

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



**ITEM: 3.5  
(ID # 18916)**

**MEETING DATE:**  
Tuesday, July 26, 2022


**FROM :** EXECUTIVE OFFICE:


**SUBJECT:** EXECUTIVE OFFICE: Approval of Second Amendment to the Agreement for the Provision of Governmental Municipal Services and Distribution of Certain Revenues Between the County and March Joint Powers Authority for Through June 30, 2025 and Approval of a Budget Adjustment in the Amount of \$370,000 in FY21/22. All Districts. [\$3,840,000 Total Cost; 100% General Fund] (4/5th Vote Required)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve Amendment No. 2 to the Municipal Services Agreement with March Joint Powers Authority (March JPA) for the provision of certain services to be provide by the County of Riverside and certain services to be provided by March JPA in the subject area through June 30, 2025, and authorize the Chairman to sign on behalf of the County; and
2. Approve and Direct the Auditor-Controller to make the budget adjustments increasing appropriations and estimated revenue for FY 21/22 in Schedule A.

**ACTION:**

  
Cynthia M. Gurnzel, Chief Deputy County Counsel 6/7/2022

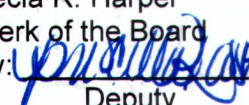
  
Juan C. Perez, Chief Operating Officer 7/19/2022

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: July 26, 2022  
xc: EO

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$370,000	\$1,280,000	\$ 3,840,000	\$1,280,000
<b>NET COUNTY COST</b>	\$370,000	\$1,280,000	\$ 3,840,000	\$1,280,000
<b>SOURCE OF FUNDS:</b> 100% General Fund – including Transient Occupancy Tax (TOT), property tax and franchise fees.			<b>Budget Adjustment:</b> Yes	
			<b>For Fiscal Year:</b> 21/22-24/25	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The County of Riverside entered into a Municipal Services Agreement to outline responsibilities by each agency and funding to the March Joint Powers Authority (March JPA) for services provided in the subject area. The original agreement was approved by the Board of Supervisors on June 19, 2007 (Item 3.41). The First Amendment was approved by the Board of Supervisors on December 15, 2015 (Item 3.44), which made some minor updates and modified the revenue sharing component. The Second Amendment extends the current terms of the agreement to June 30, 2025. All other terms remain the same as the previous amendment. This extension of time will allow for the continuation of operations as the four member agencies work toward the restructuring of the JPA operations, duties, service division, and revenues.

The Second Amendment has been approved as to form by County Counsel.

**Impact on Residents and Businesses**

The amendment to the agreement does not have a direct impact on residents or businesses.

**Additional Fiscal Information**

The First Amendment provided \$600,000 annually, with an option to provide \$150,000 on a reimbursement basis toward economic development. It included a cap of \$750,000 to the JPA. To date, the JPA has not requested any reimbursement of the optional \$150,000 for economic development reimbursement. The maximum funding from sales and use tax and franchise fees to the JPA does not change; however, funding to the JPA has increased this fiscal year and will continue to do so, as the original agreement includes a term that calls for one hundred (100) percent of the Transient Occupancy Tax (TOT) generated in the area to go to the JPA. There are TOT funds now being generated due to the opening of a hotel in the JPA Area. The JPA Commission will provide direction on the use of these funds. Therefore, TOT is in addition to the \$750,000 cap. There is no new impact on the general fund, as the county has only recently received TOT from that area.



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A budget adjustment in the amount of \$370,000 for FY 21/22 is necessary to provide TOT to the JPA this fiscal year. This reflects the actuals for two quarters and an estimate for the remaining quarter; no TOT was received in the first quarter of FY 21/22. A budget adjustment will be included in 1Q FY 22/23. The department will have a better estimate of the full fiscal year. Currently, the estimate is \$530,000 for TOT annually.

The total cost reflected in the fiscal box above reflects the estimated amount for the Second Amendment. The current fiscal year costs is for the budget adjustment necessary for this fiscal year. It is not reflected in the total cost as it was part of the original agreement on June 19, 2007 (Item 3.41) and extension of term June 19, 2007 (Item 3.41) approval. Only a budget adjustment is necessary to provide payment.

**Schedule A**

Increase appropriations:		
10000-1102900000-536200	Contrib to Non-County Agency	\$370,000
Increase estimated revenue:		
10000-1102900000-781360	Other Misc. Revenue	370,000

  
Heydee Koury, Sr Accountant - Auditor 6/7/2022

**SECOND 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 Second 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 1st day of June 2022, 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 Authority in consideration of the Authority providing those municipal services within the Reuse Territory.
- c. The Agreement was amended (First Amendment) on December 15, 2015, with a five (5) year extension period that expires on June 30, 2022.
- d. Both Parties now desire to extend the Agreement for an additional three (3) 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, 2025, unless terminated as set forth in Section 8 of this Agreement"

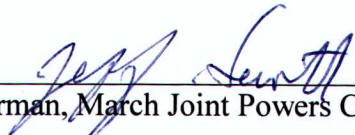
3. **Continuing Effect of Agreement.** All terms and conditions of the Agreement shall remain in full force and effect except as expressly changed by this Second Amendment. All definitions in the Agreement shall apply to this Second Amendment.

SIGNATURES ON FOLLOWING PAGE

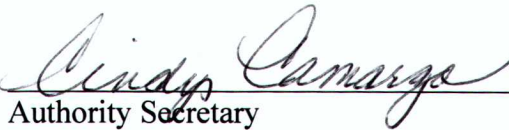
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**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the date and year first-above written.

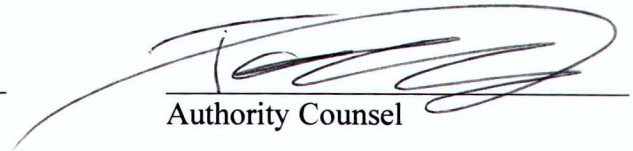
**MARCH JOINT POWERS AUTHORITY**  
a California Joint Powers Authority

  
\_\_\_\_\_  
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  
**JEFF HEWITT**

ATTEST:

  
\_\_\_\_\_  
Clerk of the Board

*Approved as to Form and Content:*

  
\_\_\_\_\_  
County Counsel