for the period ended June 30, 2023.

Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the Entities' major federal award programs. The objectives of our audit of the financial statements 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 auditing standards generally accepted in the United States of America (GAAS) and in accordance with Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and 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.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the Entities complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and Government Auditing Standards, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information ("RSI") such as management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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. As part of our engagement, we will apply certain

limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

#### March Joint Powers Authority

1. Management's Discussion and Analysis
2. Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
3. Schedule of Pension Plan Contributions
4. Schedule of Changes in the Net OPEB Liability and Related Ratios
5. Schedule of OPEB Plan Contributions
6. Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual Schedules

Supplementary information other than RSI will accompany the Entities' basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

1. Schedule of Expenditures of Federal Awards

#### **Data Collection Form**

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

#### **Auditor Responsibilities**

We will conduct our audits in accordance GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit*

*Requirements for Federal Awards* (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 Entities' internal control.<sup>2</sup> However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entities' ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

### **Reporting**

We will issue a written report upon completion of our audit of the Entities' basic financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including

the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

### **Audit of Major Program Compliance**

Our audit of the Entities' major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the Entities' compliance based on the audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Entities' compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Entities' major programs, and performing such other procedures as we considers necessary in the circumstances. The purpose of those procedures will be to express an opinion on the Entities' compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the Entities' internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the Entities' major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant

deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the Entities' major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

### **Management Responsibilities**

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit;
  - iii. Unrestricted access to persons within the Entities from whom we determine it necessary to obtain audit evidence.
  - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
  - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the Entities complies with the laws and regulations applicable to its activities;
- f. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
- g. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- h. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- i. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;

- j. For informing us of any known or suspected fraud affecting the Entities involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- k. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

### **Nonattest Services**

With respect to any nonattest services we perform,

*At the end of the year, we agree to perform the following:*

- *Propose adjusting or correcting journal entries detected during the audit, if applicable, to be reviewed and approved by the Entities' management.*

We will not assume management responsibilities on behalf of the Entities. However, we will provide advice and recommendations to assist management of the Entities in performing its responsibilities.

The Entities' management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the Entities with regard to tax positions taken in the preparation of the tax return, but the Entities must make all decisions with regard to those matters.



### Engagement Fees

Our fixed fees for the services previously outlined will be as follows:

March Joint Powers Authority	\$ 25,000
March Inland Port Airport Authority	8,000
March Joint Powers Utility Authority	5,000
Single Audit	<u>5,000</u>
	<u>\$ 43,000</u>

Additionally, our fees are dependent on the availability, quality, and completeness of the Entities' records and, where applicable, upon the Entities' personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Entities employees preparing confirmation and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable.

### Other Engagement Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

**Jonathan Foster, CPA**, is the engagement partner responsible for supervising the engagement and signing the report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the Entities' significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Davis Farr LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Davis Farr LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement.

Very truly yours,



**Jonathan Foster, Partner**  
Davis Farr LLP

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The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

**March Joint Powers Authority**

By \_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_



## Report on the Firm's System of Quality Control

### **Davis Farr LLP**

and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **CPAs ■ Advisors**

-  4120 Concours, Suite 100, Ontario, CA 91764
-  909.948.9990 / 800.644.0696 / FAX 909.948.9633
-  [gyl@gylcpa.com](mailto:gyl@gylcpa.com)
-  [www.gylcpa.com](http://www.gylcpa.com)

## Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

***GYL LLP***

Ontario, California  
August 8, 2022



**PROPOSAL FOR**  
**PROFESSIONAL AUDITING**  
**SERVICES**

**Prepared By:**

Davis Farr LLP  
18201 Von Karman Ave | Suite 1100  
Irvine, CA 92612

**Contact Person:**

Jonathan Foster, CPA | Partner  
Office: 949.474.2020 | Direct: 949.783.1744  
Email: [jfoster@davisfarr.com](mailto:jfoster@davisfarr.com)



**MARCH JOINT POWERS AUTHORITY**

14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

September 29, 2023

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### **APPENDIX**

Peer Review Documentation

**September 29, 2023**

March Joint Powers Authority  
14205 Meridian Parkway, Suite 140  
Riverside, CA 92518

**Re: Proposal for Professional Auditing Services**

We are pleased to provide our proposal to perform auditing services to the March Joint Powers Authority (the "Authority") for the years ending June 30, 2023-25 with 2 option years.

Our service philosophy is one of open and constant communication, a proactive approach and responsive, value-added services. We will listen to your ideas and concerns and will bring creative solutions to you in both financial and other operational areas. We are aware that while the Authority has solicited numerous proposals, Davis Farr LLP would be your best selection for the following reasons which are set forth in greater detail in our proposal:

- We take a proactive leadership role in local government accounting and auditing issues. We serve on the Government Accounting and Audit Committee of the Cal CPA Society, the CSMFO Professional Standards Committee and are frequent speakers on technical topics at conferences and training events throughout California.
- We currently provide audit services to various government agencies throughout California, many of which include JPA's and various similar relationships. Our deep understanding of the issues facing California governments enables us to provide high quality audit services to the March Joint Powers Authority.
- We utilize data mining software to evaluate anomalies in your accounting data. This helps focus our auditors' attention on potential errors in the accounting records and transactions that could be more susceptible to fraud.

We appreciate the opportunity to share our credentials and look forward to developing our professional relationship. Our proposal remains a firm and irrevocable offer for 90 days for the fiscal years ending June 30, 2023 through 2027 and are committed to performing the work within the time period specified. I look forward to you contacting me so that I may answer any questions which you may have. You may contact me at (949) 783-1744.

Very truly yours,



**Jonathan Foster, CPA**  
**Partner**

## Section A – About Davis Farr LLP

**Background Information** – Davis Farr LLP is a full-service regional accounting firm that specializes in providing attest and advisory services to federal, state, and local governments as well as non-profit entities out of our Irvine and Carlsbad offices. This engagement would be serviced by our Irvine office. Our personnel have served governmental and non-profit entities for over 30 years. A breakdown of our government audit personnel by classification is located below.



**License to Practice in California** – Davis Farr LLP and all key personnel are licensed with the California State Board of Accountancy to practice as independent certified public accountants.

**Independence** – Davis Farr LLP is independent with respect to the March Joint Powers Authority as defined by U.S. General Accounting Office’s *Government Auditing Standards* and Generally Accepted Auditing Standards. Neither Davis Farr LLP nor the key personnel have any potential or real conflicts of interest.

**Insurance** – Davis Farr LLP has sufficient insurance coverage to meet or exceed the Authority’s requirements and will provide insurance certificates to the Authority prior to entering into a contract.

**Quality Control** – Davis Farr LLP and its Partners are members of the American Institute of Certified Public Accountants (AICPA) and is a member of the AICPA’s Government Audit Quality Center. Our firm is a voluntary participant in the AICPA Peer Review Program. Included in the appendix is our most recent Peer Review report where our firm received a *Pass*. A *Pass* demonstrates the highest level of quality control in a Peer Review. The Peer Review included a review of government engagements.

**Training** – Every professional of the firm must enroll in continuing professional education courses. Each person is required to take at least 80 hours of training over a two-year period including 24 hours a year specific to government accounting and audit topics. Courses cover a wide spectrum of professional and technical subjects, and include Fraud Auditing, Professional Ethics and Governmental Accounting and Auditing topics to help the practitioner maintain his/her professional expertise.

	Classification	Number of Employees
	Partners	7
	Managers	8
	Supervisors	4
	Seniors	17
	Staff	13
	Administrative	3
	<b>Total personnel</b>	<b>52</b>
		



## Professional Affiliations

**Government Audit Quality Center** – Davis Farr LLP is a member of the Government Audit Quality Center (GAQC). The GAQC promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. GAQC is a voluntary membership center for CPA firms and state audit organizations that perform governmental audits.

**National Registry of CPE Sponsors** – Davis Farr LLP is registered to provide continuing professional education through the National Association of State Board of Accountancy (NASBA). NASBA recognizes CPE program sponsors who provide continuing professional education programs in accordance with nationally recognized standards.

**Cal CPA** – Many of the CPAs employed by Davis Farr LLP are members of Cal CPA and regularly participate in chapter meetings, education, and events. Currently, Jennifer Farr and Jonathan Foster sit on the CalCPA Governmental and Accounting and Auditing Committee with Ms. Farr sitting as past chair of the committee.

**American Institute of CPAs** – Davis Farr LLP and the firm’s Partners are members of the American Institute of CPAs (AICPA). The AICPA develops standards for audits, provides educational guidance materials to its members, and monitors and enforces compliance with the profession’s technical and ethical standards.

**CSMFO** – The Partners of Davis Farr LLP are members of the California Society of Municipal Finance Officers (CSMFO), the statewide organization serving all California municipal finance professionals. Firm personnel regularly attend CSMFO Chapter Meetings and Conferences. The Partners of Davis Farr LLP are frequent presenters on accounting and auditing technical topics at Chapter Meetings, Annual Conferences, and online courses. **Currently, Jonathan Foster is an online instructor for CSMFO’s Capital Assets courses.**

**GFOA** – The Government Finance Officers Association (GFOA) enhances and promotes the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for the public benefit. The Partners of Davis Farr LLP are members of the Certificate of Achievement Program’s Special Review Committee. The Committee reviews Comprehensive Annual Financial Reports submitted to GFOA for the CAFR Award Program.



## Section B – Our Prior Experience Auditing Government Agencies

Davis Farr LLP is a leader in the local government sector throughout California. Currently, we service approximately 60 local, state, and federal government entities. Davis Farr LLP services routinely provided to our clients include, but are not limited to:



Our government expertise includes Cities, Special Districts, and other Governmental entities. Among the government agencies that the professionals of Davis Farr LLP have served recently are the following:

- City of Avalon
- City of Carlsbad
- City of Commerce
- City of Coronado
- City of Costa Mesa
- City of Dana Point
- City of Delano
- City of Encinitas
- City of Fontana
- City of Fountain Valley
- City of Garden Grove
- City of Huntington Beach
- City of Laguna Niguel
- City of Mission Viejo
- City of Poway
- City of Rancho Santa Margarita
- City of Santee
- City of Victorville
- County of Woodland
- County of Fresno Housing Authority
- County of San Diego
- Cucamonga Valley Water District
- Eastern Municipal Water District
- Hass Avocado Board
- Irvine Ranch Water District
- Leucadia Wastewater District
- Metropolitan Water District of Southern CA
- Municipal Water District of Southern CA
- Orange County LAFCO
- Oxnard Housing Authority
- Placer County Water Agency
- Salton Sea Authority
- San Diego County Water Authority
- San Diego Association of Governments
- San Diego LAFCO
- San Dieguito Riverpark Authority
- Sweetwater Authority
- Tahoe Regional Planning Agency
- Tahoe Transportation District
- Vallecitos Water District
- Walnut Valley Water District

## Section C – Client References

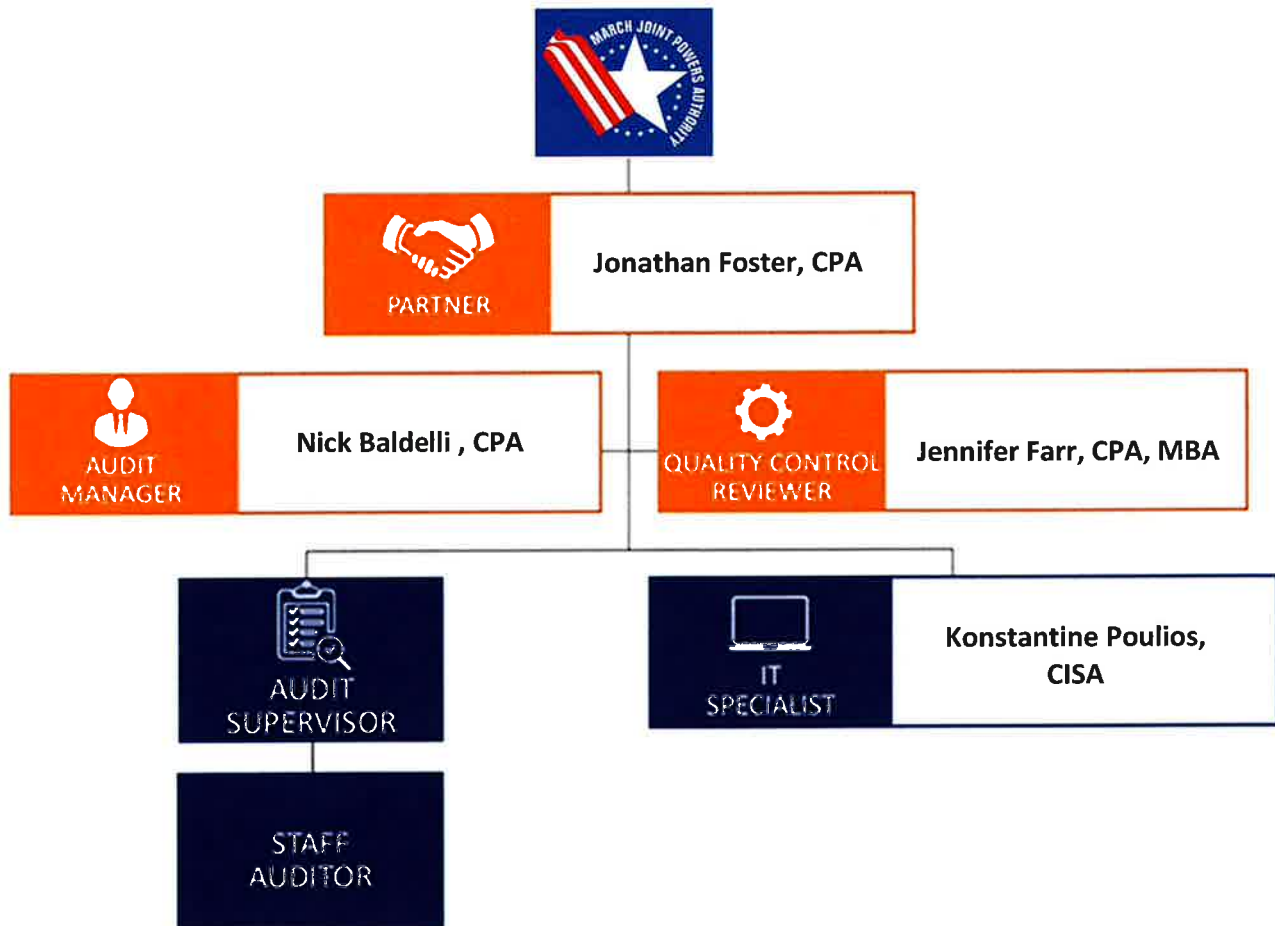
For your convenience, we have listed below references for audit work currently being performed by Davis Farr LLP personnel for several agencies throughout California. For each of the references, we currently serve as independent auditors and have served these clients for a number of years.

<b>CLIENT 1</b>	<b>City of Huntington Beach</b> 2000 Main Street   Huntington Beach, CA <b>Sunny Rief, Interim CFO</b> 714.536.5907 <a href="mailto:sunny.rief@surfcity-hb.org">sunny.rief@surfcity-hb.org</a>	<i>Financial Statement Audit of City, JPA Audit, Single Audit, Agreed-Upon Procedures engagements for Transient Occupancy Tax and Concessionaire compliance.</i>
<b>CLIENT 2</b>	<b>City of Fountain Valley</b> 10200 Slater Avenue   Fountain Valley, CA <b>Robin Harnish, Finance Manager</b> 714.593.4681 <a href="mailto:Robin.Harnish@fountainvalley.org">Robin.Harnish@fountainvalley.org</a>	<i>Financial Statement Audit of City, Measure HH Audit, Single Audit, Agreed-Upon Procedures.</i>
<b>CLIENT 3</b>	<b>City of Encinitas – San Dieguito WD</b> 505 S. Vulcan Avenue   Encinitas, CA <b>Teresa McBroome, Director of Finance</b> 760.633.2772 <a href="mailto:tmcbroome@encinitasca.gov">tmcbroome@encinitasca.gov</a>	<i>Financial Statement Audit of City</i>
<b>CLIENT 4</b>	<b>City of Garden Grove</b> 11222 Acacia Pkwy   Garden Grove, CA <b>Heidy Munoz, Accounting Supervisor</b> 714.741.5055 <a href="mailto:heidym@ggcity.org">heidym@ggcity.org</a>	<i>Financial Statement Audit of City, Housing Authority, Single Audit, Agreed-Upon Procedures engagements for Transient Occupancy Taxes, Franchise Taxes, and Revenue agreements.</i>
<b>CLIENT 5</b>	<b>City of Rancho Santa Margarita</b> 22112 El Paseo   Rancho Santa Margarita <b>Stefanie Turner, Finance Director</b> 949.635.1805 <a href="mailto:sturner@cityofrsm.org">sturner@cityofrsm.org</a>	<i>Financial Statement Audit, Single Audit.</i>

## Section D – Partner, Supervisory and Staff Qualifications and Experience

The successful outcome of any audit requires personnel with the managerial and technical skills to perform the work required. The engagement team who will serve the March Joint Powers Authority have served together as a team of professionals on numerous financial audit examinations of local government entities. While not anticipated, any personnel substitutions will be of equally qualified personnel.

We believe that efficient administrative management and supervision of the audits is an extremely critical factor in achieving the desired results for March Joint Powers Authority. In that regard, our proposal organizational structure for providing independent auditing services is as follows:





## Jonathan Foster, CPA

### *Partner*

Mr. Foster will serve as the *Engagement Partner* to the Authority. He has 17 years of audit experience with government agencies. The types of audits Mr. Foster are involved in include financial audits of cities and special districts and Single Audits in accordance with the Uniform Guidance. Mr. Foster is also a Budget reviewer for the CSMFO award and is a regular presenter at firm wide training and external training events as requested. Mr. Foster has presented at the annual 2019 and 2021 CSMFO conference regarding capital assets and teaches online courses for CSMFO.

#### Employment History

- Davis Farr LLP – Since 2015
- National CPA Firm – 9 years

#### Education

- Bachelor of Accountancy (University of San Diego)

#### Licenses / Registrations

- California CPA Certificate No. 117853

#### Professional Affiliations & Awards

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants
- Cal CPA Government Audit & Accounting Committee
- California Society of Municipal Finance Officers

### AUDITS OF SPECIAL DISTRICTS AND AGENCIES

- ✓ Big Bear Area Regional Wastewater
- ✓ Big Bear Community Facilities District
- ✓ Cucamonga Valley Water District
- ✓ East Orange County Water Agency
- ✓ Irvine Ranch Water District
- ✓ Municipal Water District of OC
- ✓ Orange County Sanitation District
- ✓ Placer County Water Agency
- ✓ Rancho California Water District
- ✓ San Bernardino Municipal Water Department
- ✓ San Diego Association of Governments
- ✓ Santiago Aqueduct Commission
- ✓ Saticoy Sanitary District
- ✓ Soquel Creek Water District
- ✓ Tahoe Truckee Sanitation Agency
- ✓ Trabuco Canyon Water District
- ✓ Valley Sanitation District
- ✓ Ventura Regional Sanitation District
- ✓ West Basin Municipal Water District

## Jonathan Foster, CPA

(continued)

### Partner

Mr. Foster has significant experience working with federal grant programs typically awarded to local governments. These federal awarding agencies include Department of Housing and Urban Development, Department of Homeland Security, Department of Energy, Department of Justice, Department of the Interior, Environmental Protection Agency, and the Executive Office of the President

Mr. Foster has also worked on various financial statement, compliance in SOC1 Type II audits (formerly SAS 70) for various commercial companies and Federal agencies.

### AUDITS OF CITIES

- ✓ City of Avalon
- ✓ City of Carlsbad
- ✓ City of Commerce
- ✓ City of Costa Mesa
- ✓ City of Dana Point
- ✓ City of Delano
- ✓ City of Fontana
- ✓ City of Huntington Beach
- ✓ City of Indian Wells
- ✓ City of Laguna Niguel
- ✓ City of Rancho Santa Margarita
- ✓ City of Santee

### AUDITS OF FEDERAL GOVERNMENT

- ✓ Centers for Medicare and Medicaid Services
- ✓ Special Inspector General for Afghanistan Reconstruction

### AUDITS OF COMMERCIAL ENTITIES

- ✓ Cal Domestic Water Company
- ✓ Cahaba GBA
- ✓ CGS Administrators LLC
- ✓ Delta Dental of Arizona
- ✓ DHS Consulting
- ✓ Montebello Land and Water Company
- ✓ Mutual Insurance Company of Arizona
- ✓ Sunnyslope Water Company

## Nick Baldelli, CPA

### *Manager*

Mr. Baldelli has ten years of experience in governmental accounting and financial reporting as a CPA. Mr. Baldelli spent 7 years in audit prior to working as the Accounting and Financial Reporting Supervisor for the Town of Gilbert. As Accounting and Financial Reporting Supervisor for the Town, Mr. Baldelli managed implementation of GASB 87 and 96 in addition to writing and updating existing procedures.

#### Employment History

- Regional CPA Firm 2013-2020
- Town of Gilbert Arizona 2020-2023
- Davis Farr 2023 - Present

#### Licenses / Registrations

- Certified Public Accountant

#### Education

- University of North Carolina – Bachelor of Science in Accounting
- Dr. Bob Williams Award – For Leadership, Scholarship and Service

### **AUDITS OF GOVERNMENT AGENCIES**

- |                                   |                          |
|-----------------------------------|--------------------------|
| ✓ City of Mission Viejo           | ✓ Haywood County         |
| ✓ Cucamonga Valley Water District | ✓ Buncombe County        |
| ✓ Rutherford County               | ✓ Polk County            |
| ✓ Madison County                  | ✓ Alleghany County       |
| ✓ Yancey County                   | ✓ Council of Aging of BC |



## Jennifer Farr, CPA, MBA

### *Quality Control Reviewer*

Ms. Farr will serve as the Quality Control Reviewer on this audit. She will provide technical assistance to the audit teams, review audit reports and workpapers. Ms. Farr is a Certified Public Accountant with over 20 years of experience in local government auditing. Ms. Farr is a frequent speaker and author on matters pertaining to technical accounting and audit issues including new GASB pronouncements.

#### Employment History

- Davis Farr LLP – Founding Partner
- Shareholder – National CPA Firm

#### Education

- Bachelor of Arts in Business Administration & Accounting (California State University, Fullerton)
- Bachelor of Arts in English (California State University, Fullerton)
- Master of Business Administration (California State University, Fullerton)

#### Licenses / Registrations

- California CPA Certificate No. 76292, October 1998

#### Professional Affiliations & Awards

- California Society of Certified Public Accountants
- Government Accounting & Auditing Committee
  - Current Chair of Committee
- California Society of Municipal Finance Officers
- American Institute of Certified Public Accountants
- Government Finance Officers Association
  - Financial Review Committee

### **AUDITS OF SPECIAL DISTRICTS AND SPECIAL PURPOSE GOVERNMENTS**

- |   |  |
|---|--|
| ✓ Coachella Valley Assoc of Governments   | ✓ Rancho California Water District       |
| ✓ Cucamonga Valley Water District         | ✓ Salton Sea Authority                   |
| ✓ Eastern Municipal Water District        | ✓ San Diego Association of Governments   |
| ✓ Inland Empire Utilities Agency          | ✓ San Diego County Water Authority       |
| ✓ Irvine Ranch Water District             | ✓ Santa Rosa Regional Resources Auth     |
| ✓ Leucadia Wastewater District            | ✓ South Coast Water District             |
| ✓ Los Angeles Homeless Services Authority | ✓ Southern CA Association of Governments |
| ✓ Mesa Water District                     | ✓ Sweetwater Authority                   |
| ✓ Middle Fork Financing Authority         | ✓ Vallecitos Water District              |
| ✓ Moulton Niguel Water District           | ✓ Vista Irrigation District              |
| ✓ Orange County Sanitation District       | ✓ Walnut Valley Water District           |
| ✓ Orange County Water District            | ✓ West Basin Municipal Water District    |
| ✓ Cucamonga Valley Water District         | ✓ Yucaipa Valley Water District          |



## Konstantine Poullos, CISA

### *IT Specialist*



Konstantine Poullos, a Senior Manager with the firm, has over 20 years of experience in information technology audit, compliance, and consulting for the financial services, healthcare, and cloud services industries. Mr. Poullos has vast experience in the performance of System and Organization Controls (SOC) examinations for many commercial Information Technology companies nationwide. Mr. Poullos has also conducted information security reviews on financial systems based on ISO/IEC 27001, as well as assisted companies with the compliance of the Sarbanes-Oxley Act. Mr. Poullos will serve as the IT Auditor and Information Technology Specialists for the financial statements

audit.

#### Employment History

- Davis Farr LLP: February 2018 – Present
- TrueCar: 2015 – 2017
- Cornerstone OnDemand: 2014 - 2015
- Top 10 National CPA Firm: 2008 – 2014
- First Data Corporation: 2001 – 2007
- US OPM / OIG: 1998 – 2001

#### Education

- Bachelor of Science in Accounting, University of Scranton

#### Licenses / Registrations

- Certified Information Systems Auditor, Certificate No. 0126702

#### Professional Affiliations & Awards

- Information Systems Audit and Control Association (ISACA)

#### IT RISK ASSESSMENTS:

**Local Government IT Assessments** - Mr. Poullos assists the firm's financial statement auditors by reviewing information systems of our municipal clients and identifying and communicating IT risks to the auditors to assist the planning and risk assessment of the audit and communicated deficiencies and recommendations to the client.

**Los Angeles County Metropolitan Transportation Authority (METRO)** -Mr. Poullos served as the IT Manager on the Information Technology Risk Assessments. The Risk Assessment included a review of METRO Operations and the IT Organization to determine if Information Technology Services (ITS) is meeting the needs of the organization.

**IT Internal Audit / Compliance:** - Mr. Poullos served as an IT Internal Auditor/Consultant for nearly 10 years with First Data Corporation and the U.S. Office of Personnel Management. In addition, Mr. Poullos served as the Security Compliance Manager for over 3 years with Cornerstone OnDemand and TrueCar. Mr. Poullos performed information technology reviews based on ISO 27001 and the Federal Information System Controls Audit Manual (FISCAM), coordinated with internal/external audit and technology personnel in the performance of internal control projects (including SOC engagements), documented policies/procedures, reviewed third party security controls, performed user access reviews of SOX significant systems, and monitored internal vulnerabilities using third party tools (e.g., Nessus).

## Section E – Audit Approach

Davis Farr plans and conducts our engagements in the most efficient manner possible, and our audit approach is unique with regard to the following:

- Our firm is sensitive to the priorities and work requirements of our clients. We work around the schedules of our clients when scheduling segments of the audit or requesting documentation in order to minimize disruption of Authority staff and to complete the audit in a timely manner.
- Whenever possible, we use accounting support already prepared by the Authority staff to avoid duplication or unnecessary requests for audit supporting schedules. Typically, we request support for balance sheet items, the year ending trial balance and cash and long-term debt confirmations.
- Our firm's expertise is in governmental auditing. Our auditors are GASB experts and skilled at addressing audit issues that are specific to local governments. You will not spend time training our personnel.
- When formulating internal control recommendations, we obtain a thorough understanding of the specific circumstances at your Authority to provide a tailored, practical recommendation.
- Throughout the year we are a resource to our clients in providing accounting advice, researching technical questions, dealing with tax problems, and helping with other problems as they arise.

**Audit Software** - We utilize CaseWare audit software for the electronic workpapers. We have the ability to accept audit documentation in either hard copy or electronic format. CaseWare allows us the ability to import trial balances that can be provided in either excel or a text document. Some of the benefits of using CaseWare trial balance software are as follows:

- We create our own lead sheets (i.e., analytical review comparison schedules). This limits the amount of time finance staff spends creating audit schedules. Our software automatically generates analytical review reports by account number for ease of analyzing significant fluctuations between fiscal years.
- We can link the financial statement schedules directly to the CaseWare trial balances. Additionally, journal entries are easy to post to the financial statement schedules and the risk of data entry error is minimized.
- We can provide the Authority with reports showing the coding of the financial statement schedules for ease of review by Authority staff. These reports show each account coded to a specific financial statement line item as well as journal entries that are posted during the audit.

**Data Mining Software** - We have a dedicated team of personnel trained to use special data mining software, IDEA. Our software uses source data from your accounting system to search for anomalies, such as duplicate or voided checks, cross-referencing vendor addresses with employee addresses, detecting accounting transactions recorded on the weekend, reviewing journal entry postings for unauthorized individuals. The IDEA software identifies specific transactions for the auditors to review for potential fraud or error.

**Internal Control Evaluation** - Our approach to evaluating internal controls involves observation and inquiry. We spend time with the personnel responsible for the accounting cycles to gain an understanding of the processes. We also carefully evaluate your policies and procedures. After our initial evaluation, we identify key controls in your processes and design test to evaluate the effectiveness of those processes. In the initial year of the audit, we will focus on the following accounting cycles:

- Billing and cash receipting
- Capital assets
- Purchase and disbursements
- Payroll
- Investment and cash controls
- Information systems

In future years, we will review the accounting cycles noted above but also look at other processes such as credit card transactions, petty cash, inventory controls, offsite cash receipting, employee reimbursements, contract compliance, and other areas. Our goal is to modify our audit approach every year to further evaluate your internal controls.

Audit Stage	Procedures Performed
<b>Planning and Inquiry</b>	<p><b>During the planning phase of the audit, we plan to perform the following procedures:</b></p> <ul style="list-style-type: none"> <li>✓ Meet with finance personnel to obtain an understanding of significant transactions during the year.</li> <li>✓ Communicate with the Board of Directors regarding fraud, compliance with laws, and any concerns they have regarding the finances of the Authority.</li> <li>✓ Perform internal control evaluations as noted on the previous page.</li> <li>✓ Determine materiality levels that will be used in selecting audit transactions.</li> <li>✓ Perform a risk assessment to develop the audit plan for the year.</li> <li>✓ Review minutes of Board of Directors meetings.</li> <li>✓ Review important new contracts, bond documents, and agreements.</li> <li>✓ Evaluate compliance with investments.</li> <li>✓ Test purchase orders and contract management.</li> <li>✓ Test a sample of cash disbursements to determine adherence to policies and internal controls.</li> <li>✓ Perform a review of the organization's information systems and controls.</li> <li>✓ Perform compliance testing of federal grants, as necessary.</li> <li>✓ Review the prior audited financial statements and provide feedback to Authority staff regarding best practices for financial reporting.</li> <li>✓ Provide a GASB Update and templates for implementing new accounting standards as needed.</li> </ul>
<b>Year-End Testing</b>	<p><b>After the books are closed and ready for audit, we will perform our year-end procedures which include the following:</b></p> <ul style="list-style-type: none"> <li>✓ Confirm 100% of all cash and investment balances and test market values provided by your investment custodians.</li> <li>✓ Test for proper cutoffs of accounts receivable and other receivables.</li> <li>✓ Test additions and deletions to capital assets. We will review depreciation expense for reasonableness.</li> <li>✓ Test current liabilities and perform a search for unrecorded liabilities.</li> <li>✓ Test the balances of accrued payroll and employee related liabilities.</li> <li>✓ Confirm long-term debt with independent parties.</li> <li>✓ In years of new debt issuances, we will review the journal entry to record the debt to ensure the accuracy of the accounting.</li> <li>✓ Testing of actuarial valuations and calculations related to OPEB obligations and disclosures under GASB 75.</li> <li>✓ Testing of actuarial valuations and calculations related to pension obligations and disclosures under GASB 68.</li> <li>✓ Testing of lease receivables and payable under GASB 87</li> <li>✓ Testing of SBITA's in accordance with GASB 96</li> <li>✓ Evaluation of claims and judgments payable.</li> <li>✓ Testing of restrictions and classifications of net position.</li> <li>✓ Analytically and substantively test revenues and expense reported in the financial statements.</li> <li>✓ Analyze grant revenues and expenses, if any, to ensure proper matching within the fiscal year.</li> <li>✓ Test the reasonableness of interest income, realized, and unrealized gains/losses on investments.</li> <li>✓ Analytically and substantively test revenues and expenses reported in the financial statements.</li> <li>✓ We will incorporate an element of unpredictability every year that will focus on an audit area that is not typically considered a high or significant risk area such as petty cash, credit card purchases, new vendors, travel expenses, etc.</li> </ul>

Audit Stage	Procedures Performed
	<p>The aforementioned tests are only a few of the tests performed during the examination and by no means is it meant to be all inclusive. During the final stage of the audit, we will meet with Finance staff to review our audit findings and any adjusting journal entries.</p>
<p><b>Single Audit Approach</b></p>	<p><b>As part of our Single Audit for the years in which the Authority expends greater than \$750,000, we will perform the following procedures in accordance with the Uniform Guidance:</b></p> <ul style="list-style-type: none"> <li>✓ Perform an evaluation of the major programs required to be tested.</li> <li>✓ Review OMB guidance and the OMB Compliance Supplement for the grant program audited.</li> <li>✓ Review internal controls for each of the applicable 14 compliance areas for each program audited.</li> <li>✓ Using AICPA sampling guidance, we will select a sample for each of the applicable 14 compliance areas for each program audited. We will test the sample for compliance with those 14 areas.</li> <li>✓ Test the indirect cost rate, if applicable.</li> <li>✓ Review monitoring reports for noncompliance and follow up on the resolution of past noncompliance, if applicable.</li> <li>✓ Issue a single audit report of federal expenditures.</li> <li>✓ File the data collection form within the specified deadline.</li> </ul>
<p><b>Completion of the Audit</b></p>	<p><b>The nature and extent of the work required is dependent on our assessment of the likelihood of misstatements in the financial statements together with our conclusions from the planning and testing stages of the audit. All of the audit information is then used to reach a conclusion on whether the financial statements taken as a whole conform with generally accepted accounting principles.</b></p> <ul style="list-style-type: none"> <li>✓ We will review significant events after year end.</li> <li>✓ We will review attorney letters for significant legal matters.</li> <li>✓ We will meet with the Board of Directors to present the results of the audit.</li> </ul>

## Section F – Implementation of New GASB Pronouncements

The Authority will be required to implement the following accounting standards during the upcoming fiscal years. Part of our service to you includes consulting on these new auditing standards. A sampling of significant new GASB pronouncements planned or proposed for local governments that will impact the March Joint Powers Authority are listed below:

### **GASB 96: Subscription-Based Information Technology Arrangements**

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

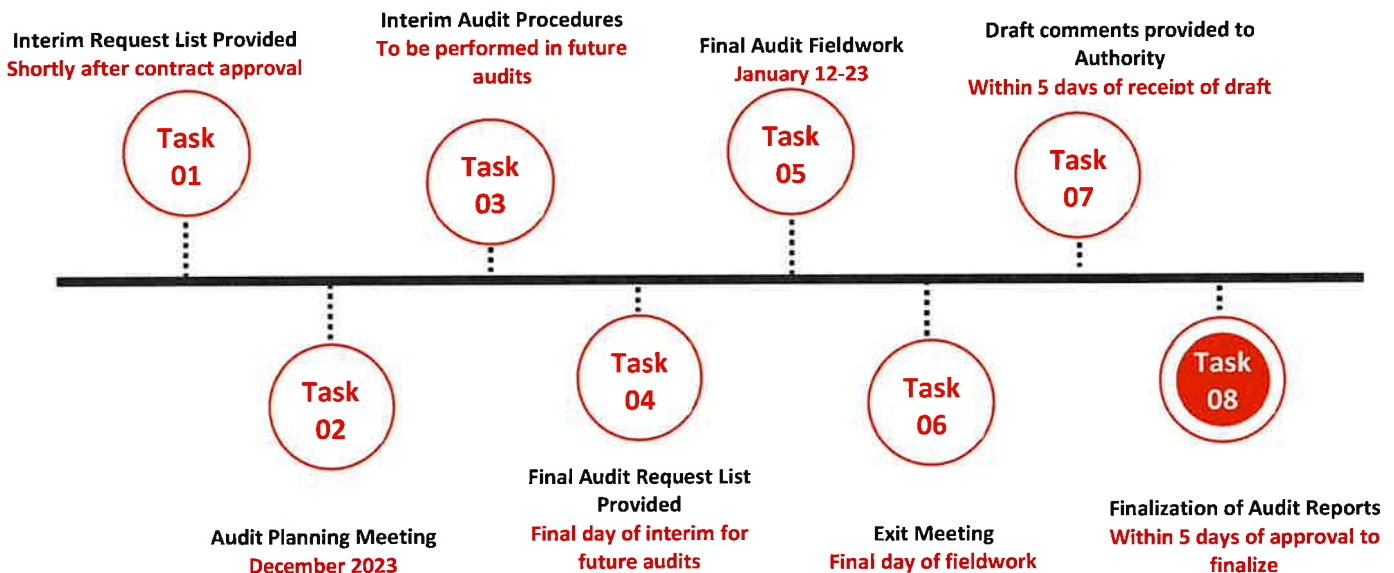
## Section G – Scope of Work

Our understanding of the objectives and scope of the work to be performed is as follows:

- We will perform an audit examination of the financial statements of the March Joint Powers Authority for the fiscal year ending June 30, 2023. Our examination will be conducted in accordance with generally accepted auditing standards, the AICPA Audit and Accounting Guide, Audits of State and Local Government Units, and the Government Auditing Standards issued by the Comptroller General of the United States. We will prepare the Annual Comprehensive Financial Report (ACFR). We will ensure that the report is prepared in conformity with the most recent edition of the GAAFR, the GAAFR Update, and subsequent GASB pronouncements.
- We will prepare a letter to the Board of Directors summarizing the audit results in accordance with the Codification of Auditing Standards Section 260.
- We will prepare a letter to the Board of Directors reporting matters dealing with internal control that meet the threshold of being a significant deficiency or material weakness, as defined by the Codification of Auditing Standards Section 265. We will immediately report any irregularities or illegal acts that come to our attention to management and/or those charged with governance.
- We will meet with the Board of Directors to discuss the results of the audit.
- Finally, we perceive the scope of our work as being advisors regarding generally accepted accounting principles. Throughout the year, the management and other finance personnel of the Authority will have access to us to seek advice in the application of generally accepted accounting principles, advice regarding debt issuance, financial statement preparation and content, and any other matters relating to the Authority. Each year, we will go over upcoming accounting standards in a meeting with Authority staff.

## Section H – Proposed Timing of the Audit for FY 2023

The following proposed timing is subject to revision and approval. Note that interim and final fieldwork will be performed in person by audit staff:



## Section I – Proposed Costs

	FY 2023	FY 2024	FY 2025	OPTION YEARS		Total
				FY 2026	FY 2027	
March Joint Powers Authority	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 76,510
March Inland Port Authority	8,000	8,160	8,323	8,489	8,659	24,483
March Joint Powers Utility Authority	5,000	5,100	5,202	5,306	5,412	15,302
Out-of-pocket expenses	-	-	-	-	-	-
<b>Total</b>	<b>\$ 38,000</b>	<b>\$ 38,760</b>	<b>\$ 39,535</b>	<b>\$ 40,325</b>	<b>\$ 41,132</b>	<b>\$ 116,295</b>
Single Audit, if applicable	\$ 5,000	\$ 5,100	\$ 5,202	\$ 5,306	\$ 5,412	\$ 15,302
Golf Course AUP	\$ 3,200	\$ 3,264	\$ 3,329	\$ 3,396	\$ 3,464	\$ 9,793

\* nominal 2% price increase for subsequent years

Additional work can be performed at the quoted rates, with 2% price increases in subsequent years

	Rate
Partner	\$ 185
Manager	\$ 155
Supervisor	\$ 135
Staff	\$ 115



A close-up photograph of a person's hand holding a gold pen and writing in a notebook. The notebook is open, showing a page with a table or form. A pair of black-rimmed glasses is visible on the left side of the notebook. The background is blurred, showing a person wearing a blue sweater. The word "APPENDIX" is overlaid in large, bold, red capital letters across the center of the image.

# APPENDIX





### Report on the Firm's System of Quality Control

**Davis Farr LLP**  
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

#### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### **CPAs • Advisors**

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Peer Review Report  
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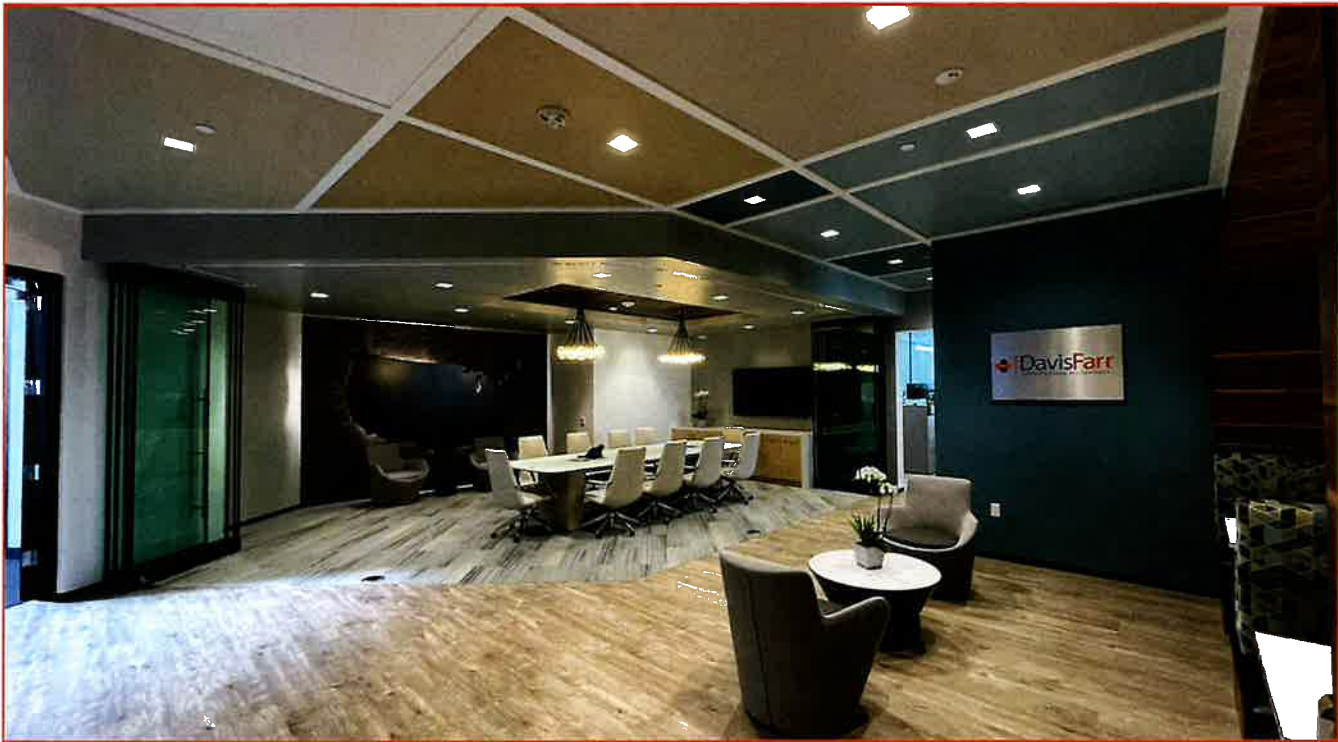
**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

*GYL LLP*

Ontario, California  
August 8, 2022





DavisFarr  
CERTIFIED PUBLIC ACCOUNTANTS