

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



183

FROM: Executive Office

SUBMITTAL DATE:
November 25, 2015

SUBJECT: First Amendment to the Agreement for the Provision of Governmental Municipal Services and Distribution of Certain Revenues Between the County and the March Joint Powers Authority.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached First Amendment to the agreement with the March Joint Powers Authority; and,
2. Authorize the Chairman to sign the agreement on behalf of the County.

BACKGROUND:

Summary

The First Amendment to the agreement continues the terms and conditions previously approved by the Board on June 19, 2007, and also updates certain responsibilities. The original agreement was for five years with one automatic renewal. This agreement requests that the Board consider an extension of five additional years, taking the contract to FY 2021/22. (continued)

Departmental Concurrence

Alex Gann

Alex Gann
Deputy County Executive Officer

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	
SOURCE OF FUNDS: N/A				Budget Adjustment: N/A	
				For Fiscal Year: 16/17- 21/22	

C.E.O. RECOMMENDATION:

APPROVE

BY: *George A. Johnson*

George A. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Washington and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Tavaglione, Washington, Benoit and Ashley
 Nays: Jeffries
 Absent: None
 Date: December 15, 2015
 xc: EO

Kecia Harper-Ihem
Clerk of the Board

By: *Kecia Harper-Ihem*
Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: 7/19/2007, 3.41 | District: 1/5 | Agenda Number:

3-44

BACKGROUND:

Summary (continued)

Both the JPA and County staff have reviewed the municipal services agreement and have made minor updates to reflect changes that have occurred since the JPA's inception. In addition, revenue sharing has been modified to include an annual revenue cap of \$750,000; which includes an operational budget (\$600,000) and business incentives of up to \$150,000, to a maximum of \$750,000 per year. This maximum funding level is based on the available sales and use tax/franchise fee revenue generated within the JPA boundary and does not obligate county general funds if revenues do not rise to the projected levels.

Impact on Residents and Businesses

There will be no impact to residents or businesses.

SUPPLEMENTAL:

Additional Fiscal Information

N/A

Contract History and Price Reasonableness

N/A

**FIRST AMENDMENT TO AGREEMENT
FOR THE PROVISION OF GOVERNMENTAL MUNICIPAL SERVICES
AND DISTRIBUTION OF CERTAIN REVENUES BETWEEN
THE COUNTY OF RIVERSIDE AND
THE MARCH JOINT POWERS AUTHORITY**

This First Amendment to the Agreement for the Provision of Governmental Municipal Services and Distribution of Certain Revenues between the County of Riverside and the March Joint Powers Authority ("First Amendment") is made and entered into this 15 day of December 2015, by and between the County of Riverside, a California governmental agency ("the County"), and the March Joint Powers Authority ("the Authority"), a California Joint Powers Authority, who together are sometimes referred to herein individually as "Party" or collectively as the "Parties."

1. Recitals.

- a. The Parties entered into an Agreement for the Provision of Governmental Municipal Services and Distribution of Certain Revenues on June 19, 2007 ("Agreement").
- b. The Agreement identifies certain municipal services that are to be provided by each Party within the Reuse Territory and identifies those governmental revenues to be allocated by the County to the Authority in consideration of the Authority providing those municipal services within the Reuse Territory.
- c. Both Parties now desire to extend the Agreement for an additional five (5) years.

2. Amendments.

- a. Section 3.2 is hereby replaced in its entirety with the following:
"3.2 Term. This Agreement shall remain in effect until June 30, 2022, unless terminated as set forth in Section 8 of this Agreement."
- b. Section 3.3.13 is hereby added to read as follows:
"3.3.13 Annual Inspections. Annual building code, fire, and NPDES inspections. The Authority will handle the enforcement of all actions arising from building code and NPDES inspections."
- c. Section 3.4.7 is hereby replaced in its entirety with the following:
"3.4.7 Annual Inspections – Enforcement. The County will handle the enforcement of all actions arising from the Annual Inspections referenced

in Section 3.3.13 with the exception of those arising from building code or NPDES inspections.”

d. Section 4.2 is hereby amended in its entirety with:

“4.2 Sales and Use Taxes & Franchise Fees.

Sales and Use Taxes. All sales, and use taxes generated within the Reuse Territory during the term of this Agreement to which the County is otherwise entitled shall be collected by and thereafter allocated and remitted by the County to the Authority, for use by the Authority in funding the governmental municipal services described in this Agreement until such time as all, or any portion, of the Reuse Territory is annexed to one or more of the Municipal Entities, at which time the Governmental Revenues generated by such portion of the Reuse Territory shall be allocated as provided for by the terms and conditions of such annexation. The County shall collect all such sales and use tax revenue and shall provide the funds to the Authority, in the manner to be mutually agreed upon by the Parties.

Franchise Fees. All franchise fees arising from the use, operation or possession of franchises within the Reuse Territory granted by the County to which the County is entitled less such franchise fees paid by the County during the term of this Agreement shall be collected and allocated by the County to the Authority for use by the Authority in funding the services described in this Agreement until such time as all, or any portion, of the Reuse Territory is annexed to one or more of the Municipal Entities, at which time the Governmental Revenues generated by such portion of the Reuse Territory shall be allocated as provided for by the terms and conditions of such annexation.

Notwithstanding the foregoing, Sales and Use Taxes and Franchise Fees will be initially capped at \$600,000, for Authority operational budget purposes. Should Sales and Use Taxes and Franchise Fees increase beyond \$600,000, the County will make available additional revenue to be utilized for business incentive purposes to promote economic development. The County Executive Office and the Economic Development Agency will administer the approval of business incentives, which will occur on a reimbursement basis. Business incentives will be limited to the reimbursement of offsite infrastructure improvement costs, utility connection and capacity charges, environmental and planning fees, as well as renewable energy facility improvements. Business incentives are to be capped at \$150,000, revenue allowing. The County bears no obligation to pay for these activities if revenues do not increase to these stipulated levels. In no event will the County allocate more than \$750,000 annually to the Authority, revenue permitting”

- e. Section 4.4 is hereby deleted in its entirety.
- f. Section 8.1 is hereby replaced in its entirety with the following:

“8.1 Termination. This Agreement shall remain in effect for the duration of the term as set forth in Section 3.2 unless the Authority ceases to operate and exist, at which point this Agreement shall be deemed terminated.”

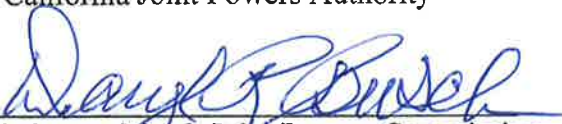
3. Continuing Effect of Agreement. All terms and conditions of the Agreement shall remain in full force and effect except as expressly changed by this First Amendment. All definitions in the Agreement shall apply to this First Amendment.

SIGNATURES ON FOLLOWING PAGE

**SIGNATURE PAGE TO
FIRST AMENDMENT TO
AGREEMENT FOR THE PROVISION OF GOVERNMENTAL MUNICIPAL
SERVICES AND DISTRIBUTION OF CERTAIN REVENUES BETWEEN THE
COUNTY OF RIVERSIDE
AND THE MARCH JOINT POWERS AUTHORITY**


IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

MARCH JOINT POWERS AUTHORITY
a California Joint Powers Authority


Chairman, March Joint Powers Commission

ATTEST:


Authority Secretary

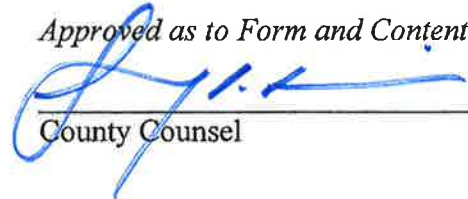
Approved as to Form and Content:

Authority Counsel

COUNTY OF RIVERSIDE
a California Governmental Agency


Chairman, Board of Supervisors
MARION ASHLEY

ATTEST: **KECIA HARPER-IHEM**


Clerk of the Board

Approved as to Form and Content:

County Counsel