



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 **Riverside County Administrative Center - Board Chambers, 4080 Lemon Street, Riverside, California 92501** on **Wednesday, October 7, 2026 at 3:00 p.m.**

This Notice was posted on 10/03/2026 at the following locations:

March Inland Port Airport Authority
March Joint Powers Authority
17405 Heacock Street
Moreno Valley, CA 92551

Riverside County Administrative Center
4080 Lemon Street
Riverside, CA 92501

On October 3, 2026, 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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March Joint Powers Authority
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March Inland Port Airport Authority
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City of Moreno Valley • City of Riverside • City of Perris • Riverside County
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March Joint Powers Commission
of the
March Joint Powers Utilities Authority
City of Moreno Valley • City of Riverside • City of Perris

Wednesday, October 7, 2026 - 3:00 PM

March Joint Powers Authority Commission
Meeting Location:
Riverside County Administrative Center, Board Chambers
4080 Lemon Street
Riverside, CA 92501

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.

You may view the meeting at <https://rivcotv.org/>

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
17405 Heacock Street Moreno Valley, CA 92551
Phone: (951) 656-7000 www.MarchJPA.com

THE MARCH JOINT POWERS COMMISSION
of the
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MARCH INLAND PORT AIRPORT AUTHORITY
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SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY
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Wednesday, October 7, 2026 - 3:00 PM

Riverside County Administrative Center
Board Chambers
4080 Lemon Street
Riverside, CA 92501

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. Presentation**
- 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. Approval of Minutes for the Special Meeting held on August 26, 2026, and the Regular Meeting held on September 2, 2026 – Page 7

9. CONSENT CALENDAR

March Inland Port Airport Authority - Operations

March Joint Powers Authority - Operations

- 1) Report: MIPAA Receive and file Financial Status Reports – Page 15
- 2) Action: MIPAA Approve June, July and August 2026 Disbursements – Page 19
- 3) Report: MJPA Receive and file Financial Status Reports – Page 24
- 4) Action: MJPA Approve June, July and August 2026 Disbursements – Page 40
- 5) Action: Approve March Inland Port Airport Authority (MIPAA) payment adjustment to March Air Reserve Base (MARB) for FY 2024 and FY 2025 invoices pursuant to the MARB/MIPAA Memorandum of Agreement (MOA) for major repair and construction projects on Joint Use Flying Facilities (JUFF); and adopt Resolution MIPAA 26-05 reflecting the adjustment – Page 49
- 6) Action: Approve a lease agreement with SITA Information Network Computing USA and authorize the Chief Executive Officer to execute the agreement – Page 52
- 7) Action: Approve the 2026 Airport Capital Improvement Plan (ACIP); authorize the Chief Executive Officer to execute FAA submittal documents; and authorize the advertising of a Request for Proposal (RFP) for the Apron Reconstruction Pavement Management Plan (PMP) Area 12 Project pursuant to the adopted ACIP - Page 66
- 8) Action: Approve a Scope of Work from C&S Companies for the Design of a Standby Generator for the Fuel Farm Expansion Project and authorize the Chief Executive Officer to execute the agreement – Page 75
- 9) Action: Approve Amendment No. 1 to the contract with Converge Strategies for the March Airfield Operations Readiness report, to revise the Scope of Work and extend the life of the contract, and authorize Chief Executive Officer to execute the amendment – Page 85
- 10) Action: Approve the administrative transfer of grant administration and financial responsibility for the OLDCC Mission Readiness grant from the March Inland Port Airport Authority (MIPAA) to March Joint Powers Authority (MJPA); and authorize the Chief Executive Officer to execute any agreements, amendments, certifications, grant documents, or other documents necessary to effectuate and administer the transfer – Page 116
- 11) Action: Authorize advertising a Request for Proposal (RFP) for March Inland Port Airport (MIPA) On-Call Traffic Engineering Services – Page 118
- 12) Action: Authorize advertising a Request for Proposal (RFP) for On-Call Aviation Fuel Farm Inspection, Repair and Maintenance Services – Page 119
- 13) Action: Approve the award of a contract to Surveillance International for the March Inland Port Airport (MIPA) Security System Replacement and On-Call Maintenance Services in the amount of \$76,878.34, approve a 25 percent contingency in the amount of \$19,219.59, and authorize the Chief Executive Officer to execute the contract – Page 125
- 14) Action: Approve the Military Construction Cooperative Agreement between the March Inland Port Airport Authority (“MIPAA”) and the 163rd Civil Engineer Squadron (“163rd CES”); and authorize staff to solicit a request for proposals (“RFP”) from qualified architectural and engineering firms for design services – Page 127
- 15) Action: Approve a Church lease assignment and authorize a 3-year lease agreement and authorize the Chief Executive Officer to execute the agreement – Page 130

- 16) Action: Acknowledge and concur with the California Department of Housing and Community Development's August 19, 2026 determination that Assessor's Parcel Number 294-070-039 qualifies as exempt surplus land under Government Code section 54221(f)(1)(D), and reaffirm the Commission's adoption of Resolution No. JPA 26-09 – Page 141

10. REPORTS, DISCUSSIONS AND ACTION ITEMS

March Inland Port Airport Authority - Operations

March Joint Powers Authority - Operations

- 1) Report: Receive and file a briefing on March Air Reserve Base (MARB) – Page 145
- 2) Report: Receive and file a report from a member of TAC – Page 148
- 3) Report: Receive and file a report for the Fiscal Year 2024-25 Audit of March Joint Powers Authority and All its Entities – Page 149

11. CONSENT CALENDAR

MJPUA – Operations

- 1) Report: Receive and file Financial Status Reports – Page 258
- 2) Action: Approve June, July and August 2026 Disbursements – Page 262

12. REPORTS, DISCUSSIONS AND ACTION ITEMS

March Joint Powers Utilities Authority - Operations

- 1) Report: Receive and file a report for the Fiscal Year 2024-25 Audit of March Joint Powers Utilities Authority – Page 266

13. Commission Members Oral Reports/Announcements

14. Staff Oral Reports/Announcements

15. Calendaring of Future Agenda Items

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

16. Closed Session

- 1) **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION** (Paragraph (1) of subdivision (d) of Section 54956.9)
 - a. Ilaisha Allyce Hale et al. v. March Joint Powers Authority, Superior Court of California, County of Riverside, Case No. CIVRI2504353
 - b. March1 LLC v. March Joint Powers Authority, Superior Court of California, County of Riverside, Case No. Not Assigned
- 2) **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION -** Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: one or more cases.

(Facts and circumstances include a July 21, 2026 letter from March1 LLC to the Authority alleging an improper termination of the DDA, a July 29, 2026 Notice of Breach letter from March1 LLC to the Authority, a July 30, 2026 letter from March1 LLC Counsel alleging a violation of the Brown Act, and an email from Peter Veiguela (Fidelity National Law Group) to MIPA legal counsel dated September 21, 2026 regarding filing of interpleader lawsuit)

- 3) **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION –**
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: one case.

17. Adjournment

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

Copies of the staff reports or other written documentation relating to each item of business described above are on file in the office of Clerk of the March Joint Powers Authority (JPA), 17405 Heacock Street, Moreno Valley, California and are available for public inspection during regular office hours (8:00 a.m. to 5:30 p.m., Monday through Thursday, Friday 8:00am to 4:30pm). 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 JPA offices at 17405 Heacock Street, Moreno Valley, California (Government Code Section 54957.5(b)(2)). Copies of staff reports and written materials may be purchased for \$0.20 per page. In addition, staff reports can be reviewed online at www.marchjpa.com. Pursuant to State law, this agenda was posted at least 72 hours prior to the meeting.

ADA: If you require special accommodations during your attendance at a meeting, please contact the 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: October 3, 2026

Signed: Cindy Camargo

Cindy Camargo, Clerk of the March Joint Powers Authority Commission

**March Joint Powers Authority
17405 Heacock Street, Moreno Valley, CA 92518
Phone: (951) 656-7000 www.MarchJPA.com**

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Wednesday, August 26, 2026 - 3:00 PM

*Riverside County Administrative Center
Board Chambers
4080 Lemon Street
Riverside, CA 92501*

SPECIAL MEETING MINUTES

1. Call to Order

Chair Gutierrez called the meeting to order at 3:00 p.m.

2. Roll Call

Present: Delgado, Vargas, Corona (arrived at 3:05pm), Conder, Gutierrez, Alternate Member Cervantes

Absent: Cabrera, Medina

3. Public Comments on Items on the Agenda

Because this is a Special Meeting, any person may address the Commission on items listed on the Agenda only. A limitation of three (3) minutes shall be set for each person desiring to address the Commission.

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

1. Carl Ciochon
2. Donovan Collier

4. Closed Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: one or more cases.

(Facts and circumstances include a July 21, 2026 letter from March1 LLC to the Authority alleging an improper termination of the DDA, a July 29, 2026 Notice of Breach letter from March1 LLC to the Authority, and a July 30, 2026 letter from March1 LLC Counsel alleging a violation of the Brown Act)

Closed session began: 3:08 p.m.

Closed session ended: 3:54 p.m.

Atty Rice provided the Reportable Action:

With regards to the July 30, 2026 letter from March1 LLC alleging a violation of the Brown Act and demanding the Authority cure and correct, the Commission voted 5-3 to issue a letter in response denying the demand.

Motion: Alternate Member Cervantes

Second: Delgado

Ayes: Alternate Member Cervantes, Delgado (2 votes), Gutierrez (2 votes)

Noes: Vargas, Conder, Corona

Absent: Cabrera, Medina

Abstain: None

5. Adjournment

This meeting adjourned at 3:55 pm.

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Wednesday, September 2, 2026 - 3:00 PM

*Riverside County Administrative Center
Board Chambers
4080 Lemon Street
Riverside, CA 92501*

REGULAR MEETING MINUTES

- 1. Call to Order**
Chair Gutierrez called the meeting to order at 3:00 p.m.
- 2. Roll Call**
Present: Alternate Member Cervantes (arrived 3:01pm), Delgado (2 votes), Vargas, Corona, Medina, Conder, Gutierrez
Absent: Cabrera
- 3. Invocation**
Pastor Diane Gardner provided the invocation.
- 4. Pledge of Allegiance**
Chair Gutierrez led the group in the pledge.
- 5. Matters Subsequent to Posting Agenda**
Approval of Agenda Additions or Corrections, as Necessary.
None.
- 6. 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.

None.

7. Approval of Minutes for Regular Meeting held on July 1, 2026

No questions or comments. No public request to speak.

Motion to approve the JPC Regular Meeting Minutes for the meeting held on July 1, 2026.

Motion: Vargas

Second: Delgado

Ayes: Alternate Member Cervantes, Delgado (2 votes), Vargas, Corona, Medina, Conder, Gutierrez

Noes: None

Absent: Cabrera

Abstain: None

8. CONSENT CALENDAR

March Inland Port Airport Authority - Operations

March Joint Powers Authority - Operations

- 1) Action: Approve MIPAA payment of MARB FY 24 and FY 25 invoices pursuant to the MARB/MIPAA Memorandum of Agreement (MOA) for major repair and construction JUFF projects; adopt Resolution MIPAA 26-04 authorizing an FY 26/27 MIPAA budget increase of \$200,000 to support the MOA payment
- 2) Action: Approve FAA grants 22 and 23, totaling Three Million Fifty-Four Thousand Nine Hundred and Seventeen Dollars (\$3,054,917) for apron reconstruction Phase 13, and authorize the CEO and MIPAA legal counsel to execute issued grants.
- 3) Action: Approve C&S Companies Scope of Work for the Construction Administration and Observation of the Apron Reconstruction Pavement Management Plan (PMP) Phase 13 Project
- 4) Action: Approve an amendment to the construction contract with Hazard Construction, LLC for the Apron Reconstruction, Phase 13 Project at March Inland Port Airport to authorize a change order in an amount not to exceed One Hundred Seven Thousand Dollars (\$107,000), and authorize the Chief Executive Officer to execute the change order
- 5) Action: Approve Amendment No. 1 to the Short Form Services Agreement with West Coast Arborists, Inc. for the March Inland Port Airport On-Call Tree Maintenance and Service and authorize the Chief Executive Officer to execute the amendment
- 6) Action: Adopt Resolution JPA 26-11 adopting an Amended 2026 Conflict of Interest Code/Appendix for the March Joint Powers Authority
- 7) Action: Adopt Resolution JPA 26-12 a Resolution of the Joint Power Commission of the March Joint Powers Authority approving the form of and authorizing the execution of the Memorandum of Understanding (MOU) and authorizing participation in the Special District Risk Management Authority's (SDRMA) Health Benefits Program

- 8) Action: Approve a project acceptance with Danny Ryan Precision Contracting, Inc. dba ADEP Precision Contracting and authorize the Chief Executive Officer to execute the Notice of Completion (NOC)
- 9) Action: Approve Amendment No. 1 to the Professional Services Agreement (PSA) with RSG, Inc. extending the agreement term and authorize the Chief Executive Officer to execute the amendment
- 10) Action: Authorize advertising a Request for Proposal (RFP) for Green Acres Historical Housing Community landscape maintenance services
- 11) Action: Approve the award of a contract to West Coast Arborists, Inc. for Green Acres Tree Trimming and Removal Services, and authorize the Chief Executive Officer to execute the agreement
- 12) Action: Authorize an Amendment No. 1 to the Professional Services Agreement (PSA) with Horizon Realty Group extending the contract term for property management services and Authorize the Chief Executive Officer to execute the amendment
- 13) Action: Authorize advertising a Request for Proposals (RFP) for a three-year contract for property management services for the Green Acres Community
- 14) Action: Authorize advertising a Request for Proposals (RFP) to secure up to three on-call general contract service providers for the Green Acres Community
- 15) Action: Authorize advertising a Request for Proposals (RFP) for up to three, on-call, lead based paint and hazardous materials specialists for the Green Acres Community
- 16) Action: Approve a budget adjustment for Green Acres to allow a capital fund of One-Hundred and Thirty Thousand Dollars (\$130,000) for HVAC systems replacements within the Green Acres Community

No questions or comments. No public request to speak.

Motion to approve Consent Calendar MIPAA/MJPA – Operations, Item 8 (1-16).

Motion: Alt Member Cervantes

Second: Medina

Ayes: Alternate Member Cervantes, Delgado (2 votes), Vargas, Corona, Medina, Conder, Gutierrez

Noes: None

Absent: Cabrera

Abstain: None

9. REPORTS, DISCUSSIONS AND ACTION ITEMS

March Inland Port Airport Authority - Operations

March Joint Powers Authority - Operations

- 1) Report: Receive and file a presentation on the March Airfield Operations Readiness Report and Action Plan pursuant to the 2025 Office of Local Defense Community Cooperation (OLDCC) grant award for Mission Readiness at March

Mr. Jack Gaul with Converge Strategies provided a briefing on this item.

Converge Strategies is a consulting company that specializes in the field of energy and national security.

Mr. Gaul explained that OLDCC, within the Department of Defense, administers the Installation Readiness Program that funds the OLDCC grant received by MIPAA. The

grant supports a vulnerability assessment and a joint community-installation tabletop exercise to identify projects that could be funded to strengthen the region's resilience.

Mr. Graul noted that the Installation Readiness Program complements the Defense Community Infrastructure Program (DCIP), which funds shovel-ready infrastructure projects. In contrast, the Installation Readiness Program is a planning program focused on electric and natural gas infrastructure.

The Tabletop Exercise (TTX) took place on Tuesday, June 16th at 8:30 a.m.

The Tabletop Exercise (TTX) had three cascading scenarios, each culminating in a regional blackout.

- 1) Develop a common understanding of MIPAA and March ARB critical missions and its role as force projection platform for the Department of War.
- 2) Develop a common understanding of March Airfield's reliance on critical utility infrastructure and community services to support March ARB and MIPAA missions.
- 3) Identify and prioritize threats and vulnerabilities within the Western Riverside community and roleplay contingency response and prevention activities.

The result is to create solutions that are realistic and implementable.

Various discussions took place between all attending the TTX. The lack of power available to the areas.

Four projects were recommended from the TTX.

Project 1: MIPAA Backup Generation

Project 2: Distribution/Sub-transmission Upgrade

Project 3: MARB – MIPAA Distribution Intertie

Project 4: MARB – MIPAA Multi-Customer Microgrid

General discussion between JPC Members and the presenters.

No public comment(s) on this item.

No public request to speak.

Item received and filed.

- 2) Report: Receive and file a briefing on March Air Reserve Base (MARB)
Ms. Howard was unable to attend today's meeting.
- 3) Report: Receive and file a report from the TAC
TAC Member Leach provided a report from the TAC meeting on August 31, 2026.

Item received and filed.

**10. March Joint Powers Authority-Successor Agency of Former Redevelopment Agency
Public Hearing
MJPA-SA – Operations**

- 1) Approve Resolution JPA-SA 26-01 making the findings necessary to exercise the Power of Termination reserved under the applicable Grant Deed and directing the Chief Executive Officer to provide written notice to Enterprise Center, LLC requesting transfer of the property located at 14127 Meridian Parkway back to the March Joint Powers Authority

Dr. Grace Martin provided a presentation and briefing for the Public Hearing item – 10 (1).

This is an approximate 5-acre parcel within the Meridian Park North Campus at 14127 Meridian Parkway, Riverside, CA 92518. This property is directly north of Western Municipal Water District's office. In September 2007, the property was entitled for a 40,000-sf building for business park condos. In July 2010 the applicant asked for an extension of time for approvals. March JPA approved a 3-year extension. In July 2013 the approvals expired. The applicant has not communicated at all since 2010 extension request. The grant deed has restrictions for performance and allows March JPA to recover the property.

Staff recommended approval of Resolution JPA-SA 26-01 making the findings necessary to exercise the Power of Termination reserved under the applicable Grant Deed and direct the CEO to provide written notice to Enterprise Center, LLC requesting transfer of the property back to March JPA.

Chair Gutierrez opened the Public Hearing for comments at 3:33 p.m.
Hearing none, Chair Gutierrez closed the Public Hearing for comments at 3:34 p.m.

Motion to approve Public Hearing – MJPA-SA, Item 10 (1).

Motion: Conder
Second: Vargas
Ayes: Alternate Member Cervantes, Delgado (2 votes), Vargas, Corona, Medina, Conder, Gutierrez
Noes: None
Absent: None
Abstain : None

11. Commission Members Oral Reports/Announcements

None.

12. Staff Oral Reports/Announcements

Dr. Martin introduced MJPA's new employee Finance Manager/Controller Maria Fernanda Naves.

13. Calendaring of Future Agenda Items

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

Alternate Commissioner Cervantes requested to agendize an open discussion of the March LifeCare center and explore options in moving forward among the cities and communities.

14. Closed Session

1) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

- a. Property: March Inland Port Airport/March Air Reserve Base,

Joint Use Flying Facilities

Agency Negotiator: Dr. Grace Martin, Chief Executive Officer

Negotiating Parties: U.S. Air Force, March Air Reserve Base

Under Negotiation: Price and Terms of Joint Use Agreement

- b. Property: An approximate 30-acre property (a portion of APN 297-200-012) generally located south of Cactus Avenue, east of Cactus Avenue and west of Riverside Drive.
Agency Negotiator: Dr. Grace Martin, Chief Executive Officer
Negotiating Parties: USDA Forest Service (Whitney Hosseini, Realty Officer)
Under Negotiation: Price and terms of payment
- c. Property: 14950 Riverside Drive, Riverside, CA 92553
Agency Negotiator: Dr. Grace Martin, Chief Executive Officer
Negotiating Parties: Crossword Christian Church, Bishop L. Kirk Sykes.
Under Negotiation: Price and terms of lease agreement/amendment/assignment

**2) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)**

- a. *Ilaisha Allyce Hale et al. v. March Joint Powers Authority*, Superior Court of California, County of Riverside, Case No. CIVRI2504353
- b. *March Joint Powers Authority v. Signature Healthcare Services et al.*, Riverside Superior Court, Case No. CVRI2404339
- c. *March Joint Powers Authority v. City of Moreno Valley (Lawrence Family Trust and David Schiepe, Real Parties in Interest)*; Riverside County Superior Court Case No. CVRI2301582 and Court of Appeal Case No. E086872

Closed session began: 3:37 p.m.

Closed session ended: 4:20 p.m.

Reportable Action(s): None

15. Adjournment

This meeting adjourned at 4:20 pm.

March Joint Powers Authority
17405 Heacock Street, Moreno Valley, CA 92518
Phone: (951) 656-7000 www.MarchJPA.com

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 9 (1)

Meeting Date: October 7, 2026

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

Motion: Move to receive and file Financial Status Reports

Background:

The monthly Financial Status Report is a summary of operational income and expenses for the months of June, July and August 2026 and for the fiscal years to date. It provides a summary of the March Inland Port Airport Authority's (MIPAA) ongoing activities related to the MIPAA approved FY 2025-26 and 2026-27 budgets.

Attachment(s): Financial Status Reports for June, July and August 2026

March Inland Port

Balance Sheet General Fund – Fund 500 As of June 30, 2026

ASSETS

Cash In Bank	\$ 4,753,918.95
Investment Account	5,484,182.92
Accounts Receivable	835,425.12
Accounts Receivable - Leases	76,586,453.30
Prepays	-
Construction in Progress	3,003,778.02
Fixed Assets	36,352.00
Improvements	27,679,399.45
Infrastructure	2,110,182.11
Accumulated Depreciation	(9,771,624.01)
Land and Buildings	22,223,191.00
Deferred Outflows - Pension	241,004.31
Deferred Outflows - OPEB	50,828.00

Total Assets	<u>\$ 133,233,091.17</u>
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LIABILITIES

Payroll Liabilities	851,000.22
Interest Payable	529,266.76
Net Pension Liability	652,905.76
Compensated Absences	105,278.30
Deferred Inflows - Pension	17,459.47
Deferred Inflows - OPEB	43,894.00
Deferred Inflows - Leases	76,607,286.30

Total Liabilities	<u>78,807,090.81</u>
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FUND BALANCE

Net Position, Beginning of Fiscal Year	53,959,536.44
Change in Fund Balance for the month ending June 30, 2026	<u>466,463.92</u>

Ending Fund Balance, June 30, 2026	<u>54,426,000.36</u>
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Total Liabilities and Net Position	<u>\$ 133,233,091.17</u>
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March Inland Port

Balance Sheet General Fund – Fund 500 As of July 31, 2026

ASSETS

Cash In Bank	\$ 4,672,902.52
Investment Account	5,484,182.92
Accounts Receivable	872,139.27
Accounts Receivable - Leases	76,586,453.30
Construction in Progress	3,003,778.02
Fixed Assets	36,352.00
Improvements	27,679,399.45
Infrastructure	2,110,182.11
Accumulated Depreciation	(9,771,624.01)
Land and Buildings	22,223,191.00
Deferred Outflows - Pension	241,004.31
Deferred Outflows - OPEB	50,828.00

Total Assets	<u>\$ 133,188,788.89</u>
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LIABILITIES

Payroll Liabilities	914,429.71
Interest Payable	458,708.31
Net Pension Liability	652,905.76
Compensated Absences	105,278.30
Deferred Inflows - Pension	17,459.47
Deferred Inflows - OPEB	43,894.00
Deferred Inflows - Leases	76,607,286.30

Total Liabilities	<u>78,799,961.85</u>
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FUND BALANCE

Net Position, Beginning of Fiscal Year	54,429,043.44
Change in Fund Balance for the month ending July 31, 2026	<u>(40,216.40)</u>

Ending Fund Balance, July 31, 2026	<u>54,388,827.04</u>
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Total Liabilities and Net Position	<u>\$ 133,188,788.89</u>
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March Inland Port

Balance Sheet General Fund – Fund 500 As of August 31, 2026

ASSETS

Cash In Bank	\$ 4,554,241.29
Investment Account	5,484,182.92
Accounts Receivable	908,758.90
Accounts Receivable - Leases	76,586,453.30
Construction in Progress	3,003,778.02
Fixed Assets	36,352.00
Improvements	27,679,399.45
Infrastructure	2,110,182.11
Accumulated Depreciation	(9,771,624.01)
Land and Buildings	22,223,191.00
Deferred Outflows - Pension	241,004.31
Deferred Outflows - OPEB	50,828.00

Total Assets	<u>\$ 133,106,747.29</u>
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LIABILITIES

Payroll Liabilities	914,429.71
Interest Payable	295,488.23
Net Pension Liability	652,905.76
Compensated Absences	105,278.30
Deferred Inflows - Pension	17,459.47
Deferred Inflows - OPEB	43,894.00
Deferred Inflows - Leases	76,607,286.30

Total Liabilities	<u>78,636,741.77</u>
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FUND BALANCE

Net Position, Beginning of Fiscal Year	54,429,043.44
Change in Fund Balance for the month ending August 31, 2026	40,962.08

Ending Fund Balance, August 31, 2026	<u>54,470,005.52</u>
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Total Liabilities and Net Position	<u>\$ 133,106,747.29</u>
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MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 9 (2)

Meeting Date: October 7, 2026

Action: **APPROVE JUNE, JULY AND AUGUST 2026**
DISBURSEMENTS

Motion: Move to approve the check disbursements for the months of June, July and August 2026 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 months of June, July and August 2026 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(s): Listing of checks disbursed in June, July and August 2026 for the March Inland Port Airport Authority.

Accounts Payable

Checks by Date - Summary by Check Number

User: mnaves@marchjpa.com
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March Joint Powers Authority

17405 Heacock Street

Moreno Valley, CA 92551

951.656.7000

www.marchjpa.com

Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	ConderJr	Charles Conder Jr.	06/01/2026	560.00
ACH	Delgado	Edward Delgado	06/01/2026	280.00
ACH	Gutierre	Yxstian Gutierrez	06/01/2026	280.00
ACH	MedinaJ	Jose Medina	06/01/2026	140.00
ACH	VargasM	Michael Vargas	06/01/2026	980.00
ACH	SONRI	SONRI, INC	06/04/2026	2,875.00
ACH	AlbertA	Albert A. Webb Associates	06/11/2026	116.81
ACH	DTS	Daley Technology Systems	06/11/2026	750.00
ACH	The20/20	The 20/20 NETWORK	06/11/2026	750.00
ACH	ConvStra	Converge Strategies LLC	06/25/2026	49,562.85
ACH	DPETER1	David Peterson Abatement Services,LLC	06/25/2026	4,620.00
ACH	PRINTWR	Print Wear Embroidery Wear	06/25/2026	271.49
ACH	CabreraU	Ulises Cabrera	06/30/2026	140.00
ACH	ConderJr	Charles Conder Jr.	06/30/2026	420.00
ACH	CoronaM	Malcolm Corona	06/30/2026	140.00
ACH	Delgado	Edward Delgado	06/30/2026	280.00
ACH	Gutierre	Yxstian Gutierrez	06/30/2026	560.00
ACH	MedinaJ	Jose Medina	06/30/2026	280.00
ACH	VargasM	Michael Vargas	06/30/2026	420.00
5005912	BESTBE	Best Best & Krieger, LLP	06/04/2026	2,284.20
5005915	HOMED	Home Depot Credit Services	06/04/2026	183.77
5005916	Million	Million Air, Riverside	06/04/2026	594.40
5005917	Raceway2	Raceway Ford	06/04/2026	99.07
5005918	AyalaA	Amelia Ayala	06/04/2026	4,225.00
5005920	William2	Grace Martin	06/04/2026	111.00
5005921	Computer	California Computer Options, Inc.	06/04/2026	3,113.46
5005922	ORELLANA	Carlos Orellana	06/04/2026	111.00
5005924	JanPro	Commerical Cleaning Solutions, Inc.	06/04/2026	400.00
5005925	BESTBE	Best Best & Krieger, LLP	06/11/2026	7,534.80
5005926	C&S	C & S Engineers, Inc.	06/11/2026	22,506.42
5005927	FEDEX	FedEx	06/11/2026	3.84
5005928	RAPIDFIR	Rapid Fire Safety & Security LLC	06/11/2026	627.00
5005929	StaplesA	Staples Business Credit	06/11/2026	277.30
5005930	Computer	California Computer Options, Inc.	06/11/2026	6,672.89
5005931	JanPro	Commerical Cleaning Solutions, Inc.	06/11/2026	400.00
5005932	BankofAm	Bank Of America	06/23/2026	14,607.80
5005935	CanonF	Canon Financial Services, Inc.	06/25/2026	247.67
5005936	FRONTIER	Frontier Communications	06/25/2026	1,164.90
5005937	Million	Million Air, Riverside	06/25/2026	192.89
5005938	Raceway2	Raceway Ford	06/25/2026	1,372.10
5005939	AQMD	South Coast AQMD.	06/25/2026	4,357.91
5005940	VERIZ2	Verizon Wireless	06/25/2026	572.12
5005941	Willdan	Willdan Financial Services	06/25/2026	1,260.00
5005942	RivEnvir	County of Riverside Department of Enviror	06/25/2026	2,870.00
5005943	SCE4	Southern California Edison	06/25/2026	623.65
5005944	ERB	Sharon Erb	06/25/2026	114.00
5005945	HBS	Hartley Blunt Strategies LLC	06/25/2026	11,790.41

Check No	Vendor No	Vendor Name	Check Date	Check Amount
5005946	William2	Grace Martin	06/25/2026	389.06
5005947	WASTEM	WM Corporate Services, Inc.	06/25/2026	497.48
5005948	Vallejo	Elizabeth Vallejo	06/30/2026	140.00
Report Total (50 checks):				152,770.29

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

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
ACH	DTS	Daley Technology Systems	07/16/2026	0.00	1,250.00
ACH	PERMAINS	Public Entity Risk Management Authority(l	07/16/2026	0.00	131,195.17
ACH	SONRI	SONRI, INC	07/16/2026	0.00	9,187.50
ACH	The20/20	The 20/20 NETWORK	07/16/2026	0.00	1,350.00
5005949	BESTBE	Best Best & Krieger, LLP	07/09/2026	0.00	20,280.10
5005950	Million	Million Air, Riverside	07/09/2026	0.00	89.18
5005951	CGResour	CG Resource Management & Engineering,	07/09/2026	0.00	7,588.75
5005952	ConceptM	Concept Marketing	07/09/2026	0.00	1,231.82
5005953	FARR	Davis Farr	07/09/2026	0.00	4,050.00
5005954	William2	Grace Martin	07/09/2026	0.00	301.00
5005955	Computer	California Computer Options, Inc.	07/09/2026	0.00	6,971.83
5005956	C&S	C & S Engineers, Inc.	07/16/2026	0.00	57,759.35
5005957	FRONTIER	Frontier Communications	07/16/2026	0.00	3,402.17
5005958	GRAINGER	Grainger	07/16/2026	0.00	51.54
5005959	Million	Million Air, Riverside	07/16/2026	0.00	1,070.90
5005960	RAPIDFIR	Rapid Fire Safety & Security LLC	07/16/2026	0.00	308.88
5005961	StaplesA	Staples Business Credit	07/16/2026	0.00	571.60
5005962	TROPHIES	Kristy Ailport	07/16/2026	0.00	39.15
5005963	DptCons	Department of Conservation	07/16/2026	0.00	861.77
5005964	RivCntyI	County of Riverside Information Technolog	07/16/2026	0.00	129.95
5005965	SCE4	Southern California Edison	07/16/2026	0.00	615.56
5005966	HBS	Hartley Blunt Strategies LLC	07/16/2026	0.00	9,136.08
5005967	WASTEM	WM Corporate Services, Inc.	07/16/2026	0.00	309.52
5005968	JanPro	Commerical Cleaning Solutions, Inc.	07/16/2026	0.00	400.00
5005969	CalifBld	California Building Standards Commission:	07/16/2026	0.00	117.00
5005970	USTREAS	Treasurer Of The United States of America	07/16/2026	0.00	9,643.73
5005973	CanonF	Canon Financial Services, Inc.	07/23/2026	0.00	247.67
5005976	HBS	Hartley Blunt Strategies LLC	07/23/2026	0.00	9,000.00
Report Total (28 checks):				0.00	277,160.22

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

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
ACH	CabreraU	Ulises Cabrera	08/03/2026	0.00	140.00
ACH	ConderJr	Charles Conder Jr.	08/03/2026	0.00	280.00
ACH	Delgado	Edward Delgado	08/03/2026	0.00	420.00
ACH	Gutierre	Yxstian Gutierrez	08/03/2026	0.00	560.00
ACH	MedinaJ	Jose Medina	08/03/2026	0.00	280.00
ACH	VargasM	Michael Vargas	08/03/2026	0.00	560.00
ACH	ConvStra	Converge Strategies LLC	08/20/2026	0.00	49,562.85
ACH	DPETER1	David Peterson Abatement Services,LLC	08/20/2026	0.00	4,620.00
ACH	RobertHa	Robert Half	08/20/2026	0.00	2,206.51
ACH	SONRI	SONRI, INC	08/20/2026	0.00	3,875.00
5005977	Automate	Automated Gate Services, Inc.	08/06/2026	0.00	555.00
5005979	FRONTIER	Frontier Communications	08/06/2026	0.00	936.82
5005980	Million	Million Air, Riverside	08/06/2026	0.00	1,370.62
5005982	StaplesA	Staples Business Credit	08/06/2026	0.00	552.85
5005985	WestCoas	West Coast Arborists, Inc	08/06/2026	0.00	8,640.00
5005986	AyalaA	Amelia Ayala	08/06/2026	0.00	4,351.75
5005987	Chang	Chang Consultants	08/06/2026	0.00	3,510.00
5005988	SCE4	Southern California Edison	08/06/2026	0.00	655.61
5005991	Computer	California Computer Options, Inc.	08/06/2026	0.00	4,293.54
5005992	Vallejo	Elizabeth Vallejo	08/06/2026	0.00	140.00
5005993	FEDEX	FedEx	08/20/2026	0.00	37.31
5005994	FRONTIER	Frontier Communications	08/20/2026	0.00	985.02
5005995	GRAINGER	Grainger	08/20/2026	0.00	154.85
5005996	HOMEDE	Home Depot Credit Services	08/20/2026	0.00	108.73
5005997	Leafwise	Leafwise Landscape LLC	08/20/2026	0.00	4,592.01
5005998	Million	Million Air, Riverside	08/20/2026	0.00	236.94
5005999	RAPIDFIR	Rapid Fire Safety & Security LLC	08/20/2026	0.00	492.00
5006000	Willdan	Willdan Financial Services	08/20/2026	0.00	2,100.00
5006001	BLUHVAC	BLU Heating & Air, Inc	08/20/2026	0.00	17,500.00
5006002	GRIVCH	Greater Riverside Chambers Of Commerce	08/20/2026	0.00	470.00
5006004	HBS	Hartley Blunt Strategies LLC	08/20/2026	0.00	9,000.00
5006005	EWING	Ewing Irrigation Products, Inc.	08/20/2026	0.00	24.57
5006006	RRSE	Riverside Rubber Stamp & Engraving	08/20/2026	0.00	31.55
5006007	WASTEM	WM Corporate Services, Inc.	08/20/2026	0.00	329.80
5006008	JanPro	Commerical Cleaning Solutions, Inc.	08/20/2026	0.00	400.00
5006009	BankofAm	Bank Of America	08/20/2026	0.00	4,077.82
Report Total (36 checks):				0.00	128,051.15

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No.9 (3)

Meeting Date: October 7, 2026

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 Reports are a summary of operational income and expenses for the months of June, July and August 2026 and for the fiscal years 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 2025-26 and 2026-27 budgets.

Attachment(s): Financial Status Reports for June, July and August 2026

March Joint Powers Authority

Balance Sheet General Fund As of June 30, 2026

ASSETS

Cash In Bank	(1,380,767.04)
Petty Cash	300.00
Investment Account	8,330,028.48
Meridian Drainage Fee Acct	2,718,992.68
CalPERS Benefit Trust	13,094,266.78
County Fire Facilities Fund	2,006,970.48
Accounts Receivable	327,119.96
Accounts Receivable - Leases	1,145,147.91
Loans Receivable	1,913,926.60
MJPUA Loan Receivable	450,000.00
Due From Other Funds	676,675.74
Insurance Deposits	1,283.00

Total Assets	<u>\$ 29,283,944.59</u>
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LIABILITIES

Accounts Payable	323,665.05
Deposits in Trust	305,735.15
County Fire Facility	1,824,540.34
Meridian Drainage Fees	1,699,830.45
Lifecare Campus Drainage Fees	82,243.53
Meridian–St. F Sgnl Fair Share	637,826.15
MARB Heacock Project Funds	666.72
Deferred Inflows - Unavailable Revenue	1,200,000.00
Deferred Inflows - Leases	1,145,147.91

Total Liabilities	<u>7,219,655.30</u>
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FUND BALANCE

Fund Balance, Beginning of Fiscal Year	25,112,121.75
Change in Fund Balance for the month ending June 30, 2026	<u>(3,047,832.46)</u>

Ending Fund Balance, June 30, 2026	<u>22,064,289.29</u>
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Total Liabilities and Fund Balance	<u>\$ 29,283,944.59</u>
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March Joint Powers Authority

Balance Sheet

Green Acres Enterprise Fund – Fund 300

As of June 30, 2026

ASSETS

Cash In Bank	\$ 2,057,957.76
Investment Account	3,442,343.28
Land and Buildings	16,366,612.83
Infrastructure	707,189.00
Equipment	59,514.25
Deferred Outflows - Pension	136,219.24
Deferred Outflows - OPEB	28,729.00
Accumulated Depreciation	<u>(10,608,999.67)</u>
Total Assets	<u>\$ 12,189,565.69</u>

LIABILITIES

Accounts Payable	241,391.99
Payroll Liabilities	193,468.83
Security Deposits	179,911.71
Net Pension Liability	369,033.96
Compensated Absences	74,396.67
Deferred Inflows - Pension	9,868.48
Deferred Inflows - OPEB	<u>24,810.00</u>
Total Liabilities	<u>1,109,238.36</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	11,023,852.52
Change in Fund Balance for the month ending June 30, 2026	<u>56,474.81</u>
Ending Fund Balance, June 30, 2026	<u>11,080,327.33</u>
Total Liabilities and Net Position	<u>\$ 12,189,565.69</u>

March Joint Powers Authority

Balance Sheet Repairs & Maintenance – Fund 301 As of June 30, 2026

ASSETS

Cash In Bank	\$ 481,711.72
Total Assets	<u>\$ 481,711.72</u>

LIABILITIES

Accounts Payable	<u>5,870.00</u>
Total Liabilities	<u>5,870.00</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	428,579.07
Change in Fund Balance for the month ending June 30, 2026	<u>47,262.65</u>
Ending Fund Balance, June 30, 2026	<u>475,841.72</u>
Total Liabilities and Net Position	<u>\$ 481,711.72</u>

March Joint Powers Authority

Balance Sheet RORF Fund – Fund 750 As of June 30, 2026

ASSETS

Cash In Bank	715,814.95
Accounts Receivable	-
Total Assets	\$ 715,814.95

LIABILITIES

Accounts Payable	-
Total Liabilities	-

FUND BALANCE

Net Position, Beginning of Fiscal Year	2,709,281.43
Change in Fund Balance for the month ending June 30, 2026	(1,993,466.48)
Ending Fund Balance, June 30, 2026	715,814.95
Total Liabilities and Net Position	\$ 715,814.95

March Joint Powers Authority

Balance Sheet Debt Service Fund – Fund 740 As of June 30, 2026

ASSETS

Cash In Bank	\$ 1,355,748.07
Deferred Charge on Refunding	5,862,820.89
Prepaid Bond Insurance	<u>197,951.74</u>
Total Assets	<u>\$ 7,416,520.70</u>

LIABILITIES

Interest Payable	434,309.90
Bonds Payable - Series 2016A	25,600,000.00
Bonds Premium - Series 2016A	2,798,495.00
Due to Other Funds	<u>676,675.74</u>
Total Liabilities	<u>29,509,480.64</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	(23,447,604.24)
Change in Fund Balance for the month ending June 30, 2026	<u>1,354,644.30</u>
Ending Fund Balance, June 30, 2026	<u>(22,092,959.94)</u>
Total Liabilities and Net Position	<u>\$ 7,416,520.70</u>

March Joint Powers Authority

Balance Sheet General Fund As of July 31, 2026

ASSETS

Cash In Bank	(1,616,971.59)
Petty Cash	300.00
Investment Account	8,330,028.48
Meridian Drainage Fee Acct	2,718,992.68
CalPERS Benefit Trust	13,094,266.78
County Fire Facilities Fund	2,006,970.48
Accounts Receivable	346,043.14
Accounts Receivable - Leases	1,145,147.91
Loans Receivable	1,913,926.60
MJPUA Loan Receivable	450,000.00
Due From Other Funds	676,675.74
Insurance Deposits	1,283.00

Total Assets	<u><u>\$ 29,066,663.22</u></u>
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LIABILITIES

Accounts Payable	315,075.39
Deposits in Trust	305,735.15
County Fire Facility	1,824,540.34
Meridian Drainage Fees	1,699,830.45
Lifecare Campus Drainage Fees	82,243.53
Meridian–St. F Sgnl Fair Share	637,826.15
MARB Heacock Project Funds	666.72
Deferred Inflows - Unavailable Revenue	1,200,000.00
Deferred Inflows - Leases	1,145,147.91

Total Liabilities	<u>7,211,065.64</u>
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FUND BALANCE

Fund Balance, Beginning of Fiscal Year	23,311,357.98
Change in Fund Balance for the month ending July 31, 2026	<u>(1,455,760.40)</u>
Ending Fund Balance, July 31, 2026	<u>21,855,597.58</u>

Total Liabilities and Fund Balance	<u><u>\$ 29,066,663.22</u></u>
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March Joint Powers Authority

Balance Sheet

Green Acres Enterprise Fund – Fund 300

As of July 31, 2026

ASSETS

Cash In Bank	\$ 1,161,807.37
Investment Account	3,442,343.28
Land and Buildings	16,366,612.83
Infrastructure	707,189.00
Equipment	59,514.25
Deferred Outflows - Pension	136,219.24
Deferred Outflows - OPEB	28,729.00
Accumulated Depreciation	<u>(10,608,999.67)</u>
 Total Assets	 <u><u>\$ 11,293,415.30</u></u>

LIABILITIES

Accounts Payable	194,697.06
Payroll Liabilities	203,449.42
Security Deposits	179,161.71
Net Pension Liability	369,033.96
Compensated Absences	74,396.67
Deferred Inflows - Pension	9,868.48
Deferred Inflows - OPEB	<u>24,810.00</u>
 Total Liabilities	 <u>1,071,774.02</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	10,300,853.78
Change in Fund Balance for the month ending July 31, 2026	<u>(79,212.50)</u>
 Ending Fund Balance, July 31, 2026	 <u>10,221,641.28</u>
 Total Liabilities and Net Position	 <u><u>\$ 11,293,415.30</u></u>

March Joint Powers Authority

Balance Sheet Repairs & Maintenance – Fund 301 As of July 31, 2026

ASSETS

Cash In Bank	\$ 463,658.72
Total Assets	<u>\$ 463,658.72</u>

LIABILITIES

Accounts Payable	<u>5,870.00</u>
Total Liabilities	<u>5,870.00</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	475,841.72
Change in Fund Balance for the month ending July 31, 2026	<u>(18,053.00)</u>
Ending Fund Balance, July 31, 2026	<u>457,788.72</u>
Total Liabilities and Net Position	<u>\$ 463,658.72</u>

March Joint Powers Authority

Balance Sheet RORF Fund – Fund 750 As of July 31, 2026

ASSETS

Cash In Bank	715,814.95
Accounts Receivable	<u>-</u>
Total Assets	<u><u>\$ 715,814.95</u></u>

LIABILITIES

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

FUND BALANCE

Net Position, Beginning of Fiscal Year	715,814.95
Change in Fund Balance for the month ending July 31, 2026	<u>-</u>
Ending Fund Balance, July 31, 2026	<u><u>715,814.95</u></u>
Total Liabilities and Net Position	<u><u>\$ 715,814.95</u></u>

March Joint Powers Authority

Balance Sheet

Debt Service Fund – Fund 740

As of July 31, 2026

ASSETS

Cash In Bank	\$ 1,355,748.07
Deferred Charge on Refunding	5,862,820.89
Prepaid Bond Insurance	<u>197,951.74</u>
Total Assets	<u>\$ 7,416,520.70</u>

LIABILITIES

Interest Payable	434,309.90
Bonds Payable - Series 2016A	25,600,000.00
Bonds Premium - Series 2016A	2,798,495.00
Due to Other Funds	<u>676,675.74</u>
Total Liabilities	<u>29,509,480.64</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	(23,447,604.24)
Change in Fund Balance for the month ending July 31, 2026	<u>1,354,644.30</u>
Ending Fund Balance, July 31, 2026	<u>(22,092,959.94)</u>
Total Liabilities and Net Position	<u>\$ 7,416,520.70</u>

March Joint Powers Authority

Balance Sheet General Fund As of August 31, 2026

ASSETS

Cash In Bank	(1,756,189.32)
Petty Cash	300.00
Investment Account	8,330,028.48
Meridian Drainage Fee Acct	2,718,992.68
CalPERS Benefit Trust	13,094,266.78
County Fire Facilities Fund	2,006,970.48
Accounts Receivable	358,605.67
Accounts Receivable - Leases	1,145,147.91
Loans Receivable	1,913,926.60
MJPUA Loan Receivable	450,000.00
Due From Other Funds	676,675.74
Insurance Deposits	1,283.00

Total Assets	<u><u>\$ 28,940,008.02</u></u>
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LIABILITIES

Accounts Payable	250,317.72
Deposits in Trust	305,735.15
County Fire Facility	1,824,540.34
Meridian Drainage Fees	1,699,830.45
Lifecare Campus Drainage Fees	82,243.53
Meridian–St. F Sgnl Fair Share	637,826.15
MARB Heacock Project Funds	666.72
Deferred Inflows - Unavailable Revenue	1,200,000.00
Deferred Inflows - Leases	1,145,147.91

Total Liabilities	<u>7,146,307.97</u>
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FUND BALANCE

Fund Balance, Beginning of Fiscal Year	23,311,357.98
Change in Fund Balance for the month ending August 31, 2026	<u>(1,517,657.93)</u>

Ending Fund Balance, August 31, 2026	<u>21,793,700.05</u>
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Total Liabilities and Fund Balance	<u><u>\$ 28,940,008.02</u></u>
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March Joint Powers Authority

Balance Sheet

Green Acres Enterprise Fund – Fund 300

As of August 31, 2026

ASSETS

Cash In Bank	\$ 1,097,113.52
Investment Account	3,442,343.28
Land and Buildings	16,366,612.83
Infrastructure	707,189.00
Equipment	59,514.25
Deferred Outflows - Pension	136,219.24
Deferred Outflows - OPEB	28,729.00
Accumulated Depreciation	<u>(10,608,999.67)</u>
 Total Assets	 <u><u>\$ 11,228,721.45</u></u>

LIABILITIES

Accounts Payable	162,367.52
Payroll Liabilities	203,449.42
Security Deposits	179,161.71
Net Pension Liability	369,033.96
Compensated Absences	74,396.67
Deferred Inflows - Pension	9,868.48
Deferred Inflows - OPEB	<u>24,810.00</u>
 Total Liabilities	 <u>1,039,444.48</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	10,300,853.78
Change in Fund Balance for the month ending August 31, 2026	<u>(111,576.81)</u>
 Ending Fund Balance, August 31, 2026	 <u>10,189,276.97</u>
 Total Liabilities and Net Position	 <u><u>\$ 11,228,721.45</u></u>

March Joint Powers Authority

Balance Sheet Repairs & Maintenance – Fund 301 As of August 31, 2026

ASSETS

Cash In Bank	\$ 446,297.84
Total Assets	<u>\$ 446,297.84</u>

LIABILITIES

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

FUND BALANCE

Net Position, Beginning of Fiscal Year	475,841.72
Change in Fund Balance for the month ending August 31, 2026	<u>(29,543.88)</u>
Ending Fund Balance, August 31, 2026	<u>446,297.84</u>
Total Liabilities and Net Position	<u>\$ 446,297.84</u>

March Joint Powers Authority

Balance Sheet RORF Fund – Fund 750 As of August 31, 2026

ASSETS

Cash In Bank	715,814.95
Accounts Receivable	<u>-</u>
Total Assets	<u><u>\$ 715,814.95</u></u>

LIABILITIES

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

FUND BALANCE

Net Position, Beginning of Fiscal Year	715,814.95
Change in Fund Balance for the month ending August 31, 2026	<u>-</u>
Ending Fund Balance, August 31, 2026	<u>715,814.95</u>
Total Liabilities and Net Position	<u><u>\$ 715,814.95</u></u>

March Joint Powers Authority

Balance Sheet

Debt Service Fund – Fund 740

As of August 31, 2026

ASSETS

Cash In Bank	\$ 1,355,748.07
Deferred Charge on Refunding	5,862,820.89
Prepaid Bond Insurance	<u>197,951.74</u>
Total Assets	<u>\$ 7,416,520.70</u>

LIABILITIES

Interest Payable	434,309.90
Bonds Payable - Series 2016A	25,600,000.00
Bonds Premium - Series 2016A	2,798,495.00
Due to Other Funds	<u>676,675.74</u>
Total Liabilities	<u>29,509,480.64</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	(23,447,604.24)
Change in Fund Balance for the month ending August 31, 2026	<u>1,354,644.30</u>
Ending Fund Balance, August 31, 2026	<u>(22,092,959.94)</u>
Total Liabilities and Net Position	<u>\$ 7,416,520.70</u>

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 9 (4)

Meeting Date: October 7, 2026

Action: **APPROVE JUNE, JULY AND AUGUST 2026**
DISBURSEMENTS

Motion: Move to approve the check disbursements for the months of June, July and August 2026 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 months of June, July and August 2026 for the March JPA and Green Acres. A listing of those checks is attached and will be reported in the minutes as an action item.

Attachment(s): Listing of checks disbursed in June, July and August 2026 for the March JPA and Green Acres.

Accounts Payable

Checks by Date - Summary by Check Number

User: finance@marchjpa.com
Printed: 10/2/2026 5:45 PM



March Joint Powers Authority

17405 Heacock Street

Moreno Valley, CA 92551

951.656.7000

www.marchjpa.com

Check No	Vendor No	Vendor Name	Check Date		Void Checks	Check Amount
ACH	ConderJr	Charles Conder Jr.	06/01/2026		0.00	140.00
ACH	Delgado	Edward Delgado	06/01/2026		0.00	70.00
ACH	Gutierre	Yxstian Gutierrez	06/01/2026		0.00	70.00
ACH	MedinaJ	Jose Medina	06/01/2026		0.00	35.00
ACH	VargasM	Michael Vargas	06/01/2026		0.00	245.00
ACH	AlbertA	Albert A. Webb Associates	06/04/2026		0.00	234.24
ACH	The20/20	The 20/20 NETWORK	06/04/2026		0.00	2,625.00
ACH	PRINTWR	Print Wear Embroidery Wear	06/25/2026		0.00	38.73
ACH	CabreraU	Ulises Cabrera	06/30/2026		0.00	35.00
ACH	ConderJr	Charles Conder Jr.	06/30/2026		0.00	105.00
ACH	CoronaM	Malcolm Corona	06/30/2026		0.00	35.00
ACH	Delgado	Edward Delgado	06/30/2026		0.00	70.00
ACH	Gutierre	Yxstian Gutierrez	06/30/2026		0.00	140.00
ACH	MedinaJ	Jose Medina	06/30/2026		0.00	70.00
ACH	VargasM	Michael Vargas	06/30/2026		0.00	105.00
1018465	Willdan	Willdan Financial Services	06/04/2026		0.00	240.00
1018466	AyalaA	Amelia Ayala	06/04/2026		0.00	1,690.00
1018467	Rivers	Rivers & Lands Conservancy	06/04/2026	VOID	1,330.50	0.00
1018468	RIVTLMA	TLMA Administration- County Of Riversid	06/04/2026		0.00	11,158.33
1018469	HemFen	Hemet Fence Co.	06/04/2026		0.00	2,100.00
1018470	Computer	California Computer Options, Inc.	06/04/2026		0.00	778.37
1018471	VISTA	Vista Environmental Consulting Inc	06/04/2026		0.00	9,956.00
1018472	BESTBE	Best Best & Krieger, LLP	06/11/2026		0.00	19,488.20
1018473	ADEPPrec	Danny Ryan Precision Contracting Inc.	06/11/2026		0.00	37,996.20
1018474	FEDEX	FedEx	06/11/2026		0.00	89.99
1018475	Leafwise	Leafwise Landscape LLC	06/11/2026		0.00	24,999.15
1018476	MERIDIAN	Meridian Park, LLC	06/11/2026		0.00	50,500.17
1018477	Million	Million Air, Riverside	06/11/2026		0.00	7.14
1018478	PHILLIPS	Phillips 66-CO./SYNCB	06/11/2026		0.00	566.33
1018479	BankofAm	Bank Of America	06/23/2026		0.00	1,757.11
1018480	BESTBE	Best Best & Krieger, LLP	06/25/2026	VOID	24,458.60	0.00
1018481	Million	Million Air, Riverside	06/25/2026		0.00	6.76
1018482	VERIZ2	Verizon Wireless	06/25/2026		0.00	141.03
1018483	ConceptM	Concept Marketing	06/25/2026		0.00	307.95
1018484	Vallejo	Elizabeth Vallejo	06/30/2026		0.00	35.00
Report Total (35 checks):					25,789.10	165,835.70

Accounts Payable

Checks by Date - Summary by Check Number

User: mnaves@marchjpa.com
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March Joint Powers Authority

17405 Heacock Street

Moreno Valley, CA 92551

951.656.7000

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Check No	Vendor No	Vendor Name	Check Date		Void Checks	Check Amount
3010094	BESTBE	Best Best & Krieger, LLP	06/04/2026		0.00	6,628.60
3010095	ChristRo	Christianson Roofing	06/04/2026		0.00	1,790.00
3010096	HOMEDE	Home Depot Credit Services	06/04/2026		0.00	3,596.63
3010097	Leafwise	Leafwise Landscape LLC	06/04/2026		0.00	29,321.26
3010098	LOWES	Lowe's Business Account	06/04/2026		0.00	344.25
3010099	AyalaA	Amelia Ayala	06/04/2026		0.00	585.00
3010100	SouthCou	South County Pest Control, Inc.	06/04/2026		0.00	585.00
3010101	SCE4	Southern California Edison	06/04/2026	VOID	1,106.71	0.00
3010102	MiracleM	Lone Wolf Enterprises, Inc.	06/04/2026		0.00	1,170.00
3010103	P&SJan	Ismael Padilla & Bonnie Padilla	06/04/2026		0.00	150.00
3010104	WMWD	Western Municipal Water District	06/04/2026		0.00	31,915.84
3010105	EWING	Ewing Irrigation Products, Inc.	06/04/2026	VOID	80.58	0.00
3010106	WASTEM	WM Corporate Services, Inc.	06/04/2026		0.00	491.07
3010107	MARCHUT	March Joint Powers Utility Authority	06/04/2026		0.00	18,464.77
3010108	24Hr	24 Hour Express Services, Inc.	06/11/2026		0.00	6,515.00
3010109	AllTemp	All Temperature Air	06/11/2026	VOID	19,604.00	0.00
3010110	Automate	Automated Gate Services, Inc.	06/11/2026		0.00	601.00
3010111	MGS	M.G.S.	06/11/2026		0.00	212.03
3010112	PHILLIPS	Phillips 66-CO./SYNCB	06/11/2026		0.00	1,646.61
3010113	UNDER2	Underground Service Alert /SC	06/11/2026		0.00	10.00
3010114	Aqua	Aqua Backflow & Chlorination, Inc..	06/11/2026		0.00	783.28
3010115	Compare	Compare Carpets & Hardfloors Inc.	06/11/2026		0.00	1,832.04
3010116	Franco	Isaiah & Hailey Franco	06/23/2026	VOID	1,950.00	0.00
3010117	24Hr	24 Hour Express Services, Inc.	06/25/2026		0.00	1,175.00
3010118	Automate	Automated Gate Services, Inc.	06/25/2026		0.00	139.00
3010119	BESTBE	Best Best & Krieger, LLP	06/25/2026		0.00	13,568.40
3010120	HOMEDE	Home Depot Credit Services	06/25/2026		0.00	5,234.04
3010121	SCE4	Southern California Edison	06/25/2026		0.00	1,191.78
3010122	BeauGlas	Beaumont Glass & Door	06/25/2026		0.00	1,084.12
3010123	WMWD	Western Municipal Water District	06/25/2026		0.00	39,081.48
3010124	EWING	Ewing Irrigation Products, Inc.	06/25/2026		0.00	105.58
3010125	WASTEM	WM Corporate Services, Inc.	06/25/2026		0.00	873.52
3010126	Franco	Isaiah & Hailey Franco	06/30/2026		0.00	1,950.00
Report Total (33 checks):					22,741.29	171,045.30

Accounts Payable

Checks by Date - Summary by Check Number

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March Joint Powers Authority
17405 Heacock Street
Moreno Valley, CA 92551
951.656.7000
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Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
4000217	RIVTLMA	TLMA Administration- County Of Riversid	06/30/2026	0.00	25,381.43
Report Total (1 checks):				0.00	25,381.43

Accounts Payable

Checks by Date - Summary by Check Number

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March Joint Powers Authority
17405 Heacock Street
Moreno Valley, CA 92551
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Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
ACH	CompSha	Computershare	06/11/2026	0.00	1,618,878.88
1215	UFI	Urban Futures Incorporated	06/11/2026	0.00	5,000.00
Report Total (2 checks):				0.00	1,623,878.88

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

Check No	Vendor No	Vendor Name	Check Date		Void Checks	Check Amount
ACH	PERMAINS	Public Entity Risk Management Authority(I	07/16/2026		0.00	156,116.01
1018485	BESTBE	Best Best & Krieger, LLP	07/09/2026		0.00	24,458.60
1018486	FEDEX	FedEx	07/09/2026		0.00	87.45
1018487	FRONTIER	Frontier Communications	07/09/2026		0.00	257.79
1018488	Million	Million Air, Riverside	07/09/2026		0.00	89.18
1018489	StaplesA	Staples Business Credit	07/09/2026		0.00	142.90
1018490	Willdan	Willdan Financial Services	07/09/2026		0.00	13,170.00
1018491	TROPHIES	Kristy Ailport	07/09/2026		0.00	9.79
1018492	Rivers	Rivers & Lands Conservancy	07/09/2026	VOID	1,330.50	0.00
1018493	RivCntyI	County of Riverside Information Technolog	07/09/2026		0.00	32.49
1018494	FARR	Davis Farr	07/09/2026		0.00	8,100.00
1018495	RIVCTYSH	Riverside County Sheriff Department	07/09/2026		0.00	56,054.61
1018496	SQUIRE	SQUIRE PATTON BOGGS LLP	07/09/2026		0.00	385.00
1018497	HBS	Hartley Blunt Strategies LLC	07/16/2026		0.00	284.02
1018500	FEDEX	FedEx	07/23/2026		0.00	94.22
1018501	Planet	Planetbids, Inc.	07/23/2026		0.00	4,765.77
Report Total (16 checks):					1,330.50	264,047.83

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

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
ACH	PERMAINS	Public Entity Risk Management Authority(l	07/16/2026	0.00	209,575.82
3010127	24Hr	24 Hour Express Services, Inc.	07/09/2026	0.00	5,665.77
3010128	AllTemp	All Temperature Air	07/09/2026	0.00	20,024.00
3010129	Automate	Automated Gate Services, Inc.	07/09/2026	0.00	338.00
3010130	MGS	M.G.S.	07/09/2026	0.00	424.07
3010131	Montg	Montgomery Plumbing	07/09/2026	0.00	300.00
3010132	SouthCou	South County Pest Control, Inc.	07/09/2026	0.00	527.00
3010133	BeauGlas	Beaumont Glass & Door	07/09/2026	0.00	4,458.24
3010134	Compare	Compare Carpets & Hardfloors Inc.	07/09/2026	0.00	8,469.76
3010135	MiracleM	Lone Wolf Enterprises, Inc.	07/09/2026	0.00	2,440.00
3010136	EWING	Ewing Irrigation Products, Inc.	07/09/2026	0.00	320.40
3010137	ALPINE	Robert Vernieri	07/09/2026	0.00	7,165.00
3010138	ChristRo	Christianson Roofing	07/16/2026	0.00	3,580.00
3010139	Million	Million Air, Riverside	07/16/2026	0.00	186.74
Report Total (14 checks):				0.00	263,474.80

Accounts Payable

Checks by Date - Summary by Check Number

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March Joint Powers Authority
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Riverside, CA 92518
(951) 656-7000
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Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
ACH	CabreraU	Ulises Cabrera	08/03/2026	0.00	35.00
ACH	ConderJr	Charles Conder Jr.	08/03/2026	0.00	70.00
ACH	Delgado	Edward Delgado	08/03/2026	0.00	105.00
ACH	Gutierre	Yxstian Gutierrez	08/03/2026	0.00	140.00
ACH	MedinaJ	Jose Medina	08/03/2026	0.00	70.00
ACH	VargasM	Michael Vargas	08/03/2026	0.00	140.00
ACH	ConderJr	Charles Conder Jr.	08/31/2026	0.00	70.00
ACH	CoronaM	Malcolm Corona	08/31/2026	0.00	105.00
ACH	Delgado	Edward Delgado	08/31/2026	0.00	140.00
ACH	Gutierre	Yxstian Gutierrez	08/31/2026	0.00	175.00
ACH	VargasM	Michael Vargas	08/31/2026	0.00	105.00
ACH	RobertHa	Robert Half	08/20/2026	0.00	551.63
ACH	The20/20	The 20/20 NETWORK	08/20/2026	0.00	1,725.00
1018505	FRONTIER	Frontier Communications	08/06/2026	0.00	234.20
1018506	Million	Million Air, Riverside	08/06/2026	0.00	9.78
1018510	AyalaA	Amelia Ayala	08/06/2026	0.00	1,740.70
1018513	Computer	California Computer Options, Inc.	08/06/2026	0.00	1,073.38
1018514	Vallejo	Elizabeth Vallejo	08/06/2026	0.00	35.00
1018515	FEDEX	FedEx	08/20/2026	0.00	65.62
1018516	GRAINGER	Grainger	08/20/2026	0.00	278.51
1018517	Miller	Miller & Company P.C.	08/20/2026	0.00	1,662.50
1018519	PHILLIPS	Phillips 66-CO./SYNCB	08/20/2026	0.00	8.19
1018521	RRSE	Riverside Rubber Stamp & Engraving	08/20/2026	0.00	7.89
1018522	WASTEM	WM Corporate Services, Inc.	08/20/2026	0.00	1,382.94
1018523	SQUIRE	SQUIRE PATTON BOGGS LLP	08/20/2026	0.00	33,222.50
1018524	BankofAm	Bank Of America	08/20/2026	0.00	3,736.47
Report Total (26 checks):				0.00	46,889.31

Accounts Payable

Checks by Date - Summary by Check Number

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

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
3010146	24Hr	24 Hour Express Services, Inc.	08/06/2026	0.00	595.00
3010150	Leafwise	Leafwise Landscape LLC	08/06/2026	0.00	14,660.63
3010151	AyalaA	Amelia Ayala	08/06/2026	0.00	602.55
3010152	Aqua	Aqua Backflow & Chlorination, Inc..	08/06/2026	0.00	126.00
3010155	WMWD	Western Municipal Water District	08/06/2026	0.00	0.10
3010156	EWING	Ewing Irrigation Products, Inc.	08/06/2026	0.00	920.55
3010157	ALPINE	Robert Vernieri	08/06/2026	0.00	1,185.00
3010158	24Hr	24 Hour Express Services, Inc.	08/20/2026	0.00	2,290.00
3010160	HOMEDE	Home Depot Credit Services	08/20/2026	0.00	13,716.19
3010162	DunnE	Dunn Edwards Corporation	08/20/2026	0.00	840.09
3010163	MiracleM	Lone Wolf Enterprises, Inc.	08/20/2026	0.00	1,270.00
3010164	EWING	Ewing Irrigation Products, Inc.	08/20/2026	0.00	544.17
3010165	WASTEM	WM Corporate Services, Inc.	08/20/2026	0.00	460.91
3010166	ALPINE	Robert Vernieri	08/20/2026	0.00	6,570.00
3010167	BankofAm	Bank Of America	08/20/2026	0.00	74.00
Report Total (15 checks):				0.00	43,855.19

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 9 (5)

Meeting Date: September 2, 2026

Action: **APPROVE MARCH INLAND PORT AIRPORT AUTHORITY (MIPAA) PAYMENT ADJUSTMENT TO MARCH AIR RESERVE BASE (MARB) FOR FY 2024 AND FY 2025 INVOICES PURSUANT TO THE MARB/MIPAA MEMORANDUM OF AGREEMENT (MOA) FOR MAJOR REPAIR AND CONSTRUCTION PROJECTS ON JOINT USE FLYING FACILITIES (JUFF); AND ADOPT RESOLUTION MIPAA 26-05 REFLECTING THE ADJUSTMENT**

Motion: Move to approve March Inland Port Airport Authority (MIPAA) payment adjustment to March Air Reserve Base (MARB) for FY 2024 and FY 2025 invoices pursuant to the MARB/MIPAA Memorandum of Agreement (MOA) for major repair and construction projects on Joint Use Flying Facilities (JUFF); and adopt Resolution MIPAA 26-05 reflecting the adjustment.

Background:

On September 2, 2026, the Commission approved Resolution MIPAA 26-04, authorizing a single installment payment to March Air Reserve Base of submitted invoices for major repair and construction projects incurred in FY 2024 and FY 2025. Resolution MIPAA 26-04 authorized a single installment payment of Two Hundred Ninety-Five Thousand, Six Hundred Thirty-Nine Dollars and Twenty-One Cents (\$295,639.21) for major repair costs associated with Joint Use Flying Facilities, pursuant to the Memorandum of Agreement (MOA) between March Air Reserve Base and the March Inland Port Airport Authority.

However, additional data was subsequently provided to clarify the overall operations numbers at the Base. Based on this additional information, a minor adjustment of Two Thousand and Two Dollars and Sixty-One Cents (\$2,002.61) is required, resulting in a revised total payment of Two Hundred Ninety-Seven Thousand, Six Hundred Forty-One Dollars and Eighty-Six Cents (\$297,641.86).

Therefore, Staff recommends approval of the adjustment to the payment to March Air Reserve Base and adoption of Resolution MIPAA 26-05.

Attachment(s): Resolution MIPAA 26-05

RESOLUTION MIPAA 26-05

A RESOLUTION OF THE MARCH INLAND PORT AIRPORT AUTHORITY AMENDING THE FISCAL YEAR 2026-2027 ANNUAL BUDGET FOR JUA PAYMENTS TO MARCH AIR RESERVE BASE.

WHEREAS, Section 5(j), 5(m), 5(n) of the Joint Powers Agreement creating the March Joint Powers Authority (Authority) provides for fiscal matters and provides strict accountability of all funds of the Authority; and

WHEREAS, the March Joint Powers Commission formed the March Inland Port Airport Authority (MIPAA) in 1997; and

WHEREAS, the March Joint Powers Commission, sitting as the MIPAA Commission, prepares and adopts an agency budget; and

WHEREAS, MIPAA relies on airport operating revenue and federal grants for its primary funding source; and

WHEREAS, the Commission desires to amend the Fiscal Year 2026–2027 Annual Budget to reflect an invoice payment of Two Hundred Nine-Five Thousand, Six Hundred Thirty-Nine Dollars and Twenty One Cents (\$297,641.86), pursuant to the 2026 Amended Memorandum of Agreement between the 452 Air Mobility Wing and March Joint Powers Commission of the March Inland Port Airport for the sharing of Major Repairs and Construction costs on the Joint Use Flying Facilities at March Air Reserve Bae.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the March Inland Port Airport Authority Commission at its regular session assembled on October 7, 2026, that the Fiscal Year 2026–2027 Annual Budget is hereby amended to update the Air Force Payments (JUA) budget by Two Hundred Thousand Dollars (\$200,000) resulting in a revised total operating budget, for MIPAA, of Two Million Nine Hundred Ten Thousand Seven Hundred Sixty One Dollars (\$2,910,761), and is hereby adopted by the March Inland Port Airport Authority Commission; and

BE IT FURTHER RESOLVED, DETERMINED AND ORDERED that this Annual Budget may be amended by future action of the March Inland Port Airport Authority Commission as required by changes during this program year.

PASSED, APPROVED, and ADOPTED this 7th day of October, 2026.

Dr. Yxstian Gutierrez, Chair
March Inland Port Airport Authority Commission

ATTEST:

I, Cindy Camargo, Clerk of the March Inland Port Airport Authority Commission, do hereby certify that the foregoing resolution MIPAA 26-05 was duly and regularly adopted by the March Inland Port Airport Authority Commission at its regularly scheduled meeting on October 7, 2026.

Ayes:

Noes:

Abstain:

Absent:

Dated: October 7, 2026

Cindy Camargo, Clerk
March Inland Port Airport Authority Commission

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 9 (6)

Meeting Date: October 7, 2026

Action: **APPROVE A LEASE AGREEMENT WITH SITA INFORMATION NETWORKING COMPUTING USA AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE AGREEMENT**

Motion: Move to approve a lease agreement with SITA Information Networking Computing USA and authorize the Chief Executive Officer to execute the agreement.

Background:

SITA specializes in very high-frequency (VHF) telecommunications for the global air transport industry, providing ground-based infrastructure that facilitates communication between pilots and air traffic controllers. SITA has operated this infrastructure at March Inland Port Airport (MIPA) since 2011 without a formal lease agreement.

MIPAA's airport engineering firm, C&S Companies, conducted a lease rate analysis that considered industry standards, equipment location, and applicable operational and site conditions. Based on its analysis, C&S determined that a monthly lease rate of \$500 is an appropriate and defensible rate, consistent with comparable telecommunications licensing practices at airports.

However, in consideration of the historical occupancy of SITA's equipment on airport property and SITA's desire to maintain a long-term lease arrangement, SITA has agreed to a monthly lease rate of \$750 with no CPI adjustments.

Recommendation:

Staff recommends approval of a lease agreement with SITA Information Networking Computing USA and authorize the Chief Executive Officer to execute the agreement.

Attachment(s):

- 1) Draft Lease Agreement with SITA Information Networking Computing USA.
- 2) C&S Companies Lease Rate Justification

LEASE AGREEMENT

PARTICULARS

Parties	SITA or Lessee	Lessor
Name	SITA Information Networking Computing USA	March Inland Port Airport Authority
Tax ID	Indirect Tax Reg. Number: FEIN=52-2086529	
Address	600 Galleria Parkway SE, Ste 1000 Atlanta, GA 30339 United States	17405 Heacock Street Moreno Valley, CA. 92571
Legal notices	legal.notices.aircraft@sita.aero VHF.Lease.contracts-Access@sita.aero	MIPAA General Counsel: Thomas.Rice@BBKlaw.com Jeremy.Holm@BBKlaw.com
Contact	VHF.Lease.contracts-Access@sita.aero Alfonso.Reyes@sita.aero elsa.duregabriel@sita.aero	Dr. Grace Martin, DPPD martin@marchjpa.com (951) 656-7000 Or Carlos Orellana Airport Operations Coordinator orellana@marchjpa.com (951) 201-8308
Attention	VHF infrastructure Connectivity team	
SITA and Lessor are collectively referred to as the “Parties” and each individually as a “Party” to this Agreement		
VHF STATION & LOCATION		
The Parties intend to establish an arrangement for SITA to install one or more VHF stations at the leased Location under this Agreement.		
Equipment to Install	VHF Station - As specified in clause 5.4.	
Location	March Inland Port Airport Authority 17405 Heacock Street Moreno Valley, CA 92551	
Access and Maintenance	Lessee access shall be coordinated through Airport Operations. Routine access during normal business hours with at least 24 hours' notice. Emergency access 24/7 subject to Airport security procedures.	

SITA

Effective Date	This Lease Agreement enter into force upon both Parties' signature hereof
Term	1 year with automatic renewal as specified in clause 11.2
Rent	\$750 USD per month Invoices shall be paid forty-five (45) days from the receipt of the invoice in SITA mailbox by electronic transfer to the account specified by the Lessor.
Additional Rent	Rent includes only the licensed space. Electricity or other utilities shall be billed separately at actual cost unless otherwise agreed.
Governing Law	This Lease Agreement is governed by the laws of the State of California. Venue shall be in the County of Riverside, CA
Other Comments	SITA may perform its obligations under this Agreement through its affiliates, subcontractors, or partners who shall be permitted access to the Site to install, operate, maintain, and support the equipment and services provided hereunder, provided they comply with Airport security requirements and Lessee remains fully responsible for their acts and omissions.

The parties agree that a PDF version of this agreement, signed electronically, is valid.

Signed for and behalf of **Lessees** by its duly
authorized representative:

(Signature)

Name:

Title:

Date:

Signed for and behalf of **Lessor**
by its duly authorized representative:

(Signature)

Name:

Title:

Date:

RECITALS

1. Definitions

The following terms shall have the meanings assigned to them below unless the context would obviously require otherwise, and the singular shall include the plural and vice versa:

- **Affiliate** means any entity that controls, is controlled by, or is under common control with a Party. Control means the ability to influence the board, voting rights, or management.
- **Agreement** means this Lease Agreement, including all its Schedules and Appendices.
- **Confidential Information** means all information furnished or disclosed, in whatever form or medium, by a Party to the other for the Term before, on or after the date of this Agreement relating to the business, technology or other affairs of such Party or any of its Affiliates. Confidential Information includes, without limitations, all of the trade secrets, trademarks, business plans, marketing plans, know-how, data, contracts, documents, business concepts, customer lists, customer data, costs, financial information, profits, billings, referral sources, existing or future services, products, operations, management, pricing, financial status, goals, strategies, objectives and agreements of the Party and any of its Affiliates, provided that (i) such information is at the time of disclosure designated as “confidential” or similar legend or is marked with the name, sign, trade name or trade mark of the Disclosing Party or (ii) the nature of the information makes it obvious that it is confidential. However, the term Confidential Information does not include any information which a Party can demonstrate: a) was publicly available at the time of disclosure or later became publicly available through no act or omission of the receiving Party; or b) was already lawfully in its possession at the time of disclosure; or c) was rightfully received by the receiving Party from a third party without any obligation of confidentiality known to the receiving Party; or d) was independently developed by or for the receiving Party without use of the Discloser’s Confidential Information.
- **CPI or Consumer Price Index** means the percentage (%) change during the immediately preceding contract year, published by the Bank of the Nation of the Location
- **Discloser** means the Party or its Affiliates disclosing Confidential Information.
- **Location(s)** means the place or location, it can be more than one, where the service will be provided, and VHF Station will be installed.
- **Recipient** means the Party or its Affiliates receiving Confidential Information under this Agreement.
- **Rent** means the price that the Lessee will pay to the Lessor under the Lease Agreement.
- **Tax(es)** means all taxes such as sales taxes, value added taxes, income tax, levies, imposts, charges and duties, whether payable by withholding or otherwise, together with any interest, penalties, fines, and expenses in connection with them, except if imposed on the net profit of a Party.
- **Term** means the term of this Agreement as set out in the Particulars and Clause 11. The Initial Term together with each Renewal Term is referred to as the “Term.”
- **VHF Station** refers to one or more Stations that utilize a specific MHz band within the VHF radio spectrum, facilitating wireless communication between aircraft and third parties operating on the ground, such as air traffic control. These stations will be installed at the location in accordance with the specifications outlined in the Particulars and section 5.4.

2. Lease

2.1. The Lessor agrees to lease the Location, including all facilities, services, and privileges provided herein, per the terms of this Agreement. Lessee is allowed to use and occupy the Location described in the Particulars, and access shared areas for the installation, use, and maintenance of the VHF Station specified in the Particulars.

2.2. The Lessee agrees to install, operate, and maintain the VHF Station according to all relevant laws and this Agreement's terms. The Lessee will not use the Location for unauthorized purposes or business without necessary permits and approvals.

2.3. This Agreement does not create tenancy rights or any other interest for the lessee, except the right to use the Location as permitted by fulfilling the stated conditions.

3. General Lessor Obligations

3.1 The Lessor is committed to providing access and the right to occupy the Location throughout the Term.



- 3.2. The Lessor must allow the Lessee and/or the person or authorized maintenance company access to the Location as specified in Clause 6.
- 3.3. The Lessor is responsible for the maintenance of the building or space where the Location is situated as specified in Clause 6.
- 3.4. Lessor shall send the corresponding invoice in accordance with the legislation.
- 3.5. The Lessor shall reasonably cooperate with Lessee's permitting efforts; however, Lessee shall be solely responsible for obtaining and maintaining all permits, approvals, and licenses required for its equipment.

4. General Lessee Obligations

- 4.1. Lessee will use and occupy the Location as authorized under this Agreement.
- 4.2. The Lessee must pay the Rent to the Lessor as specified in the Particulars. Failure to timely pay rent constitutes a default under this Agreement.
- 4.3. Lessee will pay Lessor the Additional Rent specified, along with Rent.
- 4.4. Furthermore, the Lessee shall ensure that all installations and modifications comply with any safety and regulatory standards communicated by the Lessor.
- 4.5. The Lessee shall maintain the premises in a clean and hygienic condition. The Lessee shall not store, place, collect or leave, rubbish, garbage or waste in areas not identified for such purpose.
- 4.6. The Lessee must inform the Lessor of the person authorized to receive instructions as per Clause 5. The Lessee can change this authorized person at any time with prior notice.
- 4.7 The Lessee must not conduct any activities or allow any activities at the Location that could interfere with aircraft flight or airport navigation and communication. The Lessor agrees not to erect structures or create natural objects that are hazards to navigation. If any interference or hazard occurs, the Lessor must promptly notify the Lessee to address the issue. If Lessor determines the equipment interferes with airport operations or aviation safety, Lessee shall immediately suspend operations until the issue is corrected.
- 4.8. The Lessee shall not sell, assign, sub-let or part of the use, possession or occupation of the Location or any part thereof, any fixture or fitting thereon without the prior written consent of the Lessor.

5. Lease occupancy and Install of the VHF Station

- 5.1. Upon signing this Agreement, the Lessor shall immediately allow the Lessee access to the Location for VHF Station installation, unless stated otherwise. The Lessee must coordinate with the Lessor to schedule work to minimize disruptions.
- 5.2. The Lessee must coordinate with relevant authorities to ensure compliance with all applicable aviation regulations while maintaining the VHF Station's operational integrity and minimizing any potential disruptions at the Location. The installation process should be meticulously planned and executed to adhere to all safety and structural requirements, fostering a collaborative environment with the Lessor to address any arising issues promptly. If necessary, the Lessee shall be responsible for obtaining the necessary permits and approvals for the installation and operation of the VHF Station, ensuring that all work is conducted in compliance with applicable codes and standards.
- 5.3. The mutual understanding and cooperation between the Lessor and Lessee are essential for the successful execution of the terms outlined in this Agreement.
- 5.4. The Lessee shall be responsible for the installation and proper operation of the VHF Station. This includes installing an antenna on the roof of the Location and setting up a VHF cabinet. The antenna must operate at a specified frequency to maintain a continuous connection with aircraft. The VHF cabinet will consist of a transceiver, switch, router, computer, and power distribution unit or uninterruptible power supply, all of which require access to electricity, internet connectivity, and, in some cases, air conditioning or ventilation to maintain optimal temperature. The cabinet and antenna will be connected via cables. These terms may vary depending on the number of VHF Stations and their specific characteristics. No additional antennas, cabinets, radios, frequencies, transmission power, cabling, or equipment may be installed without prior written Lessor approval.

6. Maintenance, access, and repairs

Regular maintenance and checks will be conducted to verify that all systems are functioning correctly, and any required adjustments will be made to maintain seamless operations, aligning with the broader objectives outlined in the Agreement.



6.1. The Lessor may access to the Location for purposes of inspection to determine if Lessee complies with the terms of this Agreement and at reasonable times for inspections, enforcing airport authority requirements, or during emergencies. The Lessor may also make repairs, additions, or alterations as required in the Location. Except in emergencies, Lessee will receive reasonable advance notice prior to any visit.

6.2. In case of any incident with the VHF Station, The Lessor will provide reasonable basic assistance to the Lessee's, the Lessor must provide assistance subject to staff availability. This basic assistance will consist of checking if all the installations or supplies (electricity, internet, among others) are correct, taking pictures of the VHF Station or restarting the system, always following Lessee's instructions.

6.3. The Lessor must allow the Lessee or Authorized Person access to the Location for installing, maintaining, repairing, or removing the VHF Station during specified days/hours.

6.4. Lessees must keep the Location clean and in good condition according to rules set by the Lessor.

6.5. Lessees are required to obtain written permission from the Lessor before making any alterations or additions to the Location or displaying any signs or notices.

6.6. The Lessor must keep the Location's infrastructure and building in good condition. Notify the Lessee at least 72 hours before any work affecting the lease, electricity, or internet. For relocations due to major maintenance or renovations, give at least 120 days' notice. If relocation is possible, the Agreement continues; otherwise, the Lessee can terminate it early without penalty.

7. Rent

7.1. Lessee agrees to pay rent as stated in the Particulars and as per Clause 9.

8. Additional Rent

8.1. If stated in the Particulars, the Lessor will supply electricity, air conditioning, internet, and other services or supplies for an extra fee.

8.2. Additional Rent for supplied sources will follow the same invoicing terms as the Rent, unless specified by the Particulars.

9. Invoicing

9.1. The Lessor shall furnish the Lessee with an electronic invoice containing at least the following information:

- Invoices should match the rent payment frequency: monthly payments generate monthly invoices, annual payments generate annual invoices, including charges for the entire period.
- The document from the Lessor shall clearly state that it is an "Invoice".
- Each invoice must have a unique number and be addressed to the Lessee as defined in the Particulars.
- The stated payment amounts due shall be clearly indicated.
- A description of the payment type or reason for the charge shall be included close to each payment amount listed on the invoice to allow a reader to review and understand each charge listed on it.
- The Invoice that Lessor provides shall be in electronic PDF or TIF format and sent as an e-mail attachment to invoices-usa@sita.aero copy to VHF.Lease.contracts-Access@sita.aero and meeting the following criteria; (i) the e-mail body shall be empty with no text or image; (ii) the total e-mail size (including attachments) shall be limited to 10MB; (iii) one invoice per attachment, however there can be multiple attachments per email.

9.2. The payment will be made by wire transference in the next 45 (forty-five days) since the invoice is received by the Lessee in compliance with all the legal requirements and the following instructions.

9.3. Payment will be made in the currency specified in the Particulars. If the amount is in USD and paid in a country outside the US, the exchange rate will be that of the day of the transfer.

10. Taxes

10.1 Responsibility for Taxes. Each Party shall be solely responsible for the payment of all taxes levied or imposed on it in connection with this Lease. The Lessor is responsible for all taxes and levies related to the Premises, including any property taxes, real estate taxes, and municipal or regional levies assessed on the Premises or its ownership. The Lessee shall not be liable for any taxes imposed on the Lessor's income, profits, or gross receipts. Under no circumstances shall one Party be required to pay or reimburse any taxes levied on the other Party.



10.2 VAT (Value Added Tax), sales taxes and other equivalent indirect taxes (hereafter “VAT”). All rent, fees, and other charges payable by the Lessee under this Lease are exclusive of VAT. If any VAT is chargeable on payments under this Lease, the Lessor shall add such VAT to the amounts due and issue a valid VAT invoice to the Lessee in compliance with applicable law. The Lessee shall pay the VAT against receipt of a proper invoice. If an exemption, zero-rate, or reverse-charge mechanism for VAT is available under applicable law, the Parties shall cooperate to apply such treatment. This includes providing any required VAT registration details, exemption certificates, or other documentation to ensure the correct VAT treatment and to allow the Lessee to self-account for VAT when permitted by law.

10.3 Withholding Taxes. If withholding tax is legally required from payments to be made, it can be deducted by the payer and remitted to the tax authority. Official receipts or proof of payment for the withheld amount will be provided to the recipient. No additional payment to compensate for the withheld tax is required. The recipient cannot request an increase in invoiced payments to cover the deduction. Documents or certifications needed to obtain a reduction or exemption from withholding tax, such as tax residency certificates or treaty forms, must be furnished by the recipient.

10.4 Stamp Duty and Transaction Taxes. The Lessor shall be responsible for any stamp duties, lease registration fees, notarial fees, or similar transaction taxes or fees arising from the execution or registration of this Lease, except to the extent that applicable law expressly requires the Lessee to pay any such tax or fee. If the Lessee is obligated by law to pay any such tax or fee, the Lessee may pay it and shall promptly be reimbursed by the Lessor. The Lessor agrees to indemnify and hold the Lessee harmless from any such taxes or fees (including any interest or penalties) that are the responsibility of the Lessor under this Clause but are assessed against or required to be paid by the Lessee.

10.5 Cooperation and Tax Documentation. Each Party shall cooperate with the other in good faith to ensure compliance with applicable tax laws and to secure any available tax exemptions or benefits in connection with this Lease. Such cooperation includes providing or executing any reasonable documentation necessary for tax compliance or relief, including but not limited to VAT exemption certificates, self-billing agreements, tax residency certificates, or other documents required to claim tax exemptions, VAT zero-rating, reverse-charge treatment, or reduced withholding tax rates. Each Party shall timely provide the other with evidence of its tax registrations or status (for example, VAT registration numbers or tax identification numbers) as needed for compliance. The Parties shall also notify each other of any relevant communication from tax authorities (such as notices of assessment or tax audits) relating to taxes under this Lease and shall reasonably assist each other in responding to or addressing such matters in a manner consistent.

10.6 Separate Tax Obligations and Indemnity. Each Party is responsible for its own taxes from this Lease. Neither is liable for the other's taxes. Both Parties will indemnify each other against costs or penalties arising from non-compliance with their tax obligations. The Lessor remains liable for taxes on the Premises and rental income, while the Lessee is liable for taxes assigned to them.

11. Term

11.1. This Agreement starts on the Effective Date in the Particulars and lasts for one year or as specified in the Particulars ("Initial Term").

11.2. After the Initial Term, this Agreement will continue in effect from year to year, being automatically renewed after each year (each a “Renewal Term”) unless either party gives written notice of termination to the other party at least ninety (90) calendar days prior to the end of the Initial Term or any Renewal Term.

12. Termination

12.1. Breach of Agreement: Each Party may terminate this Agreement if:



12.1.1. the other Party commits a material breach of this Agreement (or breaches a material provision of this Agreement) that is not capable of remedy the Agreement will terminate immediately; or

12.1.2. If the other party seriously violates this Agreement and does not fix it within 30 days after being notified, or if it cannot be fixed, then action may be taken.

12.1.3. if the other's Party's financial situation or commercial ability deteriorates to such an extent that the terminating Party believes that the other Party will be unable to fulfill its obligations, or

12.1.4. Failure of any Party to carry out the services in accordance with the provisions of this Agreement; or

12.2.5. The other Party is Insolvent, meaning having an administrator appointed, being in receivership, in liquidation, in provisional liquidation, wound up, subject to any arrangement, assignment or composition, protected from creditors under any law, dissolved (other than to carry out a restructure while solvent) or being otherwise unable to pay debts when they fall due or anything with the same or similar effect in any jurisdiction

12.2.6. Lessor Airport may terminate upon reasonable notice if required for airport expansion, operational necessity, FAA compliance, homeland security requirements, or other public purpose.

13. Consequences of Termination

13.1. Access to the Location will cease and Lessee must immediately or in the termination day cease all use of the Location;

13.2. Upon the effective date of termination of this Agreement, but in no event later than 30 (thirty) business days following such termination, Lessee will remove all of Lessee's property from the Location, return the Location to the Lessor, and pay to Lessor all undisputed outstanding Rent, Additional Rent, and any other amounts due and owing Lessor under this Agreement.;

13.3. All Confidential Information belonging to the other Party relating to the Agreement will be returned to the disclosing Party;

13.4. If the Lessee prepaid the Rent and the Agreement is terminated early or due to Lessor's breach (see Clause 12.2.), the Lessor will pay back the Rent for the remaining months until the expiration of the Initial Term or any Renewal Term of the Agreement.

13.5. The Lessee is required to repair any damage caused by themselves or their agents and agrees to maintain the Location in good condition, ordinary wear and tear excepted until the Termination.

13.6 Termination of this Agreement, in part or whole, does not affect any rights either Party had before termination, nor any issues arising from breaches that occurred before termination.

14. Limitation of liability

14.1. In no event shall either Party or any of its Affiliates be liable to the other Party or its Affiliates for any indirect, incidental, special, consequential, punitive or tort damages of any nature or kind whatsoever, nor for any use or loss of data or production, or for any loss of anticipated business opportunities, contracts, lost profits or savings or revenues of any kind (whether direct, indirect or consequential); nor for any damage to goodwill or reputation, arising out of or in connection with this Agreement whether for breach of contract, in tort (including negligence) under statute or any other law and no matter what theory of liability, even if the other Party has been advised of the possibility of such damages.

14.2. The total accumulated liability of a Party and its Affiliates to the other Party and its Affiliates, arising under or in connection with this Agreement whether for breach of contract, under statute or any other law, with respect to all claims shall not exceed the total amount of the annual Rent.

14.3. This limitation of liability provided hereinabove shall not apply to the extent the liability arises because of the negligence or wilful misconduct of the defaulting Party. Nothing in this Agreement operates to limit or exclude a Party's liability for a) death or personal injury caused by its negligence; b) fraudulent misrepresentation; c) third party indemnification obligations, d) damage to Lessor property, and/or e) any other liability which cannot be excluded or limited under applicable law.

14.4. This Agreement sets out the full extent of the Parties' obligations and liabilities arising out of or in connection with this Agreement and there are no conditions, warranties, representations, or terms, express or implied that are binding on the Parties except as specifically stated or contemplated in this Agreement. Any condition, warranty, representation, or other term which might otherwise be implied into or incorporated in this Agreement, whether by statute, common law or otherwise, is hereby expressly excluded.

15. Confidentiality

15.1. The Recipient will use Discloser's Confidential Information only for the purpose of exercising its rights or performing its obligations under this Agreement and will make no use of the Discloser's Confidential Information, in whole or in part, for any other purposes.

15.2. The Recipient may not disclose Discloser's Confidential Information to any person except: to its Representatives, Affiliates or suppliers and partners, who have a legitimate need to know such information; or with the consent of the Discloser (which may be given or withheld in its absolute discretion); or if the Recipient is required to do so by law, regulatory authority, or a stock exchange; or if the Recipient is required to do so in connection with legal proceedings relating to this Agreement. Lessee understands and agrees that Lessor is a California public agency subject to the California Public Records Act.

15.3. If, in the absence of a protective order or other legal remedy, the Recipient is legally required to disclose Discloser's Confidential Information, the Recipient may disclose such information without liability hereunder, provided that the disclosure is limited to only the Confidential Information specifically required to be disclosed.

15.4. Upon written request, to the extent consistent with law or professional obligation, the Recipient will return to the Discloser or destroy all Confidential Information in any form and promptly destroy any and all material or information derived from the Confidential Information, including any copies, except that one copy of the same may be retained for archival, professional and evidence purposes only.

15.5. A Party may not make press or other announcements or releases relating to this Agreement or any subject matter of this Agreement without the approval of the other Party as to the form and manner of the announcement or release unless and to the extent that the announcement or release is required to be made by the Party by law or by a stock exchange.

15.6. Except as otherwise agreed or duly required by law or any regulatory authority, no Party will disclose the terms of this Agreement to any person other than its and its Affiliates' Representatives (on a need-to-know basis).

15.7. The Parties acknowledge and agree that the technical and other access information and details in relation to the VHF Station are SITA's Confidential Information.

16. Anti-Bribery and Anti-Corruption

16.1. The Parties agree to maintain high ethical standards and to comply with all applicable laws and regulations, including those related to anti-bribery, anti-corruption, and trade sanctions. They will ensure that their actions do not violate any laws or regulations and will report any suspected violations immediately. Each Party must also take appropriate measures to ensure that they, their affiliates, and representatives do not engage in any activities that would breach this Agreement. In doing so, they will uphold the integrity and reputation of both Parties involved.

16.2. Both Parties agree to perform this Agreement in accordance with all applicable laws and directives, including anti-bribery and anti-corruption legislation (such as the U.S. Foreign Corrupt Practices Act or the UK Bribery Act). Local legal requirements must be observed, but at least the following obligations.

16.3. Both Parties agree not to render, approve, offer, accept or promise, either itself or through third parties acting on behalf of a Party, any form of contribution (e.g., bribes, kickbacks, valuables, or other benefits) in favor of a public or elected official or another third party (including an employee of the other Party) for the purpose of initiating or continuing business transactions, obtaining other favorable business decisions or obtaining other unlawful advantages, which are in each case connected with such Party.

16.4 The Parties acknowledge and agree to comply with all applicable international trade sanctions, export control laws, and embargo regulations, as well as the laws and regulations of Switzerland, the United Kingdom, the United States, the European Union, and any other applicable jurisdiction, and with the administrative measures of countries or competent regulatory authorities responsible for defining, enacting, and enforcing such laws and regulations.

17. General

17.1. No Exclusivity Rights. This Agreement is non-exclusive and does not limit either Party's ability to grant similar rights to others.

17.2. Assignment. A Party will not assign, transfer, or otherwise deal with any of its rights or obligations under this Agreement without prior written notice to the other Party. The Lessor acknowledges and agrees that SITA may assign this Agreement to any of its existing or newly created commercial entities, provided that such entity fully assumes all rights and obligations of SITA under this Agreement.

17.3 Entire Agreement. This Agreement constitutes the complete agreement of the parties with respect to the subject matter hereof and supersedes all previous agreements, representations and understandings concerning the



same, whether written or oral. The provisions of this Agreement may be modified, amended, or waived only by a written instrument, executed by the Lessor and the Lessee.

17.4. Relationships of parties. Nothing contained in this Agreement shall be deemed or construed by the parties, or by a third party, to create the relationship of principal and agent, of partnership, or of joint venture between them. No provision contained herein, including the method of computation of rent, and no acts of the parties shall be deemed to create any relationship between them other than the relationship of a Lease.

17.5. Obligations regarding labor, social security, and prevention of occupational risks: The Lessee acknowledges that there is no employment relationship between the people on its team and the Lessor and confirm that it is up to date with all obligations labor towards their workers.

17.6. Incorporation. All recitals, exhibits, schedules, and appendixes are incorporated and made a part of this Agreement and shall be considered in its interpretation.

17.7. Electronic signature: This Agreement may be executed and/or terminated by means of an advanced electronic signature or a comparable electronic procedure within the meaning of Article 26 of the eIDAS Regulation (EU) N° 910/2014 dated 23 July 2014 or equivalent law in the country of the Location. The Parties agree that the electronic signature shall not be denied concerning the legal effect and its admissibility as evidence in legal proceedings because of its electronic form or its lack of qualified electronic signatures.

18. Compliance with laws, rules, and regulations

18.1. Parties must comply with all laws, ordinances, statutes, rules, orders, and regulations issued or enforced by governmental authorities that are applicable to the Agreement. Lessee shall comply with Airport Rules and Regulations, Airport security requirements, FAA orders, TSA regulations, and all future operational requirements applicable to Airport tenants.

18.2. The Lessee agrees not to use or permit the Location to be used in a manner that violates this Agreement.

19. Governing Law and Dispute Resolution

19.1. This Lease Agreement is governed by the laws of the State of California. Venue shall be in the County of Riverside, California.

19.2. Parties will strive to settle any dispute amicably and promptly, in case of any problem Parties must have a meeting to fix any problem due to the Agreement, in person or by electronic measures, in the following 15 (fifteen) business days since the dispute arise.

19.3. Notwithstanding the aforesaid, nothing in this Agreement shall prevent or limit the Parties' rights (i) to enforce a judicial process in any court of competent jurisdiction, or (ii) to seek any interim or final injunctive or equitable relief under or in connection with this Agreement in any court of competent jurisdiction, as necessary to protect its rights or property, pending initiation and completion of any judicial proceeding.

20. Notices

20.1. Official communications must be in writing, signed by the sender or an authorized officer, and sent to the notification's emails indicated in the Principals.

20.2. Communications are effective upon receipt unless stated otherwise. Postal mail is received three days after posting (seven if international). Courier deliveries are effective on the delivery date. Emails are received upon delivery confirmation.

21. Insurance

Throughout the Term of this Agreement, Lessee shall, at its sole cost and expense, maintain insurance with insurers authorized to do business in the State of California and having an A.M. Best rating of A- VII or better (or equivalent financial strength acceptable to Lessor), including at a minimum:

(a) Commercial General Liability Insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury, and property damage.

(b) Workers' Compensation Insurance as required by applicable law and Employers' Liability Insurance with limits of not less than \$1,000,000.



(c) Automobile Liability Insurance, if Lessee operates motor vehicles on Airport property, with combined single limits of not less than \$1,000,000 per accident.

(d) Property Insurance covering Lessee's equipment and personal property located on the Premises. Lessor shall have no responsibility for loss of or damage to Lessee's equipment or personal property.

Prior to entering the Premises, Lessee shall provide certificates of insurance evidencing the required coverage. The Commercial General Liability policy shall name March Inland Port Airport Authority, its officers, directors, employees, agents, and representatives as additional insureds with respect to Lessee's operations under this Agreement.

All required insurance shall be primary and non-contributory with respect to any insurance maintained by Lessor. Each policy, to the extent commercially available, shall include a waiver of subrogation in favor of Lessor. Lessee shall provide at least thirty (30) days' prior written notice to Lessor of cancellation or material reduction in coverage, except for cancellation due to non-payment of premium, for which ten (10) days' notice shall be provided where available.

22. Indemnification.

To the fullest extent permitted by law, Lessee shall defend (with counsel reasonably acceptable to Lessor), indemnify, and hold harmless March Inland Port Airport Authority and its officers, directors, employees, agents, consultants, and representatives from and against any and all third party claims, demands, actions, damages, liabilities, losses, judgments, fines, penalties, costs, and expenses, including reasonable attorneys' fees, arising out of or relating to:

- (a) Lessee's use or occupancy of the Premises;
- (b) the installation, operation, maintenance, repair, replacement, or removal of Lessee's equipment;
- (c) the acts or omissions of Lessee or its officers, employees, contractors, subcontractors, agents, invitees, or representatives; or
- (d) any violation of applicable law by Lessee;

except to the extent such claim is caused by the sole negligence or willful misconduct of Lessor.

The obligations contained in this Section shall survive the expiration or earlier termination of this Agreement.

MEMORANDUM

To: March Inland Port Airport Authority (MIPAA)

From: Kenneth Gethers, Managing Engineer

Date: May 27, 2026

Subject: Lease Rate Justification – SITA VHF Equipment in Terminal Electrical Cabinet

Purpose

This memorandum provides a justification for establishing a monthly lease rate for SITA-owned VHF communications equipment installed within a MIPAA-owned outdoor electrical cabinet located on the north side of the terminal.

Existing Conditions

Based on field observations and provided documentation:

- Equipment is installed within a small outdoor electrical cabinet serving terminal infrastructure
- Cabinet contains shared communications and network equipment, with limited available capacity
- The installed VHF unit occupies approximately:
 - 2 rack units (RU) of vertical space
 - Approximately 16–17 inches in width, 14–16 inches in depth, and 3–4 inches in height
- The cabinet is located in a critical airport operational environment

The installation represents a shared-use configuration within constrained infrastructure, rather than a dedicated lease of physical floor area.

Valuation Methodology

Traditional real estate metrics (e.g., \$/SF) are not appropriate due to the minimal footprint and specialized nature of the installation. Instead, valuation is based on:

1. Rack Space Utilization

Telecommunications equipment leases are commonly structured on a per rack unit (RU) basis.

- Typical industry range:
 - \$75 to \$150 per RU per month
- For ~2 RU:
 - Baseline value: \$150 to \$300/month

2. Capacity Constraint Premium

The cabinet is visibly near capacity, with:

- Limited remaining rack space
- Dense cable management and existing equipment
- Restricted ability for future expansion

This creates a scarcity premium, as each additional installation reduces system flexibility and future use.

3. Operational and Site Considerations

Additional value is supported by:

- Location within an airport terminal environment
- Equipment supporting critical aviation communications (SITA)
- Use of shared infrastructure (power, enclosure, access)
- Maintenance and coordination burden associated with outdoor cabinet conditions

These factors typically justify higher lease rates than standard commercial telecom facilities.

Recommended Lease Rate

Based on the above considerations, a reasonable and supportable lease rate is:

- \$400 to \$650 per month per installed unit

A target rate of:

- \$500 per month per unit is recommended as it:
 - Aligns with industry benchmarks for constrained telecom installations
 - Reflects the limited available cabinet capacity
 - Accounts for the operational importance of the equipment
 - Provides fair compensation for use of shared airport infrastructure

Conclusion

Although the physical footprint of the SITA equipment is minimal, its placement within a capacity-limited, operationally critical cabinet significantly increases the value of the space. A lease rate of approximately \$500 per month is appropriate, defensible, and consistent with comparable telecom licensing practices in airport environments.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 9 (7)

Meeting Date: October 7, 2026

Action: **APPROVE THE 2026 AIRPORT CAPITAL IMPROVEMENT PLAN (ACIP); AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE FAA SUBMITTAL DOCUMENTS; AND AUTHORIZE THE ADVERTISING OF A REQUEST FOR PROPOSAL (RFP) FOR THE APRON RECONSTRUCTION PAVEMENT MANAGEMENT PLAN (PMP) AREA 12 PROJECT PURSUANT TO THE ADOPTED ACIP**

Motion: Move to approve the 2026 Airport Capital Improvement Plan (ACIP); authorize the Chief Executive Officer to execute FAA submittal documents; and authorize the advertising of a Request for Proposal (RFP) for the Apron Reconstruction Pavement Management Plan (PMP) Area 12 Project pursuant to the adopted ACIP.

Applicant: March Inland Port Airport Authority (MIPAA)

Background:

On September 11, 2024, the Commission of the March Inland Port Airport Authority (MIPAA) approved the Airport Master Plan, including an update to the Airport Layout Plan (ALP).

On October 1, 2026, MIPAA staff met with the Federal Aviation Administration (FAA) at its Los Angeles Airports District Office (ADO) to discuss the status of MIPAA's airport grants and the draft 2026 Airport Capital Improvement Plan (ACIP). Staff reported that the 2025 approved project is currently under construction and that the Airport has successfully completed and closed out its 2024 projects, including PMP Areas 14 and 15 and AP-5. The FAA acknowledged MIPAA's compliance with applicable grant assurances and its timely drawdown of grant funds. During the meeting, FAA staff provided guidance and recommendations regarding the proposed 2026 ACIP. Based on this coordination, staff recommends that the Commission formally approve MIPAA's 2026 ACIP.

To maintain compliance with the ACIP's two-year construction schedule, staff also recommends authorization to release a Request for Proposal (RFP) for construction of PMP Area 12. PMP Area 13, identified as the 2025 project, is currently under construction and is anticipated to be completed in February 2027, consistent with the schedule reported to the FAA.

The project identified in the 2026 ACIP is consistent with the ALP and the Airport Master Plan.

The proposed PMP Area 12 construction project would consist of the following improvements:

- Demolition of existing bituminous and concrete pavement
- Construction of a new PCC full strength pavement section and bituminous shoulder pavement section, including joint sealing. Miscellaneous site grading and turf restoration, as needed
- Installation of taxiway pavement markings.

Construction is proposed to begin in October 2027 and be completed by March 1, 2028. The project would be funded by AIP and AIG Grant funds upon selection of the most qualified, most responsive low bidder. The engineer's estimate for this project is \$2,650,000. Federal funds would pay 90% of the costs. The remaining 10% would be paid by MIPAA with revenues derived from aviation fees and ground leases.

Recommendation

Staff requests formal approval of the 2026 Airport Capital Improvement Plan; authorize the Chief Executive Officer to execute FAA submittal documents; and authorize the advertising of a Request for Proposal (RFP) for construction of the PMP Area 12 project pursuant to the adopted ACIP.

Attachment(s): RIV Airport Capital Improvement Plan



(KRIV) (Draft)

FY's 2026-2031											State: California		NPIAS#	3-06-0201	Airport: March		LOCID: RIV		DATE:	10/2/26
Project Description & Year	Federal Funds (\$1,000)				State Funds (\$1,000)	Local (\$1,000)		Total (\$1,000)	Environmental	Proposal RFQ/RFP	Start	Comp.	FED /	MIPAA						
	Entitlement	BIL/AIG	Regular Discretionary	MAP		PFC	Other				Date	Date	STATE	Priority						
Already Funded																				
Already Funded Conduct Planning - Airport Master Plan (NPR - 64)	762							762	CATEX	4/28/2020	10/5/2021	7/1/2023	762	HIGH						
Already Funded Conduct Planning - Pavement Management Program (NPR - 54.4)	94							94	CATEX	4/28/2020	10/5/2021	7/1/2023	94	HIGH						
Already funded Conduct Design - TW G Realignment and Apron Reconstruction (Phases 4, 5,12,13,14 & 15 from PMP Report)	999							999	CATEX (Approved)	3/1/2024	4/1/2024	6/28/2024	999	HIGH						
Project Complete - Design and Construct AP-5 Crack Seal	206						23	229	CATEX (Approved)	1/6/2025	3/1/2025	3/20/2025	229	HIGH						
Project Complete - Construct - Apron Reconstruction (Phases 14 and 15 from PMP Report)	5820						647	6467	CATEX (Approved)	11/14/2024	4/1/2025	6/31/2025	6467	HIGH						
2026	6696																			
Construct - Apron Reconstruction (Area 13 from PMP Report) PCI - 48 (2022)	2520						280	2800	CATEX (Approved)	1/1/2026	10/1/2026	2/21/2027	2800	HIGH						
2027	2800																			
Construct - Apron Reconstruction (Area 12 Area from PMP Report) PCI -48 (2022)	2655						295	2950	CATEX (Approved)	1/1/2027	10/1/2027	3/1/2028	2950	HIGH						
2028	2950																			
Design - Apron and Taxiway Gulf Reconstruction (Areas 3, 6, 7, 8, 9 , 10, 11 from PMP Report) and Taxiway G 2-1, 2-2 and 2-3 from Airport Layout Plan	900						100	1000	Previous CATEX to be resubmitted based on non-consecutive construction year	4/1/2028	10/1/2028	3/1/2029	1000	HIGH						
2029	1000																			
Construct - Taxiway G Reconstruction (Areas 1 and 2 from PMP Report (2022) and Airport Layout Plan (2025)	7020						780	7800	CATEX (Resubmitted)	1/1/2029	10/1/2029	3/31/2030	7800	HIGH						
2030	7800																			
Construct - Apron Reconstruction (Areas 6,7,8 from PMP Report) PCI -48 (2022)	7020						780	7800	CATEX (Resubmitted)	1/1/2030	10/1/2030	4/31/2031	7800	HIGH						
2031	7800																			
Construct - Apron Reconstruction (Areas 9, 10 and 11 from PMP Report) PCI -48 (2022)	7380						820	8200	CATEX (Resubmitted)	1/1/2031	10/1/2031	4/31/2032	8200	HIGH						
	8200																			

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	D	1 - Construct - Apron Reconstruction (Area 13 from PMP Report) PCI - 48 (2022)	\$2,520,000.00	\$0.00	\$280,000.00	\$2,800,000.00
TOTAL			\$2,520,000.00	\$0.00	\$280,000.00	\$2,800,000.00
* D - Development; P - Planning; E - Environmental						
PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS						
Detail Project Description (Square/Lineal Footage or Length/Width)						
1 - Project will include reconstruction of approximately 6,600 SY of concrete apron that has been identified as being in poor condition (PCI is 48) based on the Pavement Management Program Report dated April 2022. The reconstruction would include remediation of existing subgrade, new pavement design and marking.						
Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or enironmental process)						
1 - RFQ/RFP anticipated: January 1, 2026 1 - Construction anticipated to begin: October 1, 2026 1 - Construction completion anticipated: February 21, 2027						
NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)						
1 - CATEX approved (April 2024).						
Land Title Status & Date of Exhibit "A" Status				Date		
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		
Open AIP Funded Projects (include grant number and grant description)				Expected Close-out Date		
AIG 3-06-0201-021-2025 - Reconstruct Apron AIP 3-06-0201-019-2025 - Reconstruct Apron AIP 3-06-0201-020-2025 - AP-5 Crack Seal						
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.						
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)		

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 Reconstruction (Area 12 Area from PMP Report) PCI -48 (2022)	\$2,655,000.00	\$0.00	\$295,000.00	\$2,950,000.00
		TOTAL	\$2,655,000.00	\$0.00	\$295,000.00	\$2,950,000.00
* D - Development; P - Planning; E - Environmental						
PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS						
Detail Project Description (Square/Lineal Footage or Length/Width)						
1 - Project will include reconstruction of approximately 7,100 SY of concrete apron that has been identified as being in poor condition (PCI is 48) based on the Pavement Management Program Report dated April 2022. The reconstruction would include remediation of existing subgrade, new pavement design, new lighting, marking and drainage.						
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)						
1 - RFQ/RFP anticipated: January 1, 2027 1 - Construction anticipated to begin: October 1, 2027 1 - Construction completion anticipated: March 1, 2028						
NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)						
1 - CATEX approved (April 2024).						
Land Title Status & Date of Exhibit "A" Status				Date		
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		
Open AIP Funded Projects (include grant number and grant description)				Expected Close-out Date		
AIG 3-06-0201-021-2025 - Reconstruct Apron AIP 3-06-0201-019-2025 - Reconstruct Apron AIP 3-06-0201-020-2025 - AP-5 Crack Seal						
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.						
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)			

Airport Name		(RIV) March Inland Port	Fiscal Year		2028	
Shown On ALP	Project Type*	Project Description	Federal Share (AIP)	Federal Share (BIL)	Local Share	Total
Y	D	1 - Design - Apron and Taxiway Gulf Reconstruction (Areas 3, 6, 7, 8, 9, 10, 11 from PMP Report) and Taxiway G 2-1, 2-2 and 2-3 from Airport Layout Plan	\$900,000.00	\$0.00	\$100,000.00	\$1,000,000.00
TOTAL			\$900,000.00	\$0.00	\$100,000.00	\$1,000,000.00
* D - Development; P - Planning; E - Environmental						
PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS						
Detail Project Description (Square/Lineal Footage or Length/Width)						
1 - Design for reconstruction of apron Areas 3, 6, 7, 8, 9, 10 and 11 from the April 2022 PMP Report and Taxiway G areas 2-1, 2-2 and 2-3 from the Airport Layout Plan. Design will address pavement reconstruction, subgrade remediation, airfield lighting, markings and drainage. Detailed pavement quantities will be confirmed during design.						
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)						
1 - RFQ/RFP anticipated: April 1, 2028 1 - Design anticipated to begin: October 1, 2028 1 - Design completion anticipated: March 1, 2029						
NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)						
1 - Previous CATEX to be resubmitted due to non-consecutive construction years.						
Land Title Status & Date of Exhibit "A" Status				Date		
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		
Open AIP Funded Projects (include grant number and grant description)				Expected Close-out Date		
AIG 3-06-0201-021-2025 - Reconstruct Apron						
AIP 3-06-0201-019-2025 - Reconstruct Apron						
AIP 3-06-0201-020-2025 - AP-5 Crack Seal						
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						
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)		

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	D	1 - Construct: Taxiway G Reconstruction - Pilot Line-of-Sight Safety Improvements (Areas 1 and 2 from PMP Report and Airport Layout Plan)	\$7,020,000.00	\$0.00	\$780,000.00	\$7,800,000.00
TOTAL			\$7,020,000.00	\$0.00	\$780,000.00	\$7,800,000.00
* D - Development; P - Planning; E - Environmental						
PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS						
Detail Project Description (Square/Lineal Footage or Length/Width)						
1 - Reconstruct Taxiway G Areas 1 and 2 identified in the April 2022 PMP Report and 2025 Airport Layout Plan to address the identified pilot line-of-sight deficiency and improve taxiway safety. The project will improve pilot visibility along Taxiway G and support safe aircraft ground movements. Work includes pavement reconstruction, subgrade remediation, lighting, markings and drainage. Pavement quantities will be confirmed during design. This safety justification is provided to support FAA review of the project's National Priority Rating (NPR) and funding priority.						
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)						
1 - RFQ/RFP anticipated: January 1, 2029 1 - Construction anticipated to begin: October 1, 2029 1 - Construction completion anticipated: March 31, 2030						
NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)						
1 - CATEX resubmitted, per revised ACIP cover sheet.						
Land Title Status & Date of Exhibit "A" Status				Date		
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		
Open AIP Funded Projects (include grant number and grant description)				Expected Close-out Date		
AIG 3-06-0201-021-2025 - Reconstruct Apron						
AIP 3-06-0201-019-2025 - Reconstruct Apron						
AIP 3-06-0201-020-2025 - AP-5 Crack Seal						
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.						
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)		

Airport Name		(RIV) March Inland Port	Fiscal Year		2030	
Shown On ALP	Project Type*	Project Description	Federal Share (AIP)	Federal Share (BIL)	Local Share	Total
Y	D	1 - Construct - Apron Reconstruction (Areas 6,7,8 from PMP Report) PCI -48 (2022)	\$7,020,000.00	\$0.00	\$780,000.00	\$7,800,000.00
TOTAL			\$7,020,000.00	\$0.00	\$780,000.00	\$7,800,000.00
* D - Development; P - Planning; E - Environmental						
PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS						
Detail Project Description (Square/Lineal Footage or Length/Width)						
1 - Project will include reconstruction of approximately 22,000 SY of concrete apron that has been identified as being in poor condition (PCI is 48) based on the Pavement Management Program Report dated April 2022. The reconstruction would include remediation of existing subgrade, new pavement design, new lighting, marking and drainage.						
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)						
1 - RFQ/RFP anticipated: January 1, 2030						
1 - Construction anticipated to begin: October 1, 2030						
1 - Construction completion anticipated: April 2031						
NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)						
1 - CATEX resubmitted, per revised ACIP cover sheet.						
Land Title Status & Date of Exhibit "A" Status				Date		
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		
Open AIP Funded Projects (include grant number and grant description)				Expected Close-out Date		
AIG 3-06-0201-021-2025 - Reconstruct Apron						
AIP 3-06-0201-019-2025 - Reconstruct Apron						
AIP 3-06-0201-020-2025 - AP-5 Crack Seal						
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.						
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				Contact Phone (Print or Type)		
Date						

Airport Name		(RIV) March Inland Port	Fiscal Year		2031	
Shown On ALP	Project Type*	Project Description	Federal Share (AIP)	Federal Share (BIL)	Local Share	Total
Y	D	1 - Construct - Apron Reconstruction (Areas 9, 10 and 11 from PMP Report) PCI -48 (2022)	\$7,380,000.00	\$0.00	\$820,000.00	\$8,200,000.00
TOTAL			\$7,380,000.00	\$0.00	\$820,000.00	\$8,200,000.00
* D - Development; P - Planning; E - Environmental						
PROVIDE THE FOLLOWING DETAILED INFORMATION FOR PROJECTS ANTICIPATED WITHIN 1-2 YEARS						
Detail Project Description (Square/Lineal Footage or Length/Width)						
1 - Project will include reconstruction of approximately 16,400 SY of concrete apron that has been identified as being in poor condition (PCI is 48) based on the Pavement Management Program Report dated April 2022. The reconstruction would include remediation of existing subgrade, new pavement design, new lighting, marking and drainage.						
Project Schedule (Anticipated date for bids or negotiated prices, consultant selection for planning or environmental projects, length of construction or design, planning or enironmental process)						
1 - RFQ/RFP anticipated: January 1, 2031						
1 - Construction anticipated to begin: October 1, 2031						
1 - Construction completion anticipated: April 2032						
NEPA Environmental Status (With grant application include copy of ROD, FONSI or CATEX letter of approval)						
1 - CATEX resubmitted, per revised ACIP cover sheet.						
Land Title Status & Date of Exhibit "A" Status				Date		
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		
Open AIP Funded Projects (include grant number and grant description)				Expected Close-out Date		
AIG 3-06-0201-021-2025 - Reconstruct Apron						
AIP 3-06-0201-019-2025 - Reconstruct Apron						
AIP 3-06-0201-020-2025 - AP-5 Crack Seal						
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.						
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 JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

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

Meeting Date: October 7, 2026

Action: **APPROVE A SCOPE OF WORK FROM C&S COMPANIES FOR THE DESIGN OF A STANDBY GENERATOR FOR THE FUEL FARM EXPANSION PROJECT AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE AGREEMENT**

Motion: Approve a Scope of Work from C&S Companies for the Design of a Standby Generator for the Fuel Farm Expansion Project and authorize the Chief Executive Officer to execute the agreement.

Background:

On December 17, 2025, the March Joint Powers Commission approved a scope of work for MIPAA's airport engineer, C&S Companies, to prepare construction plans for the previously approved fuel farm improvements at March Inland Port Airport. The approved scope did not include design of a standby power system.

In September 2005, the Commission approved Plot Plan 04-09 and the Final Environmental Impact Report (EIR) (SCH No. 200501110) for a permanent central aircraft fuel receiving, storage, and distribution facility at March Inland Port Airport (the "Fuel Farm"). The approved project included six 105,000-gallon fuel storage tanks, providing a total capacity of 630,000 gallons. Since approval of the project, MIPAA has installed two of the six tanks. Financial constraints subsequently limited MIPAA's ability to complete the remaining improvements.

On October 20, 2010, the Commission approved a lease with Freeman Holdings, LLC for management and operation of the Airport Fuel Farm. The lease authorized Freeman Holdings to support MIPAA with fuel facility management, fuel sales, aircraft fueling, aircraft cleaning services, cargo services, and general aviation aircraft handling.

On June 11, 2025, the Commission approved a Memorandum of Understanding (MOU) allowing Freeman Holdings to proceed with installation of the remaining approved Fuel Farm improvements. The proposed improvements include the remaining four 109,000-gallon API 650 field-erected aboveground storage tanks (ASTs).

Standby Power System

C&S Companies prepared the attached Scope of Work to provide professional engineering services for the design of a standby power system serving the existing 600-amp, 480V/277Y electrical service at 17301 Heacock Street (SCE Meter No. 259000-015278). The proposed design responds to recommendations identified in the Authority's 2026 Energy Resiliency Study, which was funded by the Office of Local Defense and Community Cooperation (OLDCC).

The proposed standby power system would enhance the resiliency of the fuel farm during utility power outages, allowing fixed-base operator (FBO) personnel to maintain fueling operations for military and commercial aircraft. The standby power system would support the operation of the existing and previously approved fuel farm facilities and would not expand the previously approved use of the site.

The proposed Scope of Work is \$52,350 and would be funded through Airport capital funds.

Environmental Consideration

The proposed action is limited to professional engineering and design services for a standby power system supporting the existing and previously approved Fuel Farm facilities. The project is consistent with the previously approved Fuel Farm improvements and is not expected to result in any significant expansion or change in use.

Recommendation

Staff recommends that the Commission approve the C&S Companies Scope of Work dated September 30, 2026, in the amount of \$52,350, for professional engineering services associated with the design of a standby generator and related power infrastructure at the Airport Fuel Farm; and authorize the Chief Executive Officer to execute the Scope of Work and any related documents necessary to proceed with the design.

Attachment(s): 1) C&S Companies Scope of Work
 2) Notice of Exemption

September 30, 2026

Dr. Grace Martin
Chief Executive Officer
14205 Meridian Parkway, Suite 140
Riverside, CA 92518

Re: Professional Engineering Services – Revised Proposal
Aviation Fuel Farm Facility Expansion – Standby Generator

SCHEDULE A – Scope of Work

Dear Dr. Martin,

C&S Engineers, Inc. (C&S/Consultant) appreciates the opportunity to submit the following proposal for engineering services for the March Joint Powers Authority (MJPA/Sponsor) to design standby power for the existing 600A, 480V/277Y service at 17301 Heacock SCE meter #259000-015278.

PROJECT UNDERSTANDING

The scope will include a new 150 kW diesel generator in a standard outdoor enclosure with a 24-hour skid-mounted tank and new ATS connected per NEC. The compact size is based on C&S's review of the past 12 months of SCE utility bills and incorporates the additional loads designed under the fuel tank expansion scope. It also assumes that major additional loads are planned for the existing service.

PROJECT DESCRIPTION

- Preliminary design site visit to determine possible locations and design concept.
- Utility load assessment.
- During the electrician's site visit, develop the single-line diagram and confirm the exact generator and ATS locations using reliable basis-of-design dimensions, while accounting for NEC and manufacturer-required working clearances.
- Coordination with an electrician to confirm existing conditions.
- Coordination with the Quinn (CAT) representative to develop a reliable basis of design.
- Remote meeting with March AFB and discuss and incorporate communications requirements.
- Topographic survey to provide elevations for grading.
- Utility Ground Penetrating Radar (GPR) to locate underground utilities near the Guard Shack.
- Civil plans to address grading and drainage.
- Production of drawings and specifications for bid:
 - Final review.
 - Signed and sealed set. The signed and sealed set is an electronic deliverable that constitutes bid documents for construction.
- Plan check responses to secure permitted drawings.

PROJECT APPROACH & DELIVERY

C&S will approach the project in the key phases tabulated below. C&S acknowledges the importance of the Project Schedule to the Client and agrees to put forth reasonable efforts in performing the services under this proposal with due diligence in a manner consistent with the durations listed below. The Client agrees that C&S' performance must be governed by sound professional practices. The Project Schedule shall be equitably adjusted as the project progresses, allowing for changes in scope caused by unknown conditions, character or size of the project as verbally requested or in-writing by the Client and/or for delays or other causes beyond C&S' reasonable control.

PHASE	DURATION	DELIVERABLE(S) / SERVICES
Construction Documents – Review Set	4 weeks	• Permit-level design drawings, inclusive of details and specifications. • Permit-level engineering documents, inclusive of details, specifications, and applicable calculations
Construction Documents – Signed & Sealed	4 weeks*	• Signed and sealed documents, incorporating any final comments, questions, and concerns up to plan approvals.

*Subject to the speed of MIPA's planning, building & safety and fire reviews.

The Client agrees that C&S is not responsible for the Project Schedule or damages arising directly or indirectly from any delays for causes beyond C&S' control. For purposes of this proposal, such causes include but are not limited to the accuracy of the information provided by the Owner, the Owner's representative and/or others, the Client, the failure of performance by the Client, the Client's representative, the Municipalities having jurisdiction over the project, all unknown conditions, emergencies, security and / or acts of God.

ASSUMPTIONS

1. After the fuel farm build-out is complete, no consequential loads will be added to the existing service.
2. An electrician will be hired and accompanied by C&S and will have necessary access to the Guard Shack to perform rudimentary circuit tracing:
 - a. To confirm equipment feeder size and connection between service board and existing ATS.
 - b. To verify basic one-line assumptions required to tie in the proposed standby system.
3. The electrician will be allowed to deenergize some circuits momentarily to expedite field work and to confirm connections.

EXCLUSIONS / ADDITIONAL SERVICES

Additional scope items will be handled on a case-by-case basis and will incur additional fees. At a minimum, the following items are excluded from the scope of work:

1. Testing.
2. All services not explicitly discussed herein are excluded from these efforts.
3. Bid support.
4. Construction administration.
5. Permit requirements that exceed normal code compliance- for example, a reevaluation or auxiliary design required by the fire reviewer.
6. Lump sum additional services will be based on the following rates:

C&S ENGINEERS INC. RATE SCHEDULE

TITLE	RATE
Service Group Manager	\$312.00
Principal Engineer	\$292.00
Chf Engineer	\$292.00
Mng Engineer	\$271.00
Sr. Project Engineer	\$243.00
Project Engineer	\$208.00
Engineer	\$188.00
Staff Engineer	\$159.00
Chief Designer	\$177.00
Sr. Designer	\$156.00
Sr. Program Mgr (Grant Admin)	\$115.00
Construction Principal	\$306.00
RPR I	\$148.00
RPR I (OT Rate)	\$222.00
RPR II	\$175.00
RPR II (OT Rate)	\$263.00
RPR III	\$185.00
RPR III (OT Rate)	\$277.00
RPR IV	\$216.00

SCHEDULE OF FEES

We propose to offer the services outlined above, on a LUMP SUM basis of \$52,350. The lump sum is a flat fee which covers all expenses and normal project-related costs. Invoicing will occur monthly based on percentage of deliverable complete, though 10% retainage will be withheld from invoicing until the building department approves the contract documents. This fee is summarized below:

Scope of Design Services	Fee
Electrical	\$31,000
Survey	\$3,000
Utility GPR	\$8,500
Civil	\$9,000
Electrician – 8 hours in field	\$850
Design Fee Total	\$52,350

The terms and conditions governing the performance of and payment for our services proposed herein, including respective responsibilities and other pertinent matters, are set forth in the Terms and Conditions in the existing Fuel Farm Expansion Agreement.

Our team is looking forward to working with you! If you have any questions or require additional information, please do not hesitate to contact us.

Sincerely,

C&S Engineers, Inc.



Kenneth Gethers, PE
Managing Engineer

NOTICE TO PROCEED

PROJECT NAME: Aviation Fuel Farm Facility Expansion – Standby Generator
CLIENT: Dr. Grace Martin
OWNER: March Joint Powers Authority
PROPOSAL DATE: October 1, 2026

Proposal Fee Basis:

PROJECT BASE FEE: \$52,350

**X LUMP SUM
NOT TO EXCEED**

By signing below, this proposal becomes effective from the date indicated above. Your acceptance constitutes authorization for C&S to proceed, as indicated in the terms stated within this proposal

Client Representative:

Signature

Printed Name

Title

Date

C&S Representative:



Signature

Kenneth Gethers, PE

Printed Name

Managing Engineer

Title

September 25, 2026

Date

Please sign, date, and return to the C&S representative listed here



NOTICE OF EXEMPTION

TO: Office of Planning and Research ☒ P. O. Box 3044, Room 113 Sacramento, CA 95812-3044 And County of Riverside County Clerk 2720 Gateway Drive Riverside, CA 92502-0751	FROM: March Inland Port Airport Authority (Public 17405 Heacock Street Agency) Moreno Valley, CA 92551 Contact: Lauren Sotelo Phone: (951) 656-7000
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1.	Project Title:	Fuel Farm Expansion – Standby Generator
2.	Project Applicant:	March Inland Port Airport Authority 17405 Heacock Street Moreno Valley, CA 92551
3.	Project Location –	Cross Streets: Heacock Street and San Michele Road
4.	(a) Project Location – City: Riverside	(b) Project Location – County: Riverside
5.	Description of nature, purpose, and beneficiaries of Project:	On December 17, 2025, the March Joint Powers Commission approved a scope of work by March Inland Port Airport Authority (MIPA) Engineer, C&S Companies, to design construction plans for the approved fuel farm improvements at the March Inland Port Airport, however it did not include the design of a standby power system. In September of 2005, the Commission approved Plot Plan 04-09 and Final EIR (SCH# 200501110) for a permanent central aircraft fuel receiving, storage and distribution facility project (“fuel farm”) at the March Inland Port Airport. The approved project entitled six 105,000-gallon fuel tanks yielding 630,000 gallons of fuel. Since the approval of the project, MIPAA has installed two of the six tanks. Financial constraints restricted MIPAA’s ability to complete the project. On October 20, 2010, the Commission approved a lease with Freeman Holdings, LLC for the management of the airport fuel farm. Freeman Holdings’ lease allowed them to support MIPAA in fuel facility management, fuel sales, aircraft fueling, aircraft cleaning services, cargo services and general aviation aircraft handling. On June 11, 2025, the Commission approved a Memorandum of Understanding that allowed Freeman Holdings to proceed with installing remaining fuel farm improvements as approved. The proposed scope of work is to deliver construction plans for the remaining four 109,000-gallon API 650 field-erected aboveground storage tanks (ASTs) for the approved fuel farm. C&S has prepared a Scope of Work to provide professional engineering

	services for the design of a standby power system serving the existing 600-amp, 480V/277Y electrical service at 17301 Heacock Street (SCE Meter No. 259000-015278). The proposed standby power system will enhance the resiliency of the fuel farm during utility power outages, allowing fixed-base operator (FBO) personnel to maintain fueling operations for both military and commercial aircraft.
6.	Name of Public Agency approving project: March Inland Port Airport Authority 17405 Heacock Street Moreno Valley, CA 92551
7.	Name of Person or Agency undertaking the project, including any person undertaking an activity that receives financial assistance from the Public Agency as part of the activity or the person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the activity: March Inland Port Airport Authority 17405 Heacock Street Moreno Valley, CA 92551
8.	Exempt status: (check one) (a) ☐ Ministerial project. (b) ☐ Not a project. (c) ☐ Emergency Project. (d) ☒ Categorical Exemption. State type and section number: 15303 (d): Class 3 New Construction or Conversion of Small Structures (e) ☐ Declared Emergency. (f) ☐ Statutory Exemption. State Code section number: (g) ☐ Other. Explanation:
9.	Reason why project was exempt: The project is categorically exempt from CEQA under the new construction or conversion of small structures exemption, CEQA Guidelines section 15303, which applies to the installation of small new equipment to be used as standby power system for the existing and approved expansion of the fuel farm. None of the exceptions to the use of a categorical exemption identified in

	CEQA Guidelines section 15300.2 apply here. No significant cumulative impacts would result from the proposed project. Nor is there any reasonable possibility that the project will have a significant effect on the environment due to unusual circumstances, because no unusual circumstances are presented. The project is not located on a scenic highway and will not damage any scenic or historic resources. Finally, the project is not located on a hazardous waste site identified in the Cortese list.
10. Lead Agency Contact Person:	Lauren Sotelo, Airport Project Manager
Telephone:	(951) 656-7000
11. If filed by applicant: Attach Preliminary Exemption Assessment (Form "B") before filing.	
12. Has a Notice of Exemption been filed by the public agency approving the project? Yes ☐ No ☒	
13. Was a public meeting held by the Lead Agency to consider the exemption? Yes ☒ No ☐ If yes, the date of the public meeting was: <u>October 07, 2026</u>	

Signature: _____ Date: _____ Title: _____

Name: Lauren Sotelo

☐ Signed by Lead Agency ☐ Signed by Applicant

Date Received for Filing: _____

(Clerk Stamp Here)

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No.9 (9)

Meeting Date: October 7, 2026

Action: **APPROVE AMENDMENT NO. 1 TO THE CONTRACT WITH CONVERGE STRATEGIES FOR THE MARCH AIRFIELD OPERATIONS READINESS REPORT, TO REVISE THE SCOPE OF WORK AND EXTEND THE LIFE OF THE CONTRACT, AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE AMENDMENT**

Motion: Move to approve Amendment No. 1 to the contract with Converge Strategies for the March Airfield Operations Readiness report, to revise the Scope of Work and extend the life of the contract, and authorize the Chief Executive Officer to execute the amendment.

Background:

On September 3, 2025, the March Inland Port Airport Authority Commission (MIPAA) authorized staff to advertise a Request for Proposals (RFP) for a qualified technical consultant to prepare a March Airfield Operations Readiness Report pursuant to the 2025 Office of Local Defense Community Cooperation (OLDCC) Grant for Mission Readiness at March. On October 15, 2025, the Commission approved a contract with Converge Strategies to perform the required services.

On June 16, 2026, MIPAA staff participated in the MIPAA-March Air Reserve Base (ARB) Installation Readiness Tabletop Exercise with representatives from several participating agencies. Following the exercise, Southern California Edison (SCE) advised that the only viable option for addressing the electrical reliability needs at the March Inland Port Airport is the installation of a permanent backup generator.

Based on the findings and discussions resulting from the Tabletop Exercise, Converge Strategies revised its Scope of Work to include Task No. 7 – MIPAA Backup Generation Feasibility. This additional task will support MIPAA in evaluating the technical and regulatory feasibility of installing permanent backup generation to service critical airport facilities. The assessment will provide MIPAA with information necessary to evaluate potential implementation requirements and next steps.

Staff recommends that the Commission approve Amendment No. 1 to extend the contract term through December 31, 2026, and incorporate the additional Scope of Work. The current contract is in an amount not to exceed \$594,754.23. The additional Scope of Work will increase the

contract amount by \$34,045.77, resulting in a revised total contract amount not to exceed \$628,800.00.

The additional contract amount will be funded from the remaining balance of the approved OLDCC Grant, with no additional funding requested from MIPAA.

Attachment(s): Converge Strategies Professional Services Agreement
 Converge Strategies Amendment No. 1
 Converge Strategies Scope of Work

MARCH INLAND PORT AIRPORT AUTHORITY PROFESSIONAL SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into this 16th day of October, 2025, by and between the March Inland Port Airport Authority, a joint powers authority, organized under the laws of the State of California, with its principal place of business at 17405 Heacock Street, Moreno Valley, County of Riverside, State of California ("Authority") and Converge Strategies, LLC, a Limited Liability Company, with its principal place of business at 50 Holbrook Street, Boston, MA 02130 ("Consultant"). Authority and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the Authority on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing Technical Contractor Services for the March Airfield Operations Readiness Report 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 the Technical Contractor for the March Airfield Operations Readiness Report 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 all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional technical contractor consulting services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from October 17, 2025 to October 16, 2026, 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 shown in Exhibit "A" in a 12 month period. Consultant represents that it has the professional and technical personnel required to perform the Services expeditiously. The Consultant will provide an updated schedule 15 days after contract award equal to or more detailed to "Table 6. Overview of Project Schedule" provided in the Consultant proposal. Updated schedules will also be provided upon request by the Authority.

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: Meredith Pringle, COO.

3.2.5 Authority's Representative. The Authority hereby designates Chief Executive Officer, 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 Chief Executive Officer 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 Chief Executive Officer, Authority's Representative or his/her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Alex Pina, Principal, 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 shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibit "A" attached hereto, or which may be separately agreed upon in writing by the Authority and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Performance Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the Authority will suffer damage.

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

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

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

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

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

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

3.2.11 Insurance.

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

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

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

(B) **Automobile Liability Insurance:** Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering

"Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

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

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

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

(A) 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. Consultant shall include all subconsultants engaged in any work for Consultant relating to this Agreement as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the Authority, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Consultant's subconsultants performing work relating to this Agreement shall be endorsed to name the Authority, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Consultant shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to

the extent applicable. The Consultant shall provide satisfactory evidence of compliance with this section upon request of the Authority.

3.2.12 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the Authority's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251, *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq.*); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant must additionally comply with the lawful requirements of the Authority, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. Authority may seek damages from Consultant for delay in completing the Services caused by Consultant's failure to comply with the laws, regulations and policies described in this Section, or any other relevant water quality law, regulation, or policy.

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 rates set forth in Exhibit "B" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Five Hundred Ninety-Four Thousand Seven Hundred Fifty-Four Dollars and 23 cents (\$594,754.23)** without written approval of the Commission or Chief Executive Officer as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

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

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

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

3.3.5 Rate Increases. In the event that this Agreement is renewed pursuant to Section 3.1.2, the rate set forth in Exhibit "B" may be adjusted each year at the time of renewal

as set forth in Exhibit "B."

3.4 Labor Code Requirements.

3.4.1 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. Authority shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the Authority, its officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4.2 Registration/DIR Compliance. If the Services are being performed on a public works project of over \$25,000 when the project is for construction, alteration, demolition, installation, or repair work, or a public works project of over \$15,000 when the project is for maintenance work, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This Project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR. Any stop orders issued by the DIR against Consultant or any subconsultant that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the Authority. Consultant shall defend, indemnify and hold the Authority, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against Consultant or any subconsultant.

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 fifteen (15) 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: Converge Strategies
50 Holbrook Street
Boston, MA 02130
ATTN: Meredith Pringle, COO

Authority: March Inland Port Airport Authority
17405 Heacock Street
Moreno Valley, CA 92551
ATTN: 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. Consultant shall require all subconsultants to agree in writing that Authority is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the Authority.

3.6.3.3 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 five (5) working days after receipt of the release notice to give Authority written notice of Consultant's objection to the Authority's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the Authority, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. Authority shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with Authority's choice of legal counsel), and hold Authority harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that Authority release such information.

3.6.4 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, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subconsultants, or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all expert witness fees, attorney's fees, and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the Authority. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the Authority, its officials, officers, employees, agents, or volunteers.

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

3.6.6 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. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates and subconsultants as Consultant may deem appropriate to assist in the performance of Services hereunder.

3.6.12 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 to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the Authority's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, Authority shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of Authority, during the term of his or her service with Authority, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.6.18 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 INLAND PORT AIRPORT
AUTHORITY AND CONVERGE STRATEGIES**

**MARCH INLAND PORT
AIRPORT AUTHORITY**

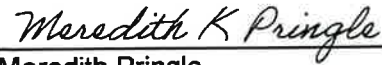
**CONVERGE STRATEGIES
(A LIMITED LIABILITY COMPANY)**

By:



Grace I. Martin, DPPD
Chief Executive Officer

By:



Meredith Pringle
Chief Operating Officer

Attest:



Authority Clerk

Approved as to Form:

Best Best & Krieger LLP
General Counsel

EXHIBIT "A"
SCOPE OF SERVICES

TASK 1: PROJECT MANAGEMENT AND PROCUREMENT

NOTE: THIS TASK IS NOT A COMPONENT OF THE PROJECT FOR THE TECHNICAL CONTRACTOR. SEE BELOW.

Identify key project team members' roles and responsibilities, develop a detailed workplan, retain contract support for both administration and study execution, and create initial Steering Committee.

The Project Manager, supported by the Project Coordinator, will:

- Orient key March Inland Port Airport Authority, SOCAL Gas, and March Air Reserve Base personnel and stakeholders to the project and delineate their roles and responsibilities.
- Prepare a Project Management Plan (PMP) for March Airfield Operations Readiness Report and March Readiness Tabletop Exercise to include: Team structure, including roles and responsibilities; Project Scope; Project Budget; Project Quality Control Plan; Schedule of tasks, meetings, milestones, delivery dates; Meeting requirements for the Steering Committee; Initial lists of documents needed from base and community and submit requests to appropriate agencies; and Contact information for the Team (names and locations of key staff).
- Task the Project Coordinator to develop a Project Activity and Budget Reporting Tool to support tracking of project milestones, deliverables, and budget status for all OLDCC reporting requirements, and train appropriate March Inland Port Airport Authority and SOCAL Gas staff in its use.
- Identify stakeholders and create Steering Committee
- Supported by the Project Coordinator, work with March Inland Port Airport Authority procurement staff to develop RFP for Technical Contractor
- Supported by the Project Coordinator, gain necessary approvals of contracting action for Technical Contractor
- Advertise and award contract to Technical Contractor, supported by Project Coordinator
- Develop Memorandum of Agreements and/or Interlocal Agreements between local governments, the installation, and key community stakeholder groups if and as required
- Coordinate with 452 AMW and key March Air Reserve Base tenant missions (as required) concerning non-disclosure agreements and training to protect the confidentiality of studies and plans needed for analysis of the impact of infrastructure conditions on military missions

DELIVERABLES (March Inland Port Airport Authority):

1. Project Management Plan
2. Project Contractor draft RFP
3. Project Activity and Budget Reporting Tool
4. Quality assurance/quality control report(s) as required

TASK 2: RESEARCH CURRENT CONDITIONS, RISKS, AND HAZARDS

NOTE: PROPOSERS SHOULD RESPOND TO TASKS 2 – 6 ONLY

This task will assist in better understanding the location and potential infrastructure risks to joint airfield operations, including the installation's mission assurance and mission readiness, and March Inland Port Airport's operational readiness. Data and information collected will support assessment of existing energy infrastructure, including communications infrastructure supporting industrial controls, backup energy requirements, and both physical and digital security.

- Work with the Project Manager, SOCAL Gas, and 452 AMW staff to collect feedback and recommendations needed to guide site visits, executive engagements, workshops/tabletop exercises, and project identification phases of the study. This will maximize the efficiency of engagements and advise the Technical Contractor team on the data best suited to the analytical tools utilized for project assessments.
- Determine classification levels for all information collected based on single and aggregated data release levels. [Note: Unless specifically publicly available, information and data from military sources, local governments, and other infrastructure providers (e.g., commercial telecommunications providers) will be protected as Controlled Unclassified Information (CUI) and will not be released publicly but will be referred to by local government planners and engineers in developing vulnerability mitigations.]
- Determine proper security clearance levels and develop nondisclosure agreements for contractors, community stakeholder staff, and Steering Committee members as required. [Note: Project Manager and Project Coordinator will work with the Steering Committee and community stakeholder staff to coordinate nondisclosure agreements and provide CUI training as required.]
- Review and incorporate findings from existing DOD, other Federal agencies, local, regional, and State of California studies and expand on them to identify potential points of concern in the region's infrastructure that might impact the mission capability of March Air Reserve Base.
- Identify and gather regional climate studies, geospatial, and other relevant data and studies to identify infrastructure-related hazards.
- Access NOAA storm and environmental data and models
- Using existing, available unclassified GIS data, map all energy and energy-related communication infrastructure in the region and their interdependencies to identify key facilities that impact regional readiness posture.
- If current/recent condition assessments available, analyze assessments on energy and system control communications infrastructure and use data for further study
- If current condition assessments are not available or require more detail, identify minimal actions required to obtain the necessary information and data and coordinate with the Project Manager and Project Coordinator
- Conduct site visits to March Air Reserve Base and to community infrastructure facilities to begin to understand the interrelatedness of community infrastructure to missions, potential vulnerabilities, and concerns of the community.
- Perform interviews with key installation, county, state, FEMA, electric and gas utility, and other personnel to identify risks to operations
- Draft proposed analysis criteria including metrics, data sources, and proposed modeling protocols using established standards, and present to the Steering Committee for review and adoption.
- Using analysis criteria, assess infrastructure conditions and identify plans for maintenance, upgrade, replacement; if no plans exist identify actions required and by whom
- Assess information and communications protocols and industrial controls for identified or potential deficiencies for each infrastructure system
- Identify emergency back-up requirements for mission-critical facilities, current back-up systems employed, and plans for redundant feed, generators, distributed generation sites, renewable energy, energy storage, proposed microgrids, and shared communications vulnerabilities
- Identify vulnerabilities using GIS data which will be provided to installations and key stakeholder in a file format usable for the stakeholder. [Note: GIS data will be in accordance with OLDCC standard GIS deliverable statement. All vulnerability assessments will be considered CUI and marked appropriately, including markings required to protect confidentiality under the California Open Records Act.]

- Develop database of vulnerable assets and risks to operations and classification levels as required to support March Air Reserve Base and local government planning
- Provide presentations on technical materials developed from research and report initial findings to the Steering Committee

DELIVERABLES (Technical Contractor):

1. Site visit reports and interview notes
 2. GIS map of all energy, and energy-related communication infrastructure in the region and their interdependencies
 3. Draft infrastructure condition analysis criteria
 4. Initial draft assessments of 1. Infrastructure conditions; and 2. Information and communications protocols and industrial controls conditions
 5. Database of vulnerable assets and risks to operations
-

TASK 3: MARCH READINESS TABLETOP EXERCISE PLANNING AND EXECUTION

Develop input and guidance for the March Airfield Operations Readiness Report Study. This task will require close coordination between the Technical Contractor, Project Manager, and Project Coordinator, and they will share responsibilities for deliverables.

The Technical Contractor will:

- Use initial draft infrastructure assessments to guide Tabletop Exercise content development
- Work with the Project Coordinator to identify and gather information about community energy and related communications infrastructure that relate to, support, or impact the operations of March Inland Port Airport Authority and the missions of March Air Reserve Base, if not otherwise identified in Task 2
- Work with the Project Coordinator to Review historical information about past natural and manmade events or failures that impacted the operations of infrastructure supporting March Inland Port Airport Authority and March Air Reserve Base, interview subject matter experts about the current conditions of impacted infrastructure, and prioritize likely future events, if not otherwise identified in Task 2
- Work with the Project Coordinator to Develop draft event scenarios and coordinate with the Tabletop Exercise Planning Subcommittee for feedback on event likelihood and realism
- Work with the Project Coordinator to Develop exercise injects to cascade negative events and failures in a realistic manner
- Work with the Tabletop Exercise Planning Subcommittee to refine scenarios and injects to ensure maximum realism and encourage participation of Tabletop Exercise

stakeholders

- Plan event logistics including: Date, time, and venue for Tabletop Exercise; Plenary and breakout meeting space; Audiovisual equipment and office supplies required; coordinate acquisition, testing, and operation
- Develop a detailed Tabletop Exercise facilitation plan and coordinate it with the Tabletop Exercise Planning Subcommittee, including identifying the roles and responsibilities of the Technical Contractor Tabletop Exercise execution staff, Planning Subcommittee, and Project Coordinator
- Support the Project Manager's efforts to conduct outreach to stakeholder organizations and subject matter experts to gain their buy-in to the process and participation commitments for the Tabletop Exercise
- Prepare and distribute preparatory materials to Tabletop Exercise participants
- Execute the Tabletop Exercise
- Support the Project Coordinator to conduct a hotwash of Tabletop Exercise execution with the March Inland Port Airport Authority Project Manager and Tabletop Exercise Planning Subcommittee
- Prepare Tabletop Exercise meeting notes and distribute to all participants and stakeholder organizations
- Work with the Project Coordinator to conduct analysis of Tabletop Exercise outcomes
- Work with the Project Coordinator to prepare an after-action report detailing and prioritizing infrastructure conditions for further study and action.

DELIVERABLES (note primary responsibilities):

1. Planning and execution documents for the Tabletop Exercise (Technical Contractor)
 2. Meeting notes from the Tabletop Exercise execution hotwash (Project Coordinator)
 3. Tabletop Exercise Meeting Notes (Technical Contractor)
 4. Tabletop Exercise after-action report (Technical Contractor)
-

TASK 4: UNDERSTAND IMPACTS AND CONSEQUENCES OF IDENTIFIED VULNERABILITIES, AND IDENTIFY SPECIFIC PROJECTS, OPPORTUNITIES, AND CONSTRAINTS TO MITIGATE IMPACTS AND VULNERABILITIES

- Develop a Shared Infrastructure list of up to 10 essential community projects required to support at least 14 days operational capability for March Air Reserve Base and March Inland Port that includes: Local and regional existing and proposed infrastructure projects prioritized by risk and consequences as measured by anticipated shared consequences to the region, March Inland Port Airport Authority, and March Air Reserve Base; Draft notional concept plans for each project; Rough order of magnitude estimates for project costs; Feasibility opinions for each project (including potential hazards, issues, and

information/data gaps); and a List of potential funding sources for each project.

- Develop recommendations for project priorities
- Conduct additional subject matter focused, non-public meetings and/or workshops with key subject matter experts and stakeholders. This activity will be conducted to: Evaluate and prioritize specific projects that will support military mission and community lifelines. The focus will be to share and validate the findings from Task 3, analyze and refine the draft recommended projects, and seek consensus on the prioritization of project concepts; Select and prioritize a list of essential projects that could potentially sustain military missions, civilian airfield operations, and public safety beyond 14 days; and Gather stakeholder input on the essential projects identified to support drafting action plans, courses of action and business cases. Qualitatively assess project limiting factors, such as cost, feasibility, local impacts, permitting and compliance requirements and the likelihood of sustaining critical missions and lifeline services for at least 14 days.
- Following these meetings and/or workshops, Technical Contractor SMEs will: Review and evaluate projects for feasibility, based on independent evaluation criteria including, but not limited to, economic, mission/operational, technical, and legal criteria and Confirm or challenge stakeholder subject matter expert project prioritization and identify critical factors that may impact project viability
- Conduct additional site visits as required to gather additional data or context needed
- Develop GIS maps of the potential projects and include overlays of various constraints as appropriate [Note: GIS data will be in accordance with OLDCC standard GIS deliverable statement.]

DELIVERABLES (Technical Contractor):

1. Partial Draft March Airfield Operations Readiness Action Plan: Prioritized Infrastructure List (up to 10 projects) and Recommendations for project priorities
 2. Technical Presentations
 3. Draft report with proposed recommendations on project selections and priorities
-

TASK 5: MAKE RECOMMENDATIONS TO THE COMMUNITY THAT ADDRESS AIRFIELD OPERATIONS AND MILITARY MISSION AND PROPOSE IMPLEMENTATION ACTIVITIES

Consider/identify projects that are key to providing essential airfield operations beyond 14 days for the March Inland Port Airfield and March Air Reserve Base. From the Prioritized Infrastructure List Identify three (3) most critical projects and develop project concept implementation recommendations for each. Recommendations will include:

- High-level project concept plans, including site-specific solutions (as appropriate) and implementation strategy to Project conceptual plans; Permitting and compliance requirements; Land use control issues; Project construction costs; Commissioning costs; and Long-term sustainment costs.
- Assess project feasibility (cost analysis, structural and non-structural mitigation measures, and other factors)

- Develop a funding plan for each project including: Design costs; permitting and compliance requirements and land control costs; Construction costs; Commissioning costs; and Long-term sustainment costs.
- Develop a programmatic implementation plan with: Courses of action necessary to inform military officials, community representatives, and regional state and federal leaders regarding current and future strategies to address and prevent threats to military installation readiness.
- Develop and present a draft March Airfield Operations Readiness Report to Steering Committee

DELIVERABLES (Technical Contractor):

1. Full Draft March Airfield Operations Readiness Action Plan (including three most critical projects analysis)
 2. Full Draft March Airfield Operations Readiness Funding Plan
 3. Technical Presentations
 4. Project Resources and Data Archive
-

TASK 6: DEVELOP FINAL MARCH AIRFIELD OPERATIONS READINESS REPORT, ACTION PLAN, AND FUNDING PLAN PRESENTING THE OUTPUT FROM OF TASKS 2 THROUGH 5.

Submit report to local jurisdiction leadership and planning departments for use in planning and prioritizing projects Please attach any additional supporting documents (PDF Only)

EXHIBIT "B"

COMPENSATION

The total proposed fee for this effort is **\$594,754.23**, which is to be completed within 12 months of contract execution. CSL is not proposing to subcontract any component of the technical approach.

Task #	Task Name	Task Labor Cost
1	Project Management*	\$0.00
2	Research Current Conditions, Risks & Hazards	\$188,893.80
3	Conduct Tabletop Exercise	\$106,933.36
4	Identify Specific Projects to Mitigate Vulnerabilities	\$136,689.28
5	Recommend Projects for Implementation	\$90,302.40
6	Develop Final Operations Readiness Report	\$44,011.32
Total Labor Cost		\$566,830.16
Total Travel Cost		\$27,924.07
Total Fee		\$594,754.23

**Not priced or outlined per direction in the RFP.*

Table 1. Fee Summary

**AMENDMENT NO. 1 TO
PROFESSIONAL SERVICES AGREEMENT
WITH CONVERGE STRATEGIES, LLC**

This Amendment No. 1 to the Professional Services Agreement is made and entered into as of October 8, 2026 ("Effective Date") by and between the March Inland Port Airport Authority, a California joint powers authority ("MIPAA") and Converge Strategies, LLC, a Limited Liability Company ("Consultant"). MJPA and Consultant are sometimes referred to herein individually as a "Party" and collectively as "Parties."

RECITALS

A. WHEREAS, the MJPA and the Consultant have entered into an agreement, dated October 16, 2025, for the purpose of providing March Airfield Operations Readiness Report (the "Original Agreement").

B. WHEREAS, the Parties now desire to amend the Original Agreement in order to include additional funds for the added scope of work, and extending the original term of the agreement until December 31, 2026 in accordance with the compensation provisions of the Original Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants, conditions, and promises contained in this Amendment No. 1 and the Original Agreement, the Parties mutually agree as follows:

AGREEMENT

1. Incorporation of Recitals. The recitals listed above are true and correct and are hereby incorporated herein by this reference.

2. Term. The term of the Original Agreement shall be extended through December 31, 2026, unless earlier terminated.

3. Compensation. The compensation for services performed pursuant to this Amendment No. 1 shall not exceed **Thirty-Four Thousand Forty-Five Dollars and Seventy-Seven Cents (\$34,045.77)**, thereby increasing the total not to exceed compensation of the Original Agreement to the amount of **Six Hundred Twenty-Eight Thousand Eight Hundred Dollars (\$628,800.00)**. Work shall be performed at the rates set forth in the Original Agreement.

4. Full Force. Except as amended by this Amendment No. 1, all provisions of the Original Agreement, including without limitation the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the Parties under this Amendment No. 1.

5. Electronic Transmission. A manually signed copy of this Amendment No. 1 which is transmitted by facsimile, email or other means of electronic transmission shall

be deemed to have the same legal effect as delivery of an original executed copy of this Amendment No. 1 for all purposes. This Amendment No. 1 may be signed using an electronic signature.

6. Counterparts. This Amendment No. 1 may be signed in counterparts, each of which shall constitute an original.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE FOR
AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT
WITH CONVERGE STRATEGIES, LLC**

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 on the Effective Date first herein above written.

MARCH JOINT POWERS AUTHORITY

CONSULTANT

APPROVED BY:

CONVERGE STRATEGIES, LLC

Grace I. Martin, DPPD
Chief Executive Officer

Meredith Pringle
Chief Operating Officer

APPROVED AS TO FORM:

Best Best & Krieger LLP
General Counsel



Dr. Grace Martin
Chief Executive Officer
March Inland Port Airport Authority
17405 Heacock Street
Moreno Valley, CA 92551

September 30, 2026

RE: Request for Contract Modification – *March Airfield Operations Readiness Report* –
Statement of Work Update, Extension of Period of Performance, and Compensation

Dear Dr. Martin,

Converge Strategies, LLC (CSL) requests a modification to the *March Airfield Operations Readiness Report* to extend the period of performance (PoP) and update the Statement of Work (SOW). This letter outlines the requested changes and the basis for each.

- **Modification #1: Statement of Work Update.** CSL requests adding a new task to the original SOW, *Task 7 – MIPAA Backup Generation Feasibility Assessment*. The SOW update is intended to support MIPAA with assessing the technical and regulatory feasibility of adding permanent backup generation to its critical facilities. This new task, Task 7, is described in greater detail in “Exhibit A” below.
- **Modification #2: Extension of Period of Performance.** CSL requests extending the Period of Performance (PoP) from the original date of 10/19/2026 to the revised date of 12/31/2026. This extension is intended to allow CSL to complete the work identified in Modification #1 – SOW Update and described in greater detail in “Exhibit A” below.
- **Modification #3: Compensation.** CSL requests modifying the proposed fee from \$594,754.23 to \$628,800. This increase in compensation will enable CSL to complete the work identified in Modification #1 – SOW Update and described in greater detail in “Exhibit A” below.

CSL is available to discuss these changes at your convenience.

Sincerely,

Person Authorized to Sign Contract:

Meredith Pringle, COO
Converge Strategies, LLC
50 Holbrook Street
Boston, MA 02130
(202) 253-5813
mpringle@convergestrategies.com

Primary Point of Contact:

Alex Pina, Principal
Converge Strategies, LLC
50 Holbrook Street
Boston, MA 02130
(202) 934-1512
apina@convergestrategies.com

www.convergestrategies.com

Boston, MA | Washington, DC | Chicago, IL | New York City, NY

EXHIBIT A – SCOPE OF SERVICES

TASK 7: MIPAA BACKUP GENERATION FEASIBILITY ASSESSMENT

CSL will assess the regulatory and technical feasibility of adding permanent backup generation at MIPAA critical facilities, including the ability to tie-in to March ARB facilities.

TASK 7.1 REGULATORY ASSESSMENT

CSL will assess the regulatory implications of tying in MIPAA backup generation to support March ARB critical facilities (e.g., March ARB Fire Department). SCE has strict regulatory requirements that may limit the ability to build a multi-customer backup generation solution that serves multiple customers. CSL will examine the specific regulatory barriers that may prohibit a more robust backup generation solution (i.e., Rule 18: "Supply to Separate Premises and Use by Others" and Rule 21: "Generating Facility Interconnections"). *This task will inform the data call in Task 7.2 and the proposed conceptual design in Task 7.3.*

TASK 7.2 UPDATED DATA CALL AND DATA REVIEW

CSL will conduct a data call with relevant stakeholders based on Task 7.1 results to include:

- Single line diagram or utility map of current electrical infrastructure at MIPAA/March ARB
- Updated electric utility bills from Southern California Edison (SCE) through August 2026
- Information related to ongoing project development efforts part of the MIPAA 20-year plan (e.g., MIPAA fuel farm expansion, Million Air Executive Terminal expansion).

CSL will review all information to establish a baseline for generator sizing—since motor starting loads, not just running loads, determine required capacity. CSL will also develop projected electric load growth estimates and determine how additional generator units integrate with the existing fuel farm and switchgear.

TASK 7.3 TECHNICAL FEASIBILITY ASSESSMENT

CSL will assess the technical feasibility of adding permanent backup generation to MIPAA's fuel farm, which is undergoing an expansion to accommodate mission growth. CSL will:

- **Load Verification and Generation Sizing.** CSL will inventory the MIPAA fuel farm's current pump count and motor specifications (e.g., horsepower, voltage, starting method) to establish an accurate baseline for generator sizing, since motor starting loads, not just running loads, determine required capacity.
- **Requirements Definition.** Using that baseline, CSL will define requirements for adding generation capacity on-site to support future operations, including projected load growth and how additional units integrate with the existing fuel farm and switchgear. This will be beyond the 20-year plan and a modular design that can be added upon.
- **Modular Framework Development.** CSL will provide a conceptual design and engineering framework for an expandable design, so the site can add generation or fuel storage later without a full redesign of the fuel or electrical systems.

EXHIBIT B – PERIOD OF PERFORMANCE AND COMPENSATION

PERIOD OF PERFORMANCE

The original period of performance for the *March Airfield Operations Readiness Report* was 10/17/2025 to 10/19/2026. CSL proposes to update the PoP from 10/17/2025 to 12/31/2026.

COMPENSATION

The original fee for Tasks 1-6 in the *March Airfield Operations Readiness Report* was \$594,754.23. CSL requests an increase of \$34,045.77 to support Task 7, outlined below:

Task #	Task Name	Task Labor Cost
1	Project Management*	\$0.00
2	Research Current Conditions, Risks & Hazards	\$188,893.80
3	Conduct Tabletop Exercise	\$106,933.36
4	Identify Specific Projects to Mitigate Vulnerabilities	\$136,689.28
5	Recommend Projects for Implementation	\$90,302.40
6	Develop Final Operations Readiness Report	\$44,011.32
7	(NEW TASK) MIPAA Backup Generation Feasibility	\$34,045.77
Total Revised Labor Cost		\$600,875.93
Total Travel Cost		\$27,924.07
Total Revised Fee		\$628,800.00

*Not priced or outlined per direction in the RFP.

CSL is not proposing to subcontract any component of the technical approach.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No.9 (10)

Meeting Date: October 7, 2026

Action: **APPROVE THE ADMINISTRATIVE TRANSFER OF GRANT ADMINISTRATION AND FINANCIAL RESPONSIBILITY FOR THE OLDCC MISSION READINESS GRANT FROM THE MARCH INLAND PORT AIRPORT AUTHORITY (MIPAA) TO MARCH JOINT POWERS AUTHORITY (MJPA); AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE ANY AGREEMENTS, AMENDMENTS, CERTIFICATIONS, GRANT DOCUMENTS OR OTHER DOCUMENTS NECESSARY TO EFFECTUATE AND ADMINISTER THE TRANSFER**

Motion: Move to approve the administrative transfer of grant administration and financial responsibility for the OLDCC Mission Readiness grant from the March Inland Port Airport Authority (MIPAA) to March Joint Powers Authority (MJPA); and authorize the Chief Executive Officer to execute any agreements, amendments, certifications, grant documents, or other documents necessary to effectuate and administer the transfer.

Background:

The March Inland Port Airport Authority (MIPAA), a division of the March Joint Powers Authority (March JPA), is responsible for the operation and management of March Inland Port Airport (MIPA). The Airport's financial activities are accounted for through an enterprise fund within the March JPA's overall financial structure.

MIPAA was awarded an Office of Local Defense and Community Cooperation (OLDCC) Mission Readiness grant to support improvements intended to enhance the operational readiness, resiliency, and mission capabilities of March Inland Port Airport and the surrounding military installation. Following the grant award, it was determined that the administration and financial responsibility for the grant should be transferred to the March JPA to align the grant with the existing organizational and financial structure of MIPAA. Because MIPAA's Airport financial activities are administered through the March JPA's financial system, the March JPA is the appropriate entity to administer and account for the grant funds associated with the Airport.

The proposed action is an administrative transfer of grant administration and financial responsibility from MIPAA to the March JPA. The transfer is intended to align administration of the OLDCC grant with the existing organizational, accounting, and financial structure of the Airport and the March JPA. The administrative transfer does not change the purpose, scope, eligibility requirements, or intended use of the OLDCC Mission Readiness grant. The grant funds will continue to be used solely for the purposes authorized under the grant and in accordance with all applicable OLDCC requirements.

Under the proposed arrangement, the March JPA will be responsible for the financial administration of the grant, including receipt and accounting of grant funds, expenditure tracking, financial reporting, and compliance with applicable grant management and audit requirements. MIPAA will continue to oversee the Airport-related activities and improvements supported by the grant.

Grant revenues and expenditures will be accounted for within the appropriate Airport enterprise fund and tracked in accordance with the grant's requirements. This approach maintains a clear separation of grant-related financial activity while recognizing that MIPAA's financial operations are administered through the March JPA. The administrative transfer is therefore intended to provide an appropriate mechanism for administering the grant without altering MIPAA's role in managing the Airport or changing the intended use of the grant funds.

Fiscal Impact

The administrative transfer will have no adverse fiscal impact on the March JPA. Grant funds will be restricted to the purposes authorized under the OLDCC Mission Readiness grant and will be accounted for within the appropriate Authority fund.

Environmental Consideration

The proposed action is administrative in nature and involves the transfer of grant administration and financial responsibility. The action does not, by itself, approve or authorize physical construction or a change in the use of any property. Accordingly, the proposed action does not constitute a "project" subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378.

Recommendation

Staff recommends that the Commission approve the administrative transfer of grant administration and financial responsibility for the OLDCC Mission Readiness grant from the March Inland Port Airport Authority to the March Joint Powers Authority; and authorize the Chief Executive Officer to execute any agreements, amendments, certifications, grant documents, or other documents necessary to effectuate and administer the transfer.

Attachment(s): None.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No.9 (11)

Meeting Date: October 7, 2026

Action: **AUTHORIZE ADVERTISING A REQUEST FOR PROPOSAL (RFP) FOR MARCH INLAND PORT AIRPORT (MIPA) ON-CALL TRAFFIC ENGINEERING SERVICES**

Motion: Move to authorize advertising a Request for Proposal (RFP) for March Inland Port Airport (MIPA) On-Call Traffic Engineering Services.

Background:

The March Inland Port Airport Authority (MIPAA) periodically requires traffic engineering and transportation planning services to support Authority related requests and projects, including the review of traffic and transportation-related studies prepared by other agencies or project proponents.

The Authority's previous on-call traffic engineering services contracts expired in October 2025. To ensure that staff has access to qualified traffic engineering expertise when needed, staff recommends that the Commission authorize staff to conduct a Request for Proposals (RFP) process to identify qualified traffic engineering firms for on-call professional services.

In general, the Authority intends to retain one or two on-call traffic engineering consultants, allowing staff to select an appropriate consultant based on the nature of the request, expertise required, availability, response time, and cost. Upon completion of the RFP process, staff will return to the Commission with the recommended traffic engineering firms and draft professional services agreements for Commission consideration and final action.

Staff anticipates recommending one or two traffic engineering consultants for three-year on-call agreements. Any costs associated with specific MIPAA requests or projects will be brought to the Commission for separate authorization, as appropriate.

Attachment(s): None.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No.9 (12)

Meeting Date: October 7, 2026

Action: **AUTHORIZE ADVERTISING A REQUEST FOR PROPOSAL (RFP) FOR ON-CALL AVIATION FUEL FARM INSPECTION, REPAIR AND MAINTENANCE SERVICES**

Motion: Move to authorize advertising a Request for Proposal (RFP) for on-call aviation fuel farm inspection, repair and maintenance services

Background:

The March Inland Port Airport Authority (MIPAA) operates and maintains aviation-related infrastructure at the March Inland Port Airport. The Airport's aviation fuel farm is located at 17301 Heacock Street, Moreno Valley, California 92551.

The aviation fuel farm is a critical airport facility supporting the safe storage, handling, and dispensing of aviation fuel. Regular inspection, preventive maintenance, and timely repair of fuel farm infrastructure are necessary to support safe airport operations, protect property and the environment, and maintain compliance with applicable regulatory requirements.

The fuel farm and associated Jet A fuel storage tanks, piping, dispensing equipment, secondary containment, and related infrastructure must be maintained and inspected in accordance with applicable federal and California requirements, including the U.S. Environmental Protection Agency's Spill Prevention, Control, and Countermeasure (SPCC) regulations under 40 CFR Part 112, California's Aboveground Petroleum Storage Act (APSA), Health and Safety Code Section 25270 et seq., and applicable provisions of the California Fire Code. Maintenance activities shall include regular inspection of tanks, piping, valves, containment systems, and associated equipment for leaks, deterioration, and other deficiencies, as well as required testing and corrective maintenance in accordance with applicable regulations, manufacturer recommendations, and recognized industry standards.

Recommendation:

Staff recommends establishing a pool of three (3) on-call service providers with demonstrated experience in the inspection, repair, and maintenance of aviation fuel storage and dispensing facilities. Rather than relying upon a single contractor for all fuel farm-related services, establishing a pool of three qualified providers will provide MIPAA with access to multiple qualified resources and greater flexibility in responding to routine inspections, preventive maintenance, corrective repairs, and urgent service needs.

The selected providers would be available on an as-needed, on-call basis during the term of their respective agreements. Selection of a provider for a particular assignment may be based on the nature and complexity of the work, qualifications and specialized expertise, availability, response time, prior performance, and cost.

The RFP will establish the specific procedures for assigning work among the three on-call providers.

Scope of Services:

The selected on-call providers may be requested to perform the following services:

1. Fuel Farm Inspection

Comprehensive inspections of the aviation fuel farm and associated equipment and systems, including, as applicable:

- Above ground fuel storage tanks and associated components;
- Fuel transfer and dispensing systems;
- Pumps, motors, valves, meters, filters, hoses, and related equipment;
- Product piping and connections;
- Secondary containment systems and containment areas;
- Spill prevention and control equipment;
- Leak detection and monitoring systems;
- Overfill prevention equipment;
- Electrical and grounding/bonding systems;
- Emergency shutoff systems;
- Fire protection and safety equipment;
- Fuel loading/unloading areas;
- Signs, markings, barriers, access controls, and safety features;
- Structural condition of tanks, foundations, platforms, piping supports, and related infrastructure;
- Drainage and stormwater controls associated with the fuel farm; and
- Other components necessary to evaluate the safe and compliant operation of the facility.

Inspection activities shall be performed in accordance with applicable FAA guidance, applicable NFPA standards, and federal, State of California, Riverside County, and other applicable regulatory requirements.

2. Regulatory and Compliance Assessment

Providers may be requested to evaluate the fuel farm for compliance with applicable requirements, including, as appropriate:

- FAA requirements and advisory guidance;
- Applicable Airport Certification Manual requirements;
- Applicable NFPA standards, including NFPA 407;

- California fire, environmental, hazardous materials, and fuel-storage requirements;
- Riverside County requirements;
- Applicable environmental and spill-prevention requirements; and
- Other applicable federal, state, or local requirements.

Inspection reports shall identify deficiencies, applicable requirements, recommended corrective actions, and the priority of each corrective action.

3. Repair and Corrective Services

On-call providers may be authorized to perform repairs and corrective work identified through inspections or reported by MIPAA.

Services may include:

- Repair or replacement of pumps, valves, piping, fittings, filters, meters, hoses, and related equipment.
- Repair of tanks and tank appurtenances;
- Repair or replacement of electrical, grounding, bonding, and emergency shutoff components;
- Repair of secondary containment systems;
- Repair of safety and fire protection equipment;
- Repair of structural or access components;
- Spill prevention and containment improvements;
- Leak detection and monitoring repairs; and
- Other corrective work necessary to maintain the fuel farm in safe operation condition.

4. Preventive Maintenance

The on-call providers may be assigned scheduled preventive maintenance services designed to reduce equipment failures, extend the useful life of fuel farm infrastructure, and maintain safe and reliable operations.

Services may include testing, servicing, adjustment, calibration, cleaning, lubrication, replacement of consumable components, and other recommended maintenance activities.

5. Emergency and Urgent Response

The agreements may provide for emergency or urgent response services when a fuel farm equipment failure, leak, spill, safety concern, regulatory issue, or other condition requires immediate attention.

The RFP will establish required response times and procedures for contacting and dispatching the on-call providers.

MIPAA intends to select three (3) qualified service providers to establish an on-call pool.

Selection to the pool does not guarantee any minimum amount of work, compensation, or number of assignments to any provider.

Individual assignments will be authorized through appropriate work orders, task orders, purchase orders, or other mechanisms established by MIPAA's procurement and contracting procedures.

Depending upon the nature of a particular assignment, MIPAA may:

- Assign work directly to an on-call provider based on the provider's specialized qualifications, availability, response time, or prior knowledge of the facility;
- Request proposals or quotations from some or all on-call providers for a specific assignment;
- Rotate assignments when appropriate;
- Assign emergency work to the provider capable of responding within the required timeframe.

The resulting agreements will not obligate MIPAA to utilize any particular provider or expend any minimum amount.

The RFP will seek proposals from firms with demonstrated experience in aviation fuel farm inspection, repair, maintenance, and related regulatory compliance services.

Proposers will be required to demonstrate appropriate qualifications, experience, staffing, licensing, certifications, safety programs, insurance coverage, and knowledge of applicable FAA, NFPA, California, County and local requirements.

Proposals may be evaluated based on factors including:

- Qualifications and relevant experience;
- Experience with aviation fuel farms and airport facilities;
- Understanding of the requested services;
- Technical approach and proposed inspection and maintenance methodology;
- Qualifications and availability of assigned personnel;
- Safety and regulatory compliance record;
- Emergency and routine response capabilities;
- Cost and fee structure;
- References and past performance; and
- Other criteria identified in the RFP.

Staff will evaluate the proposals and recommend up to three (3) qualified firms for inclusion in the on-call service provider pool.

Contract Term:

The proposed agreements are anticipated to provide for an initial term of three (3) years, with two (2) one-year options, subject to Commission approval and funding availability. Each selected provider will execute a separate on-call services agreement with MIPAA.

Fiscal Impact:

The proposed action will authorize staff to issue a RFP and establish a pool of up to three (3) qualified on-call service providers for aviation fuel farm inspection, repair, and maintenance services.

MIPAA anticipates budgeting up to \$100,000 annually for the term of the agreements for services provided under the on-call contracts. The \$100,000 represents the aggregate amount available for authorized services in a given agreement year among the selected providers and does not guarantee any minimum amount of work or compensation to any individual provider.

Costs will be incurred only when services are authorized by MIPAA through approved work orders, task orders, purchase orders, or other authorized procurement mechanisms, and will be subject to available funding and applicable procurement and contracting requirements.

The \$100,000 budget is intended to support annual routine inspections, preventive maintenance, corrective repairs, and other on-call services within the approved scope of work. Major repairs, capital improvements, or work exceeding the authorized budget or applicable contract authority would require separate Commission approval and additional funding.

Environmental Consideration

The proposed action authorizes a procurement process for inspection, repair, and maintenance services and does not, by itself, approve or authorize construction or physical improvements to the fuel farm. Any work performed pursuant to the resulting agreements would be limited to inspection, routine maintenance, repair, and corrective services necessary to maintain the existing aviation fuel farm and its associated facilities.

Under the California Environmental Quality Act (CEQA), a project is exempt from CEQA where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (CEQA Guidelines, § 15061(b)(3).) Based on the current scope of the proposed action, the procurement and routine inspection, maintenance, and repair of existing fuel farm facilities are not anticipated to result in a significant environmental effect.

Conclusion

The aviation fuel farm is a critical component of Airport infrastructure and requires specialized inspection, preventive maintenance, corrective repair, and emergency response services. Establishing a pool of three qualified on-call service providers will provide MIPAA with access to multiple qualified firms and greater flexibility to respond to routine, specialized, and urgent fuel farm service needs while maintaining a competitive procurement structure.

Staff, therefore, recommends that the March Inland Port Airport Authority Commission: 1. Authorize staff to issue a Request for proposal (RFP) to establish a pool of up to three (3) qualified on-call service providers for aviation fuel farm inspection, repair, and maintenance

services at the March inland Port Airport; and 2. Authorize the Chief Executive Officer, or designee, take all necessary administrative actions to advertise, administer, and evaluate responses to the RFP and negotiate agreements with the three highest-ranked qualified proposers, subject to the availability of funding and subsequent Commission approval as required.

Attachment(s): None

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 9 (13)

Meeting Date: October 7, 2026

Action: **APPROVE THE AWARD OF A CONTRACT TO SURVEILLANCE INTERNATIONAL FOR THE MARCH INLAND PORT AIRPORT (MIPA) SECURITY SYSTEM REPLACEMENT AND ON-CALL MAINTENANCE SERVICES IN THE AMOUNT OF \$76,878.34, APPROVE A 25 PERCENT CONTINGENCY IN THE AMOUNT OF \$19,219.59, AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE CONTRACT**

Motion: Move to approve the award of a contract to Surveillance International for the March Inland Port Airport (MIPA) Security System Replacement and On-Call Maintenance Services in the amount of \$76,878.34, approve a 25 percent contingency in the amount of \$19,219.59, and authorize the Chief Executive Officer to execute the contract.

Background:

On June 3, 2026, the March Inland Port Airport Commission authorized staff to advertise a Request for Proposals (RFP) for the March Inland Port Airport Security System Project.

The project will provide improvements and upgrades to the MIPA security system, we well as ongoing maintenance and support services to ensure the continued functionality and reliability of the system.

In response to the RFP, MIPA staff received three (3) proposals. Staff reviewed and evaluated the proposals in accordance with the requirements of the RFP and determined that Surveillance International submitted the lowest, most responsible, and responsible proposals.

The proposals received are summarized below:

Proposer	Proposal Amount
Surveillance International	\$76,878.34
Diversified Automation	\$90,123.00
Caltex Technologies	\$123,877.60

Recommendation:

Based on the evaluation of the proposals, staff recommends awarding the contract to Surveillance International in the amount of Seventy-Six Thousand Eight Hundred Seventy-Eight Dollars and Thirty-Four Cents (\$76,878.34). Staff further recommends approval of a twenty-five percent contingency of Nineteen Thousand Two Hundred Nineteen Dollars and Fifty-Nine Cents (\$19,219.59) to address unforeseen conditions, minor scope adjustments, or other costs that may arise during project implementation.

The total authorized amount, including the contingency, would be \$96,097.93.

Attachment(s): None

MARCH JOINT POWERS COMMISSION
OF THE
MARCH INLAND PORT AIRPORT AUTHORITY

MIPAA Operations - Consent Calendar
Agenda Item No. 9 (14)

Meeting Date: October 7, 2026

Action: **APPROVE THE MILITARY CONSTRUCTION COOPERATIVE (“COOPERATIVE AGREEMENT”) BETWEEN THE MARCH INLAND PORT AIRPORT AUTHORITY (“MIPAA”) AND THE 163RD CIVIL ENGINEER SQUADRON (“163RD CES”); AND AUTHORIZE STAFF TO SOLICIT A REQUEST FOR PROPOSALS (“RFP”) FROM QUALIFIED ARCHITECTURAL AND ENGINEERING FIRMS FOR DESIGN SERVICES.**

Motion: Move to approve the Military Construction Cooperative Agreement (“Cooperative Agreement”) between the March Inland Port Airport Authority (“MIPAA”) and the 163d Civil Engineer Squadron (“163d CES”); and authorize staff to solicit a Request for Proposals (“RFP”) from qualified architectural and engineering firms for design services.

Background:

The March Inland Port Airport Authority (“MIPAA”) continues to support the operational readiness and long-term viability of military missions located at March Air Reserve Base (“MARB”). The 163d Civil Engineer Squadron (“163d CES”) has identified facility improvement and infrastructure needs for buildings under its ownership and operational control at MARB.

To facilitate the planning, coordination, design, and potential implementation of these improvements, the 163d CES has requested collaboration with MIPAA through a proposed Military Construction Cooperative Agreement (“Cooperative Agreement”). The Cooperative Agreement establishes the terms and conditions governing the parties’ respective roles and responsibilities in connection with military construction, sustainment, repair, maintenance, modernization, and related activities at facilities occupied and operated by the 163d CES at MARB.

Military Construction Cooperative Agreements are intended to establish the framework for projects involving design, construction, sustainment, restoration, or modernization and may include project-specific technical appendices identifying the scope, schedule, design requirements, and other project information. The attached Air National Guard Engineering Technical Letter also identifies airports authorities among the types of public entities that may constitute a “State” for purposes of an MCCA.

On June 3, 2026, the March Joint Powers Commission authorized the Chief Executive Officer to work with the 163d CES on a Cooperative Agreement for facilities located at MARB and to negotiate the terms of the Agreement. The proposed Cooperative Agreement is now being presented to the Commission for consideration and approval. Approval of the Agreement will establish the framework under which MIPAA and the 163d CES may coordinate project development, identify project requirements, address funding and scheduling considerations, and advance authorized military construction and facility improvement projects.

The Cooperative Agreement does not, by itself, authorize construction of any particular project or require MIPAA to fund project costs from its own operating revenues. Project-specific activities will be undertaken in accordance with the Agreement, applicable project documentation, available funding provided by or through the 163d CES, and MIPAA's applicable procurement and contracting requirements.

Cooperative Agreement:

The Cooperative Agreement provides a framework for collaboration between MIPAA and the 163d CES regarding military construction and facility improvement activities at MARB. It establishes the terms and conditions applicable to the parties' participation in covered projects and provides a mechanism for project-specific requirements to be identified and coordinated.

The attached ANGETL provides that an MCCA may be used when a project involves design and/or construction services provided by the State or other eligible recipient and National Guard funding is provided in whole or in part for those services. It further provides that the agreement and its technical appendices identify project-specific information, including the statement of work and other requirements applicable to the project.

For the project described below, the Cooperative Agreement will provide the framework for MIPAA to procure professional architectural and engineering services necessary to advance the design of proposed improvements.

Project Description:

The 2315 MX Building is a weapons maintenance and administrative area facility. The facility requires improvements to modernize the building. To facilitate the project, MIPAA requires the services of a qualified architectural and engineering firm to assess existing conditions, develop project requirements and design documents, support permitting and regulatory approvals, develop construction documents and cost estimates, and provide design and construction support, as appropriate. The proposed improvements are intended to extend the useful life of the facility, improve the interior and exterior condition of the building, modernize building systems, and improve the functionality of interior spaces. The final scope of professional services will be established through the solicitation process and must be consistent with the Cooperative Agreement, applicable project requirements, and the approved project scope.

Request for Proposals:

As a secondary action to approval of the Cooperative Agreement, staff requests authorization to advertise and issue an RFP seeking proposals from qualified architectural and engineering firms with demonstrated experience in building designs, modernization, seismic improvements, mechanical, electrical and plumbing ("MEP") systems, and fire-life safety. The RFP will identify the anticipated scope of services and statement of work, required qualifications and

experience, proposal requirements, insurance requirements, anticipated schedule, contract requirements, and evaluation criteria.

The procurement will allow MIPAA to select a qualified architectural and engineering consultant to perform the professional services necessary to further develop the project in accordance with the Cooperative Agreement and applicable project requirements. Following completion of the competitive solicitation process, staff will return to the Commission with a recommendation regarding selection and contract award for consideration and approval.

Fiscal Impact:

Project costs, including architectural and engineering services, construction, construction management, inspections, and other eligible project-related expenses, will be funded through funding made available by or through the 163d CES. MIPAA is not expected to fund the project costs from its own operating revenues or other unrestricted funds.

MIPAA will provide administrative and project coordination services in support of the project. The cost of MIPAA's administrative services will be calculated at five percent (5%) of total project costs. The five-percent administrative cost recovery is intended to reimburse MIPAA for its administrative, procurement, contract management, coordination, and related project support responsibilities. The final amount of the five-percent administrative cost will be based on the total eligible project costs and will be incorporated into the applicable project budget, funding documentation, or project-specific technical appendix. Any professional services or construction contract awarded by MIPAA will remain subject to the availability and receipt of funding from the 163d CES, applicable procurement and contracting requirements, and the authority provided by the Commission.

Recommendation:

Staff recommends that the March Joint Powers Commission approve the proposed Military Construction Cooperative Agreement ("Cooperative Agreement") between the March Inland Port Airport Authority ("MIPAA") and the 163d Civil Engineer Squadron ("163d CES") for military construction and facility improvements at March Air Reserve Base ("MARB"); and authorize staff to solicit a Request for Proposals ("RFP") from qualified architectural and engineering firms for design services.

Attachment(s): None.

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 9 (15)

Meeting Date: October 7, 2026

Action: **APPROVE A CHURCH LEASE ASSIGNMENT AND
AUTHORIZE A 3-YEAR LEASE AGREEMENT AND
AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO
EXECUTE THE AGREEMENT**

Motion: Move to approve a church lease assignment and authorize a 3-year lease agreement and authorize the Chief Executive Officer to execute the agreement.

Background:

At its July 2003 meeting, the March Joint Powers Commission (Commission) approved a lease with CrossWord Christian Fellowship Church (CrossWord) for the church property located at 14950 Riverside Drive, Riverside, California 92518 (Property). The initial lease term was five (5) years, with two (2) five-year extension options.

On December 15, 2004, the Commission approved the First Amendment to the Lease, extending the initial lease term to thirty (30) years, with two (2) five-year extension options. The amendment enabled CrossWord to secure long-term financing for capital improvements to the Property.

On May 1, 2013, the Commission approved the Second Amendment to the Lease, further modifying the lease terms to facilitate CrossWord's continued use and improvement of the Property.

On August 14, 2024, CrossWord exercised its option to extend the lease term for an additional five (5) years, extending the Agreement through June 30, 2028 (the "Extension Term").

In October 2022, CrossWord entered into a sublease agreement with Family of God Church, which the Commission concurred with on October 26, 2022. In January 2024, CrossWord also entered into a sublease agreement with Fuel and Flame Ministries, which the Commission concurred with on December 13, 2023.

On June 18, 2026, CrossWord notified the Authority of its intent to vacate the Property and requested that its lease be assigned to Family of God Church. Staff reviewed the organizational and financial information provided by Family of God Church and presented the proposed assignment to the Commission during its September 2, 2026 Closed Session meeting.

Based on Staff's review and the Commission's discussion, Staff recommends approval of an Assignment and Assumption of the Lease with Family of God Church for a term not to exceed three (3) years.

Attachment(s): Assignment and Assumption
CrossWord Church Assignment Letter

**ASSIGNMENT AND ASSUMPTION OF LEASE, LANDLORD CONSENT, AND
AMENDMENT TO LEASE**

This Assignment and Assumption of Lease and Landlord Consent (“Agreement”) is made and entered into as of _____, 20__ (“Effective Date”), by and among CrossWord Christian Fellowship Church, a California nonprofit corporation (“Assignor”), Family of God, a California nonprofit corporation (“Assignee”), and the March Joint Powers Authority, a California joint powers authority (“Landlord”). Assignor, Assignee, and Landlord are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. On July 17, 2003, Landlord and Assignor entered into that certain Lease Agreement pursuant to which Landlord leased to Assignor certain real property and improvements commonly referred to as Building 2600 (the “Premises”) for events and other uses associated with religious purposes (the “Original Lease”).

B. On December 15, 2004, Landlord and Assignor entered into that certain First Amendment to Sublease Agreement of Building 2600 (the “First Amendment”), which modified the term of the Original Lease and the Base Rent payable thereunder.

C. On August 28, 2013, Landlord and Assignor entered into that certain Second Amendment to Sublease Agreement for Building 2600 (the “Second Amendment”), which further modified the term and Base Rent and addressed Assignor’s subleasing of portions of the Premises.

D. On July 1, 2023, Landlord and Assignor entered into that certain Third Amendment to Lease Agreement for Building 2600 (the “Third Amendment”), pursuant to which the term of the Original Lease, as previously amended, was extended through June 30, 2028.

E. The Original Lease, as amended by the First Amendment, Second Amendment, and Third Amendment, is referred to herein collectively as the “Lease.” A copy of the Lease is attached hereto as Exhibit “A”, and incorporated herein by this reference.

F. Assignee currently occupies or uses a portion of the Premises pursuant to a sublease or other occupancy arrangement with Assignor.

G. Assignor desires to assign to Assignee all of Assignor's right, title, and interest as tenant under the Lease, Assignee desires to accept such assignment and assume the obligations of the tenant under the Lease from and after the Effective Date, and Landlord is willing to consent to such assignment upon the terms and conditions set forth in this Agreement.

H. In connection with the assignment, Landlord and Assignee desire to amend the Lease to provide for a three (3)-year term commencing on the Effective Date, together with such other modifications expressly set forth in this Agreement.

I. The Parties intend that, as of the Effective Date, Assignee shall replace Assignor as the tenant under the Lease and that the Lease, as amended by this Agreement, shall otherwise remain in full force and effect.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals.

The foregoing Recitals are true and correct and are incorporated into this Agreement by this reference.

2. Assignment.

Effective as of the Effective Date, Assignor hereby assigns, transfers, and conveys to Assignee all of Assignor's right, title, and interest as tenant under the Lease and delegates to Assignee all duties and obligations of the tenant under the Lease arising from and after the Effective Date. Except as expressly provided in this Agreement, Assignor retains no right, title, or interest as tenant under the Lease after the Effective Date.

3. Assumption.

Effective as of the Effective Date, Assignee accepts the assignment of the Lease and assumes and agrees to timely perform and discharge all duties, liabilities, covenants, conditions, and obligations of the tenant under the Lease arising from and after the Effective Date.

Assignee agrees that, from and after the Effective Date, Assignee shall be bound by all terms and conditions of the Lease to the same extent as though Assignee had originally executed the Lease as the tenant thereunder. Except as expressly provided in this Agreement, Assignee does not assume and shall not be responsible for any default, breach, liability, or obligation of Assignor arising before the Effective Date.

4. Landlord Consent.

Landlord hereby consents to the assignment of the Lease from Assignor to Assignee upon the terms set forth in this Agreement. Landlord's consent to this assignment shall not constitute consent to any subsequent assignment, sublease, transfer, occupancy, or other disposition of the Lease or the Premises. Any subsequent assignment, sublease, transfer, or other disposition shall remain subject to the requirements of the Lease.

5. Substitution of Tenant.

Effective as of the Effective Date, all references in the Lease to "Tenant," "Lessee," or CrossWord Christian Fellowship Church shall be deemed to refer to Family of God, a California nonprofit corporation, except where the context relates specifically to an act, omission, obligation, or event occurring before the Effective Date.

Assignee shall succeed to all rights of Assignor as tenant under the Lease arising from and after the Effective Date, including any rights to possession and use of the Premises, subject to all terms, conditions, restrictions, and limitations contained in the Lease.

6. Release of Assignor.

Effective as of the Effective Date, Landlord releases Assignor from all duties, liabilities, covenants, conditions, and obligations arising under the Lease from and after the Effective Date. Assignor shall have no obligation for Base Rent, additional rent, operating expenses, utilities, maintenance obligations, insurance obligations, or other obligations under the Lease first arising or accruing after the Effective Date. Except for obligations arising under this Agreement and obligations of Assignor arising under the Lease before the Effective Date, Assignor shall have no further obligations under the Lease following the Effective Date.

7. Existing Subleases and Occupancy Arrangements.

To the extent Assignee currently occupies any portion of the Premises pursuant to a sublease, license, occupancy agreement, or other agreement with Assignor, such agreement shall terminate as of the Effective Date unless the Parties expressly agree otherwise in writing. From and after the Effective Date, Assignee's right to occupy and use the Premises shall arise directly under the Lease as assigned pursuant to this Agreement.

With respect to any other existing sublease, license, or occupancy arrangement affecting the Premises, Assignee shall succeed to Assignor's rights and obligations thereunder from and after the Effective Date only to the extent identified on Exhibit "B" attached hereto and approved by Landlord.

8. Rent.

Beginning on the Effective Date, Assignee shall pay all Base Rent and other amounts payable by Tenant under the Lease directly to Landlord in accordance with the Lease.

The Base Rent payable immediately following the Effective Date shall be \$_____ per month, subject to adjustment thereafter in accordance with the Lease, as modified by this Agreement, if applicable.

9. Term.

Effective as of the Effective Date, the Lease is amended to provide that the term of the Lease shall continue for a period of three (3) years commencing on the Effective Date of this Agreement (the "Term"), unless sooner terminated in accordance with the Lease.

Any option or right of Assignor to extend or renew the Lease that existed immediately before the Effective Date is hereby terminated and shall not transfer to Assignee unless expressly provided in this Agreement. All prior provisions of the Lease and amendments thereto establishing the expiration date, renewal options, or extension options of the Lease are superseded by this Section 9.

10. Condition of Premises.

Assignee acknowledges that Assignee is familiar with the Premises and accepts the Premises in their existing condition as of the Effective Date.

Except as expressly agreed in writing by Landlord, Landlord makes no additional representation or warranty concerning the condition, fitness, or suitability of the Premises by reason of this Agreement or the assignment of the Lease.

11. No Other Modification.

Except as expressly amended by this Agreement, all terms and conditions of the Lease shall remain unchanged and in full force and effect. From and after the Effective Date, references to the "Lease" shall mean the Lease as assigned and amended by this Agreement. In the event of any conflict between this Agreement and the Lease, this Agreement shall control.

12. Representations of Assignor.

Assignor represents to Landlord and Assignee that: (a) Assignor has not previously assigned its interest in the Lease; (b) Assignor has not granted any option, right, or interest in the Lease that would prevent or materially impair the assignment contemplated by this Agreement; (c) Assignor has full authority to enter into this Agreement and assign its interest in the Lease; and (d) except for subleases, licenses, or occupancy arrangements disclosed to Landlord and Assignee in writing, Assignor has not granted any third party a right to possess or occupy the Premises that will continue after the Effective Date.

13. Representations of Assignee.

Assignee represents to Landlord that Assignee has reviewed the Lease, understands the obligations imposed upon the tenant thereunder, and has full authority to enter into this Agreement and assume the Lease. Assignee acknowledges that it is accepting the Lease subject to all of its terms and conditions, except as expressly modified by this Agreement.

14. No Waiver.

Landlord's consent to this Agreement shall not constitute a waiver of any provision of the Lease. Except for the assignment expressly approved by this Agreement and the release of Assignor expressly provided herein, Landlord reserves all rights and remedies available under the Lease.

15. Notices.

From and after the Effective Date, notices to Tenant under the Lease shall be delivered to Assignee at:

Family of God

*** INSERT ADDRESS***

Attn: _____

Notices to Landlord shall continue to be provided in accordance with the Lease unless Landlord provides written notice of a different address.

16. Further Assurances.

Each Party shall execute and deliver such additional documents and take such additional actions as may be reasonably necessary to carry out the intent and purposes of this Agreement and effectuate the assignment of the Lease.

17. Authority.

Each individual executing this Agreement on behalf of a Party represents and warrants that such individual is duly authorized to execute and deliver this Agreement on behalf of that Party and to bind that Party to its terms.

18. Entire Agreement.

This Agreement constitutes the entire agreement among the Parties concerning the assignment and assumption of the Lease and supersedes all prior or contemporaneous negotiations, representations, and understandings concerning the assignment.

This Agreement does not supersede the Lease, which shall remain in effect as provided herein.

19. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any litigation arising out of or relating to this Agreement shall be brought in a court of competent jurisdiction located in Riverside County, California.

20. Electronic Signatures.

A manually signed copy of this Agreement transmitted by facsimile, electronic mail, or other means of electronic transmission shall have the same legal effect as delivery of an original executed copy. This Agreement may be executed using electronic signatures to the extent permitted by applicable law.

21. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE TO ASSIGNMENT AND ASSUMPTION OF LEASE
AND LANDLORD CONSENT**

IN WITNESS WHEREOF, the Parties have executed this Assignment and Assumption of Lease and Landlord Consent as of the Effective Date first written above.

LANDLORD

ASSIGNOR

MARCH JOINT POWERS AUTHORITY

**CROSSWORD CHRISTIAN
FELLOWSHIP CHURCH,**

APPROVED BY:

APPROVED BY:

Dr. Grace Martin
Chief Executive Officer

[***INSERT NAME***]
[***INSERT POSITION***]

APPROVED AS TO FORM:

ASSIGNEE

FAMILY OF GOD

Best Best & Krieger LLP
General Counsel

APPROVED BY:

[***INSERT NAME***]
[***INSERT POSITION***]

EXHIBIT “A”
ORIGINAL LEASE AND AMENDMENTS
[ATTACHED]

EXHIBIT “B”

CURRENT SUBLEASES

[ATTACHED]

June 18, 2026

Dr. Grace I. Martin, DPP0
Chief Executive Officer
March Joint Powers Authority
martin@marchjpa.com

Re: Lease Proposal for Building 2600

Dear Dr. Martin,

This letter is a follow up to our video conference last week to discuss a proposed modification of the current lease arrangement for the church property known as Building 2600 (the "Property"). CrossWord Christian Church ("CrossWord"), as the current primary tenant on the Property, requests that the two alternative proposals stated below be presented to the MJPA Board of Directors at the next board meeting at the end of this month.

By way of background, in 2023 CrossWord exercised its option to extend the term of its lease on the Property for five years and the lease will terminate on September 15, 2028. CrossWord entered into a sublease agreement with Family of God Church who took possession of the Property in October 2022. CrossWord entered into a separate sublease agreement with Fuel and Flame Ministries commencing January 1, 2024 and these two churches have shared possession of the Property through the present time. Both subleases are on a month-to-month basis.

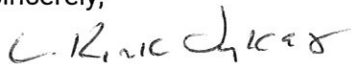
CrossWord has its own church property in Moreno Valley and has no intention of ever taking back possession of the Property. Family of God and Fuel and Flame have been excellent subtenants and they have both expressed a desire to remain as tenants under a longer term lease agreement with MJPA. We believe it is in the best interests of all the parties that MJPA approve a modified lease arrangement under one of the two following proposals.

Proposal 1. MJPA would agree to an assignment of the existing lease to Family of God as the primary tenant and release CrossWord as tenant. Family of God would enter into a sublease agreement with Fuel and Flame for the remaining term of the existing lease through September 15, 2028. MJPA's approval of Family of God as primary tenant to replace CrossWord would be subject to MJPA's review of certain financial and other information that will be provided by Family of God.

Proposal 2. MJPA would enter into a new longer term lease for the Property directly with Family of God commencing August 1, 2026, with the starting monthly rent set at the current rate with the same CPI increase terms. CrossWord would be released from liability on the current lease. Family of God would enter into a sublease with Fuel and Flame for the term of the new lease. As in Proposal 1., MJPA will need review the information provided by Family of God before approving a new lease.

Thank you and the Board of Directors for reviewing our proposals and please let us know if we can provide anything further to assist the Board of Directors in their consideration of these proposals.

Sincerely,



L. Kirk Sykes, Founder/Lead Pastor

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations - Consent Calendar
Agenda Item No. 9 (16)

Meeting Date: October 7, 2026

Action: **ACKNOWLEDGE AND CONCUR WITH THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT'S (HCD) AUGUST 19, 2026 DETERMINATION THAT ASSESSOR'S PARCEL NUMBER 294-070-039 QUALIFIES AS EXEMPT SURPLUS LAND UNDER GOVERNMENT CODE SECTION 54221(F)(1)(D), AND REAFFIRM THE COMMISSION'S ADOPTION OF RESOLUTION NO. JPA 26-09**

Motion: Move to acknowledge and concur with the California Department of Housing and Community Development's (HCD) August 19, 2026 determination that Assessor's Parcel Number 294-070-039 qualifies as exempt surplus land under Government Code section 54221(f)(1)(D), and reaffirm the Commission's adoption of Resolution No. JPA 26-09.

Background:

The March Joint Powers Authority ("MJPA") owns certain real property designated for development as a fire station site and generally located at the northwest corner of Opportunity Way and Meridian Parkway within the March Business Center (the "Property"). The Property is identified as Assessor's Parcel Number 294-070-039.

Pursuant to the Fourteenth Amendment to the Joint Powers Agreement, responsibility for providing fire protection and emergency services within the MJPA service area, including the March Business Center, was transferred to the County of Riverside. In connection with the County's assumption of those responsibilities, the MJPA approved a Transfer Agreement for Fire Station Property and Balance of Fire Impact Fees providing for the transfer of the Property and related fire impact fee funds to the County. The County has not yet completed its approval of the Transfer Agreement, and the transfer of the Property has not yet occurred.

On June 3, 2026, the Commission adopted Resolution No. JPA 26-09 declaring the Property exempt surplus land under Government Code section 54221(f)(1)(D). That provision applies to land transferred from one local agency to another for the receiving agency's use. The Commission also found that the declaration was exempt from review under the California Environmental Quality Act.

Following the Commission's action, the MIPA submitted Resolution No. JPA 26-09 and supporting documentation to the California Department of Housing and Community Development ("HCD") for review. HCD received the complete documentation on July 28, 2026.

On August 19, 2026, HCD issued a Findings Letter concluding that the Property qualifies as exempt surplus land under Government Code section 54221(f)(1)(D), based on the documentation and representations submitted by the MIPA. HCD noted that any future disposition of the Property by the County would remain subject to the Surplus Land Act.

The County has requested that the Commission consider the HCD Findings Letter before the County Board of Supervisors considers the Transfer Agreement. No additional Commission action is required to establish the exemption because the Commission previously adopted Resolution No. JPA 26-09 and HCD has concurred with that determination. To facilitate the County's consideration of the transfer, the Commission may acknowledge and concur with HCD's determination and reaffirm its prior action. This action does not amend or replace Resolution No. JPA 26-09 or constitute a new exempt surplus land declaration.

Staff recommends that the Commission acknowledge and concur with HCD's August 19, 2026 determination and reaffirm the Commission's adoption of Resolution No. JPA 26-09.

Attachment(s): HCD Findings Letter dated August 19, 2026

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

651 Bannan Street, Suite 400, Sacramento, CA 95811
(916) 263-2911 / FAX (916) 263-7453

www.hcd.ca.gov



August 19, 2026

Cindy Camargo, Executive Assistant
March Joint Powers Authority
March Inland Port Airport
17405 Heacock Street
Moreno Valley, CA 92551

SENT VIA EMAIL TO: camargo@marchjpa.com

Dear Cindy Camargo:

RE: March Joint Powers Authority – APN 294-070-039 – Surplus Land Act Findings Letter

Thank you for notifying the California Department of Housing and Community Development (HCD) of the March Joint Powers Authority (Authority) determination that the property located in the March Business Center at the northwest corner of Opportunity Way and Meridian Parkway, Assessor's Parcel Number (APN) 294-070-039 (Property), is "exempt surplus land." HCD received the Authority's complete documentation on July 28, 2026.

HCD reviewed Resolution No. JPA 26-09, adopted on June 3, 2026, and supporting documentation pursuant to Section 400 of the Surplus Land Act Guidelines. As explained below, HCD finds that the Property qualifies as "exempt surplus land" under Government Code section 54221, subdivision (f)(1)(D).

Analysis

As provided in Government Code section 54221, subdivision (f)(1)(D), "exempt surplus land" includes:

Surplus land that a local agency is transferring to another local, state, or federal agency, or to a third-party intermediary for future dedication for the receiving agency's use, or to a federally recognized California Indian tribe. If the surplus land is transferred to a third-party intermediary, the receiving agency's use must be contained in a legally binding agreement at the time of transfer to the third-party intermediary.

Cindy Camargo, Executive Assistant
Page 2

According to the documentation, the Property consists of a vacant parcel designated for the development of a future fire station. The Resolution finds the Property to be "exempt surplus land" because it is being transferred by the Authority to the County of Riverside (County), another local agency, to oversee the development and provision of fire protection and emergency services.

On July 28, 2026, the Authority confirmed that Government Code section 54221, subdivision (f)(2), does not apply to the Property and, therefore, a written notice of availability for open-space purposes is not required.

Conclusion

If the submitted documentation and assertions by the Authority are complete and accurate, HCD finds that the Property qualifies as "exempt surplus land" under Government Code section 54221, subdivision (f)(1)(D). Please note that any future disposition of the Property by the County, as defined in Government Code section 54221, subdivision (d)(1), is subject to the Surplus Land Act.

If you have any questions or need additional technical assistance, please contact Linda Ly, Senior Housing Policy Specialist, at LindaLy@hcd.ca.gov or submit a request via the [Surplus Land Act Portal](#).

Sincerely,

Lisa Krause

Lisa Krause
Section Chief, Surplus Land Act
Housing Accountability Unit

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA – Reports, Discussions and Action Items
Agenda Item No. 10 (1)

Meeting Date: October 7, 2026

Report: **RECEIVE AND FILE A BRIEFING ON MARCH AIR RESERVE BASE (MARB)**

Motion: Receive and file a briefing on March Air Reserve Base (MARB).

Background:

Ms. Amee Howard is the new March Air Reserve Base Director, Installation Sustainment and Community Partnerships.

Brigadier General Amee Howard, a senior officer in the Air National Guard. She has served in multiple leadership positions throughout her career, including command roles and senior staff assignments. She has extensive experience in air operations, leadership, and strategic planning. Brigadier General Amee Howard has been involved in various command and staff positions in both the Air National Guard and the United States Air Force. Her career has spanned multiple leadership roles, and she has gained recognition for her work in strategic operations and mission planning within the Air National Guard.

Ms. Howard has had operational experience and served in leadership roles at the wing level and higher within the Air National Guard. As a high-ranking officer, she is often involved in advocating for the development and advancement of the Air National Guard, focusing on improving personnel readiness, operational effectiveness, and supporting Air Force and national defense missions.

Ms. Howard will provide a briefing on the current state of play at the March Air Reserve Base.

Attachment(s): Ms. Amee Howard's Bio

MRS. AMEE C. HOWARD

Mrs. Amee C. Howard is the Director of Installation Sustainment and Community Partnership for March Air Reserve Base, California. She is responsible for advising the installation commander on any mission threats and hazards that may pose a risk to mission sustainment, both internal and external to the installation. She collaborates with community stakeholders to develop and implement strategies to minimize or eliminate encroachment and incompatible land uses while improving the resiliency of the mission and social/economic impact of the base within the community.

Mrs. Howard entered the Department of the Air Force as a federal employee initially as an Air Reserve Technician in the Air Force Reserves in 2020 as the 452d Maintenance Group Commander. Mrs. Howard received her Air Force commission in 1997 through the Air Force ROTC at Embry-Riddle Aeronautical University, Prescott, Ariz. She served just under eight years on active duty before entering the Air Force Reserves in 2004. After 16 years in communications and cyberspace, she transitioned to aircraft maintenance, supporting global airlift and strategic nuclear deterrence missions. She has commanded at the squadron, group, and wing level as well as holding staff assignments at Headquarters Pacific Air Forces and warfighting center during high-visibility, multinational exercises, and real-world events in the Pacific region area of responsibility. Prior to this position, Mrs. Howard served as the Commander of the 163d Attack Wing, March Air Reserve Base, California in an Active Guard and Reserve full-time capacity. The 163d Attack Wing is an MQ-9A Reaper wing comprised of more than 950 personnel. The wing is tasked with three federal missions and provides intelligence, surveillance, and reconnaissance support, as well as employed-in-place combat support to commanders and war fighters around the world.



In 2022, Mrs. Howard joined the California Air National Guard. In her current military capacity, she is the Assistant Adjutant General – Air, for the California Air National Guard. She is responsible for the operational and administrative control of all state-Air missions involving more than 4,900 Airmen statewide. The California Air National Guard is the second largest in the 54 states and territories and is comprised of five wings, utilizing personnel and assets including F-15Cs, F-16s, MQ-9s, HC-130s, C-130Js, HH-60s, Guardian Angel Search and Rescue, Tier-1 Security Forces, a Tier-1 Homeland Response Force, mobile kitchens, emergency facilities and shelters, and a Wing providing intelligence, cyber, and communications satellite support.

EDUCATION

1997 Bachelor of Science Degree in Aviation Computer Science, with a minor in Mathematics, Embry-Riddle Aeronautical University, Prescott, Ariz.

1997 Basic Communication and Information Training School, Keesler Air Force Base, Miss.

2000 Master of Arts Degree in Curriculum and Instruction, with an emphasis on Instructional Technology, Colorado Christian University, Lakewood, Colo.

2003 Squadron Officers School, Maxwell AFB, Ala., in-residence

2005 Certification in Software Project Management, Air Force Institute of Technology, Wright Patterson AFB, Ohio

2012 Cyber 300, Air Force Institute of Technology, Wright Patterson AFB, Ohio
2012 Air Command and Staff College, Maxwell AFB, Ala., by correspondence
2013 Aircraft Maintenance Officer Course, Sheppard AFB, Texas
2017 Air War College, Maxwell AFB, Ala., by correspondence

CAREER CHRONOLOGY

1. May 1997 – December 1997, T-3 Enhanced Flying Screening Program, 3rd Flying Training Squadron, Lackland AFB, Texas
2. January 1998 – March 2000, Version Release Manager, Space and Warning Systems Center, Electronics Systems Center Detachment 5, Peterson AFB, Colo.
3. March 2000 – November 2000, Student, Undergraduate Pilot Training, 8th Flying Training Squadron, Vance AFB, Okla.
4. November 2000 – February 2002, Executive Officer, 71st Support Group, Vance AFB, Okla.
5. February 2002 – September 2004, Flight Commander, 552d Computer Support Squadron, Tinker AFB, Okla.
6. October 2004 – December 2009, Flight Commander, Communications and Information Systems, 513th Operations Support Flight, Tinker AFB, Okla.
7. December 2009 – December 2012, Executive Officer, 507th Maintenance Group, Tinker AFB, Okla.
8. December 2012 – September 2013, Commander, 507th Maintenance Operations Flight, Tinker AFB, Okla.
9. October 2013 – September 2014, Director, 507th Maintenance Operations, Tinker AFB, Okla.
10. October 2015 – February 2018, Chief, Combat Support Team, Headquarters Pacific Air Forces, Logistics Plans Division, Joint Base Pearl Harbor-Hickam, Hawaii
11. February 2018 – April 2019, Deputy Group Commander, 349th Maintenance Group, Travis AFB, Calif.
12. April 2019 – October 2020, IMA to Director, Logistics, Engineering, and Force Protection, Headquarters Pacific Air Forces, Joint Base Pearl-Harbor-Hickam, Hawaii
13. October 2020 – July 2022 Commander, 452d Maintenance Group, March ARB, Calif.
14. July 2022 – October 2022, Commander, 163d Maintenance Group, March ARB, Calif.
15. October 2022 – December 2024, Deputy Commander, 163d Attack Wing, March ARB, Calif.
16. December 2024 – November 2025, Commander, 163d Attack Wing, March ARB, Calif.
17. November 2025 – Present, Assistant Adjutant General – Air, Joint Forces Headquarters, Sacramento, Calif.
18. January 2026 – Present, Director, Installation Sustainment and Community Partnership, March ARB, Calif.

MAJOR AWARDS AND DECORATIONS

Legion of Merit Medal
Air Force Meritorious Service Medal with two oak leaf clusters
Air and Space Commendation Medal with three oak leaf clusters
Air and Space Outstanding Unit Award with Valor device and four oak leaf clusters
Nuclear Deterrence Operations Service Medal
Air and Space Organizational Excellence Award

OTHER ACHIEVEMENTS

1998 Maj Gen Robert Sadler Award, Basic Communication Training School Graduate of the Year
2013 Distinguished Graduate, Aircraft Maintenance Officer Course

PROFESSIONAL MEMBERSHIPS AND ASSOCIATIONS

Life Member, Air Force Association
Life Member, Reserve Organization of America
Life Member, National Guard Association of the United States
Boys Scouts of America
(Current as of February 2026)

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA – Reports, Discussions and Action Items
Agenda Item No. 10 (2)

Meeting Date: October 7, 2026

Report: **TECHNICAL ADVISORY COMMITTEE MEETING**

Motion: Receive and file the monthly Technical Advisory Committee - Regular Meeting report for October 5, 2026.

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.

The TAC's role is to focus on major developments related to the Authority Planning Areas. The March JPA Commission will receive a meeting summary from a TAC Member.

Attachment(s): None

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA – Reports, Discussions and Action Items
Agenda Item No. 10 (3)

Meeting Date: October 7, 2026

Report: **RECEIVE AND FILE THE FISCAL YEAR 2024-25**
AUDIT OF MARCH JOINT POWERS AUTHORITY
AND ALL OF ITS ENTITIES

Motion: Receive and file the Fiscal Year 2024-25 Audit of March Joint Powers Authority and all of its entities.

Background:

The Fiscal Year 2024-25 audit of the March Joint Powers Authority and all of its entities was completed by Davis Farr LLP. Here to present the results of the audit is Jonathan Foster of Davis Farr LLP.

Attachment(s): March Joint Powers Authority and all its entities Audit Financial Reports

MARCH JOINT POWERS AUTHORITY
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2025

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**MARCH JOINT POWERS AUTHORITY
ANNUAL FINANCIAL REPORT
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Independent Auditor's Report

To the Board of Commissioners
March Joint Powers Authority
Riverside, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of March Joint Powers Authority (the Authority), as of and for the year June 30, 2025, and the related notes to the financial statements, which collectively comprise Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Authority as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No.101, Compensated Absences, for the year ended June 30, 2025. Our opinions are not modified with respect to this matter.

As described further in Note 17 to the financial statements, during the year ended June 30, 2025, the Authority recorded a prior period restatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, the schedule of proportionate share of the net pension liability and related ratios as of the measurement date, the schedule of pension plan contributions, the schedule of changes in the net OPEB liability and related ratios, the schedule of OPEB plan contributions and budgetary comparison schedules for the General Fund and major special revenue funds* as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Davis Farr LLP

Irvine, California
August 11, 2026

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MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2025

As management of the March Joint Powers Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here.

Financial Highlights

- The assets and the deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$129,648,030 (net position). Of this amount, \$36,696,420 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The Authority's total net position decreased \$4,895,105. Of the total decrease, \$2,000,000 is due to a transfer of the operational responsibility for the Landscape and Lighting Maintenance District No.1 (LLMD No.1) to the County of Riverside representing an initial funding of resources associated with the transfer of operations. There was also contribution to member agencies of \$1,529,535 paid out of the proceeds from land sales.
- At the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$27,001,076, a decrease of \$7,697,600 in comparison with the prior year. Approximately 82% of this amount (\$22,071,654) is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the General Fund was \$22,071,654 or approximately 524% of total General Fund expenditures.
- The Authority's total outstanding long-term liabilities increased by \$61,417 during the current fiscal year due to the increase in the balance of the net pension liability.

Overview of the Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. *The government-wide financial statements* are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the Authority's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *statement of activities* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Authority include only general government activities. The business-type activities of the Authority include the March Inland Port Airport Authority, Green Acres, Golf Course, and the Utilities Authority operations.

The government-wide financial statements include not only the Authority (known as the primary government), but also two legally separate entities, the March Inland Port Airport Authority and the March Joint Powers Utilities Authority. The Authority is financially accountable for these entities and therefore has been included as an integral part of the primary government as blended component units.

Please see the table of contents for the location of the government-wide financial statements within this document.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Authority maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Meridian LLMD No. 1 fund, and the March Lifecare Campus CFD 2013-1 fund, which are considered major funds.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2025

The Authority adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Please see the table of contents for the location of the governmental fund financial statements within this document.

Proprietary Funds. The Authority maintains only one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Authority uses enterprise funds to account for its March Inland Port Airport Authority, Green Acres, Golf Course and March Joint Powers Utilities Authority.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the March Inland Port Airport Authority, Green Acres, Golf Course, and March Joint Powers Utilities Authority, all of which are considered major funds of the Authority.

Please see the table of contents for the location of the proprietary fund financial statements within this document.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Authority's own program. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Authority maintains one type of fiduciary fund. The private-purpose trust fund is used to report resources held in trust for the Successor Agency of the former Redevelopment Agency.

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-67 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Authority's proportionate share of the net pension liability, schedule of pension plan contributions, schedule of changes in the net OPEB asset and related ratios, schedule of OPEB plan contributions and budget to actual schedules of the General Fund and major special revenue funds. Please see the table of contents for the location of the required supplementary information within this document.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by the close of the most recent fiscal year.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2025

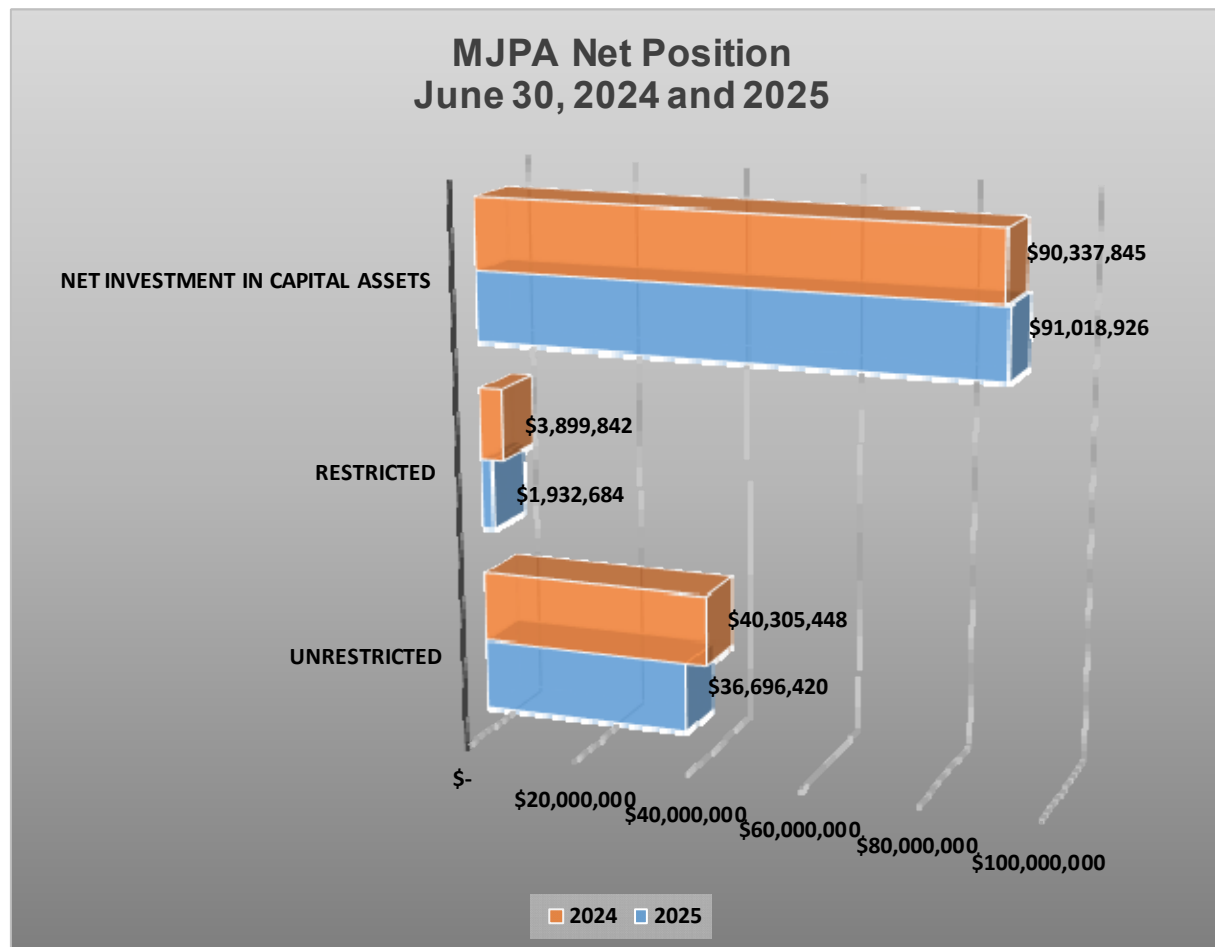
**The Authority's Net Position
as of June 30,**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 34,888,191	\$ 37,184,382	\$ 93,878,670	\$ 92,973,929	\$ 128,766,861	\$ 130,158,311
Internal balances	2,363,927	6,828,690	(2,363,927)	(6,828,690)	-	-
Capital assets	39,153,254	39,838,420	51,865,672	50,499,425	91,018,926	90,337,845
Total assets	76,405,372	83,851,492	143,380,415	136,644,664	219,785,787	220,496,156
Total deferred outflows of resources	784,066	948,945	441,037	533,783	1,225,103	1,482,728
Long-term liabilities	1,871,214	1,930,173	1,084,149	1,118,731	2,955,363	3,048,904
Other liabilities	7,980,690	5,677,501	2,428,452	603,165	10,409,142	6,280,666
Total liabilities	9,851,904	7,607,674	3,512,601	1,721,896	13,364,505	9,329,570
Total deferred inflows of resources	1,315,871	1,533,278	76,682,484	76,559,975	77,998,355	78,093,253
Net position:						
Net investment in capital assets	39,153,254	39,838,420	51,865,672	50,499,425	91,018,926	90,337,845
Restricted	1,916,941	3,887,131	15,743	12,711	1,932,684	3,899,842
Unrestricted	24,951,468	32,003,565	11,744,952	8,301,883	36,696,420	40,305,448
Total net position	\$ 66,021,663	\$ 75,729,116	\$ 63,626,367	\$ 58,814,019	\$ 129,648,030	\$ 134,543,135

By far the largest portion of the Authority's net position (70.2%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, vehicles, and infrastructure), less any related debt that was used to acquire those assets. The Authority uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Authority's net position (1.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$36,696,420 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the Authority is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities, except for the business-type activities from individual enterprise fund unrestricted deficits. The same situation held true for the prior fiscal year.



The Authority's overall net position decreased \$4,895,105 from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

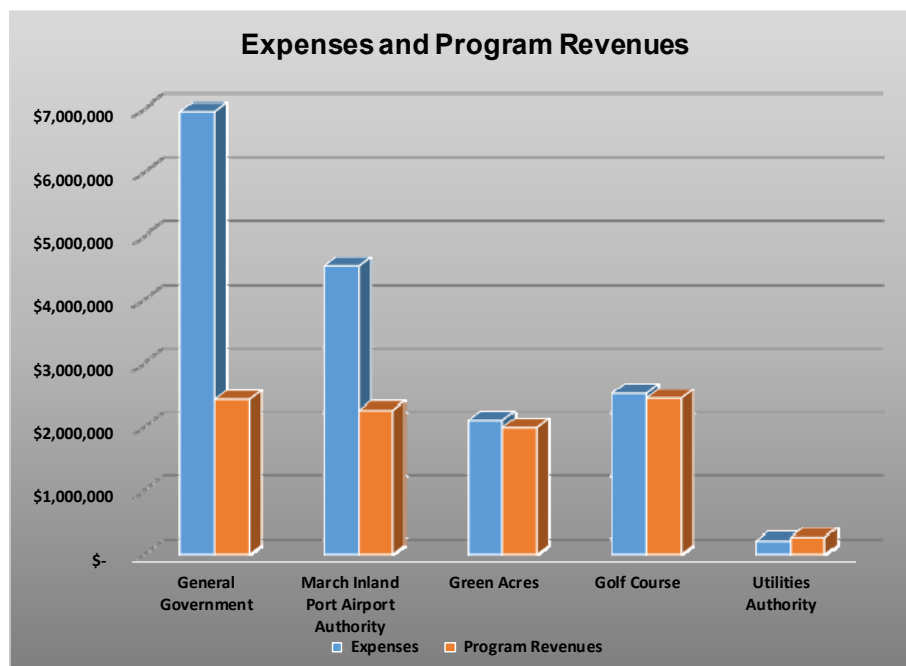
Governmental Activities. During the current fiscal year, net position for governmental activities decreased \$9,707,453 from the prior fiscal year for an ending balance of \$66,021,663. This is mostly due to the \$4,569,263 increase in transfers out for the Airport Authority's debt forgiveness and the \$2,000,000 increase in a special item.

Business-type Activities. For the Authority's business-type activities, the results for the current fiscal year were positive in that overall net position had an ending balance of \$63,626,367. The total increase in net position for business-type activities was \$4,812,348 or 4.11% from the prior fiscal year. The Airport Authority had an increase in net position of \$4,785,982 mostly due to an increase in transfers in of \$4,569,263 for debt forgiven by the Authority's General Fund. Green Acres also increased by \$46,591 due to an increase in investment earnings. The Golf Course also had a decrease in net position of \$77,604, mostly due to a decrease in charges for services and an increase in operating costs. The Utility Authority had an increase in net position of \$57,379, but most operations remained consistent from the prior year.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2025

The Authority's Change in Net Position
Year Ended June 30,

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 2,429,800	\$ 2,609,801	\$ 5,747,164	\$ 6,036,397	\$ 8,176,964	\$ 8,646,198
Capital grants and contributions	-	-	1,229,491	104,264	1,229,491	104,264
General revenues:						
Investment earnings	1,413,400	1,341,851	2,639,402	2,364,635	4,052,802	3,706,486
Gain on sale of land rights	1,200,345	-	-	-	-	-
Other	309,581	310,667	-	-	309,581	310,667
Total revenues	5,353,126	4,262,319	9,616,057	8,505,296	14,969,183	12,767,615
Expenses:						
General government	6,961,781	6,185,724	-	-	6,961,781	6,185,724
March Inland Port Airport Authority	-	-	4,527,679	2,278,378	4,527,679	2,278,378
Green Acres	-	-	2,105,955	1,862,591	2,105,955	1,862,591
Golf Course	-	-	2,527,938	2,380,041	2,527,938	2,380,041
Utilities Authority	-	-	211,400	215,521	211,400	215,521
Interest expense	-	-	-	104,500	-	104,500
Total expenses	6,961,781	6,185,724	9,372,972	6,841,031	16,334,753	13,026,755
Increase (decrease) in net position before transfers	(1,608,655)	(1,923,405)	243,085	1,664,265	(1,365,570)	(259,140)
Contributions to members	(1,529,535)	-	-	-	(1,529,535)	-
Transfers	(4,569,263)	-	4,569,263	-	-	-
Special Item	(2,000,000)	-	-	-	(2,000,000)	-
Increase (decrease) in net position	(9,707,453)	(1,923,405)	4,812,348	1,664,265	(4,895,105)	(259,140)
Net position, beginning	75,729,116	77,652,521	58,814,019	57,149,754	134,543,135	134,802,275
Net position, ending	\$ 66,021,663	\$ 75,729,116	\$ 63,626,367	\$ 58,814,019	\$ 129,648,030	\$ 134,543,135

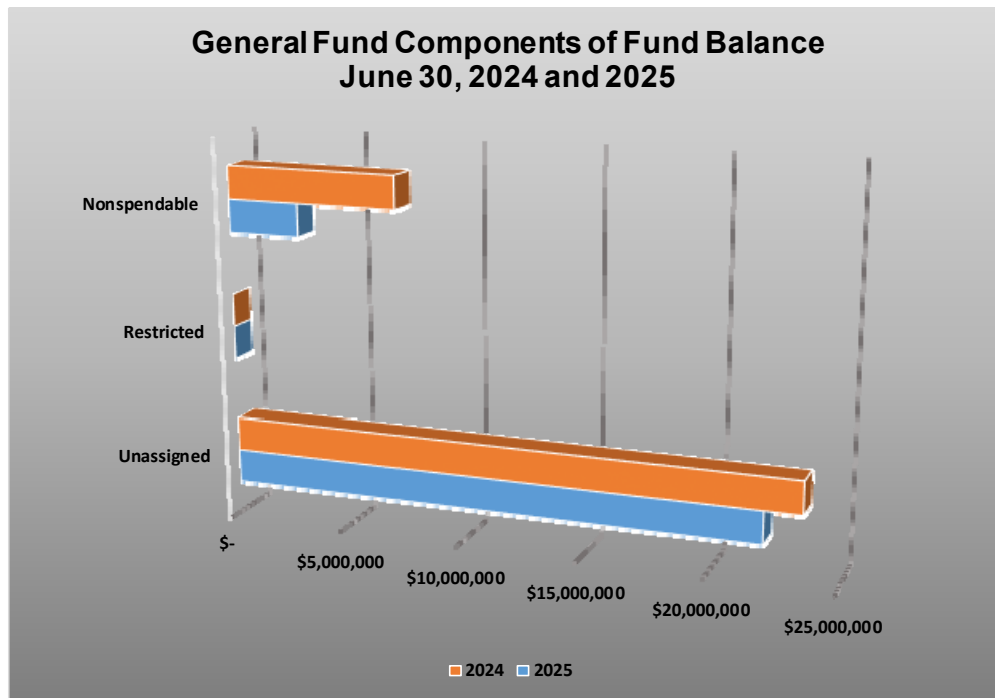


Financial Analysis of the Government's Funds

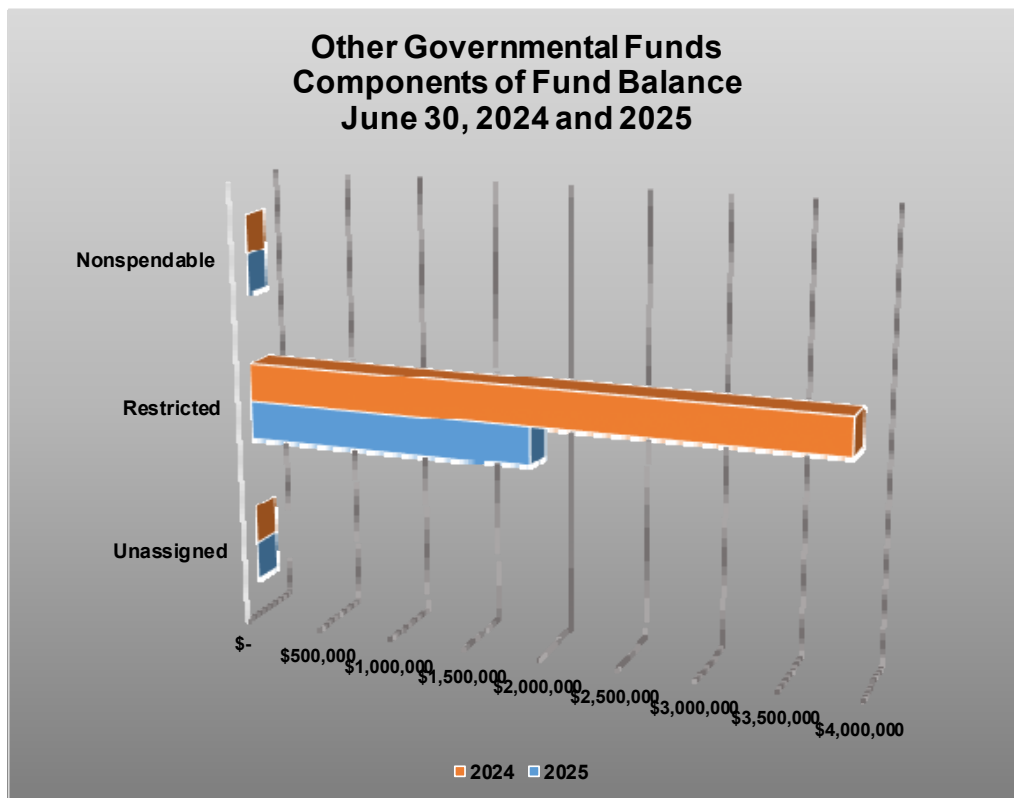
As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Authority itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Authority's Board of Commissioners.

As of June 30, 2025, the Authority's governmental funds reported combined fund balances of \$27,001,076, a decrease of \$7,697,600 in comparison with the prior year. Approximately 82% of this amount (\$22,071,654) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable* or *restricted* to indicate that it is 1) not in spendable form (\$3,040,468) or 2) restricted for particular purposes (\$1,888,954).



The General Fund is the chief operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$22,071,654, while total fund balance decreased to \$25,112,122. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 524% of total General Fund expenditures, while total fund balance represents approximately 596% of that same amount.



The fund balance of the Authority's General Fund decreased by \$5,722,020 during the current fiscal year. This is primarily due to a transfer out of \$4,569,263 to the Airport fund for debt forgiveness.

The Meridian LLMD No. 1 Fund, a major fund, had a \$1,894,823 decrease, a decrease from prior year's increase of \$389,720, in fund balance during the current fiscal year to bring the year end fund balance to \$1,832,827. This is mostly due to a decrease of Special Assessments revenue and an increase in Buildings and Ground Maintenance expenditures.

The March Lifecare Campus CFD 2013-1 Fund had a decrease in fund balance during the current year of \$80,757 to bring the year end fund balance to \$56,127. This is mostly due to the District no longer receiving special assessments.

Proprietary Funds. The Authority's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the March Inland Port Airport Authority at the end of the year was \$8,668,199, Green Acres was \$4,922,430, the Golf Course was (\$1,692,317) and the Utilities Authority was (\$153,360). The total increases (decreases) in net position from operations for March Inland Port Airport Authority was a \$4,785,982 increase (primarily from the debt forgiveness), an increase of \$46,591 for Green Acres, a decrease of \$77,604 for the Golf Course, and an increase of \$57,379 for the Utilities Authority.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2025

General Fund Budgetary Highlights

Original Budget Compared to Final Budget. The Authority adopts budgets that cover two fiscal years. For the 2025 fiscal year, there were no amendments to the budget.

Final Budget Compared to Actual Results. The most significant differences between estimated revenues and actual revenues were as follows:

Revenue source	Estimated Revenues	Actual Revenues	Difference
Investment earnings	659,400	1,413,400	754,000

Lease revenue and other revenue were lower than estimated. These revenues are based solely on the amount of redevelopment activity in the given year. Investment earnings were more than estimated due to investments performing better than expected throughout the fiscal year.

Actual General Fund expenditures were \$1,011,195 under budget as a whole. Contractual and professional services were over budget by \$407,320 and administration expenditures were over budget by \$127,929. These are offset by maintenance and lease services being under budget by \$1,653,127. The overage in contractual and professional services was primarily attributable to increased legal services needed to support new legal filings undertaken by the agency as it relates to its assets. Moreover, additional contract support was needed as a result of workforce downsizing from the previous year. Administrative expenditures exceeded budget because the JPA absorbed a larger share of operational costs than originally anticipated. Maintenance and lease services were significantly under budget primarily due to the Authority's relocation from leased properties to an airport location that they own.

Capital Asset and Debt Administration

Capital Assets. The Authority's investment in capital assets for its governmental and business type activities as of June 30, 2025, amounts to \$91,018,926 (net of accumulated depreciation). This investment in capital assets includes land, beverage rights, vehicles, office furniture and equipment, building and improvements, and infrastructure. The total increase in capital assets for the current fiscal year was approximately 1%.

**The Authority's Capital Assets
(net of depreciation)
as of June 30,**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 33,914,471	\$ 34,243,661	\$ 23,481,979	\$ 23,481,979	\$ 57,396,450	\$ 57,725,640
Beverage rights	-	-	17,518	17,518	17,518	17,518
Construction in progress	-	-	3,003,778	523,545	3,003,778	523,545
Building and improvements	5,132,461	2,206	18,440,831	19,290,263	23,573,292	19,292,469
Office furniture and equipment	16,334	19,456	51,352	73,973	67,686	93,429
Vehicles	-	5,393,230	45,843	60,008	45,843	5,453,238
Infrastructure	89,988	179,867	6,824,371	7,052,139	6,914,359	7,232,006
Total	\$ 39,153,254	\$ 39,838,420	\$ 51,865,672	\$ 50,499,425	\$ 91,018,926	\$ 90,337,845

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2025

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Long-term obligations. At the end of the current fiscal year, the Authority had total debt outstanding of \$0. Long-term debt consisted of a loan payable.

The Authority's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Loan payable	\$ -	\$ -	\$ -	\$ 1,913,927	\$ -	\$ 1,913,927
Total	\$ -	\$ -	\$ -	\$ 1,913,927	\$ -	\$ 1,913,927

Other long-term obligations were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Compensated absences	\$ 157,216	\$ 138,975	\$ 179,675	\$ 122,186	\$ 336,891	\$ 261,161
Net pension liability	1,816,781	1,825,942	1,021,940	1,027,092	2,838,721	2,853,034
Total	\$ 1,973,997	\$ 1,964,917	\$ 1,201,615	\$ 1,149,278	\$ 3,175,612	\$ 3,114,195

Other long-term obligations increased by \$61,417, primarily due to an increase in the compensated absences.

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Economic Factors and Next Year's Budgets and Rates:

The following economic factors currently affect the Authority and were considered in developing the 2025-26 fiscal year budget:

- Continued management of Authority owned residential properties, commercial properties and Open Spaces throughout March.
- Continued management of legacy natural gas utility lines within the Authority's Northeast Corner planning area.
- Continued management of a growing FAA Reliever airport, March Inland Port Airport, with dynamic commercial, public safety and military flight activities.
- Continued oversight of an 18-hole, par-72 championship General Old Golf Course.
- Interest rates are expected moderately rise through fiscal year 2025-26.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 17405 Heacock Street, Moreno Valley, California 92551.

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MARCH JOINT POWERS AUTHORITY
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 26,289,708	\$ 16,589,892	\$ 42,879,600
Restricted cash and investments	5,115,858	-	5,115,858
Receivables, net:			
Accounts	1,598,704	355,421	1,954,125
Interest	32,962	46,237	79,199
Grants	-	198,516	198,516
Leases	1,145,148	76,586,453	77,731,601
Deposits	1,283	-	1,283
Due from Successor Agency	676,541	-	676,541
Internal balances	2,363,927	(2,363,927)	-
Inventory	-	86,013	86,013
Prepaid items	-	395	395
Capital assets, not being depreciated	33,914,471	26,503,275	60,417,746
Capital assets, net of depreciation	5,238,783	25,362,397	30,601,180
Net OPEB asset	27,987	15,743	43,730
Total assets	76,405,372	143,380,415	219,785,787
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	670,619	377,223	1,047,842
OPEB related items	113,447	63,814	177,261
Total deferred outflows of resources	784,066	441,037	1,225,103
LIABILITIES			
Accounts payable and accrued liabilities	2,815,917	2,092,145	4,908,062
Deposits and other liabilities	1,455,376	181,651	1,637,027
Unearned revenue	-	37,190	37,190
Liabilities payable from restricted assets:			
Other payables	3,606,614	-	3,606,614
Long-term liabilities:			
Due in one year	102,783	117,466	220,249
Due in more than one year	54,433	62,209	116,642
Net pension liability	1,816,781	1,021,940	2,838,721
Total liabilities	9,851,904	3,512,601	13,364,505
DEFERRED INFLOWS OF RESOURCES			
Leases receivable related	1,145,148	76,586,453	77,731,601
Pension related items	48,582	27,327	75,909
OPEB related items	122,141	68,704	190,845
Total deferred inflows of resources	1,315,871	76,682,484	77,998,355
NET POSITION			
Net investment in capital assets	39,153,254	51,865,672	91,018,926
Restricted for net OPEB asset	27,987	15,743	43,730
Restricted for maintenance and landscaping	1,888,954	-	1,888,954
Unrestricted	24,951,468	11,744,952	36,696,420
Total net position	\$ 66,021,663	\$ 63,626,367	\$ 129,648,030

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Activities
Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 6,961,781	\$ 2,429,800	\$ -	\$ -
Total governmental activities	6,961,781	2,429,800	-	-
Business-type activities:				
March Inland Port Airport Authority	4,527,679	1,035,549	-	1,229,491
Green Acres	2,105,955	1,992,502	-	-
Golf Course	2,527,938	2,450,334	-	-
Utilities Authority	211,400	268,779	-	-
Total business-type activities	9,372,972	5,747,164	-	1,229,491
Total primary government	\$ 16,334,753	\$ 8,176,964	\$ -	\$ 1,229,491

General revenues:

Investment earnings

Gain on sale of land rights

Other

Transfers to member agencies

Transfers

Total general revenues and transfers

Special item

Change in net position

Net Position

Beginning of year, as previously reported

Restatement - correction of an error

Beginning of year, as restated

End of year

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (4,531,981)	\$ -	\$ (4,531,981)
(4,531,981)	-	(4,531,981)
-	(2,262,639)	(2,262,639)
-	(113,453)	(113,453)
-	(77,604)	(77,604)
-	57,379	57,379
-	(2,396,317)	(2,396,317)
(4,531,981)	(2,396,317)	(6,928,298)
1,413,400	2,639,402	4,052,802
1,200,345	-	1,200,345
309,581	-	309,581
(1,529,535)	-	(1,529,535)
(4,569,263)	4,569,263	-
(3,175,472)	7,208,665	4,033,193
(2,000,000)	-	(2,000,000)
(9,707,453)	4,812,348	(4,895,105)
75,729,116	58,290,474	134,019,590
-	523,545	523,545
75,729,116	58,814,019	134,543,135
<u>\$ 66,021,663</u>	<u>\$ 63,626,367</u>	<u>\$ 129,648,030</u>

MARCH JOINT POWERS AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2025

		Special Revenue		
	General Fund	Meridian LLMD No. 1	March Lifecare Campus CFD 2013-1	Total
ASSETS				
Cash and investments	\$ 22,142,708	\$ 4,087,199	\$ 59,801	\$ 26,289,708
Restricted cash and investments	5,115,858	-	-	5,115,858
Receivables, net:				
Accounts	1,572,865	25,491	348	1,598,704
Interest	32,962	-	-	32,962
Leases	1,145,148	-	-	1,145,148
Deposits	1,283	-	-	1,283
Due from Successor Agency	676,541	-	-	676,541
Advances to other funds	2,363,927	-	-	2,363,927
Total assets	<u>\$ 33,051,292</u>	<u>\$ 4,112,690</u>	<u>\$ 60,149</u>	<u>\$ 37,224,131</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 546,156	\$ 2,265,739	\$ 4,022	\$ 2,815,917
Deposits payable	1,441,252	14,124	-	1,455,376
Liabilities payable from restricted assets:				
Other payables	3,606,614	-	-	3,606,614
Total liabilities	<u>5,594,022</u>	<u>2,279,863</u>	<u>4,022</u>	<u>7,877,907</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - intergovernmental	1,200,000	-	-	1,200,000
Leases receivable	1,145,148	-	-	1,145,148
Total deferred inflows of resources	<u>2,345,148</u>	<u>-</u>	<u>-</u>	<u>2,345,148</u>
FUND BALANCE				
Nonspendable:				
Long-term successor agency loans	676,541	-	-	676,541
Long-term advances to other funds	2,363,927	-	-	2,363,927
Restricted:				
Maintenance and landscaping	-	1,832,827	56,127	1,888,954
Unassigned	22,071,654	-	-	22,071,654
Total fund balances	<u>25,112,122</u>	<u>1,832,827</u>	<u>56,127</u>	<u>27,001,076</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 33,051,292</u>	<u>\$ 4,112,690</u>	<u>\$ 60,149</u>	<u>\$ 37,224,131</u>

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

Fund balances of governmental funds	\$ 27,001,076
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of depreciation, have not been included as financial resources in governmental fund activity.	39,153,254
Liabilities that are not due and payable in the current period and are not reported in the funds.	
Compensated absences	(157,216)
Net pension liability	(1,816,781)
Net OPEB asset	27,987
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	1,200,000
Deferred outflows and inflows of resources related to pensions and OPEB that are required to be recognized over a defined closed period.	
Pension related deferred outflows of resources	670,619
OPEB related deferred outflows of resources	113,447
Pension related deferred inflows of resources	(48,582)
OPEB related deferred inflows of resources	<u>(122,141)</u>
Net position of governmental activities	<u>\$ 66,021,663</u>

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

		Special Revenue		
			March Lifecare	
	General Fund	Meridian LLMD No. 1	Campus CFD 2013-1	Total
REVENUES				
Licenses, permits and fees	\$ 1,235,406	\$ -	\$ -	\$ 1,235,406
Investment earnings	1,413,400	-	-	1,413,400
Lease revenue	103,694	-	-	103,694
Special assessments	-	2,266,801	23,897	2,290,698
Other revenue	307,935	1,648	-	309,583
Total revenues	3,060,435	2,268,449	23,897	5,352,781
EXPENDITURES				
Current:				
Administration	663,449	123,894	4,680	792,023
Salaries and benefits	1,193,433	141,410	45,105	1,379,948
Police patrols/security	198,590	-	-	198,590
Contractual/professional services	1,070,320	53,998	5,000	1,129,318
Project improvement costs	-	46,350	-	46,350
Legal	516,734	-	-	516,734
Planning	313,950	-	-	313,950
Maintenance and lease services	80,373	177,820	49,869	308,062
Buildings and grounds maintenance	176,343	1,619,800	-	1,796,143
Total expenditures	4,213,192	2,163,272	104,654	6,481,118
Excess of revenues over expenditures	(1,152,757)	105,177	(80,757)	(1,128,337)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of land rights	1,529,535	-	-	1,529,535
Transfers to member agencies	(1,529,535)	-	-	(1,529,535)
Transfer out - Airport Authority debt forgiveness	(4,569,263)	-	-	(4,569,263)
Total other financing sources (uses)	(4,569,263)	-	-	(4,569,263)
SPECIAL ITEMS				
Initial transfer of operations to County of Riverside	-	(2,000,000)	-	(2,000,000)
Net change in fund balances	(5,722,020)	(1,894,823)	(80,757)	(7,697,600)
FUND BALANCES				
Beginning of year	30,834,142	3,727,650	136,884	34,698,676
End of year	\$ 25,112,122	\$ 1,832,827	\$ 56,127	\$ 27,001,076

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Net change in fund balances - total governmental funds \$ (7,697,600)

Amounts reported for governmental activities in the Statement of
Activities are different because:

Revenues in the Statement of Activities that do not provide current financial
resources are not reported as revenues in the governmental funds.

Intergovernmental revenues (1,200,000)

Governmental funds report capital outlay as an expenditure in the full amount as
current financial resources are used. However, in the Statement of Activities
the cost of these assets is allocated over the estimated useful life as
depreciation expense.

Depreciation expense (355,976)

The net effect of various miscellaneous transactions involving capital assets
(i.e., sales, trade-ins, and donations) to decrease net position.

Sale of land rights (329,190)

Some expenses reported in the Statement of Activities do not require the use of
current financial resources and are not reported as governmental fund
expenditures.

Net change in compensated absences (18,241)

Net change in net OPEB asset expenses 695

Net change in net pension liability expenses (107,141)

Change in net position of governmental activities \$ (9,707,453)

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Net Position
Proprietary Funds
June 30, 2025

	March Inland Port Airport Authority	Green Acres	Golf Course	Utilities Authority	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 10,575,728	\$ 5,580,302	\$ 202,958	\$ 230,904	\$ 16,589,892
Receivables, net:					
Accounts	273,178	-	168	82,075	355,421
Interest	34,959	11,278	-	-	46,237
Grants	198,516	-	-	-	198,516
Inventory	-	-	86,013	-	86,013
Prepaid items	395	-	-	-	395
Total current assets	11,082,776	5,591,580	289,139	312,979	17,276,474
Noncurrent assets:					
Leases receivable	76,586,453	-	-	-	76,586,453
Capital assets, not being depreciated	25,226,969	1,258,788	17,518	-	26,503,275
Capital assets, net of depreciation	20,054,310	5,265,528	42,559	-	25,362,397
Net OPEB asset	10,058	5,685	-	-	15,743
Total noncurrent assets	121,877,790	6,530,001	60,077	-	128,467,868
Total assets	132,960,566	12,121,581	349,216	312,979	145,744,342
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	241,004	136,219	-	-	377,223
OPEB related items	40,770	23,044	-	-	63,814
Total deferred outflows of resources	281,774	159,263	-	-	441,037
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	1,855,981	152,296	67,529	16,339	2,092,145
Unearned revenue	20,833	16,357	-	-	37,190
Deposits	-	181,651	-	-	181,651
Compensated absences - current portion	68,828	48,638	-	-	117,466
Total current liabilities	1,945,642	398,942	67,529	16,339	2,428,452
Noncurrent liabilities:					
Compensated absences	36,450	25,759	-	-	62,209
Net pension liability	652,906	369,034	-	-	1,021,940
Advances from other funds	-	-	1,913,927	450,000	2,363,927
Total noncurrent liabilities	689,356	394,793	1,913,927	450,000	3,448,076
Total liabilities	2,634,998	793,735	1,981,456	466,339	5,876,528
DEFERRED INFLOWS OF RESOURCES					
Leases receivable related	76,586,453	-	-	-	76,586,453
Pension related items	17,459	9,868	-	-	27,327
OPEB related items	43,894	24,810	-	-	68,704
Total deferred inflows of resources	76,647,806	34,678	-	-	76,682,484
NET POSITION (DEFICIT)					
Net investment in capital assets	45,281,279	6,524,316	60,077	-	51,865,672
Restricted for net OPEB asset	10,058	5,685	-	-	15,743
Unrestricted	8,668,199	4,922,430	(1,692,317)	(153,360)	11,744,952
Total net position	\$ 53,959,536	\$ 11,452,431	\$ (1,632,240)	\$ (153,360)	\$ 63,626,367

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2025

	March Inland Port Airport Authority	Green Acres	Golf Course	Utilities Authority	Total
OPERATING REVENUES					
Charges for services	\$ 753,200	\$ 55,398	\$ 2,450,334	\$ 268,779	\$ 3,527,711
Rental income	-	1,935,616	-	-	1,935,616
Lease income	256,161	-	-	-	256,161
Other	26,188	1,488	-	-	27,676
Total operating revenues	1,035,549	1,992,502	2,450,334	268,779	5,747,164
OPERATING EXPENSES					
Administrative	2,237,173	52,343	-	5,500	2,295,016
Professional services	433,291	-	2,508,248	-	2,941,539
Salaries and employee benefits	723,489	387,865	-	-	1,111,354
Purchased water/utilities	-	669,257	-	205,836	875,093
Insurance/claims	-	232,124	-	-	232,124
Repairs and maintenance	168,673	391,739	-	64	560,476
Project improvement costs	30,331	26,580	-	-	56,911
Services and fees	40,616	-	-	-	40,616
Depreciation	783,796	310,500	19,690	-	1,113,986
Other	5,810	35,547	-	-	41,357
Total operating expenses	4,423,179	2,105,955	2,527,938	211,400	9,268,472
Operating income (loss)	(3,387,630)	(113,453)	(77,604)	57,379	(3,521,308)
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental revenue	1,229,491	-	-	-	1,229,491
Interest income - leases	2,223,548	-	-	-	2,223,548
Investment earnings	255,810	160,044	-	-	415,854
Interest expense	(104,500)	-	-	-	(104,500)
Total nonoperating revenues (expenses)	3,604,349	160,044	-	-	3,764,393
Income (loss) before transfers	216,719	46,591	(77,604)	57,379	243,085
TRANSFERS					
Transfer in - General fund debt forgiveness	4,569,263	-	-	-	4,569,263
Total transfers	4,569,263	-	-	-	4,569,263
Change in net position	4,785,982	46,591	(77,604)	57,379	4,812,348
NET POSITION (DEFICIT)					
Beginning of year, as previously reported	48,650,009	11,405,840	(1,554,636)	(210,739)	58,290,474
Restatement - correction of an error	523,545	-	-	-	523,545
Beginning of year, as restated	49,173,554	11,405,840	(1,554,636)	(210,739)	58,814,019
End of year	\$ 53,959,536	\$ 11,452,431	\$ (1,632,240)	\$ (153,360)	\$ 63,626,367

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2025

	March Inland Port Airport Authority	Green Acres
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 1,009,897	\$ 1,992,502
Cash payments for employee services (salaries)	(664,388)	(343,449)
Cash payments to suppliers for goods and services	(1,157,509)	(1,415,586)
Net cash provided by (used for) operating activities	(812,000)	233,467
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Grants received	1,030,975	-
Net cash provided by non-capital financing activities	1,030,975	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(2,480,233)	-
Net cash (used for) capital and related financing activities	(2,480,233)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	220,851	-
Interest received on leases	2,223,548	148,766
Net cash provided by investing activities	2,444,399	148,766
NET CHANGE IN CASH AND CASH EQUIVALENTS	183,141	382,233
Cash and cash equivalents, beginning of year	10,392,587	5,198,069
Cash and cash equivalents, end of year	<u>\$ 10,575,728</u>	<u>\$ 5,580,302</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	\$ (3,387,630)	\$ (113,453)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	783,796	310,500
(Increase) decrease in accounts receivable	(25,652)	-
(Increase) decrease in inventory	-	-
(Increase) decrease in prepaid items	(395)	-
(Increase) decrease in pension/OPEB related deferred outflows	59,254	33,492
Increase (decrease) in accounts payable and accrued liabilities	1,750,831	(10,667)
(Increase) decrease in compensated absences	28,795	28,694
Increase (decrease) in unearned revenue	-	(1,732)
Increase (decrease) in deposits	-	(1,498)
Increase (decrease) in net pension liability	(3,292)	(1,860)
Increase (decrease) in net OPEB liability/asset	(1,937)	-
Increase (decrease) in pension/OPEB related deferred inflows	(15,770)	(10,009)
Total cash provided by (used for) operating activities	<u>\$ (812,000)</u>	<u>\$ 233,467</u>
NON-CASH FINANCING ACTIVITY		
Forgiveness of advance from the General Fund, including capitalized interest	<u>\$ 4,569,263</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

Golf Course	Utilities Authority	Total
\$ 2,458,849	\$ 229,226	\$ 5,690,474
-	-	(1,007,837)
(2,534,545)	(195,103)	(5,302,743)
(75,696)	34,123	(620,106)
-	-	1,030,975
-	-	1,030,975
-	-	(2,480,233)
-	-	(2,480,233)
-	-	220,851
-	-	2,372,314
-	-	2,593,165
(75,696)	34,123	523,801
278,654	196,781	16,066,091
<u>\$ 202,958</u>	<u>\$ 230,904</u>	<u>\$ 16,589,892</u>
\$ (77,604)	\$ 57,379	\$ (3,521,308)
19,690	-	1,113,986
8,515	(39,553)	(56,690)
(11,434)	-	(11,434)
-	-	(395)
-	-	92,746
(14,863)	16,297	1,741,598
-	-	57,489
-	-	(1,732)
-	-	(1,498)
-	-	(5,152)
-	-	(1,937)
-	-	(25,779)
<u>\$ (75,696)</u>	<u>\$ 34,123</u>	<u>\$ (620,106)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,569,263</u>

MARCH JOINT POWERS AUTHORITY
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Successor Agency Private-purpose Trust Fund
ASSETS	
Cash and investments	\$ 2,709,306
Cash and investments with fiscal agent	1,080
Prepaid items	197,952
Total assets	2,908,338
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	5,862,821
Total deferred outflows of resources	5,862,821
LIABILITIES	
Accounts payable	135
Interest payable	434,310
Due to other governments	676,541
Bonds payable - due in one year	1,075,000
Bonds payable - due in more than one year	27,323,495
Total liabilities	29,509,481
NET POSITION (DEFICIT)	
Net position held in trust for redevelopment	(20,738,322)
Total net position	\$ (20,738,322)

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2025

	Successor Agency Private-purpose Trust Fund
ADDITIONS	
Taxes	\$ 2,262,552
Investment earnings	3,286
Total additions	<u>2,265,838</u>
DEDUCTIONS	
Administration	262,308
Trustee fee	5,135
Contractual/professional services	16,717
Interest expense	<u>1,228,461</u>
Total deductions	<u>1,512,621</u>
Change in net position	<u>753,217</u>
NET POSITION (DEFICIT)	
Beginning of year	<u>(21,491,539)</u>
End of year	<u><u>\$ (20,738,322)</u></u>

The accompanying notes are an integral part of the financial statements.

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MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

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1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Description of the Reporting Entity

The March Joint Powers Authority (the "Authority") was formed on November 14, 1993, under a joint exercise of powers agreement among the Cities of Perris, Moreno Valley and Riverside and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of the property formerly known as March Air Force Base.

The Authority's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Authority Commissioners are as follows:

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Michael Vargas	Chairman	City of Perris
Dr. Yxstian Gutierrez	Vice Chair	County of Riverside
Chuck Conder	Commissioner	City of Riverside
Jim Perry	Commissioner	City of Riverside
Maricela Nava	Commissioner	City of Perris
Edward Delgado	Commissioner	City of Moreno Valley
Ulises Cabrera	Commissioner	City of Moreno Valley
Jose Medina	Commissioner	County of Riverside

The March Joint Powers Authority Commission meets on the first and third Wednesday of each month.

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies reflected in the financial statements are summarized as follows:

The financial statements of the March Joint Powers Authority include the financial activities of the Authority, the March Inland Port Airport Authority and the March Joint Powers Utilities Authority. In accordance with GASB, the basic criteria for including an agency, institution, authority or other organization in a governmental unit's financial reporting entity is financial accountability. Financial accountability includes but is not limited to: 1) selection of the governing body, 2) imposition of will, 3) ability to provide a financial benefit to or impose a financial burden on and 4) fiscal dependency.

There may, however, be factors other than financial accountability that are so significant that exclusion of a particular agency from a reporting entity's financial statements would be misleading. These other factors include scope of public service and special financing relationships.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

A) Description of the Reporting Entity (continued)

Based upon the application of these criteria, an agency, institution, authority or other organization may be included as a component unit in the primary government's financial statements. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There are no discretely presented component units in these financial statements. Each blended component unit presented has a June 30 year end.

The following is a brief review of each component unit included in the primary government's reporting entity.

March Inland Port Airport Authority

The March Inland Port Airport Authority (the "Airport Authority") was formed on June 18, 1997 under a joint exercise of powers agreement between the Cities of Perris, Moreno Valley and Riverside and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of March Air Force Base. The March Inland Port Airport Authority will be used to market and promote the economic development opportunity associated with the creation of the joint use airport and for the associated development or redevelopment of adjacent and nearby vacant properties. The March Inland Port Airport Authority's activities are blended with those of the Authority in these financial statements and are reported as an enterprise fund. Separate component financial statements can be obtained from the Authority's office.

March Joint Powers Utilities Authority

The March Joint Powers Utilities Authority (the "Utilities Authority") was formed on August 8, 2002 by the City of Moreno Valley, a general law city of the State of California, the City of Perris, a general law city of the State of California and the City of Riverside, a charter city and municipal corporation of the State of California. The purpose of the Utility Authority is to provide construction, completion, reconstruction, extension, change, enlargement, acquisition, leasing, operation, maintenance, repair and control of facilities for the generation, transmission, distribution and sale of utilities and utilities service. The sale and service of utilities will be to municipalities, public utility districts, corporations, businesses or persons located at the property formerly known as March Air Force Base. Separate component financial statements can be obtained from the Authority's office.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

B) Basis of Presentation

Generally accepted accounting principles in the United States of America (GAAP) require that the financial statements described below be presented:

Government-wide Statements: The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the Authority include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items that are properly not included among program revenues are reported instead as general revenues.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and private-purpose trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for property taxes. Property taxes are recognized in the year for which they are levied. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Authority.

The Authority reports the following major governmental funds:

The *General Fund* is used to account for all financial resources of the Authority, except those required to be accounted for in another fund.

The *Meridian LLMD No. 1 Special Revenue Fund* is used to account for special assessments through property tax collections and the expenditures for the maintenance and landscaping of the Meridian Business Park.

The *March Lifecare Campus CFD 2013-1 Special Revenue Fund* is used to account for special assessments through property tax collection and the expenditures for the maintenance of the March Lifecare Campus.

The Authority reports the following major proprietary funds:

The *March Inland Port Airport Authority Fund* accounts for the activities of the Airport Authority, a blended component unit of the Authority. The Authority operates the joint use of the airport as well as development of the airport and adjacent properties.

The *Green Acres Fund* accounts for the activities of the Green Acres Housing Area.

The *Golf Course Fund* accounts for the activities of the Authority's golf course operations.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

The *Utility Authority Fund* accounts for the activities of the Authority's utility operations.

The *Enterprise Funds* are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Revenues are fully accrued to include unbilled services at year end.

Additionally, the Authority reports the following fund types:

The *Fiduciary Funds* are used to account for resources held in the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Authority's own programs. The accounting used by the fiduciary funds is much like that used for proprietary funds.

The Authority reports the following fiduciary activities:

The *Private-purpose trust fund* is used to report resources held in trust for the Successor Agency of the former Redevelopment Agency.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grant and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the policy of the Authority to use restricted resources first and then use unrestricted resources as they are needed.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

D) Encumbrances

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

E) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents. For financial statement presentation purposes cash and cash equivalents are shown as cash in the Proprietary Funds.

F) Cash and Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Authority's investments are stated at fair value except for interest-earning investment contracts.

Restricted cash and investments consist of \$2,652,740 for Meridian drainage fee deposits, \$500,453 for Riverside City Flood and Water Deposits, and \$1,962,665 for fire department impact fees.

G) Uncollectible Accounts

The Authority uses the allowance method of recording uncollectible accounts. Currently, the Authority believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

H) Inventory and Prepaid Items

Inventory is valued at cost, using the first-in, and first-out basis.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

I) Capital Assets

Capital assets, which include land, buildings, building improvements, machinery, vehicles, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired. Donated or transferred capital assets are valued at their estimated acquisition value at the date of donation or transfer.

Capital assets, with an initial cost of \$5,000, used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the proprietary funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet. The range of lives used for depreciation purposes for each capital asset class is as follows:

Buildings and improvements	7 – 50 years
Vehicles	5 years
Office equipment and furniture	5 years
Infrastructure	30 – 100 years

J) Liabilities Payable from Restricted Assets

Liabilities payable from restricted assets consist of the following: \$1,824,540 for County fire facilities, \$1,699,830 for the Meridian drainage fee deposits and \$82,244 for Lifecare Campus Drainage Fees.

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. The Authority reports deferred outflows related to pensions, other post-employment benefits (OPEB), leases, and debt refundings.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

K) Deferred Outflows/Inflows of Resources (continued)

In addition to liabilities, the statement of net position and governmental funds balance sheet may report a separate section for deferred inflows of resources. The Authority reports deferred inflows related to unavailable revenues, pensions, OPEB, and leases. Unavailable revenues are recognized as an inflow of resources in the period the amounts become available.

L) Compensated Absences

In accordance with generally accepted accounting principles, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement.

All leave benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported if they have matured, for example, as result of employee resignations and retirements. Leave benefits are generally liquidated by the General Fund, March Inland Port Airport Authority and Green Acres funds.

M) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

N) Other Post Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

O) Net Position

Generally accepted accounting principles require that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

P) Fund Balance

Fund balance in governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The Authority considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

Restricted Fund Balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (though constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority. The Joint Powers Commission is the highest level of decision-making authority for the Authority that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Assigned Fund Balance - Amounts that are constrained by the Authority's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body, or by an official to whom the authority has been given.

Unassigned Fund Balance - These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other categories, or negative balances in all other funds.

Q) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

R) Property Tax

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	January 1	
Levy Date	July 1 to June 30	
Due Date	November 1	- 1 st installment
	February 1	- 2 nd installment
Delinquent Date	December 10	- 1 st installment
	April 10	- 2 nd installment

Under California law, property taxes are assessed and collected by the counties up to 1%, of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the agencies based on complex formulas prescribed by the state statutes.

S) Other Revenue

The General Fund's other revenue includes \$56,500 for foreign trade zone fees, \$250,000 for Successor Agency administration fees and \$1,435 for miscellaneous revenues.

T) Implementation of New Pronouncements

During the year ended June 30, 2025, the Authority implemented the following new GASB Pronouncements:

GASB Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 102 – *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 42,879,600
Restricted cash and investments	5,115,858
Statement of Fiduciary Net Position:	
Cash and investments	2,709,306
Cash and investments with fiscal agent	<u>1,080</u>
Total cash and investments	<u><u>\$ 50,705,844</u></u>

Cash and investments consist of the following:

Petty cash	\$ 300
Deposits with financial institutions	15,873,853
Investments	<u>34,831,691</u>
Total cash and investments	<u><u>\$ 50,705,844</u></u>

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio ⁽¹⁾	Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
State of California notes/bonds	5 years	None	None
Banker's acceptances	180 days	40%	30%
Prime commercial paper ⁽²⁾⁽³⁾	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20% of Base Value	None
Medium - Term Notes ⁽³⁾	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75m

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

2) CASH AND INVESTMENTS (continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy. For additional information refer to the original bond issuance documents.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing money market funds.

Information about the sensitivity of the fair values of the Authority's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

Investment Type	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Investments:					
Local Agency Investment Fund (LAIF)	\$ 7,237,471	\$ 7,237,471	\$ -	\$ -	\$ -
Money market and mutual funds	1,641,527	1,641,527	-	-	-
U.S. Agency securities	25,951,613	2,525,102	4,972,299	18,454,212	-
Held by Bond Trustee:					
Money market funds	1,080	1,080	-	-	-
Total	<u>\$34,831,691</u>	<u>\$11,405,180</u>	<u>\$ 4,972,299</u>	<u>\$ 18,454,212</u>	<u>\$ -</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the Authority's investment policy and the actual rating as of year-end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Exempt from Disclosure	Rating as of Year End		
				AA	A	Not Rated
Investments:						
Local Agency Investment Fund (LAIF)	\$ 7,237,471	N/A	\$ -	\$ -	\$ -	\$ 7,237,471
Money market and mutual funds	1,641,527	N/A	-	-	-	1,641,527
U.S. Agency securities	25,951,613	N/A	-	25,951,613	-	-
Held by Bond Trustee:						
Money market funds	1,080	N/A	-	-	-	1,080
Total	<u>\$34,831,691</u>		<u>\$ -</u>	<u>\$ 25,951,613</u>	<u>\$ -</u>	<u>\$ 8,880,078</u>

2) CASH AND INVESTMENTS (continued)

Concentration of Credit Risk

The Authority's investment policy contains no limitations on the amount that may be invested in any one issuer beyond those stipulated by the California Government Code. Investments in any one issuer, other than U.S. Treasury securities, mutual funds, and external investment pools, that represent 5 percent or more of the Authority's total investments at June 30, 2025, are as follows:

Issuer	Investment Type	Fair Value
Federal Home Loan Bank (FHLB)	Federal agency securities	\$ 23,270,335

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2025, no deposits of the Authority's with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts, and none of the Authority's investments were held by the broker-dealer (counterparty) that was used by the Authority to buy the securities.

Cash and Investments with Fiscal Agent

Included in cash and investments with fiscal agent are the debt securities issued by the Successor Agency. These are obligations of the Successor Agency and, therefore, are not obligations of the Authority.

3) FAIR VALUE MEASUREMENTS

Generally accepted accounting principles provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly. *Level 2* inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 inputs are unobservable inputs for the asset or liability.

Fair value of assets measured on a recurring basis at June 30, 2025, are as follows:

	Total	Significant Other Observable Inputs (Level 2)	Not Subject to the Fair Value Hierarchy
Investments:			
Local Agency Investment Fund (LAIF)	\$ 7,237,471	\$ -	\$ 7,237,471
Money market and mutual funds	1,641,527	-	1,641,527
U.S. Agency securities	25,951,613	25,951,613	-
Held by Bond Trustee:			
Money market funds	1,080	-	1,080
Total Investments	<u>\$ 34,831,691</u>	<u>\$ 25,951,613</u>	<u>\$ 8,880,078</u>

Fair values for investments are determined by using a matrix pricing technique. Matrix pricing is used to value securities based on the security's relationship to benchmark quoted prices. Uncategorized investments are not subject to the fair value hierarchy.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

4) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Advances to/From Other Funds

Advances to/from other funds at June 30 2025, are as follows:

<u>Advance To</u>	<u>Advance From General Fund</u>
Golf Course	\$ 1,913,927
Utilities Authority	450,000
Total	<u>\$ 2,363,927</u>

Golf Course Fund

The General Fund has accumulated advances to the Golf Course in order to support operations. The loan will be repaid at such time excess revenues from operations exist. The balance outstanding at June 30, 2025 is \$1,913,927.

Utility Authority

The General Fund has accumulated advances to the Utilities Authority in order to support operations. The loan will be repaid from utility revenues at such time excess funds become available. The balance outstanding at June 30, 2025 is \$450,000.

Interfund Transfers

Interfund transfers for the year ended June 30 2025, are as follows:

<u>Transfers In</u>	<u>Transfers Out General Fund</u>
Airport Authority	<u>\$ 4,569,263</u>
Total	<u>\$ 4,569,263</u>

During the year ended June 30, 2025, the Authority's Commission approved the forgiveness of amounts previously advanced from the General Fund to the Airport Authority. The amount forgiven totaled \$4,569,263, consisting of \$2,687,896 of principal and \$1,881,367 of previously capitalized interest. The forgiveness is reported as a transfer-out in the General Fund and a transfer-in in the Airport Authority.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

5) CAPITAL ASSETS

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 34,243,661	\$ -	\$ (329,190)	\$ 33,914,471
Total capital assets, not being depreciated	34,243,661	-	(329,190)	33,914,471
Capital assets, being depreciated:				
Building and improvements	12,070,590	-	-	12,070,590
Office furniture and equipment	121,256	-	(5,674)	115,582
Vehicles	156,002	-	-	156,002
Infrastructure	1,226,084	-	-	1,226,084
Total capital assets, being depreciated	13,573,932	-	(5,674)	13,568,258
Less accumulated depreciation:				
Building and improvements	(6,677,360)	(260,769)	-	(6,938,129)
Office furniture and equipment	(101,800)	(3,122)	5,674	(99,248)
Vehicles	(153,796)	(2,206)	-	(156,002)
Infrastructure	(1,046,217)	(89,879)	-	(1,136,096)
Total accumulated depreciation	(7,979,173)	(355,976)	5,674	(8,329,475)
Total capital assets, being depreciated, net	5,594,759	(355,976)	-	5,238,783
Governmental activities capital assets, net of depreciation	\$ 39,838,420	\$ (355,976)	\$ (329,190)	\$ 39,153,254

Depreciation expense of \$355,976 was charged to the general government function in the Statement of Activities.

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MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

5) CAPITAL ASSETS (continued)

	* Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 23,481,979	\$ -	\$ -	\$ 23,481,979
Beverage rights	17,518	-	-	17,518
Construction in progress *	523,545	2,480,233	-	3,003,778
 Total capital assets, not being depreciated	 24,023,042	 2,480,233	 -	 26,503,275
Capital assets, being depreciated:				
Building and improvements	35,740,223	-	-	35,740,223
Office furniture and equipment	113,105	-	-	113,105
Vehicles	81,211	-	-	81,211
Infrastructure	9,864,371	-	-	9,864,371
 Total capital assets, being depreciated	 45,798,910	 -	 -	 45,798,910
Less accumulated depreciation:				
Building and improvements	(16,449,960)	(849,432)	-	(17,299,392)
Office furniture and equipment	(39,132)	(22,621)	-	(61,753)
Vehicles	(21,203)	(14,165)	-	(35,368)
Infrastructure	(2,812,232)	(227,768)	-	(3,040,000)
 Total accumulated depreciation	 (19,322,527)	 (1,113,986)	 -	 (20,436,513)
Total capital assets, being depreciated, net	26,476,383	(1,113,986)	-	25,362,397
 Business-type activities capital assets, net of depreciation	 \$ 50,499,425	 \$ 1,366,247	 \$ -	 \$ 51,865,672

* Includes prior period adjustment of \$523,545 to construction in progress. See Note 17 for details.

Reclassification of Business-Type Capital Assets

During the fiscal year ended June 30, 2025, the Authority reclassified \$7,047,001 of capital assets and \$1,507,158 of accumulated depreciation from buildings and improvements to infrastructure within business-type activities.

The reclassification was made to more appropriately reflect the nature of these assets and to provide more transparent and meaningful financial reporting. This reclassification had no effect on total capital assets, net position, or changes in net position for the fiscal year.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

5) CAPITAL ASSETS (continued)

Depreciation was charged to functions/programs as follows:

Business-type Activities:	
March Inland Port Airport Authority	\$ 783,796
Green Acres	310,500
Golf Course	<u>19,690</u>
Total depreciation expense - Business-type activities	<u>\$ 1,113,986</u>

6) LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

Governmental Activities:					
Description	Beginning Balance	Obligations Incurred	Obligations Satisfied	Ending Balance	Due Within One Year
Compensated absences*	<u>\$ 138,975</u>	<u>\$ 18,241</u>	<u>\$ -</u>	<u>\$ 157,216</u>	<u>\$ 102,783</u>
Business type Activities:					
Description	Beginning Balance	Obligations Incurred	Obligations Satisfied	Ending Balance	Due Within One Year
Compensated absences*	<u>\$ 122,186</u>	<u>\$ 57,489</u>	<u>-</u>	<u>\$ 179,675</u>	<u>\$ 117,466</u>
Total Business-type Activities	<u>\$ 122,186</u>	<u>\$ 57,489</u>	<u>\$ -</u>	<u>\$ 179,675</u>	<u>\$ 117,466</u>

*The change in the compensated absences liability is presented as a net change.

7) DEFICIT FUND BALANCES/NET POSITION

The Authority reported the following fund balance/net position deficit for the year ended June 30, 2025:

Fund	Amount
Major Fund	
Golf Course	\$ (1,632,240)
Utilities Authority	(153,360)

Management is very much aware of the seriousness of the above deficit and is currently taking steps to eliminate it. This deficit is expected to be eliminated by future revenues.

8) LEASES RECEIVABLE

Long-term leases

The Authority entered into several long-term leases with various private entities. The leases vary in length from 18 months to 516 months. Payments on the leases are due monthly, except for one lease which has semi-annual payments. In addition, one other lease requires only half of the monthly payment to be paid with the other half accruing during the year with a balloon payment due after twelve months. During the year, the Authority recognized \$2,271,093 and \$359,855 in interest and lease revenue, respectively. As of June 30, 2025, the remaining lease receivable and deferred inflows of resources related to leases is \$77,731,601.

Short-term Leases

The Authority also leases 111 housing units in the area known as Green Acres. The leases are considered month-to-month leases; therefore, no lease receivable or related deferred amounts have been recorded in the financial statements.

9) RISK MANAGEMENT

General Liability Insurance

The Authority is a member of the Public Entity Risk Management Authority (PERMA), a joint powers authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. The governing Board of Directors consists of one member from each participating agency.

The Authority participates in PERMA's liability protection program, which provides coverage up to \$50,000,000 per occurrence. The Authority is responsible for a member retention of \$7,500 per occurrence.

Property Insurance

The Authority participates in a property insurance program providing coverage up to \$200,000,000 per occurrence, including flood coverage up to \$2,500,000. The Authority is responsible for a deductible of \$10,000 per occurrence, except for flood losses, which are subject to a \$100,000 deductible.

Cyber Liability Insurance

The Authority participates in a cyber liability insurance program providing coverage up to \$18,000,000 per claim and is responsible for a deductible of \$50,000 per claim.

9) RISK MANAGEMENT (Continued)

Crime Coverage

The Authority maintains crime coverage with limits of \$1,000,000 for employee theft, forgery, computer and funds transfer fraud, and theft of money and securities. The Authority is responsible for a deductible of \$2,500 per occurrence.

Auto Physical Damage Insurance

The Authority maintains auto physical damage coverage with limits of \$10,000,000 and a deductible of \$5,000 per occurrence.

Workers' Compensation Insurance

The Authority participates in a workers' compensation insurance program that provides coverage in accordance with statutory requirements and excess coverage for workers' compensation claims.

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority participates in risk-sharing programs through the Public Entity Risk Management Authority (PERMA) to provide coverage for these risks. There have been no significant reductions in coverage from the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

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10) EMPLOYEES' RETIREMENT PLAN

General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Authority participates in two rate plans (miscellaneous). Benefit provisions under the Plan are established by State statute and the Authority resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

10) EMPLOYEES' RETIREMENT PLAN (continued)

General Information about the Pension Plan (continued)

The Plan's provisions and benefits in effect as of June 30, 2025 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire date		
Benefit formulas	2.70% at 55	2.00% at 62
Benefit vesting schedule	5 Years service	5 Years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50 - 55+	52 - 67+
Monthly benefits, as a % of eligible compensation	2.00% - 2.70%	1.00% - 2.50%
Required employer contribution rates	16.02%	7.87%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2025 were \$474,531.

Net Pension Liability

The Authority's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

10) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The collective total pension liability for the June 30, 2024 measurement period was determined by an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024. The collective total pension liability was based on the following assumptions:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Actuarial cost method	Entry Age Actuarial Cost Method
Asset valuation method	Fair value of assets
Actuarial Assumptions:	
Discount rate	6.90%
Inflation	2.30%
Salary increases ⁽¹⁾	Varies by entry age and service
Mortality rate table ⁽¹⁾	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Long-term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

10) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return^{1,2}</u>
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

During the time period between the valuation date and the publication of this report, price inflation has been higher than the assumed rate of 2.3% per annum. Since inflation influences cost-of-living adjustments for retirees and beneficiaries and active member pay increases, higher inflation is likely to put at least some upward pressure on the pension expense and the net pension liability in future valuations. The actual impact of higher inflation on future valuation results will depend on, among other factors, how long higher inflation persists.

10) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Proportionate Share of Net Pension Liability

The following table shows the Authority's proportionate share of the Plan's net pension liability over the measurement period.

	Increase (Decrease)		
	Proportionate Share of Total Pension Liability	Proportionate Share of Plan Fiduciary Net Position	Proportionate Share of Plan Net Pension Liability
Balance at: 6/30/2023 (VD)	\$ 11,879,949	\$ 9,026,915	\$ 2,853,034
Balance at: 6/30/2024 (MD)	12,915,377	10,076,656	2,838,721
Net Changes during 2023-24	<u>\$ 1,035,428</u>	<u>\$ 1,049,741</u>	<u>\$ (14,313)</u>

Valuation Date (VD), Measurement Date (MD).

The Authority's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov.

The Authority's proportionate share of the miscellaneous plan net pension liability for the miscellaneous Plan as of the June 30, 2023 and 2024 measurement dates was as follows:

Proportion - June 30, 2023	0.05706%
Proportion - June 30, 2024	0.05869%
Change - increase (decrease)	0.00163%

10) EMPLOYEES' RETIREMENT PLAN (continued)

Proportionate Share of Net Pension Liability (continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability of the Miscellaneous as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Net Pension Liability	\$ 4,581,526	\$ 2,838,721	\$ 1,404,134

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

Amortization of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

As of the start of the measurement period (July 1, 2023), the Authority's net pension liability was \$2,853,034. For the measurement period ending June 30, 2024 (the measurement date), the Authority incurred a pension expense of \$641,938.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

10) EMPLOYEES' RETIREMENT PLAN (continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)

As of June 30, 2025 the Authority has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 72,961	\$ -
Differences between expected and actual experience	245,433	9,577
Differences between projected and actual investment earnings	163,422	-
Differences between employer's contributions and proportionate share of contributions	-	66,332
Change in employer's proportion	91,495	
Pension contributions made subsequent to the measurement date	474,531	
	<u>474,531</u>	<u></u>
Total	<u>\$ 1,047,842</u>	<u>\$ 75,909</u>

The amounts above are net of outflows and inflows recognized in the 2023-24 measurement period expense. Contributions subsequent to the measurement date of \$474,531 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/ (Inflows) of Resources
2026	\$ 181,797
2027	369,254
2028	2,354
2029	(56,003)
2030	-
Thereafter	-

Payable to the Pension Plan

At June 30, 2025, the Authority reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year then ended.

11) DEFERRED COMPENSATION PLAN

On August 20, 1996, the provisions of Internal Revenue Code (IRC) Section 457 were amended to require new plans to place all assets and income of the Plan in trust for the exclusive benefit of participants and their beneficiaries. Plans in existence as of the date of this change must place the Plan assets and income in trust by January 1, 1999. Once the assets and income are placed in trust the Authority no longer owns the amounts deferred by employees and related income. Prior to this IRC Section 457 Amendment, the deferred amounts and related income remained as property of the Authority until withdrawn by the employee.

During the 1997-98 fiscal years, March Joint Powers Authority created its Deferred Compensation Plan with assets and related income in trust as allowed by IRC Section 457 and as a result the asset and corresponding liability are not presented in these financial statements.

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12) OTHER POST EMPLOYMENT BENEFITS

Plan Description

The Authority's defined benefit postemployment healthcare plan, (JPA Retiree Healthcare Plan "JRHP"), provides medical benefits to eligible retired employees and qualified dependents. JRHP is part of the Public Agency portion of the California Employers' Retiree Benefit Trust Fund (CERBT), an agent multiple-employer plan administered by California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statute within the Public Employees' Retirement Law. JRHP selects optional benefit provisions from the benefit menu by contract with CalPERS. CalPERS issues an Annual Comprehensive Financial Report (ACFR). The ACFR is issued in aggregate and includes the sum of all CalPERS plans. Copies of the CalPERS ACFR may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Employees Covered

As of June 30, 2023 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Active employees	12
Inactive employees or beneficiaries currently receiving benefits	1
Inactive employees entitled to, but not yet receiving benefits	<u>-</u>
Total	<u><u>13</u></u>

Contributions

The contribution requirements of plan members and the Authority are established and may be amended by the Joint Powers Commission. The Authority contributes the CalPERS minimum monthly contribution for the retiree or surviving dependent.

The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2025, the Authority's estimated implied subsidy was \$6,650.

12) OTHER POST EMPLOYMENT BENEFITS (continued)

Net OPEB Asset

The Authority's net OPEB asset was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2023 based on the following actuarial methods and assumptions:

Actuarial Assumptions:

Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age
Discount Rate	6.75%
Investment Rate of Return	6.75%
Inflation	2.50% per year
Salary Increases	2.75% per year
Medical Trend	4.00%
Mortality Rate ⁽¹⁾	2021 CalPERS Active Mortality for Miscellaneous and School Employees
Retirement Rates ⁽²⁾	Hired 2013 and later: 2021 CalPERS 2.0%@62 Rates for Miscellaneous Employees Hired 2012 and earlier: 2021 CalPERS 2.7%@55 Rates for Miscellaneous Employees

⁽¹⁾ The mortality assumptions are based on the 2021 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

⁽²⁾ The retirement assumptions are based on the 2021 CalPERS 2.7%@55 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset are summarized in the following table:

Asset Class	Target Allocation	Real Return Years 1-10 ¹
All Equities	59%	7.55%
All Fixed Income	25%	4.25%
Real Estate (REITs)	8%	7.25%
Treasury Inflation Protected Securities (TIPS)	5%	7.55%
All Commodities	3%	3.00%

¹ An expected inflation of 2.0% used for this period

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

12) OTHER POST EMPLOYMENT BENEFITS (continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the OPEB Asset

The changes in the net OPEB asset for the Plan are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2024 (Valuation Date June 30, 2023)	<u>\$ 304,731</u>	<u>\$ 340,039</u>	<u>\$ (35,308)</u>
Changes recognized for the measurement period:			
Service cost	18,180	-	18,180
Interest on the total OPEB liability (asset)	20,840	37,378	(16,538)
Employer contributions	-	10,175	(10,175)
Administrative expense	-	(111)	111
Benefit payments	<u>(10,175)</u>	<u>(10,175)</u>	<u>-</u>
Net Changes	<u>28,845</u>	<u>37,267</u>	<u>(8,422)</u>
Balance at June 30, 2025 (Measurement Date June 30, 2024)	<u>\$ 333,576</u>	<u>\$ 377,306</u>	<u>\$ (43,730)</u>

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the net OPEB asset of the Authority if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability/(Asset)	<u>\$ 332</u>	<u>\$ (43,730)</u>	<u>\$ (80,495)</u>

12) OTHER POST EMPLOYMENT BENEFITS (continued)

Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB asset of the Authority if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability/(Asset)	\$ (93,028)	\$ (43,730)	\$ 17,224

OPEB Plan Fiduciary Net Position

CERBT issues a publicly available financial report that may be obtained from the California Public Employees Retirement System Executive Office, 400 P Street, Sacramento, California 95814.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB asset and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, the Authority recognized OPEB expense of \$29,898. As of June 30, 2025, the Authority reported deferred outflows of resources related to OPEB from the following services:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 17,405	\$ -
Changes of assumptions	147,730	1,302
Differences between expected and actual experience	5,186	189,543
Net difference between projected and actual earnings on OPEB plan investments	6,940	-
Total	<u>\$ 177,261</u>	<u>\$ 190,845</u>

12) OTHER POST EMPLOYMENT BENEFITS (continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

The \$17,405 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2024 measurement date will be recognized as a reduction of the net OPEB liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2026	\$ (3,720)
2027	8,147
2028	(6,716)
2029	(6,923)
2030	(4,038)
Thereafter:	(17,739)

Changes in Assumptions

There were no changes in assumptions since the prior measurement date.

13) COMMITMENTS AND CONTINGENCIES

The Authority is involved with various potential litigation matters. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the financial condition of the Authority.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

The Authority and the former March Joint Powers Redevelopment Agency have entered into developer agreements to attract new business to the areas formerly known as March Air Force Base. The following represents the Authority's significant commitments with certain developers.

13) COMMITMENTS AND CONTINGENCIES (continued)

LNR Riverside, LLC

On December 28, 2001, the West March Disposition and Development Agreement was entered into between the March Joint Powers Redevelopment Agency, LNR Riverside, LLC and the March Joint Powers Authority. The agreement is to develop 1,290 acres of property as West March Business Park. In consideration for the Agency transferring the property to LNR, in accordance with the agreement, LNR agrees to incur substantial costs in developing the property, including but not limited to installation of public infrastructure to service the property. The expected cost of such infrastructure will exceed \$100 million during the term of the agreement. The Agency will benefit from LNR's development of the property, as a result of sales and other tax revenues generated by the property and project and the jobs created by the project. No provision has been made for this commitment on the combined financial statements, as the project is not complete.

March Healthcare Development, LLC

On April 7, 2010, the March Lifecare Campus Disposition and Development Agreement was entered into between the March Joint Powers Redevelopment Agency and March Healthcare Development, LLC (MHD). In consideration for the Agency transferring the property to MHD, MHD will pay fair market value for the property as defined in the Disposition and Development Agreement. The Agency will benefit from March Healthcare's development of the property, as a result of sales and other tax revenues generated by the property and project and the jobs the project will create. The Agency will reimburse the Developer for the cost of certain Horizontal Improvements pursuant to the Agency Note in the principal amount of Twenty Million, Five Hundred Thousand Dollars (\$20,500,000), together with interest thereon at six percent (6%) per annum, payable from 80% of Net Property Tax Increment generated solely by the March Lifecare Campus project. Currently, no provision has been made for this commitment on the financial statements, as the project is not complete.

March Inland Port Airport Authority – Joint Use Agreement with United States Air Force

On February 21, 2001, the March Inland Port Airport Authority (Airport Authority) entered into a Joint Use Agreement (JUA) with the United States Air Force (the Air Force) for the shared use of certain flying facilities at March Air Reserve Base (MARB), California. The agreement was amended in 2008 and 2014 to reflect changes in airport operations and fee structures.

Under the terms of the JUA, the Air Force authorizes civil aircraft operations at MARB, subject to compliance with Federal Aviation Administration regulations, Air Force instructions, and other applicable laws and regulations. The jointly used flying facilities (JUFF) include runways, taxiways, lighting systems, navigational aids, and related infrastructure.

13) COMMITMENTS AND CONTINGENCIES (continued)

March Inland Port Airport Authority – Joint Use Agreement with United States Air Force (continued)

The Airport Authority is responsible, at its own expense, for providing all necessary support facilities for civil aircraft operations, including aircraft parking, fueling facilities, and vehicle parking. The Airport Authority is also responsible for certain maintenance and repair obligations, environmental compliance, air quality and noise mitigation requirements, and security and safety responsibilities associated with civilian operations. The Air Force retains priority use of the facilities for military operations and may temporarily suspend civilian operations for maintenance, emergencies, or military necessity.

Under the current terms of the JUA, the Airport Authority is required to pay the Air Force an annual fee of \$25,000 for aircraft weighing less than 40,000 pounds, in addition to landing fees for aircraft weighing more than 40,000 pounds. These fees are intended to reimburse the Air Force for the Airport Authority's proportionate share of maintenance and repair costs associated with the JUFF and are subject to annual inflation adjustments. Aircraft operating on official government business are exempt from these fees. The Airport Authority is also required to reimburse the Air Force for any services provided in support of civilian operations, including aircraft rescue and fire protection and other operational services, as applicable.

Pursuant to Section 15 of the JUA, major repair projects or new construction related to the JUFF are excluded from the agreement and are subject to separate negotiations and written agreements between the Airport Authority and the local leadership of MARB.

The JUA has an initial term of 25 years, with an automatic 15-year extension provided the Airport Authority remains in compliance with the terms of the agreement. The agreement may be renegotiated, suspended, or terminated under certain conditions, including violations of the agreement or military necessity.

Maintenance Cost Reimbursement

During the fiscal year ended June 30, 2025, the Air Force conducted a review of maintenance costs incurred for the JUFF for the period from 2017 through 2023. Based on this review, the Air Force determined that quarterly remittances previously submitted by the Airport Authority did not fully cover the Airport Authority's proportionate share of maintenance costs for that period. Following an extensive review and reconciliation of the costs by both the Air Force and the Airport Authority's management, it was determined that the Airport Authority owed an additional \$1,903,332 for its share of maintenance costs.

The Airport Authority remitted payment of \$1,903,332 in full to the Air Force in November 2024. The payment is included as part of administrative expenses.

14) FAA OPERATIONAL GRANTS AND RELATED EXPENDITURES

During the fiscal year ended June 30, 2025, the Authority incurred costs totaling \$2,510,564 in connection with federally funded airport projects, consisting of \$2,285,685 for the Taxiway Realignment Project, \$194,548 for the Apron Reconstruction Project, and \$30,331 for the Master Plan Project.

Costs associated with the Taxiway Realignment and Apron Reconstruction Projects were capitalized as construction in progress, as these projects result in improvements to airport infrastructure. Costs related to the Master Plan Project were expensed as incurred and are included in project improvement costs, as such activities are planning in nature and do not result in the acquisition or construction of a capital asset.

The Authority is eligible for reimbursement under federal grant agreements for approximately 90% of eligible costs for the Taxiway Realignment and Apron Reconstruction Projects and 100% for the Master Plan Project. Corresponding grant revenues are recognized as intergovernmental revenue and reported within nonoperating revenues in the accompanying financial statements.

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of March Joint Powers Authority that previously had reported a redevelopment agency within the reporting entity of the Authority as a blended component unit. The Bill provides that upon dissolution of a redevelopment agency, either the Authority or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 18, 2012, the Joint Powers Commission elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of Authority Resolution Number JPA 12-04. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY (continued)

Successor Agency Long-term Obligations

The following is a summary of the changes in the Successor Agency long-term obligations for the year:

Description	Beginning Balance	Obligations Incurred	Obligations Satisfied	Ending Balance	Due within 1 year
2016 Series A Tax Allocation Bond Refunding Bond	\$ 26,630,000	-	\$ (1,030,000)	\$ 25,600,000	\$ 1,075,000
Bond premiums (2016A Tax Allocation Refunding Bond)	2,972,495	-	(174,000)	2,798,495	-
Total Long-term Obligations	<u>\$ 29,602,495</u>	<u>\$ -</u>	<u>\$ (1,204,000)</u>	<u>\$ 28,398,495</u>	<u>\$ 1,075,000</u>

Loans Payable

The aforementioned loans were made by the March Joint Powers Authority (the "Authority") to provide operating funds to the former March Joint Powers Redevelopment Agency. The loans will be repaid from tax increment at such time as excess funds exist. Interest expense incurred during the fiscal year ended June 30, 2025 is \$1,756. The balance was paid-in-full as of June 30, 2025.

2016 Tax Allocation Refunding Bonds - Series A, Direct Borrowing

On September 28, 2016, the Successor Agency to the March Joint Powers Redevelopment Agency issued \$33,095,000 2016 Tax Allocation Refunding Bonds, Series A. The proceeds of these bonds will be used to refinance certain outstanding obligations of the Successor Agency. Interest on the bond is payable August 1st and February 1st of each year. Interest on the bond accrues at rates varying from 1.50% to 5.00% per annum. Principal on the serial bonds is payable in annual installments ranging from \$840,000 to \$2,030,000, commencing August 1, 2018 through August 1, 2041. The reserve requirement is covered by a bond insurance policy. Interest paid during the fiscal year ended June 30, 2025 was \$1,036,178.

Under the bond indenture, the principal due on the bonds is subject to an acceleration upon the occurrence of an event of default. If an event of default occurs, bond owners will be limited to enforcing the obligation of the Successor Agency to repay the bonds on an annual basis to the extent of the tax revenues. No real or personal property in the project area is pledged to secure the bonds and it is not anticipated that the Successor Agency will have available moneys sufficient to redeem all of the bonds upon the occurrence of an event of default.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2025

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY (continued)

Future debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 1,075,000	\$ 1,011,244	\$ 2,086,244
2027	1,125,000	967,244	2,092,244
2028	1,165,000	921,444	2,086,444
2029	1,215,000	882,197	2,097,197
2030	1,240,000	835,250	2,075,250
2031-2035	7,120,000	3,274,125	10,394,125
2036-2040	8,680,000	1,691,200	10,371,200
2040-2041	3,980,000	160,800	4,140,800
Total	<u>\$ 25,600,000</u>	<u>\$ 9,743,504</u>	<u>\$ 35,343,504</u>

Contingencies

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the Authority are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The Authority's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date, by an appropriate judicial authority that would resolve this issue unfavorably to the Authority.

16) SPECIAL ITEM

During the year ended June 30, 2025, the Authority approved the transfer of operational responsibility for Landscaping and Lighting Maintenance District No. 1 (LLMD No. 1) to the County of Riverside pursuant to a joint resolution adopted in June 2025 establishing the terms and conditions of the transition. In connection with this action, the JPA transferred \$2,000,000 to the County representing an initial funding of resources associated with the transfer of operations. As this transaction resulted from a significant, non-routine transfer of operations within the control of management, it has been reported as a special item in the accompanying financial statements.

17) PRIOR PERIOD RESTATEMENT – CORRECTION OF AN ERROR

During the fiscal year ended June 30, 2025, the Authority identified an error in the previously issued fiscal year 2024 financial statements related to costs incurred for the design phase of the Taxiway Realignment and Apron Reconstruction Projects. Design and engineering costs totaling \$523,545 were reported as expenses in fiscal year 2024. These costs should have been capitalized as construction in progress because they were directly attributable to capital projects that resulted in improvements to airport infrastructure.

The error resulted in an understatement of capital assets and net position, and an overstatement of operating expenses, within the March Inland Port Airport Authority Enterprise Fund and the business-type activities of the Authority. The correction has been reflected through a restatement of beginning net position as of July 1, 2024.

The effect of the correction on beginning net position is summarized below:

	Business-Type Activities
Beginning net position, July 1, 2024, as previously reported	\$ 58,290,474
Correction of capitalized design and engineering costs	<u>523,545</u>
Beginning net position, July 1, 2024, as restated	<u><u>\$ 58,814,019</u></u>
	March Inland Port Airport Authority
Beginning net position, July 1, 2024, as previously reported	\$ 48,650,009
Correction of capitalized design and engineering costs	<u>523,545</u>
Beginning net position, July 1, 2024, as restated	<u><u>\$ 49,173,554</u></u>

As a result of this correction, construction in progress at July 1, 2024 increased by \$523,545, and operating expenses reported in fiscal year 2024 were reduced by the same amount. No governmental fund balances were affected by this correction.

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REQUIRED SUPPLEMENTARY INFORMATION

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MARCH JOINT POWERS AUTHORITY
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
as of the Measurement Date
Last Ten Years

Measurement Date	Proportion of the Net Pension Liability ¹	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Pension Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2015	0.016049%	\$ 1,101,618	\$ 1,356,768	81.19%	78.40%
6/30/2016	0.016199%	1,401,724	1,409,298	99.46%	74.06%
6/30/2017	0.016917%	1,677,703	1,338,176	125.37%	73.31%
6/30/2018	0.016719%	1,611,042	1,394,381	115.54%	75.26%
6/30/2019	0.018789%	1,925,299	1,335,661	144.15%	75.26%
6/30/2020	0.019331%	2,103,313	1,485,395	141.60%	75.10%
6/30/2021	0.018843%	1,019,087	1,459,946	69.80%	88.29%
6/30/2022	0.022169%	2,560,783	1,465,266	174.77%	76.68%
6/30/2023	0.022869%	2,853,034	1,459,946	195.42%	76.21%
6/30/2024	0.023407%	2,838,721	1,493,032	190.13%	78.08%

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety

MARCH JOINT POWERS AUTHORITY
Required Supplementary Information
Schedule of Pension Plan Contributions
Last Ten Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2016	\$ 221,020	\$ (221,020)	\$ -	\$ 1,409,298	15.68%
6/30/2017	215,802	(215,802)	-	1,338,176	16.13%
6/30/2018	225,561	(225,561)	-	1,394,381	16.18%
6/30/2019	240,596	(240,596)	-	1,335,661	18.01%
6/30/2020	286,390	(286,390)	-	1,485,395	19.28%
6/30/2021	288,096	(288,096)	-	1,459,946	19.73%
6/30/2022	306,243	(306,243)	-	1,465,266	20.90%
6/30/2023	345,435	(345,435)	-	1,459,946	23.66%
6/30/2024	346,225	(346,225)	-	1,493,032	23.19%
6/30/2025	474,531	(474,531)	-	1,447,830	32.78%

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees such as Golden Handshakes, service purchases, and other prior service costs. Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed

Change in Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

MARCH JOINT POWERS AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net OPEB Asset and Related Ratios
Last Ten Years*

Measurement Period	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service cost	\$ 8,144	\$ 8,368	\$ 8,598	\$ 21,040	\$ 21,619	\$ 21,476	\$ 22,067	\$ 18,180
Interest on the Total OPEB Asset	11,209	12,337	13,531	33,447	36,046	26,080	27,708	20,840
Changes in assumptions	-	-	273,148	-	16,952	-	(1,656)	-
Benefit payments	(3,389)	(3,525)	(4,028)	(32,986)	(41,283)	(27,388)	(30,040)	(10,175)
Experience gains/losses	-	-	2,676	(2,303)	(150,912)	5,540	(125,609)	-
Net change in Total OPEB Liability	15,964	17,180	293,925	19,198	(117,578)	25,708	(107,530)	28,845
Total OPEB Liability, beginning	157,864	173,828	191,008	484,933	504,131	386,553	412,261	304,731
Total OPEB Liability, ending (a)	173,828	191,008	484,933	504,131	386,553	412,261	304,731	333,576
Plan Fiduciary Net Position								
Employer contributions	30,189	37,525	34,028	32,986	41,283	27,388	(30,040)	10,175
Return on fiduciary net position	-	-	-	-	-	-	20,526	37,378
Net investment income	15,722	14,211	17,491	19,584	20,267	(49,410)	-	-
Investment gains/losses	-	759	(2,484)	(9,695)	59,354	-	-	-
Benefit payments	(3,389)	(3,525)	(4,028)	(32,986)	(41,283)	(27,388)	30,040	(10,175)
Administrative expense	(131)	(348)	(51)	(137)	(109)	(94)	(93)	(111)
Other	-	75	-	-	-	-	-	-
Net change in Plan Fiduciary Net Position	42,391	48,697	44,956	9,752	79,512	(49,504)	20,433	37,267
Plan Fiduciary Net Position, beginning	143,802	186,193	234,890	279,846	289,598	369,110	319,606	340,039
Plan Fiduciary Net Position, ending (b)	186,193	234,890	279,846	289,598	369,110	319,606	340,039	377,306
Net OPEB Liability/(Asset), ending (a) - (b)	\$ (12,365)	\$ (43,882)	\$ 205,087	\$ 214,533	\$ 17,443	\$ 92,655	\$ (35,308)	\$ (43,730)
Plan fiduciary net position as a percentage of the total OPEB liability	107.11%	122.97%	57.71%	57.44%	95.49%	77.53%	111.59%	113.11%
Covered-employee payroll ¹	\$ 1,380,853	\$ 1,567,809	\$ 1,320,141	\$ 1,452,353	\$ 1,628,605	\$ 1,699,022	\$ 1,543,260	\$ 1,626,464
Net OPEB liability as a percentage of covered-employee ¹ payroll	-0.90%	-2.80%	15.54%	14.77%	1.07%	5.45%	-2.29%	-2.69%

¹Contributions are fixed and not based on a measure of pay.

* Measurement date 6/30/2017 (fiscal year 2018) was the first year of implementation. Additional years will be presented as information becomes available.

MARCH JOINT POWERS AUTHORITY
Required Supplementary Information
Schedule of OPEB Plan Contributions
Last Ten Years*

Fiscal Year Ended June 30	2018	2019	2020	2021	2022	2023	2024
Statutorily required contributions	\$ 7,187	\$ 4,028	\$ 4,896	\$ 3,432	\$ 1,788	\$ 10,926	\$ 3,768
Contributions in relation to the statutorily required contributions	<u>(37,539)</u>	<u>(34,028)</u>	<u>(39,134)</u>	<u>(3,432)</u>	<u>(1,788)</u>	<u>(10,926)</u>	<u>(3,768)</u>
Contribution deficiency/(excess)	<u>\$ (30,352)</u>	<u>\$ (30,000)</u>	<u>\$ (34,238)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll ¹	\$1,567,809	\$1,320,141	\$1,452,353	\$1,628,605	\$1,699,022	\$1,543,260	\$1,626,464
Contribution as a percentage of covered-employee ¹ payroll	2.39%	2.58%	2.69%	0.21%	0.11%	0.71%	0.23%

* Measurement date 6/30/2017 (fiscal year 2018) was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule:

¹Contributions are fixed and not based on a measure of pay.

Methods and assumptions used to determine contributions:

Actuarial cost method	Entry age
Discount rate	6.75%
Investment rate of return	6.75%
General inflation	2.50%
Medical trend	4.00%
Mortality	2021 CalPERS Retiree Mortality for miscellaneous and school employees

MARCH JOINT POWERS AUTHORITY
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – General Fund
Year Ended June 30, 2025

	Budgeted Amounts			Variance Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Licenses, permits and fees	\$ 2,235,000	\$ 1,230,495	\$ 1,235,406	\$ 4,911
Investment earnings	659,400	659,400	1,413,400	754,000
Lease revenue	150,000	150,000	103,694	(46,306)
Other revenue	332,100	332,100	307,935	(24,165)
Total revenues	3,376,500	2,371,995	3,060,435	688,440
EXPENDITURES				
Current:				
Administration	652,720	535,520	663,449	(127,929)
Salaries and benefits	1,423,800	1,171,867	1,193,433	(21,566)
Police patrols/security	320,000	300,000	198,590	101,410
Contractual/professional services	643,000	663,000	1,070,320	(407,320)
Legal	245,000	440,000	516,734	(76,734)
Planning	935,500	285,500	313,950	(28,450)
Maintenance and lease services	1,631,200	1,733,500	80,373	1,653,127
Buildings and grounds maintenance	115,000	95,000	176,343	(81,343)
Total expenditures	5,966,220	5,224,387	4,213,192	1,011,195
Excess of revenues over expenditures	(2,589,720)	(2,852,392)	(1,152,757)	1,699,635
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of land rights	-	-	1,529,535	1,529,535
Transfers to member agencies	-	-	(1,529,535)	(1,529,535)
Transfer out - Airport fund debt forgiveness	-	(4,569,263)	(4,569,263)	-
Total other financing sources (uses)	-	(4,569,263)	(4,569,263)	-
Net change in fund balance	<u>\$ (2,589,720)</u>	<u>\$ (7,421,655)</u>	(5,722,020)	<u>\$ 1,699,635</u>
Fund balance, beginning			30,834,142	
Fund balance, ending			<u>\$ 25,112,122</u>	

MARCH JOINT POWERS AUTHORITY
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Special Revenue – Meridian LLMD No. 1
Year Ended June 30, 2025

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
Special assessments	\$ 2,488,697	\$ 2,488,697	\$ 2,266,801	\$ (221,896)
Other revenue	-	-	1,648	1,648
Total revenues	2,488,697	2,488,697	2,268,449	(220,248)
EXPENDITURES				
Current:				
Administration	48,178	48,178	123,894	(75,716)
Salaries and benefits	138,545	138,545	141,410	(2,865)
Contractual/professional services	103,720	103,720	53,998	49,722
Project improvement costs	358,000	358,000	46,350	311,650
Maintenance and lease services	332,082	332,082	177,820	154,262
Buildings and grounds maintenance	1,286,400	1,286,400	1,619,800	(333,400)
Capital outlay	46,876	46,876	-	46,876
Total expenditures	2,313,801	2,313,801	2,163,272	150,529
Excess of revenues over expenditures	174,896	174,896	105,177	(69,719)
SPECIAL ITEM				
Transfer of operations to County of Riverside	-	(2,000,000)	(2,000,000)	-
Net change in fund balance	\$ 174,896	\$ (1,825,104)	(1,894,823)	\$ (69,719)
Fund balance, beginning			3,727,650	
Fund balance, ending			\$ 1,832,827	

MARCH JOINT POWERS AUTHORITY
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Special Revenue – March Lifecare Campus CFD 2013-1
Year Ended June 30, 2025

	Budgeted Amounts			Variance Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Special assessments	\$ 62,000	\$ 62,000	\$ 23,897	\$ (38,103)
Total revenues	62,000	62,000	23,897	(38,103)
EXPENDITURES				
Current:				
Administration	5,750	5,750	4,680	1,070
Salaries and benefits	33,736	33,736	45,105	(11,369)
Contractual/professional services	5,000	5,000	5,000	-
Maintenance and Repairs	34,950	34,950	49,869	(14,919)
Buildings and grounds maintenance	26,750	26,750	-	26,750
Total expenditures	106,186	106,186	104,654	1,532
Excess of revenues over expenditures	\$ (44,186)	\$ (44,186)	(80,757)	\$ (36,571)
Fund balance, beginning			136,884	
Fund balance, ending			\$ 56,127	

1. BUDGETARY DATA

The Authority uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The budget is prepared on a biennial basis, every two years.
2. Before the beginning of each biennial budget cycle, the CEO submits to the Finance Committee a proposed budget for the year commencing the following July 1 and the next two fiscal years.
3. The committee reviews the proposed budget and approves submittal to the Commission.
4. The budget is subsequently adopted through passage of a resolution by the Commission.
5. All appropriated amounts are as originally adopted or as amended by the Commissioners and lapse at each fiscal year-end.
6. Original appropriations are modified by supplementary appropriations and transfers among budget categories. The Commission approves all significant changes.
7. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds.
8. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The Authority's budgetary level of control is at the fund level.
9. Budget information is presented for the General and Special Revenue Fund Types.

MARCH INLAND PORT AIRPORT AUTHORITY

ANNUAL AUDIT REPORT

Year Ended June 30, 2025

**MARCH INLAND PORT AIRPORT AUTHORITY
ANNUAL AUDIT REPORT**

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Independent Auditor's Report

To the Board of Commissioners
March Inland Port Airport Authority
Riverside, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the March Inland Port Airport Authority (the Airport), a component unit of the March Joint Powers Authority (the Authority), as of and for the year June 30, 2025, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Airport as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Airport are intended to present the financial position, the changes in financial position and cash flows of only that portion of the business-type activities and the proprietary fund of the Authority that are attributable to the transactions of the Airport. They do not purport, and do not present fairly the financial position of the March JPA Authority as of June 30, 2025, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As described further in Note 10 to the financial statements, during the year ended June 30, 2025, the Authority recorded a prior period restatement. Our opinion is not modified with respect to this matter.

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No.101, Compensated Absences, for the year ended June 30, 2025. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The Airport's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted *Management's Discussion and Analysis* for the Airport that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2026, on our consideration of the Airport's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Airport's internal control over financial reporting and compliance.



Irvine, California
August 11, 2026

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Net Position June 30, 2025

ASSETS

Current assets:	
Cash and cash equivalents	\$ 10,575,728
Receivable, net:	
Accounts	273,178
Interest	34,959
Grants	198,516
Prepaid items	395
Total current assets	<u>11,082,776</u>
Noncurrent assets:	
Leases receivable	76,586,453
Capital assets, not being depreciated	25,226,969
Capital assets, net of depreciation	20,054,310
Net OPEB Asset	10,058
Total noncurrent assets	<u>121,877,790</u>
Total assets	<u>132,960,566</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related items	241,004
OPEB related items	40,770
Total deferred outflows of resources	<u>281,774</u>

LIABILITIES

Current liabilities:	
Accounts payable and accrued liabilities	1,855,981
Unearned revenue	20,833
Compensated absences - current portion	68,828
Total current liabilities	<u>1,945,642</u>
Noncurrent liabilities:	
Compensated absences	36,450
Net pension liability	652,906
Total noncurrent liabilities	<u>689,356</u>
Total liabilities	<u>2,634,998</u>

DEFERRED INFLOWS OF RESOURCES

Leases receivable related items	76,586,453
Pension related items	17,459
OPEB related items	43,894
Total deferred inflows of resources	<u>76,647,806</u>

NET POSITION

Net investment in capital assets	45,281,279
Restricted for net OPEB asset	10,058
Unrestricted	8,668,199
Total net position	<u>\$ 53,959,536</u>

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2025

OPERATING REVENUES

Charges for services	\$ 753,200
Lease income	256,161
Other	<u>26,188</u>
Total operating revenues	<u>1,035,549</u>

OPERATING EXPENSES

Administrative	2,237,173
Professional services	433,291
Salaries and employee benefits	723,489
Repairs and maintenance	168,673
Project improvement costs	30,331
Services and environmental fees	40,616
Depreciation	783,796
Other	<u>5,810</u>
Total operating expenses	<u>4,423,179</u>

Operating income (loss) (3,387,630)

NONOPERATING REVENUES (EXPENSES)

Intergovernmental revenue	1,229,491
Interest income - leases	2,223,548
Investment earnings	255,810
Interest expense	(104,500)
Debt forgiveness from March Joint Powers Authority Advance	<u>4,569,263</u>

Total nonoperating revenues (expenses) 8,173,612

Change in net position 4,785,982

NET POSITION

Beginning of year, as previously reported	48,650,009
Restatement - correction of an error	<u>523,545</u>
Beginning of year, as restated	<u>49,173,554</u>
Net position - ending	<u>\$ 53,959,536</u>

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Cash Flows Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 1,009,897
Cash payments for employee services (salaries)	(664,388)
Cash payments to suppliers for goods and services	<u>(1,157,509)</u>
Net cash used for operating activities	<u>(812,000)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Grants received	<u>1,030,975</u>
Net cash provided by non-capital financing activities	<u>1,030,975</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition and construction of capital assets	<u>(2,480,233)</u>
Net cash used for capital and related financing activities	<u>(2,480,233)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received on investments	220,851
Interest received on leases	<u>2,223,548</u>
Net cash provided by investing activities	<u>2,444,399</u>

Net increase in cash and cash equivalents	183,141
Cash and cash equivalents, beginning of year	<u>10,392,587</u>
Cash and cash equivalents, end of year	<u><u>\$ 10,575,728</u></u>

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating loss	\$ (3,387,630)
Adjustments to reconcile operating Loss to net cash provided by used for operating activities	
Depreciation	783,796
(Increase) decrease in accounts receivable, net	(25,652)
(Increase) decrease in prepaid items	(395)
(Increase) decrease in pension/OPEB related deferred outflows	59,254
Increase (decrease) in accounts payable and accrued liabilities	1,750,831
Increase (decrease) in compensated absences	28,795
Increase (decrease) in net pension liability	(3,292)
Increase (decrease) in net OPEB liability/asset	(1,937)
Increase (decrease) in pension/OPEB related deferred inflows	<u>(15,770)</u>
Total cash used for operating activities	<u><u>\$ (812,000)</u></u>

NON-CASH FINANCING ACTIVITY

Forgiveness of advance from March JPA, including capitalized interest	<u><u>\$ 4,569,263</u></u>
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The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The March Inland Port Airport Authority (the Airport) was formed on June 18, 1997 under a joint exercise of powers agreement between the cities of Perris, Moreno Valley, Riverside, and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of the property formerly known as March Air Force Base.

The Airport's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Airport Commissioners are as follows:

Name	Title	Representing
Michael Vargas	Chairman	City of Perris
Dr. Yxstian Gutierrez	Vice Chair	County of Riverside
Chuck Conder	Commissioner	City of Riverside
Jim Perry	Commissioner	City of Riverside
Maricela Nava	Commissioner	City of Perris
Edward Delgado	Commissioner	City of Moreno Valley
Ulises Cabrera	Commissioner	City of Moreno Valley
Jose Medina	Commissioner	County of Riverside

The March Joint Powers Commission meets on the first and third Wednesday of each month.

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Airport's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Airport reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Airport is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges and space rentals. The Airport financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period in which are earned and expenses are recognized in the period incurred regardless of the timing of related cash flows.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Proprietary funds distinguishes operating revenues and expenses from those revenues and expenses that are nonoperating. Operating revenues are those revenues that are generated by airport services, rents and leases while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of airport services, rents, and leases.

When both restricted and unrestricted resources are available for use, it is the Airport's policy to use restricted first.

C) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents.

D) Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Airport's investments are stated at fair value except for interest-earning investment contracts. As of June 30, 2025, the Airport held no investments therefore, no adjustment is reflected in these financial statements.

E) Uncollectible Accounts Receivable

The Airport uses the allowance method for uncollectible accounts receivable. Currently, the Airport believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

F) Capital Assets

Capital assets, which include land, buildings, building improvements, machinery, vehicles, and infrastructure assets, are reported in the statement of net position. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F) Capital Assets (continued)

Donated capital assets are valued at their estimated acquisition value at the date of donation.

Capital assets with an initial cost of \$5,000 or more, used in operations, are depreciated over their estimated useful lives using the straight-line method. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the statement of net position. The range of lives used for depreciation purposes for each capital asset class is as follows:

Building and improvements	7 - 50 Years
Vehicles	5 Years
Office equipment and furniture	5 Years
Infrastructure	30 - 100 Years

G) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. The Airport reports deferred outflows related to pensions, other post-employment benefits (OPEB), and leases.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. The Airport reports deferred inflows related to unavailable revenues, pensions, OPEB, and leases.

H) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements
Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

I) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Airport's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. The Airport's net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, represents the Airport's proportionate share of the March Joint Powers Airport's related amounts. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2024 to June 30, 2025

J) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Airport's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value. The Airport's net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, represents the Airport's proportionate share of the March Joint Powers Airport's related amounts. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2024 to June 30, 2025

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K) Net Position

Generally accepted accounting principles requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

L) Relationship to the March Joint Powers Authority

The Airport is an integral part of the reporting entity of the March Joint Powers Authority (herein referred to as the Authority). The funds of the Airport have been blended within the financial statements of the March Joint Powers Authority because the Board of Commissioners is the governing board of the Airport and exercises control over the operations of the Airport. Only the funds of the Airport are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the March Joint Powers Authority.

M) Compensated Absences

In accordance with generally accepted accounting principles, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement. All leave benefits are accrued when incurred. The balance as of June 30, 2025 was \$105,278.

	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Compensated absences*	<u>\$ 76,483</u>	<u>\$ 28,795</u>	<u>\$ -</u>	<u>\$ 105,278</u>	<u>\$ 68,828</u>

*The change in the compensated absences liability is presented as a net change.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N) Implementation of New Pronouncement

During the year ended June 30, 2025, the Airport implemented the following new GASB Pronouncements:

GASB Statement No. 101 – Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 102 – Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and cash equivalents	<u>\$ 10,575,728</u>
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Cash and investments consist of the following:

Deposits with financial institutions	<u>\$ 10,575,728</u>
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MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

2) CASH AND INVESTMENTS (continued)

Investments Authorized by the California Government Code and the Airport's Investment Policy

The table below identifies the investment types that are authorized by the Airport's investment policy. The table also identifies certain provisions of the California Government Code (or the Airport's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio ⁽¹⁾	Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. agency securities	5 years	None	None
State of California notes/bonds	5 years	None	None
Banker's acceptances	180 days	40%	30%
Prime commercial paper ⁽²⁾⁽³⁾	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20% of Base Value	None
Medium - Term Notes ⁽³⁾	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75m

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Airport's investment policy.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

2) CASH AND INVESTMENTS (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Airport manages its exposure to interest rates risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the Airport contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Airport's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Airport deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2025, no deposits of the Airport with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2025, the Airport held no investments.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

3) CAPITAL ASSETS

	*Beginning balance	Increases	Decreases	Ending balance
Capital assets, not being depreciated:				
Land	\$ 22,223,191	\$ -	\$ -	\$ 22,223,191
Construction in progress*	523,545	2,480,233	-	3,003,778
Total capital assets, not being depreciated	22,746,736	2,480,233	-	25,226,969
Capital assets, being depreciated:				
Building and improvements	20,632,398	-	-	20,632,398
Vehicles	36,352	-	-	36,352
Infrastructure	9,157,183	-	-	9,157,183
Total capital assets, being depreciated	29,825,933	-	-	29,825,933
Less accumulated depreciation:				
Buildings and improvements	(6,866,772)	(550,835)	-	(7,417,607)
Vehicles	(16,011)	(5,193)	-	(21,204)
Infrastructure	(2,105,044)	(227,768)	-	(2,332,812)
Total accumulated depreciation	(8,987,827)	(783,796)	-	(9,771,623)
Total capital assets, being depreciated, net	20,838,106	(783,796)	-	20,054,310
Capital assets, net of depreciation	\$ 43,584,842	\$ 1,696,437	\$ -	\$ 45,281,279

* Includes prior period restatement of \$523,545 to construction in progress. See Note 10 for details.

Reclassification of Capital Assets

During the fiscal year ended June 30, 2025, the Airport reclassified \$7,047,001 of capital assets and \$1,507,158 of accumulated depreciation from buildings and improvements to infrastructure.

The reclassification was made to more appropriately reflect the nature of these assets and to provide more transparent and meaningful financial reporting. This reclassification had no effect on total capital assets, net position, or changes in net position for the fiscal year.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

4) LEASES RECEIVABLE

Long-term leases

The Airport entered into several long-term leases with various private entities. The leases vary in length from 18 months to 516 months. Payments on the leases are due monthly, except for one lease which has semi-annual payments. In addition, one other lease requires only half of the monthly payment to be paid with the other half accruing during the year with a balloon payment due after twelve months. During the year, the Airport recognized \$2,223,548 and \$256,161 in interest and lease revenue, respectively. As of June 30, 2025, the remaining lease receivable and deferred inflows of resources related to leases is \$76,586,453.

Short-term Leases

The Airport also leases 111 housing units in the area known as Green Acres. The leases are considered month-to-month leases; therefore, no lease receivable or related deferred amounts have been recorded in the financial statements.

5) ADVANCES PAYABLE

During the year ended June 30, 2025, the Authority's Commission approved the forgiveness of amounts previously advanced from the March Joint Powers Authority to the Airport. The amount forgiven totaled \$4,569,263, consisting of \$2,687,896 of principal and \$1,881,367 of previously capitalized interest. The forgiveness is reported as a nonoperating expense on these statements.

6) PENSION PLAN

The Airport participates in the Public Employees' Retirement System of the State of California covering all of its permanent employees. The excess, if any, of the actuarially computed value of vested benefits over the amounts available in the pension fund would be a liability of the March Joint Powers Authority as a whole, not of the Airport. Information regarding the plan description, funding status, actuarially determined contribution requirements and contributions made, and trend information may be found in the March Joint Powers Authority basic financial statements.

The Airport's share of the net pension liability at June 30, 2025 was \$652,906.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

6) PENSION PLAN (continued)

As of June 30, 2025 the Airport had deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 16,781	\$ -
Differences between expected and actual experience	56,450	2,203
Differences between projected and actual investment earnings	37,587	-
Differences between employer's contributions and proportionate share of contributions	-	15,256
Change in employer's proportion	21,044	-
Pension contributions made subsequent to the measurement date	109,142	-
	<u>\$ 241,004</u>	<u>\$ 17,459</u>

7) OTHER POST EMPLOYMENT BENEFITS (OPEB)

The Airport participates in the Public Agency portion of the California Employers' Retiree Benefit Trust Fund (CERBT), administered by California Public Employees' Retirement System covering all eligible retired employees and qualified dependents. The excess, if any, of the actuarially computed value of vested benefits over the amounts available in the CERBT fund would be a liability of the March Joint Powers Authority as a whole, not of the Airport. Information regarding the plan description, funding status, actuarially determined contribution requirements and contributions made, and trend information may be found in the March Joint Powers Authority basic financial statements.

The Airport's share of the net OPEB asset at June 30, 2025 was \$10,058.

As of June 30, 2025 the Airport had deferred outflows and deferred inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 33,978	\$ -
Differences between expected and actual experience	1,193	299
Net difference between projected and actual earnings on OPEB plan investments	1,596	43,595
OPEB contributions subsequent to measurement date	4,003	-
	<u>\$ 40,770</u>	<u>\$ 43,894</u>

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

8) COMMITMENTS AND CONTINGENCIES

Grant Awards

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, however, the Airport believes that such disallowances, if any, would not be significant. Grant purchased or contributed properties, when sold, are required to be used for airport operations.

March Inland Port Airport Authority – Joint Use Agreement with United States Air Force

On February 21, 2001, the March Inland Port Airport Authority (Airport) entered into a Joint Use Agreement (JUA) with the United States Air Force (the Air Force) for the shared use of certain flying facilities at March Air Reserve Base (MARB), California. The agreement was amended in 2008 and 2014 to reflect changes in airport operations and fee structures.

Under the terms of the JUA, the Air Force authorizes civil aircraft operations at MARB, subject to compliance with Federal Aviation Administration regulations, Air Force instructions, and other applicable laws and regulations. The jointly used flying facilities (JUFF) include runways, taxiways, lighting systems, navigational aids, and related infrastructure.

The Airport is responsible, at its own expense, for providing all necessary support facilities for civil aircraft operations, including aircraft parking, fueling facilities, and vehicle parking. The Airport is also responsible for certain maintenance and repair obligations, environmental compliance, air quality and noise mitigation requirements, and security and safety responsibilities associated with civilian operations. The Air Force retains priority use of the facilities for military operations and may temporarily suspend civilian operations for maintenance, emergencies, or military necessity.

Under the current terms of the JUA, the Airport is required to pay the Air Force an annual fee of \$25,000 for aircraft weighing less than 40,000 pounds, in addition to landing fees for aircraft weighing more than 40,000 pounds. These fees are intended to reimburse the Air Force for the Airport's proportionate share of maintenance and repair costs associated with the JUFF and are subject to annual inflation adjustments. Aircraft operating on official government business are exempt from these fees. The Airport is also required to reimburse the Air Force for any services provided in support of civilian operations, including aircraft rescue and fire protection and other operational services, as applicable.

Pursuant to Section 15 of the JUA, major repair projects or new construction related to the JUFF are excluded from the agreement and are subject to separate negotiations and written agreements between the Airport and the local leadership of MARB.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

8) COMMITMENTS AND CONTINGENCIES (continued)

March Inland Port Airport Authority – Joint Use Agreement with United States Air Force (continued)

The JUA has an initial term of 25 years, with an automatic 15-year extension provided the Airport remains in compliance with the terms of the agreement. The agreement may be renegotiated, suspended, or terminated under certain conditions, including violations of the agreement or military necessity.

Maintenance Cost Reimbursement

During the fiscal year ended June 30, 2025, the Air Force conducted a review of maintenance costs incurred for the JUFF for the period from 2017 through 2023. Based on this review, the Air Force determined that quarterly remittances previously submitted by the Airport did not fully cover the Airport's proportionate share of maintenance costs for that period. Following an extensive review and reconciliation of the costs by both the Air Force and the Airport's management, it was determined that the Airport owed an additional \$1,903,332 for its share of maintenance costs.

The Airport remitted payment of \$1,903,332 in full to the Air Force in November 2024. The payment is included as part of administrative expenses.

9) FAA OPERATIONAL GRANTS AND RELATED EXPENDITURES

During the fiscal year ended June 30, 2025, the Airport incurred costs totaling \$2,510,564 in connection with federally funded airport projects, consisting of \$2,285,685 for the Taxiway Realignment Project, \$194,548 for the Apron Reconstruction Project, and \$30,331 for the Master Plan Project.

Costs associated with the Taxiway Realignment and Apron Reconstruction Projects were capitalized as construction in progress, as these projects result in improvements to airport infrastructure. Costs related to the Master Plan Project were expensed as incurred and are included in project improvement costs, as such activities are planning in nature and do not result in the acquisition or construction of a capital asset.

The Airport is eligible for reimbursement under federal grant agreements for approximately 90% of eligible costs for the Taxiway Realignment and Apron Reconstruction Projects and 100% for the Master Plan Project. Corresponding grant revenues are recognized as intergovernmental revenue and reported within nonoperating revenues in the accompanying financial statements.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements
Year Ended June 30, 2025

10) PRIOR PERIOD RESTATEMENT – CORRECTION OF AN ERROR

During the fiscal year ended June 30, 2025, the Airport identified an error in the previously issued fiscal year 2024 financial statements related to costs incurred for the design phase of the Taxiway Realignment and Apron Reconstruction Projects. Design and engineering costs totaling \$523,545 were reported as expenses in fiscal year 2024. These costs should have been capitalized as construction in progress because they were directly attributable to capital projects that resulted in improvements to airport infrastructure.

The error resulted in an understatement of capital assets and net position, and an overstatement of operating expenses. The correction has been reflected through a restatement of beginning net position as of July 1, 2024.

The effect of the correction on beginning net position is summarized below:

Net position, as previously reported	\$ 48,650,009
Restatement for correction of an error	<u>523,545</u>
Net position, as restated	<u><u>\$ 49,173,554</u></u>

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS UTILITIES AUTHORITY

MJPUA Operations - Consent Calendar
Agenda Item No. 11 (1)

Meeting Date: October 7, 2026

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

Motion: Move to receive and file the Financial Status Reports

Background:

The monthly Financial Status Reports is a summary of operational income and expenses for the months of June, July and August 2026 and for the fiscal years to date. It provides a summary of the March Joint Powers Utilities Authority's (MJPUA) ongoing activities related to the approved FY 2025-26 and 2026-27 budgets.

Attachment(s): Financial Status Reports for June, July, August 2026.

March Joint Powers Authority

Balance Sheet

March Joint Powers Utility Authority Fund 600

As of June 30, 2026

ASSETS

Cash In Bank	\$	203,644.20
Accounts Receivable		<u>109,110.72</u>
Total Assets	\$	<u><u>312,754.92</u></u>

LIABILITIES

Payroll Liabilities		48,611.80
JPA Loan Payable		<u>450,000.00</u>
Total Liabilities		<u>518,571.93</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year		(153,359.90)
Change in Fund Balance for the month ending June 30, 2026		<u>(52,457.11)</u>
Ending Fund Balance, June 30, 2026		<u>(205,817.01)</u>
Total Liabilities and Net Position	\$	<u><u>312,754.92</u></u>

March Joint Powers Authority

Balance Sheet

March Joint Powers Utility Authority Fund 600

As of July 31, 2026

ASSETS

Cash In Bank	\$ 147,014.42
Accounts Receivable	<u>109,110.72</u>
Total Assets	<u><u>\$ 256,125.14</u></u>

LIABILITIES

Payroll Liabilities	52,023.68
JPA Loan Payable	<u>450,000.00</u>
Total Liabilities	<u>506,685.33</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	(205,817.01)
Change in Fund Balance for the month ending July 31, 2026	<u>(44,743.18)</u>
Ending Fund Balance, July 31, 2026	<u>(250,560.19)</u>
Total Liabilities and Net Position	<u><u>\$ 256,125.14</u></u>

March Joint Powers Authority

Balance Sheet

March Joint Powers Utility Authority Fund 600

As of August 31, 2026

ASSETS

Cash In Bank	\$ 140,357.71
Accounts Receivable	<u>113,765.26</u>
Total Assets	<u><u>\$ 254,122.97</u></u>

LIABILITIES

Payroll Liabilities	52,023.68
JPA Loan Payable	<u>450,000.00</u>
Total Liabilities	<u>503,835.33</u>

FUND BALANCE

Net Position, Beginning of Fiscal Year	(205,817.01)
Change in Fund Balance for the month ending August 31, 2026	<u>(43,895.35)</u>
Ending Fund Balance, August 31, 2026	<u>(249,712.36)</u>
Total Liabilities and Net Position	<u><u>\$ 254,122.97</u></u>

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS UTILITIES AUTHORITY

MJPUA Operations - Consent Calendar
Agenda Item No. 11 (2)

Meeting Date: October 7, 2026

Action: **APPROVE JUNE, JULY AND AUGUST 2026**
DISBURSEMENTS

Motion: Move to approve check disbursements for the months of June, July and August 2026 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 months of June, July and August 2026 for the MJPUA. A listing of those checks is attached and will be reported in the minutes as an action item.

Attachment(s): Listing of checks disbursed in June, July and August 2026 for the March Joint Powers Utilities Authority.

Accounts Payable

Checks by Date - Summary by Check Number

User: mnaves@marchjpa.com
Printed: 10/2/2026 5:50 PM



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

Check No	Vendor No	Vendor Name	Check Date		Void Checks	Check Amount
6001107	SoCalGas	SoCalGas	06/04/2026		0.00	12,448.48
6001108	SoCalGas	SoCalGas	06/11/2026	VOID	12,448.48	0.00
Report Total (2 checks):					12,448.48	12,448.48

Accounts Payable

Checks by Date - Summary by Check Number

User: mnaves@marchjpa.com
Printed: 10/2/2026 6:07 PM



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

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
6001111	NPL	NPL Construction Co.	07/16/2026	0.00	53,769.78
6001112	UNDER2	Underground Service Alert /SC	07/16/2026	0.00	10.00
Report Total (2 checks):				0.00	53,779.78

Accounts Payable

Checks by Date - Summary by Check Number

User: mnaves@marchjpa.com
Printed: 10/2/2026 6:12 PM



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

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
6001113	UNDER2	Underground Service Alert /SC	08/20/2026	0.00	10.00
6001115	BankofAm	Bank Of America	08/20/2026	0.00	3,796.71
Report Total (2 checks):				0.00	3,806.71

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS UTILITIES AUTHORITY

MJPUA - Reports, Discussions and Action Items
Agenda Item No. 12 (1)

Meeting Date: October 7, 2026

Report: **RECEIVE AND FILE THE FISCAL YEAR 2024-25**
AUDIT OF MARCH JOINT POWERS UTILITIES
AUTHORITY

Motion: Move to receive and file the Fiscal Year 2024-25 Audit of March Joint Powers Utilities Authority.

Background:

The Fiscal Year 2024-25 audit of the March Joint Powers Utilities Authority entities was completed by Davis Farr LLP. Here to present the results of the audit is Jonathan Foster of Davis Farr LLP.

Attachment(s): March Joint Powers Utilities Authority Audit Financial Report

MARCH JOINT POWERS UTILITIES AUTHORITY
ANNUAL AUDIT REPORT
Year Ended June 30, 2025

**MARCH JOINT POWERS UTILITIES AUTHORITY
ANNUAL AUDIT REPORT**

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Independent Auditor's Report

To the Board of Commissioners
March Joint Powers Utilities Authority
Riverside, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the March Joint Powers Utilities Authority (the Utilities Authority), a component of the March Joint Powers Authority (the Authority), as of and for the year June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Utilities Authority, as of June 30, 2025, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Utilities Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The Utilities Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utilities Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Utilities Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utilities Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Utilities Authority are intended to present the financial position, the changes in financial position and cash flows of only that portion of the business-type activities and the proprietary fund of the Authority that are attributable to the Utilities Authority. They do not purport, and do not present fairly the financial position of the March JPA Authority as of June 30, 2025, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Management has omitted *Management's Discussion and Analysis* for the Utilities Authority that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2026, on our consideration of the Utilities Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Utilities Authority's internal control over financial reporting and compliance.



Irvine, California
August 11, 2026

MARCH JOINT POWERS UTILITIES AUTHORITY

Statement of Net Position

June 30, 2025

ASSETS

Cash	\$ 230,904
Accounts receivable	<u>82,075</u>
Total assets	<u>312,979</u>

LIABILITIES

Current liabilities:	
Accounts payable and accrued liabilities	16,339
Noncurrent liabilities:	
Advances from the March Joint Powers Authority	<u>450,000</u>
Total liabilities	<u>466,339</u>

NET POSITION (DEFICIT)

Unrestricted	<u>(153,360)</u>
Total net position	<u><u>\$ (153,360)</u></u>

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

Statement of Revenues, Expenses, and Changes in Net Position Year Ended June 30, 2025

OPERATING REVENUES

Charges for services	<u>\$ 268,779</u>
Total operating revenues	<u>268,779</u>

OPERATING EXPENSES

Administrative	5,500
Purchased water/utilities	205,836
Repairs and maintenance	<u>64</u>
Total operating expenses	<u>211,400</u>
Operating income	57,379

NET POSITION (DEFICIT)

Beginning of year	<u>(210,739)</u>
End of year	<u><u>\$ (153,360)</u></u>

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

Statement of Cash Flows Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 229,226
Cash payments to suppliers for goods and services	<u>(195,103)</u>

Net cash provided by operating activities	<u>34,123</u>
---	---------------

Net increase in cash and cash equivalents	34,123
---	--------

Cash and cash equivalents, beginning of year	<u>196,781</u>
--	----------------

Cash and cash equivalents, end of year	<u><u>\$ 230,904</u></u>
--	--------------------------

RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income	\$ 57,379
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) decrease in accounts receivable	(39,553)
Increase (decrease) in accounts payable and accrued liabilities	<u>16,297</u>

Net cash provided by operating activities	<u><u>\$ 34,123</u></u>
---	-------------------------

No cash investing of financing activities during the year ended June 30, 2025.

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The March Joint Powers Utilities Authority (the "Utilities Authority") was formed on August 8, 2002, by the City of Moreno Valley, a general law city of the State of California, the City of Perris, a general law city of the State of California, and the City of Riverside, a charter city and municipal corporation of the State of California. The purpose of the Utilities Authority is to provide construction, completion, reconstruction, extension, change, enlargement, acquisition, leasing, operation, maintenance, repair, and control of facilities for the generation, transmission, distribution, and sale of utilities and utility service. The sale and service of utilities will be to municipalities, public utility districts, corporations, businesses, or persons located at the property formerly known as March Air Force Base.

The Utilities Authority's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Authority Commissioners, as of June 30, 2025, are as follows:

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Michael Vargas	Chairman	City of Perris
Chuck Conder	Vice Chair	City of Riverside
Jim Perry	Commissioner	City of Riverside
Maricela Nava	Commissioner	City of Perris
Edward Delgado	Commissioner	City of Moreno Valley
Ulises Cabrera	Commissioner	City of Moreno Valley

The Joint Powers Utilities Authority Commission meets on the first and third Wednesday of each month.

The County of Riverside is a member agency of the March Joint Powers Authority, the primary government of the Utilities Authority. However, the County of Riverside elected not to be a member agency of the Utilities Authority.

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Utilities Authority's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Utilities Authority reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Utilities Authority is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and space rentals. The Utilities Authority's financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period earned and expenses are recognized in the period incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from those revenues and expenses that are non-operating. Operating revenues are those revenues that are generated by utility services while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of utility services.

When both restricted and unrestricted resources are available for use, it is the Utilities Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

C) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents.

D) Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Utilities Authority's investments are stated at fair value except for interest-earning investment contracts. As of June 30, 2025, the Utilities Authority held no investments therefore, no adjustment is reflected in these financial statements.

E) Uncollectible Accounts Receivable

The Utilities Authority uses the allowance method for uncollectible accounts receivable. Currently, the Utilities Authority believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F) Net Position

Generally accepted accounting principles require that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted. Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

G) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

H) Relationship to the March Joint Powers Authority

The Utilities Authority is an integral part of the reporting entity of the March Joint Powers Authority. The funds of the Utilities Authority have been blended within the financial statements of the March Joint Powers Authority because the Board of Commissioners, excluding the County of Riverside Commissioners, is the governing board of the Utilities Authority and exercises control over the operations of the Utilities Authority. Only the funds of the Utilities Authority are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the March Joint Powers Authority.

I) Implementation of New Pronouncements

During the year ended June 30, 2025, the Authority implemented the following new GASB Pronouncements:

GASB Statement No. 101 – Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 102 – Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash	<u>\$ 230,904</u>

Cash and investments consist of the following:

Deposits with financial institutions	<u>\$ 230,904</u>
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Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Utilities Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Utilities Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio ⁽¹⁾	Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
State of California notes/bonds	5 years	None	None
Banker's acceptances	180 days	40%	30%
Prime commercial paper ⁽²⁾⁽³⁾	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20% of Base Value	None
Medium - Term Notes ⁽³⁾	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75m

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee, are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Utilities Authority's investment policy.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

2) CASH AND INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the Utilities Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2025, no deposits of the Utilities Authority with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2025, the Utilities Authority held no investments.

Fair Value Measurements

The Utilities Authority has no investments subject to the fair value hierarchy.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2025

3) ADVANCES PAYABLE

The Utilities Authority received temporary cash advances from the primary government (March Joint Powers Authority) to fund administrative costs until March Joint Powers Utilities reaches a point that it is self-sustaining. There is no stipulated due date on the advances. The \$450,000 advances are made up of several advances from past years. On June 15, 2011, the March Joint Powers Authority forgave all interest on the advances and waived any future interest earned on the advances.

4) DEFICIT NET POSITION

The Utilities Authority has a deficit net position of \$153,360 for the year ending June 30, 2025. This deficit is expected to be eliminated by revenue in future periods.