

INLAND VALLEY DEVELOPMENT AGENCY

REGULAR MEETING AGENDA
WEDNESDAY, MARCH 13, 2024
5:00 PM

MAIN AUDITORIUM – Norton Regional Event Center, 1601 East Third Street, San Bernardino, CA



A regional joint powers authority dedicated to the reuse of Norton Air Force Base for the economic benefit of the East Valley

Phillip Dupper, Chairperson
Mayor, City of Loma Linda
Frank J. Navarro, Vice-Chairperson
Mayor, City of Colton
Joe Baca, Jr., Secretary
Supervisor, County of San Bernardino

BOARD MEMBERS:

John Echevarria
Councilmember, City of Colton
Rhodes Rigsby
Councilmember, City of Loma Linda
Helen Tran
Mayor, City of San Bernardino
Jesse Armendarez
Supervisor, County of San Bernardino
Juan Figueroa
Councilmember, City of San Bernardino
Sandra Ibarra
Councilmember, City of San Bernardino

ALTERNATE BOARD MEMBERS:

Vacant
City of Colton
John Lenart
Councilmember, City of Loma Linda
Fred Shorett
Mayor Pro Tem, City of San Bernardino
Dawn Rowe
Supervisor, County of San Bernardino

- Full agenda packets are available at the IVDA office, 1601 East Third Street, San Bernardino, California, will be provided at the meeting, and are posted in the Agenda section of our website at www.ivdajpa.org. Office hours are Monday through Friday 8:00 a.m. to 5:00 p.m.
- Recordings of the IVDA Board meetings are available in the Agenda section of our website at www.ivdajpa.org.
- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the IVDA office at (909) 382-4100. Notification 48 hours prior to the meeting will enable IVDA staff to make reasonable arrangements to ensure accessibility to this meeting.
- Anyone who wishes to speak during public comment or on a particular item will be requested to fill out a speaker slip, which must be turned in to the Clerk of the Board prior to speaking.
- Public comments for agenda items that are not public hearings will be limited to three minutes.
- Public comments for items that are not on the agenda will be limited to three minutes.
- The three-minute limitation shall apply to each member of the public and cannot be shared.
- An additional three minutes will be allotted to those who require translation services.

ORDER OF BUSINESS - CLOSED SESSION

This meeting of the governing Board of the Inland Valley Development Agency will begin with Closed Session Public Comment and Closed Session, immediately followed by the Open Session portion of the meeting

A. CALL TO ORDER / ROLL CALL

B. CLOSED SESSION PUBLIC COMMENT

The Closed Session Public Comment portion of the Inland Valley Development Agency Board meeting is limited to a maximum of three minutes for each speaker and comments will be limited to matters appearing on the Closed Session portion of the agenda. Additional opportunities for further Public Comment will be given during and at the end of the meeting. An additional three minutes will be allotted to those who require translation services

C. CLOSED SESSION

An announcement is typically made prior to closed session discussions as to the potential for a reportable action at the conclusion of closed session

D. REPORT ON CLOSED SESSION

Public announcement(s) will be made following closed session if there are any reportable actions taken during closed session.

ORDER OF BUSINESS - OPEN SESSION

- **CALL TO ORDER OPEN SESSION**
- **PLEDGE OF ALLEGIANCE**

E. ITEMS TO BE ADDED OR DELETED

Pursuant to Government Code Section 54954.2, items may be added on which there is a need to take immediate action, and the need for action came to the attention of the Inland Valley Development Agency subsequent to the posting of the agenda.

F. CONFLICT OF INTEREST DISCLOSURE

1. POSSIBLE CONFLICT OF INTEREST ISSUES FOR THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) BOARD MEETING OF MARCH 13, 2024
[PRESENTER: Jennifer Farris, Clerk of the Board; **PAGE#:** 005]

G. INFORMATIONAL ITEMS

It is intended that the following subject matters and their attachments are submitted to the Board members for informational purposes only. No action is required with regard to these items in the form of a receive-and-file motion or otherwise. Members may inquire of staff as to any questions or seek clarifications, but no discussion may ensue other than to place an item on a subsequent agenda for further consideration. In such situations where permissible levels of discussion are conducted, members are reminded that staff has not presented the related contractor and interested parties conflicts of interest disclosures that are typically provided for agenda items for which action is intended to occur. Additionally, questions may arise as to negotiation strategies or other legal issues which are more appropriately addressed in a closed session discussion.

2. Informational Items

- 2a. INFORMATIONAL ITEMS – CHIEF EXECUTIVE OFFICER REPORT
[PRESENTER: Michael Burrows, Chief Executive Officer **PAGE#:** 013]

- 2b. INFORMATIONAL ITEMS - REPORT ON STERLING AVENUE PROJECT
[PRESENTER: Michael Burrows, Chief Executive Officer **PAGE#:** 014]

H. BOARD CONSENT ITEMS

The following consent items are expected to be routine and non-controversial and will be acted upon by the Board at one time unless the Board directs that an item be held for further discussion.

3. REGISTER OF DEMANDS FOR FEBRUARY 2024
[PRESENTER: Mark Cousineau, Director of Finance **PAGE#:** 015]
4. RECEIVE AND FILE CASH REPORT FOR JANUARY 31, 2024, FOR THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA)
[PRESENTER: Mark Cousineau, Director of Finance **PAGE#:** 020]

5. APPROVE MEETING MINUTES: FEBRUARY 14, 2024
[PRESENTER: Jennifer Farris, Clerk of the Board **PAGE#:** 023]

I. BOARD ACTION ITEMS

6. RECEIVE AND FILE THE ANNUAL INDEPENDENT AUDIT REPORT OF THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) FOR THE FISCAL YEAR ENDED JUNE 30, 2023
[PRESENTER: Mark Cousineau, Director of Finance **PAGE#:** 031]
7. ADOPT RESOLUTION NO. 2024-02 OF THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) UPDATING THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES FORM 130 - DESIGNATION OF APPLICANT'S AGENT RESOLUTION
[PRESENTER: Catherine Pritchett, Director of Administration **PAGE#:** 087]
8. APPROVE AWARD OF CONTRACT TO TOM DODSON & ASSOCIATES IN AN AMOUNT NOT TO EXCEED \$132,811.25 FOR THE PREPARATION OF ENVIRONMENTAL DOCUMENTS AS REQUIRED FOR THE INLAND VALLEY INFRASTRUCTURE CORRIDOR
[PRESENTER: Myriam Beltran, Manager of Planning & Programs **PAGE#:** 096]
9. REVIEW STATUS OF THE ACTION PLAN FOR THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) THROUGH JUNE 30, 2024
[PRESENTER: Michael Burrows, Chief Executive Officer **PAGE#:** 103]

J. ADDED AND DEFERRED ITEMS

Deferred Items and Items which have been added pursuant to Government Code Section 54954.2 as noted above in Section E.

K. OPEN SESSION PUBLIC COMMENT


Anyone who wishes to speak during Open Session Public Comment will be requested to fill out a speaker slip. Prior to speaking, speaker slips should be given to the Clerk of the Board. Public comments for items that are not on the agenda will be limited to three minutes. The three-minute limitation shall apply to each member of the public and cannot be shared with other members of the public. An additional three minutes will be allotted to those who require translation services.

L. BOARD MEMBER COMMENT

Board members may make announcements or give brief reports on activities or matters not appearing on the agenda, as well as provide direction to staff relating to matters which may be addressed at this time.

M. ADJOURNMENT

Unless otherwise noted, this meeting will be adjourned to the next regularly scheduled meeting of the Inland Valley Development Agency Board, Wednesday, April 10, 2024.

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 1</p> <p>PRESENTER: Jennifer Farris, Clerk of the Board</p>
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SUBJECT: POSSIBLE CONFLICT OF INTEREST ISSUES FOR THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) BOARD MEETING OF MARCH 13, 2024

SUMMARY

This agenda contains recommendations for action relative to certain contractors/principals and their respective subcontractors. Care should be taken by each Board member to review and consider the information provided herein to ensure they are in compliance with applicable conflict of interest laws.

RECOMMENDED ACTION(S)

Receive for information and consideration in accordance with applicable conflict of interest laws.

FISCAL IMPACT

None.

PREPARED BY:	Jennifer Farris
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

The potential conflicts information provided in this report is intended to be used as a means for each voting member to verify campaign contributions from their individual campaign records. The following information is considered to be complete only to the best knowledge that has been disclosed to staff by the following listed contractors and in many instances may not be complete as of the date of publication of the agenda. Staff will endeavor to provide updates and supplements to the disclosure information to the extent additional contractor disclosure information becomes known to staff at or prior to each particular meeting time.

In addition to other provisions of law which prohibit Inland Valley Development Agency (IVDA) Board members from having financial interests in the contracts of public agencies, the provisions of California Government Code Section 84308 prohibit individual IVDA Board members from participating in any Board proceeding involving a license, permit, or other entitlement for use pending before the Board, if the individual member has received a contribution of more than two hundred fifty dollars (\$250.00) within the preceding twelve (12) months or for three (3) months following any such Board proceeding, from any person, company or entity who is the subject of the proceeding, including parent-subsidary and certain otherwise related business entities as defined in the California Code of Regulations, Title 2, Division 6, Section 18438.5, or from any person who actively supports or opposes a particular decision in the proceeding and who has a financial interest in such decision, as defined in California Government Code Section 87103.

The restrictions of Government Code Section 84308 do not apply if the individual member returns the contribution within thirty (30) days from the time he or she knows, or should have known, about the contribution and the proceeding.

This agenda contains recommendations for action relative to the following contractors/principals and their respective subcontractors (as informed to IVDA staff by the Principals):

<u>Agenda Item No.</u>	<u>Contractors/Tenants</u>	<u>Subcontractors/Subtenants</u>
6.	<u>Rogers, Anderson, Malody & Scott, LLP</u> Brad Welebir, Partner Jenny Liu, Partner Brenda Olde, Managing Partner Leena Shanbhag, Partner Scott Manno, Partner Terry Shea, Partner	None.
8.	<u>Tom Dodson & Associates</u> Tom Dodson, President	None.

Attachments:

1. California Government Code §§ 84308 and 87103
2. California Code of Regulations, Title 2, Division 6, §18438.5

CALIFORNIA CODES
GOVERNMENT CODE
SECTION 84308

84308. (a) The definitions set forth in this subdivision shall govern the interpretation of this section.

(1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.

(2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if he or she lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency.

(3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of **government**, local governmental agencies whose members are directly elected by the voters, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.

(4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.

(5) "License, permit, or other entitlement for use" means all business, professional, trade and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises.

(6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.

(b) No officer of an agency shall accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date a final decision is rendered in the proceeding if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition shall apply regardless of whether the officer accepts, solicits, or directs the contribution for himself or herself, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.

(c) Prior to rendering any decision in a proceeding involving a license, permit or other entitlement for use pending before an agency, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250) from a party or from any participant shall disclose that fact on the record of the proceeding. No officer of an agency shall make, participate in making, or in any way attempt to use his

or her official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use pending before the agency if the officer has willfully or knowingly received a contribution in an amount of more than two hundred fifty dollars (\$250) within the preceding 12 months from a party or his or her agent, or from any participant, or his or her agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.

If an officer receives a contribution which would otherwise require disqualification under this section, returns the contribution within 30 days from the time he or she knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, he or she shall be permitted to participate in the proceeding.

(d) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party, or his or her agent, to any officer of the agency. No party, or his or her agent, to a proceeding involving a license, permit, or other entitlement for use pending before any agency and no participant, or his or her agent, in the proceeding shall make a contribution of more than two hundred fifty dollars (\$250) to any officer of that agency during the proceeding and for three months following the date a final decision is rendered by the agency in the proceeding. When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in subdivisions (b), (c), and this subdivision.

(e) Nothing in this section shall be construed to imply that any contribution subject to being reported under this title shall not be so reported.

CALIFORNIA CODES
GOVERNMENT CODE
SECTION 87103

87103. A public official has a financial interest in a decision within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the official, a member of his or her immediate family, or on any of the following:

(a) Any business entity in which the public official has a direct or indirect investment worth two thousand dollars (\$2,000) or more.

(b) Any real property in which the public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more.

(c) Any source of income, except gifts or loans by a commercial lending institution made in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided or promised to, received by, the public official within 12 months prior to the time when the decision is made.

(d) Any business entity in which the public official is a director, officer, partner, trustee, employee, or holds any position of management.

(e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the public official within 12 months prior to the time when the decision is made. The amount of the value of gifts specified by this subdivision shall be adjusted biennially by the commission to equal the same amount determined by the commission pursuant to subdivision (f) of Section 89503.

For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent child of a public official, by an agent on behalf of a public official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or greater.

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

§ 18438.5. Aggregated Contributions Under Section 84308.

For purposes of Section 84308:

(a) Notwithstanding the provisions of Regulation 18215.1, to determine whether a contribution of more than \$250 has been made by any party to a proceeding, contributions made by a party's parent, subsidiary, or otherwise related business entity, (as those relationships are defined in subdivision (b) below), shall be aggregated and treated as if received from the party for purposes of the limitations and disclosure provisions of Section 84308.

(b) Parent, Subsidiary, Otherwise Related Business entity, defined.

(1) Parent-subsidiary. A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

(2) Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent-subsidiary relationship are otherwise related if any one of the following three tests is met:

(A) One business entity has a controlling ownership interest in the other business entity.

(B) There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:

(i) The same person or substantially the same person owns and manages the two entities;

(ii) There are common or commingled funds or assets;

(iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;

1 (iv) There is otherwise a regular and close working relationship between the entities; or

2 (C) A controlling owner (50% or greater interest as a shareholder or as a general partner)

3 in one entity also is a controlling owner in the other entity.

4 Note: Authority cited: Section 83112, Government Code. Reference: Section 84308,

5 Government Code.

6 HISTORY

7 1. New section filed 5-26-2006; operative 6-25-2006. Submitted to OAL for filing pursuant to

8 *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924,

9 California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992

10 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements

11 and not subject to procedural or substantive review by OAL) (Register 2006, No. 21). For prior

12 history of section 18438.5, see Register 85, No. 8.

13 2. Amendment filed 8-12-2014; operative 9-11-2014 pursuant to title 2, section 18312(e)(1) of


14 the California Code of Regulations. Submitted to OAL for filing and printing pursuant to *Fair*

15 *Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California

16 Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC

17 regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not

18 subject to procedural or substantive review by OAL) (Register 2014, No. 33).

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 2a</p> <p>PRESENTER: Michael Burrows, Chief Executive Officer</p>
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SUBJECT: INFORMATIONAL ITEMS – CHIEF EXECUTIVE OFFICER REPORT

SUMMARY

An oral report will be provided at the time of the meeting.


BACKGROUND INFORMATION

None.

PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

Attachments:

None.

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 2b</p> <p>PRESENTER: Michael Burrows, Chief Executive Officer</p>
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SUBJECT: INFORMATIONAL ITEMS - REPORT ON STERLING AVENUE PROJECT

SUMMARY

An oral report will be provided at the time of the meeting.


BACKGROUND INFORMATION

None.

PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

Attachments:

None.

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 3</p> <p>PRESENTER: Mark Cousineau, Director of Finance</p>
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SUBJECT: REGISTER OF DEMANDS FOR FEBRUARY 2024

SUMMARY

Inland Valley Development Agency's (IVDA) Register of Demands.

RECOMMENDED ACTION(S)

Receive for information.

FISCAL IMPACT

Disbursements for amounts due in February 2024

PREPARED BY:	Cherrie Nguyen
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

Total disbursement activities for February 2024 amount to \$1,311,208.89 that include the following.

- Professional Services: California Strategies & Advocacy LLC; D&A Consulting; Hernandez, Kroone & Associates Inc.; Imagine Systems Inc.; Innovative Federal Strategies LLC; Mirau Edwards Cannon Lewin & Tooke LLP; Product Research Gear LLC; RSG; and Zenaida Global were paid \$71,948.06
- Capital Projects Cost: The City of Highland and Leonida Builders Inc. were paid \$1,098,456.08.
- Utilities: Burrtec Waste Industries Inc., City of SB Water Department, Southern California Edison, Utility Telecom Group LLC, and Verizon Wireless were paid \$37,126.68.
- Employees Benefits: American Fidelity Assurance Company, Fidelity Security Life Insurance Co., Health Net of California Inc., and Metropolitan Life Insurance Co. were paid \$51,819.73.

Attachments:

1. Register of Demands for the March 13, 2024, Board Meeting
2. Visa Breakdown - January 2024

***Inland Valley Development Agency
Register of Demands for Board Meeting
March 13, 2024***


Line	Company Name	Description	Amount
1	A.O. Reed & Co., LLC	Repairs and maintenance for HVAC system	7,765.00
2	ADT LLC	Fire and burglar alarm monitoring	1,002.94
3	Alsco Inc.	Mat maintenance	290.34
4	Amazon Capital Services Inc.	Office supplies and equipment	1,221.16
5	Amber Setian	Travel	321.99
6	American Fidelity Assurance Company	Employee supplemental benefits	3,515.21
7	Basic Backflow	Test and certify for valve	45.00
8	Belico Details LLC	Security vehicle wash and detailing	350.00
9	Board Members	Directors fees	1,925.00
10	Burrtec Waste Industries Inc.	Refuse	977.19
11	C & A Janitorial Services	Janitorial services	9,695.34
13	California Special Districts Association	Associate Member Annual Membership	1,715.00
14	California Strategies & Advocacy LLC	Professional lobbying and related consulting services	5,000.00
15	CDW - Government Inc.	IT equipment	1,307.52
16	City of Highland	Reimbursement of funds to the City of Highland EDA 07-01-07415 3rd & 5th St. Corridor	1,087,246.08
17	City of SB Water Department	Water and sewer services	9,163.44
18	Control Air Enterprises LLC	Computer and installation of WebCTRL 8.5 software for HVAC system	9,989.00
19	Criterion Automation Inc.	Calibration ISCO 4210 Ultra Sonic Flowmeter	998.00
20	D&A Consulting	Professional services - UAS Center drone standards development	2,537.50
21	DoorTech	On-call services for door repairs	343.66
22	Eagle Graphics LLC	Employee credit incentive for SBD online apparel store	109.15
23	EMCOR Services	Service call for DFAS boiler system	655.00
24	Encore Lighting Inc.	Lighting supplies	371.93
25	Fidelity Security Life Insurance Co.	Employee group benefits - vision	1,598.52
26	Forvis, LLP	Software implementation	3,663.25
27	Grainger	Maintenance and supplies for Building 48	156.45
28	Health Net of California Inc.	Employee group benefits - medical	29,740.35
29	Hernandez, Kroone & Associates Inc.	Professional services to provide civil engineering and survey services	16,765.10
30	IIMC	Annual membership dues	250.00
31	Imagine Systems Inc.	IT consulting services	375.00
32	Innovative Federal Strategies LLC	Federal legislative advocacy services	10,000.00
33	K&L Hardware and Plumbing Supply Inc.	Maintenance, tools, and supplies	54.64
34	Leonida Builders Inc.	IVDA lobby window project	11,210.00
35	Metropolitan Life Insurance Co	Employee group benefits - dental	16,965.65
36	Mirau Edwards Cannon Lewin & Tooke LLP	Professional services - legal	4,284.00
37	Mobile Modular Management Corp	Mobile office rent - UAS Center @ SBD, Perimeter Rd.	1,726.77
38	Product Research Gear LLC	Professional services to provide consulting for UAS Center on	6,456.02
39	Quench USA, Inc.	Water purification system for Building 48	232.73

***Inland Valley Development Agency
Register of Demands for Board Meeting
March 13, 2024***

Line	Company Name	Description	Amount
40	RSG	Professional services - continuing disclosure and consulting	7,102.50
41	SkillPath Seminars	Digital training products	1,575.00
42	Southern California Edison	Electricity	24,328.53
43	Toshiba Business Solutions	Maintenance for office equipment for Building 48	344.58
44	Utility Telecom Group LLC	Ethernet and phone services for Building 48	1,914.40
45	Verizon Wireless	Wireless monthly service and equipment purchases	743.12
46	Visa	Office supplies and other misc. charges	5,467.50
12	Western Exterminator Company	Pest control	281.39
	Zenaida Global	Professional consulting services - UAS Center at SBD	19,427.94
			<u>1,311,208.89</u>

VISA Breakdown
January 2024
IVDA

Line	Description	Vendor	Dept.	Amount
1	Gift card for consultant	Staples	Admin	106.95
2	Heaters for Building 48 during HVAC system failure	Target	Admin	144.36
3	Key copy for janitorial room in Building 48	Dib's Safe & Lock Services	Admin	17.47
4	Company conference phone line	Free Conference Call	Admin	10.00
5	Get-well flowers for employee medical procedure	1-800-FLOWERS	Admin	73.92
6	Coasters for board meeting dais	Amazon	Admin	24.59
7	Break room supplies for Building 48	The Webstaurant Store	Admin	64.31
8	Records management workshop	California Specials Districts Association	COB	230.00
9	CCAC annual conference registration	City Clerks Association of CA	COB	650.00
10	Monthly subscription fee for financial software	Intuit QuickBooks	Finance	799.75
11	Secure HR fax line	Interfax	HR	9.50
12	AB 2188 FEHA Training	Leibert Cassidy Whitmore	HR	75.00
13	Items for employee engagement	Target	HR	70.40
14	W-4 training webinar	TrainHR	HR	145.00
15	Items for employee engagement	Sam's Club	HR	73.18
16	Ergonomic desk accessories for two staff members	Office Depot	HR	249.67
17	Legal Update Seminar	IE SHRM	HR	45.00
18	Drug screen for new hire	Exam Professionals	HR	50.00
19	Lodging for A. Setian travel to Dallas TX	Sheraton Hotels	HR	628.29
20	Backflow cage for Building 48	Sprinkler Warehouse	Maintenance	430.60
21	Light pole covers for Building 58 parking lot	Light Pole Covers	Maintenance	194.10
22	Lodging for K. Benson for Inspired Flight Demo	Residence Inn	UAS	254.05
23	Lodging for K. Benson for Inspired Flight Demo	Residence Inn	UAS	179.02
24	Tablecloth for UAS Center	Amazon	UAS	24.12
25	Supplies for UAS Center	Target	UAS	64.65
26	Student hospitality supplies for April - May drone classes	Amazon	UAS	31.85
27	Student hospitality supplies for UAS Center	Stater Bros.	UAS	12.38
28	Lunch for Inspired Flight Demo at UAS Center	Stater Bros.	UAS	119.97
29	Lodging for T. Parish for Inspired Flight Demo	Residence Inn	UAS	356.45
30	Lodging for L. Pierangelo for Inspired Flight Demo	Residence Inn	UAS	182.89
31	Name tags for UAS Center Staff	NametagWizard.com	UAS	150.03
				\$ 5,467.50
	VISA Statement Balance			\$ 5,467.50
	Date Prepared: 03/01/2024			

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 4</p> <p>PRESENTER: Mark Cousineau, Director of Finance</p>
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SUBJECT: RECEIVE AND FILE CASH REPORT FOR JANUARY 31, 2024, FOR THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA)

SUMMARY

Submitted for your consideration is the IVDA's monthly cash reconciliation report.

RECOMMENDED ACTION(S)

Receive and file Cash Report for January 31, 2024, for the Inland Valley Development Agency (IVDA).

FISCAL IMPACT

None.

PREPARED BY:	Cherrie Nguyen
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

Attached is the Cash Report for January 31, 2024, for the Inland Valley Development Agency. The total book value of Cash, Investments, and Investments Held with Fiscal Agent accounts is \$35,176,544.06 on January 31, 2024. Banks' statements reflect \$35,235,065.27. The difference in totals is due to the outstanding checks on January 31, 2024.

If you have any questions about this report, please contact me at (909) 382-4100 extension 141.

Attachments:

1. Cash Report for January 31, 2024

Inland Valley Development Agency

Cash Report January 31, 2024

IVDA JPA CASH


<u>Cash</u>	Balance 12/31/23	Activities	Balance 01/31/24
<i>MMKT/ Savings Account - CHASE Bank</i>	3,081,401.83	138.29	3,081,540.12
<i>Checking Account - CHASE Bank</i>	2,048,947.49	516,207.96	2,565,155.45
Deposits In Transit:			
Beginning	-	-	-
Ending	-	-	-
Outstanding Checks:			
Beginning	(81,646.20)	81,646.20	-
Ending		(21,858.29)	(21,858.29)
<i>Payroll Account - CHASE Bank</i>	64,087.62	(26,465.22)	37,622.40
Outstanding Checks:			
Beginning	-	-	-
Ending	-	(36,662.92)	(36,662.92)
<i>BRORF Account - CHASE Bank</i>	4,055,155.31	(249,821.06)	3,805,334.25
<i>Cash with Fiscal Agent- MECLT Trust</i>	485,766.18	(208,930.19)	276,835.99
Subtotal	9,653,712.23	54,254.77	9,707,967.00
<u>Investments</u>			
<i>Local Agency Investment Funds - Regular Account</i>	78,362.02	779.41	79,141.43
Deposits In Transit:			
Beginning	-	-	-
Ending	-	(779.41)	(779.41)
<i>Local Agency Investment Funds - Bond Account</i>	125,550.48	1,248.75	126,799.23
Deposits In Transit:			
Beginning	-	-	-
Ending	-	(1,248.75)	(1,248.75)
Total	203,912.50	-	203,912.50
Subtotal JPA Cash & Investments	9,857,624.73	54,254.77	9,911,879.50

IVDA SUCCESSOR AGENCY CASH

<i>RORF Account -CHASE Bank</i>	8,615,779.04	-	8,615,779.04
<u>Investments Held With Fiscal Agent</u>			
Special Fund - US Bank - 2014 series	24.37	-	24.37
Interest Account - US Bank - 2014 series	0.01	-	0.01
<i>Reserve Account- US Bank - 2014 series</i>	16,648,715.75	70.71	16,648,786.46
<i>Principal Account - US Bank- 2014 series</i>	-	-	-
<i>2011 Project Fund - US Bank - 2014 series</i>	74.68	-	74.68
Subtotal SA Cash & Investments	25,264,593.85	70.71	25,264,664.56
Total Cash and Investments	\$ 35,122,218.58	54,325.48	\$ 35,176,544.06

I certify that this report accurately reflects all cash and investments for the above period and all the investment is in compliance with Inland Valley Development Agency's Investment policy. IVDA shall be able to meet it's expenditure requirement for next six month.


Mark Cousineau, Director of Finance

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 5</p> <p>PRESENTER: Jennifer Farris, Clerk of the Board</p>
---	---

SUBJECT: APPROVE MEETING MINUTES: FEBRUARY 14, 2024

SUMMARY

Submitted for consideration and approval by the Inland Valley Development Agency (IVDA) Board: Meeting minutes of the regular meeting held Wednesday, February 14, 2024.

RECOMMENDED ACTION(S)

Approve meeting minutes of the regular meeting held Wednesday, February 14, 2024.

FISCAL IMPACT

None.

PREPARED BY:	Jennifer Farris
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

None.

Attachments:

1. February 14, 2024 minutes.

INLAND VALLEY DEVELOPMENT AGENCY

REGULAR MEETING BOARD ACTIONS

WEDNESDAY, FEBRUARY 14, 2024

5:00 P.M.

MAIN AUDITORIUM - Norton Regional Event Center - 1601 East Third Street, San Bernardino, CA



A regional joint powers authority dedicated to the reuse of Norton Air Force Base
for the economic benefit of the East Valley

Board Members

City of Colton

Mayor Frank Navarro, Vice-Chairperson	Absent
Councilmember John Echevarria	Present
VACANT	

City of Loma Linda

Mayor Phillip Dupper, Chairperson	Present
Councilmember Rhodes Rigsby	Present (arrived at 5:03pm)
Councilmember John Lenart (alt)	Present

County of San Bernardino

Supervisor Joe Baca, Jr., Secretary	Present
Supervisor Jesse Armendarez	Absent
Supervisor Dawn Rowe (alt)	Present

City of San Bernardino

Mayor Helen Tran	Present
Councilmember Juan Figueroa	Present
Councilmember Sandra Ibarra	Present (arrived at 5:09pm)
Mayor Pro Tem Fred Shorett (alt)	Present (in audience)

Staff Members and Others Present

Michael Burrows, Chief Executive Officer	Michael Lewin, Legal Counsel, Mirau, Edwards, Cannon, Lewin, & Tooke, LLP
Mark Cousineau, Director of Finance	Catherine Pritchett, Director of Administration
Jeff Barrow, Director of Development	Jennifer Farris, Clerk of the Board
Mark Gibbs, Director of Aviation	

The Regular Meeting of the Inland Valley Development Agency Board was called to order by Secretary Joe Baca, Jr. at approximately 5:02 P.M. on Wednesday, February 14, 2024, in the Main Auditorium of the Norton Regional Event Center, 1601 East Third Street, San Bernardino, California.

A. **CALL TO ORDER / ROLL CALL**

Roll call was duly noted and recorded.

Members of the Board and the public joined Councilmember John Echevarria in the Pledge of Allegiance.

B. **CLOSED SESSION PUBLIC COMMENT**

There were no closed session public comments.

C. **CLOSED SESSION**

There were no closed session items listed on the agenda.

D. **REPORT ON CLOSED SESSION**

There were no closed session items to report on.

E. **ITEMS TO BE ADDED OR DELETED**

There were no items to be added or deleted.

F. **CONFLICT OF INTEREST DISCLOSURE**

1. Chairperson Phillip Dupper stated Board Members should note the item(s) listed which might require member abstentions.

There were no conflicts noted.

G. **INFORMATIONAL ITEMS**

Mr. Michael Burrows, Chief Executive Officer, presented the following informational items.

2. Informational Items
 - a. Chief Executive Officer Report
 - b. Report on Status of Annual ROPS
 - c. Report on status of Annual Audit
 - d. Report on Inland Valley Infrastructure Corridor (IVIC) Project

- 2b. Mr. Mark Cousineau, Director of Finance, informed the Board that the Successor Agency to the Redevelopment Agency of the Inland Valley Development Agency met with the San Bernardino Countywide Oversight Board on January 11, 2024, and noted that the Agency's Recognized Obligation Payment Schedule was approved.
- 2c. Mr. Mark Cousineau, Director of Finance, informed the Board the audit report is still under review.
- 2d. Mr. Michael Burrows, Chief Executive Office, provided a brief update on the Inland Valley Infrastructure Corridor (IVIC) Project.

H. <u>BOARD CONSENT ITEMS</u>

Mayor Pro Tem Fred Shorett sat at the dais as representative for the City of San Bernardino in Council Member Sandra Ibarra's absence.

- 3. Receive Register of Demands for December 2023
- 4. Receive Register of Demands for January 2024
- 5. Receive and file Cash Report for November 30, 2023, for the Inland Valley Development Agency (IVDA)
- 6. Receive and file Cash Report for December 31, 2023, for the Inland Valley Development Agency (IVDA)
- 7. Ratify a Professional Services agreement with Tactical Drone Concepts, LLC for Training Services at the UAS Center at SBD in an amount not to exceed \$37,500
- 8. Approve Meeting Minutes: December 13, 2023

ACTION: Approve Agenda Item Nos. 3-8 of the Consent Calendar.

RESULT:	ADOPTED [UNANIMOUSLY]
MOTION/SECOND:	Baca / Rowe
AYES:	Baca, Dupper, Echevarria, Figueroa, Rigsby, Rowe, Shorett, and Tran
NAYS:	None
ABSTENTIONS:	None
ABSENT:	Ibarra

I. **BOARD ACTION ITEMS**

9. Consider and adopt proposed Budget Adjustments for Fiscal Year 2023-2024

Councilmember Sandra Ibarra arrived to the meeting at 5:09 p.m. during the discussion of Agenda Item No. 9 and Mayor Pro Tem Fred Shorett left the dais to return to the audience.

Mr. Mark Cousineau, Director of Finance, gave a brief overview of requested budget adjustments.

ACTION: Adopt Budget Adjustments reflected in the Proposed Budget Adjustments Table for Fiscal Year 2023-2024.

RESULT: **ADOPTED [UNANIMOUSLY]**
MOTION/SECOND: Baca / Echavarria
AYES: Baca, Dupper, Echevarria, Figueroa, Ibarra, Rigsby, Rowe, and Tran.
NAYS: None
ABSTENTIONS: None
ABSENT: None

10. Approve Amendment No. 1 to the Professional Services Agreement with Three-2-One, Inc. DBA Imagine Systems, Inc. in an additional amount not to exceed \$15,000 for its Preventative Maintenance Services for the Inland Valley Development Agency (IVDA)

Mr. Mark Gibbs, Director of Aviation, provided a brief report on Agenda Item No. 10.

ACTION: Approve Amendment No. 1 to the Professional Services Agreement with Three-2-One, Inc. DBA Imagine Systems, Inc. to provide IT Preventative Maintenance Services for an additional amount not to exceed \$15,000; and authorize the Chief Executive Officer to execute all related documents.

RESULT: **ADOPTED [UNANIMOUSLY]**
MOTION/SECOND: Baca / Ibarra
AYES: Baca, Dupper, Echevarria, Figueroa, Ibarra, Rigsby, Rowe, and Tran
NAYS: None
ABSTENTIONS: None
ABSENT: None

11. Consider and Adopt Resolution No. 2024-01 of the Inland Valley Development Agency (IVDA) authorizing the Chief Executive Officer to execute Master Agreements, Program Supplemental Agreements, and any other documents thereto with the California Department of Transportation (Caltrans) for receipt of Federal Funds for the 3rd Street Corridor Project

Mr. Michael Burrows, Chief Executive Officer, commended Caltrans District 8 and gave a brief overview of the need for Resolution No. 2024-01. Mr. Burrows explained that approval of this resolution would allow for execution of a Master Agreement, which would enable the transition of the 3rd Street Corridor Project from preconstruction to the construction phase.

Chairperson Phillip Dupper recognized Congressman Pete Aguilar for working to secure funding of the Project.

ACTION: Consider and adopt Resolution No. 2024-01 authorizing the Chief Executive Officer to execute Master Agreements, Program Supplemental Agreements, and any other document thereto with the 3rd Street Corridor Project.

RESULT:	ADOPTED [UNANIMOUSLY]
MOTION/SECOND:	Ibarra / Tran
AYES:	Baca, Dupper, Echevarria, Figueroa, Ibarra, Rigsby, Rowe, and Tran
NAYS:	None
ABSTENTIONS:	None
ABSENT:	None

12. Approve Amendment No. 1 to the Professional Services Agreement with Cordoba Corporation to provide additional services in an additional amount not to exceed \$99,319: and authorize the Chief Executive Officer to execute all related documents.

Mr. Jeff Barrow, Director of Development, elaborated of the need to increase the contract amount for the 3rd Street Corridor Project.

RESULT:	ADOPTED [UNANIMOUSLY]
MOTION/SECOND:	Tran / Rowe
AYES:	Baca, Dupper, Echevarria, Figueroa, Ibarra, Rigsby, Rowe, and Tran
NAYS:	None
ABSTENTIONS:	None
ABSENT:	None

Ms. Catherine Pritchett, Director of Administration, welcomed new team member Ms. Griselda Lizarraga, Construction Project Manager.

13. Review Status of the Action Plan for the Inland Valley Development Agency (IVDA) through June 30, 2024

Mr. Michael Burrows, Chief Executive Officer, referenced a PowerPoint presentation entitled "June 30, 2024-IVDA Focal Areas" (as contained on page 102 in the Agenda Packet) and provided a brief report.

This item was for discussion purposes only; no formal action was taken.

ACTION: Review the Action Plan for the Inland Valley Development Agency through June 30, 2024.

J. **ADDED AND DEFERRED ITEMS**

There were no items to be added or deferred.

K. **OPEN SESSION PUBLIC COMMENT**

Daniel Jivanjee, community speaker, expressed concerns regarding the Inland Valley Infrastructure Corridor (IVIC) Project and commented on potential future projects. Mr. Jivanjee emphasized the need to focus on infrastructure projects which will benefit all surrounding cities.

L. **BOARD MEMBER COMMENT**


Councilmember Juan Figueroa thanked Mr. Burrows for his attendance and presentation at the San Bernardino Business Roundtable Meeting.

M. **ADJOURNMENT**

There being no further business before the Board at this session, Chairperson Phillip Dupper declared the meeting adjourned at 5:21 P.M.

Approved at a Regular Meeting of the Inland Valley Development Agency Board on March 13, 2024.

Jennifer Farris
Clerk of the Board

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 6</p> <p>PRESENTER: Mark Cousineau, Director of Finance</p>
---	---

SUBJECT: RECEIVE AND FILE THE ANNUAL INDEPENDENT AUDIT REPORT OF THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SUMMARY

The Inland Valley Development Agency (IVDA) annual independent financial audit for Fiscal year ending June 30, 2023, has been completed by Rogers, Anderson, Malody & Scott, LLP, an independent audit firm.

RECOMMENDED ACTION(S)

Receive and file the annual independent audit report of the Inland Valley Development Agency (IVDA) for Fiscal Year ended June 30, 2023; and approve the submittal of these reports to the appropriate agencies.

FISCAL IMPACT

None. Funding for these services is included in the approved Fiscal Year 2022-2023 Budget in the General Fund, Account 50860 - Auditing in the amount of \$51,000.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

The Inland Valley Development Agency (IVDA) annual independent financial audit for Fiscal Year ended June 30, 2023, has been completed by Rogers, Anderson, Malody, & Scott, LLP, an independent audit firm. Auditing standards, generally accepted in the United States, require the independent auditor to communicate significant audit findings or difficulties encountered, if any, to IVDA's Board of Directors. Rogers, Anderson, Malody & Scott, LLP will make a brief presentation at the time of the meeting.

If you have any questions about this report, please contact me at (909) 382-4100 extension 141.

Attachments:

1. IVDA Financial Report for the Year Ended June 30, 2023
2. Required Auditor's Communication with Those Charged with Governance (AU-C Section 260) - to be distributed at the time of the meeting.



Inland Valley Development Agency

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2023

Inland Valley Development Agency

For the Year Ended June 30, 2023

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Independent Auditor's Report

Board of Directors
Inland Valley Development Agency
San Bernardino, 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 the Inland Valley Development Agency (the Agency), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Agency, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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.

Responsibilities of Management for the Financial Statements

The Agency'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 Agency'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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 Agency'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 Agency'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 required supplementary information, such as management's discussion and analysis and budgetary comparison information 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 March 7, 2024 on our consideration of the Agency'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 Agency's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
March 7, 2024

Inland Valley Development Agency

Management's Discussion and Analysis **June 30, 2023**

The Inland Valley Development Agency ("Agency") is a regional joint powers authority ("JPA") specifically designated by the U.S. Department of Defense as the officially recognized Local Redevelopment Authority as defined under 32 CFR Part 175, Section 175.3 and under Public Law 100-526 (also referred to as the Base Realignment and Closure Act) created in 1990.

The Agency was created for the purpose of acquiring the former Norton Air Force Base ("Air Base") to facilitate the successful reuse of the property and to promote economic development within the area surrounding the Air Base. In addition to the powers inherent in the Agency as formed as a joint exercise of powers authority pursuant to Government Code Section 6500, et seq., the Agency was granted certain additional powers through the adoption of AB419 by the State Legislature in 1989 as currently found in Health & Safety Code Section 33492.40, whereby the Agency also had the ability to exercise redevelopment powers under California Community Redevelopment Law. Since redevelopment agency dissolution on February 1, 2012, the Agency has functioned as both a regional joint powers authority ("JPA") and as a successor agency to hold the assets and liabilities acquired with the Agency's dissolved redevelopment powers.

The Agency derives revenue from leases, fees for services, intergovernmental revenue, and contributions from the member jurisdictions.

The Financial Statements

The Agency members are the City of Colton, City of Loma Linda, City of San Bernardino, and the County of San Bernardino in Southern California.

The Agency's financial statements consist of four parts: *Management's Discussion and Analysis*, *Basic Financial Statements*, *Notes to the Financial Statements*, and *Required Supplementary Information*. The financial statements present two views of the Agency- government-wide and by fund.

The *Management's Discussion and Analysis* or MD&A is an integral part of a government's annual financial statements. The purpose of the MD&A is to provide a narrative explanation, through the eyes of management, of currently known facts, decisions, or conditions of future significance, including the entity's performance and financial condition.

Government-Wide Financial Statements report information about the Agency as a whole using accounting methods similar to those used by private-sector companies, and for the Agency's purpose, have two categories: governmental activities and business-type activities. These statements consist of a *Statement of Net Position* and a *Statement of Activities*. The *Statement of Net Position* includes all of the Agency's assets, liabilities, and deferred outflows and deferred inflows of resources. Current year's revenues and expenses are accounted for in the *Statement of Activities* regardless when cash is received or paid.

Inland Valley Development Agency

Management's Discussion and Analysis **June 30, 2023**

Fund Financial Statements provide more detailed information about the Agency's most significant funds. The Agency uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The Agency has three kinds of funds:

- Governmental funds,
- Proprietary funds, and
- Fiduciary funds.

Governmental Fund. The Agency has one governmental fund- the *JPA General Fund*. Financial activity for the fund is presented in the following statements:

- *Balance Sheet Governmental Fund,*
- *Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Fund.*

The following reconciliations are provided to enhance the readers' understanding of the differences between the two sets of statements.

- *Reconciliation of the Balance Sheet-Governmental Fund to the Statement of Net Position,*
- *Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities.*

Proprietary Fund. The Agency uses enterprise funds, a type of proprietary fund, to account for the Water and Sewer Fund and the UAS Center Fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Beginning in the 2003 fiscal year, the Water and Sewer Fund collects water and sewer revenues from retail users. Expenses are incurred for costs related to providing water and wastewater treatment services to the users. Beginning in the 2021 fiscal year, the UAS Center Fund generates revenues by providing training, system integration, and other related unmanned aircraft systems (UAS) services to individual, corporate, and government users. Expenses are incurred for costs related to providing these services to the users. The proprietary funds financial statements include the *Statement of Net Position-Proprietary Fund*, *Statement of Revenues, Expenses, and Changes in Fund Net Position-Proprietary Fund*, and a *Statement of Cash Flows-Proprietary Fund*.

Fiduciary Fund. Fiduciary funds are used to account for assets held in trust by the government for the benefit of individuals or other entities. The Agency maintains a Private-Purpose Trust Fund to report the assets, liabilities, deferred inflows and deferred outflows of resources, and activities of the Successor Agency. The fiduciary fund financial statements include the *Statement of Fiduciary Net Position*, and the *Statement of Changes in Fiduciary Net Position*.

Inland Valley Development Agency

Management's Discussion and Analysis June 30, 2023

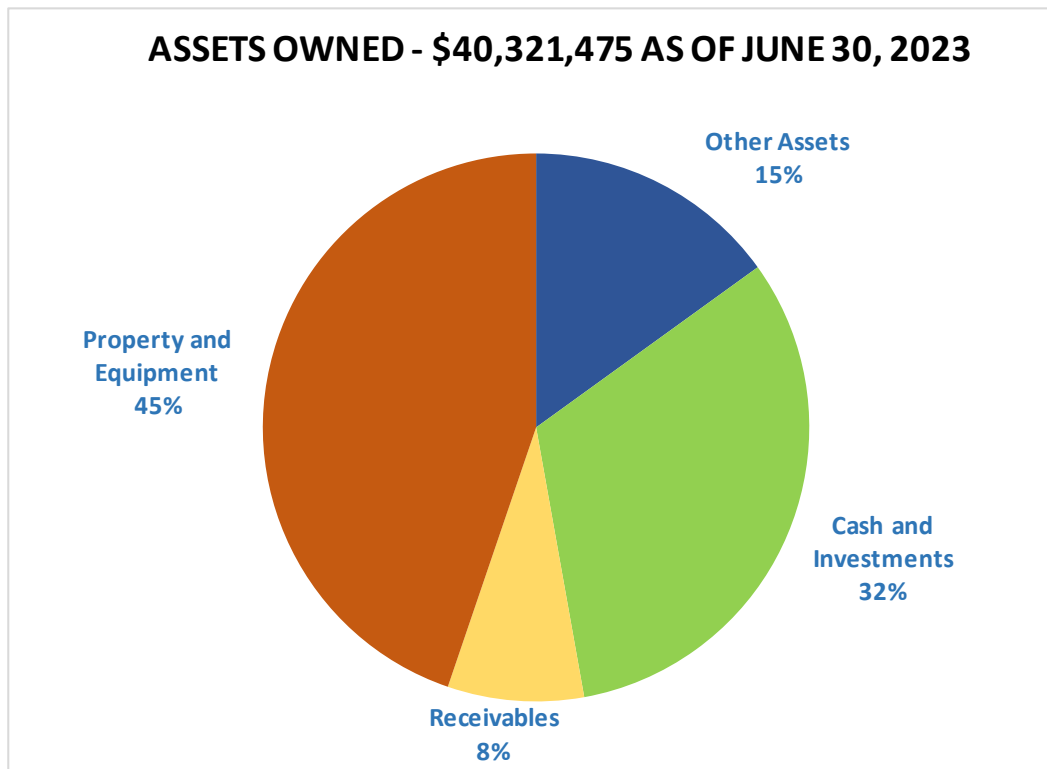
Notes to Financial Statements ("Notes") are additional information added to the end of financial statements that help explain specific items in the statements as well as provide a more comprehensive assessment of an entity's financial condition. Notes to financial statements can include information on debt, going concern criteria, accounts, contingent liabilities or contextual information explaining the financial numbers (e.g. to indicate a lawsuit).

Required Supplementary Information consists of the *Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual General Fund* and *Note to Required Supplementary Information*.

Summary Financial Information and Analysis

Government-Wide Financial Statements

The following chart reflects the composition of total assets owned on June 30, 2023 as shown on the *Government-Wide Statement of Net Position* (governmental and business-type activities).



Inland Valley Development Agency

Management's Discussion and Analysis June 30, 2023

The following is a comparison of the summaries of financial position and changes in net position shown on the government-wide financial statements (governmental activities only) for fiscal years ended 2023 and 2022.

Financial Statement Summary Governmental Activities (in thousands)

	<i>June 30, 2023</i>	<i>June 30, 2022</i>
Current Assets	\$ 22,197	\$ 25,720
Noncurrent Assets	17,756	18,303
Total Assets	39,953	44,023
Current Liabilities	1,824	1,341
Noncurrent Liabilities	32	83
Total Liabilities	1,856	1,424
Total Deferred Inflows of Resources	1,745	2,423
Net Investment in Capital Assets	17,756	18,303
Unrestricted	18,596	21,873
Net Position	\$ 36,352	\$ 40,176
Program Revenues	\$ 1,339	\$ 604
General Revenues and Transfers	3,331	2,049
Total Revenues	4,670	2,653
Program Expenses	8,494	7,484
Change in Net Position	(3,824)	(4,831)
Beginning Net Position, as Restated	40,176	45,007
Ending Net Position	\$ 36,352	\$ 40,176

The decrease in net position of \$3,823,394 is primarily due to program expenses being greater than total revenues from public transportation network expenditures in economic development support of the San Bernardino International Airport Authority, a related party.

Inland Valley Development Agency

Management's Discussion and Analysis June 30, 2023

The following is a comparison of the summaries of financial position and changes in net position shown on the government-wide financial statements (business-type activities only) for fiscal years ended 2023 and 2022. This includes the Water and Sewer and UAS Center activities.

Financial Statement Summary Business-Type Activities (in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Current Assets	\$ 74	\$ 30
Noncurrent Assets	294	307
Total Assets	<u>368</u>	<u>337</u>
 Total Liabilities	 <u>211</u>	 <u>51</u>
 Net Investment in Capital Assets	 294	 307
Unrestricted	(137)	(21)
Total Net Position	<u>\$ 157</u>	<u>\$ 286</u>
 Operating Revenues	 \$ 296	 \$ 243
Transfers of Operating Allowances	<u>155</u>	<u>265</u>
Total Revenues and Transfers	451	508
Program Expenses	<u>580</u>	<u>435</u>
Change in Net Position	(129)	73
Beginning Net Position, as Restated	286	213
Ending Net Position	<u>\$ 157</u>	<u>\$ 286</u>

Categories of Net Position

The Agency is required to present its net position in three categories: *Net Investment in Capital Assets*, *Restricted*, and *Unrestricted* reflected on the *Government-Wide Statement of Net Position*.

Inland Valley Development Agency

Management's Discussion and Analysis June 30, 2023

Net Investment in Capital Assets

At June 30, 2023, Invested in Capital Assets, net of related debt was \$18,050,166.

Restricted

No amount is restricted from net position as of June 30, 2023.

Unrestricted

The Agency had \$18,459,624 at June 30, 2023 in unrestricted net position.

Fiduciary Fund Financial Statements

The Agency has one fiduciary fund - the Successor Agency Fund (sub-classed as a private - purpose trust fund).

The following table is a comparison of the summary of the financial position and changes in net position for fiscal years ended June 30, 2023 and 2022.

In summary, for the year ended June 30, 2023 total assets and deferred outflows of resources in the fiduciary funds total \$27,951,690 and the total liability and deferred inflows of resources totaled \$226,451,437, which results in negative net position of \$198,499,747.

Fiduciary Fund Successor Agency Fund (in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Total Assets & Deferred Outflows of Resources	\$ 27,952	\$ 28,066
Total Liabilities & Deferred Inflows of Resources	<u>226,451</u>	<u>232,186</u>
Total Net Position	<u>\$ (198,499)</u>	<u>\$ (204,120)</u>
Additions	\$ 16,909	\$ 16,701
Deductions	<u>11,288</u>	<u>11,743</u>
Change in Net Position	<u>\$ 5,621</u>	<u>\$ 4,958</u>

The FY 2023 change in net position of \$5,620,253 is due to timing differences between property tax increment revenue and debt service payments.

Inland Valley Development Agency

Management's Discussion and Analysis June 30, 2023

Budget to Actual Analysis

There were two significant variations between the original budget adopted on June 8, 2022 and the final actual amounts at fiscal year close.

Intergovernmental revenue, \$6,475,402. This line item is for various grants from Federal, State and Local sources for various multi-year projects. The allocation in the budget reflected the revenue for the entire capital projects portfolio for multiple years; however, the projects' activities didn't take place entirely in this fiscal year. Therefore, the Agency's reimbursements from various agencies in this fiscal year were less than the available allocated project funds.

Project improvement costs, \$11,406,870. This line item reflects the budget for the entire estimated cost of the Agency's capital projects portfolio that spans multiple years. However, the Agency did not incur all the costs for construction in process during the fiscal year resulting in a variance.

Additional Information and Analysis

Development Projects

The Agency previously entered into an ongoing Master Disposition and Development Agreement (MDDA) with Hillwood/San Bernardino, LLC, a Delaware limited liability company, owned 100% by H. Ross Perot, Jr. The MDDA's purpose is to develop Alliance-California, a business and industrial park in and around the San Bernardino International Airport. As of April 2023, over 15.2 million square feet of new facilities had been developed on or near the former Norton Air Force Base.

The Agency also entered into an Owners Participation Agreement with Stater Bros. Markets, a California Corporation, and a Tri-Party Agreement with Stater Bros. Markets and Hillwood/San Bernardino, LLC, a Delaware limited liability company. These agreements allowed Stater Bros. Market to relocate their corporate offices and distribution facilities to the former Norton Air Force Base. Stater Bros. Market constructed over 2.1 million square feet of warehousing facilities that provides over 2,000 jobs.

In 2005-06, the Inland Valley Development Agency was appropriated \$36,500,000, in the Federal SAFETEA-LU bill, for the Inland Goods Movement Gateway project. This project serves to build roads, bridges, and other infrastructure facilities in and around the former Norton Air Force Base. The remainder of these funds are planned to be spent in fiscal year 2023-2024 and subsequent fiscal years for improvements on 3rd Street, and 5th Street.

The Inland Valley Development Agency will continue to help develop the San Bernardino International Airport pursuant to its military base reuse joint powers authority obligations in the current and subsequent fiscal years.

Pursuant to its obligations, the Agency has previously committed to support the San Bernardino International Airport Authority through and including the 2023-2024 fiscal year to assist airport operations and other capital project needs.

Going Forward

On February 27, 2014, the IVDA entered into a binding settlement agreement with the State of California, Department of Finance (DOF) and others to resolve prior litigation matters regarding the IVDA's unique formation and operation under Federal and State law. That settlement ensures that going forward, the IVDA has a separate Successor Agency function that serves to address the post-dissolution functions related to IVDA's exercise of California redevelopment powers. It further establishes that IVDA's existence and operation as a military base reuse joint powers authority was not dissolved and continues to function for the purposes for which it was originally established. The Successor Agency and the Joint Powers Authority are separate and distinct legal entities.

On May 15, 2014, the IVDA completed a comprehensive refinancing of all long-term debt with the issuance of its IVDA 2014 Tax Allocation Refunding Bonds Series A and Series B. This \$239 million issuance provides for stable and level debt service payments through 2045.

Going forward, the IVDA military base reuse joint powers authority continues to be engaged in implementation of its base reuse plan, supporting the San Bernardino International Airport, and deploying quality public infrastructure projects, programs, and services throughout its base reuse project area (a 3-mile radius around the former base).

Inland Valley Development Agency

Statement of Net Position June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 11,329,673	\$ 48,680	\$ 11,378,353
Cash and investments with fiscal agents	1,572,525	-	1,572,525
Receivables:			
Accounts	73,791	16,836	90,627
Grants	1,390,551	-	1,390,551
Interest	2,448	-	2,448
Lease	1,764,125	-	1,764,125
Participation payment	2,362,029	-	2,362,029
Prepaid expenses	47,890	-	47,890
Deposits held with others	312,240	-	312,240
Due from related party	3,341,571	8,950	3,350,521
Capital assets, not being depreciated	6,284,752	-	6,284,752
Capital assets, being depreciated	11,471,176	294,238	11,765,414
Total assets	39,952,771	368,704	40,321,475
LIABILITIES			
Accounts payable	1,466,999	205,160	1,672,159
Accrued expenses	172,148	-	172,148
Due to other governments	-	6,045	6,045
Unearned revenue	108,406	-	108,406
Deposits	45,259	-	45,259
Long-term liabilities:			
Compensated absences, current	31,499	-	31,499
Compensated absences, noncurrent	31,499	-	31,499
Total liabilities	1,855,810	211,205	2,067,015
DEFERRED INFLOWS OF RESOURCES			
Leases	1,744,670	-	1,744,670
NET POSITION			
Net investment in capital assets	17,755,928	294,238	18,050,166
Unrestricted	18,596,363	(136,739)	18,459,624
Total net position	\$ 36,352,291	\$ 157,499	\$ 36,509,790

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

Inland Valley Development Agency

Statement of Activities June 30, 2023

	Governmental Activities	Business-type Activities	Total
PROGRAM EXPENSES			
General government	\$ 8,493,979	\$ -	\$ 8,493,979
Water and sewer	-	207,984	207,984
UAS center	-	371,603	371,603
Total program expenses	8,493,979	579,587	9,073,566
PROGRAM REVENUES			
Charges for services	101,053	266,710	367,763
Capital grants	1,238,167	-	1,238,167
Other income	-	29,200	29,200
Total program revenues	1,339,220	295,910	1,635,130
Net program revenues (expenses)	(7,154,759)	(283,677)	(7,438,436)
GENERAL REVENUES AND TRANSFERS			
Interest	23,106	-	23,106
Lease income	2,055,930	-	2,055,930
Developer income	1,399,834	-	1,399,834
Other income	7,495	-	7,495
Transfers of operating allowances	(155,000)	155,000	-
Total general revenues and transfers	3,331,365	155,000	3,486,365
Change in net position	(3,823,394)	(128,677)	(3,952,071)
Net position, beginning of year, as restated (Note 11)	40,175,685	286,176	40,461,861
Net position, end of year	\$ 36,352,291	\$ 157,499	\$ 36,509,790

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

Inland Valley Development Agency

Balance Sheet Governmental Funds June 30, 2023

ASSETS	<u>General Fund</u>
Cash and investments	\$ 11,329,673
Cash and investments with fiscal agents	1,572,525
Receivables:	
Accounts	73,791
Grants	1,390,551
Interest	2,448
Lease	1,764,125
Prepaid expenses	47,890
Deposits held with others	312,240
Due from other governments	<u>3,341,571</u>
 Total assets	 <u><u>\$ 19,834,814</u></u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 1,466,999
Accrued expenses	172,148
Unearned revenue	108,406
Deposits	<u>45,259</u>
 Total liabilities	 <u>1,792,812</u>
 Deferred Inflows of Resources:	
Leases	<u>1,744,670</u>
 Total deferred inflows of resources	 <u>1,744,670</u>
 Fund Balance:	
Nonspendable	
Prepaid expenses	47,890
Deposits held with others	312,240
Unassigned	<u>15,937,202</u>
 Total fund balance	 <u>16,297,332</u>
 Total liabilities, deferred inflows of resources and fund balance	 <u><u>\$ 19,834,814</u></u>

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

Inland Valley Development Agency

Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position June 30, 2023

Total fund balance of governmental funds	\$ 16,297,332
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds. These assets consist of:

Capital assets, not being depreciated	\$ 6,284,752	
Capital assets, being depreciated	<u>11,471,176</u>	
		17,755,928

Participation payment receivable is not a current financial resource and therefore is not reported in the General Fund.	2,362,029
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Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. These liabilities consist of:

Compensated absences	<u>(62,998)</u>
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Net position of governmental activities	<u><u>\$ 36,352,291</u></u>
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The accompanying notes are an integral part of these financial statements.

Inland Valley Development Agency

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds For the Year Ended June 30, 2023

REVENUES	General Fund
Charges for services	\$ 101,053
Lease income	2,055,930
Intergovernmental	1,238,167
Developer income	1,399,834
Other income	7,495
Interest income	23,106
	<hr/>
Total revenues	4,825,585
	<hr/>
EXPENDITURES	
General and administrative costs	1,657,209
Professional services	542,116
Planning, survey and design	168,260
Operation of acquired property	955,601
Project improvement costs	1,922,852
Public transportation support payments	3,469,191
	<hr/>
Total expenditures	8,715,229
	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(3,889,644)
OTHER FINANCING SOURCES (USES)	
Contribution to related party	749,098
Transfers in	25,000
Transfers out	(180,000)
	<hr/>
Total other financing sources (uses)	594,098
	<hr/>
Net change in fund balance	(3,295,546)
Fund balance, beginning of year, as restated (Note 11)	19,592,878
	<hr/>
Fund balance, end of year	\$ 16,297,332
	<hr/>

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

Inland Valley Development Agency

Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance of the Governmental Funds to the Statement of Activities For the Year Ended June 30, 2023

Net change in fund balance - governmental funds	\$ (3,295,546)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.

Capital outlays as expenditures	431,213
Depreciation expense	(978,387)

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

Change in compensated absences	<u>19,326</u>
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Change in net position of governmental activities	<u><u>\$ (3,823,394)</u></u>
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The accompanying notes are an integral part of these financial statements.

Inland Valley Development Agency

Statement of Net Position Proprietary Funds June 30, 2023

	Water and Sewer	UAS Center	Total
ASSETS			
Cash	\$ 48,680	\$ -	\$ 48,680
Accounts receivable	12,436	4,400	16,836
Due from other governments	-	8,950	8,950
Capital Assets:			
Property, equipment, and other, net of accumulated depreciation	185,973	108,265	294,238
Total assets	247,089	121,615	368,704
LIABILITIES			
Accounts payable	24,771	180,389	205,160
Due to other governments	-	6,045	6,045
Total liabilities	24,771	186,434	211,205
NET POSITION			
Net investment in capital assets	185,973	108,265	294,238
Unrestricted	36,345	(173,084)	(136,739)
Total net position (deficit)	\$ 222,318	\$ (64,819)	\$ 157,499

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

Inland Valley Development Agency

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For the Year Ended June 30, 2023

	Water and Sewer	UAS Center	Total
OPERATING REVENUE			
Charges for sales and service	\$ 184,860	\$ 81,850	\$ 266,710
Other income	-	29,200	29,200
	<u>184,860</u>	<u>111,050</u>	<u>295,910</u>
OPERATING EXPENSES			
Costs of sales and services	198,912	-	198,912
Repairs and maintenance	-	528	528
Depreciation	9,072	15,109	24,181
Administrative costs	-	128,255	128,255
Professional service	-	227,711	227,711
	<u>207,984</u>	<u>371,603</u>	<u>579,587</u>
Total operating expenses			
	<u>207,984</u>	<u>371,603</u>	<u>579,587</u>
Operating income (loss)	(23,124)	(260,553)	(283,677)
TRANSFERS			
Transfers in	-	180,000	180,000
Transfers out	(25,000)	-	(25,000)
	<u>(25,000)</u>	<u>180,000</u>	<u>155,000</u>
Total transfers			
	<u>(25,000)</u>	<u>180,000</u>	<u>155,000</u>
Change in net position	(48,124)	(80,553)	(128,677)
Net position, beginning of year, as restated (Note 11)	270,442	15,734	286,176
	<u>270,442</u>	<u>15,734</u>	<u>286,176</u>
Net position (deficit), end of year	<u>\$ 222,318</u>	<u>\$ (64,819)</u>	<u>\$ 157,499</u>

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

Inland Valley Development Agency

Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2023

	Water and Sewer	UAS Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 205,876	\$ 124,710	\$ 330,586
Cash paid to suppliers	(174,141)	(223,612)	(397,753)
Net cash provided by (used for) operating activities	31,735	(98,902)	(67,167)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	(11,467)	(11,467)
Net cash used for capital and related financing activities	-	(11,467)	(11,467)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers (to) from other funds	-	90,000	90,000
Cash received from other governments	-	2,777	2,777
Cash paid to other governments	-	(8,950)	(8,950)
Net cash provided by noncapital financing activities	-	83,827	83,827
Net increase (decrease) in cash	31,735	(26,542)	5,193
Cash, beginning of year	16,945	26,542	43,487
Cash, end of year	\$ 48,680	\$ -	\$ 48,680
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ (23,124)	\$ (260,553)	\$ (283,677)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	9,072	15,109	24,181
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	21,016	13,660	34,676
Increase (decrease) in accounts payable	24,771	132,882	157,653
Net Cash Provided by (Used for) Operating Activities	\$ 31,735	\$ (98,902)	\$ (67,167)

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

Inland Valley Development Agency

Statement of Net Position Fiduciary Funds June 30, 2023

	Private-Purpose Trust Fund
ASSETS	
Cash and investments	\$ 8,403,194
Cash and investments with fiscal agents	16,650,898
Prepaid bond insurance	846,595
Deposits held with others	110,663
Investment property	229,749
	<hr/>
Total assets	26,241,099
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	1,710,591
	<hr/>
LIABILITIES	
Accrued interest	3,712,559
Deposits	110,663
Bonds payable, net:	
Portion due or payable within one year	5,825,000
Portion due or payable after one year	215,916,176
	<hr/>
Total liabilities	225,564,398
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Deferred gain on refunding	887,039
	<hr/>
NET POSITION (DEFICIT)	
Restricted for individuals, organizations, and other governments	<u>\$ (198,499,747)</u>

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

Inland Valley Development Agency

Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Year Ended June 30, 2023

	Private-Purpose Trust Fund
ADDITIONS	
Property tax increment	\$ 16,907,765
Interest income	<u>859</u>
Total additions	<u>16,908,624</u>
DEDUCTIONS	
Administrative costs	3,465
Transfers to IVDA	101,053
Interest and fees	<u>11,183,853</u>
Total deductions	<u>11,288,371</u>
Change in net position	5,620,253
Net position (deficit), beginning of year, as restated (Note 11)	<u>(204,120,000)</u>
Net position (deficit), end of year	<u><u>\$ (198,499,747)</u></u>

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

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 1 – Organization

Inland Valley Development Agency (Agency) is a Joint Powers Authority (JPA) formed pursuant to the provisions of the Government Code of the State of California and is comprised of four local governmental entities. These entities are the County of San Bernardino and the Cities of San Bernardino, Colton, and Loma Linda. The Agency was initially formed pursuant to a Joint Powers Agreement dated January 24, 1990, which was subsequently amended on February 12, 1990. The Agency was created to serve as a federal base reuse authority pursuant to the requirements of the Department of Defense in the Base Realignment and Closure Act for effectuating the conversion of the former Norton Air Force Base into civilian reuse. In addition, the Agency had the ability to exercise redevelopment powers pursuant to a special legislation, which became a part of the California Community Redevelopment Law. Specifically, Health and Safety Code Section 33320.5, which became effective January 1, 1990, provides that the Agency shall have, and exclusively exercise, powers of a redevelopment agency pursuant to the California Community Redevelopment Law in connection with a redevelopment project area approved by such joint powers authority.

The Agency adopted a Redevelopment Plan for the Inland Valley Redevelopment Project Area. The Agency's prime purpose and function in the adoption of this Redevelopment Plan was to provide the mechanism and funding to (1) acquire Norton Air Force Base (Air Base) and facilitate the successful reuse of the property; (2) ensure that adequate access exists to and from the major transportation systems and the Air Base; and (3) promote economic development within the area surrounding the Air Base.

California redevelopment agencies were dissolved effective January 31, 2012 pursuant to Assembly Bill (AB)x1 26. The Agency elected to serve as the successor agency to hold the assets and liabilities acquired with the Agency's dissolved redevelopment powers until they are distributed to other units of State and local government.

Note 2 – Summary of Significant Accounting Policies

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the Agency and the Private-Purpose Trust Fund for the Successor Agency.

Pursuant to the provisions of the Redevelopment Restructuring Act, the Agency elected to become the successor agency to hold the assets and liabilities acquired with the Agency's dissolved redevelopment powers. All assets and liabilities related to the former redevelopment agency were transferred to the Successor Agency as of February 1, 2012, and the activities of the Successor Agency are reported as a fiduciary fund in the accompanying financial statements. The Successor Agency operates under the auspices of a legislatively formed Oversight Board comprised of representatives of the local agencies that serve the redevelopment project area. It is tasked with fulfilling the obligations of the former redevelopment agency.

Note 2 – Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements

The basic financial statements of the Agency are comprised of the following:

- Government-wide financial statements;
- Fund financial statements; and
- Notes to the financial 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 reporting entity. For the most part, the effect of interfund 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 those that are clearly identifiable with a specific function or segment. Program revenues 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 not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. The Agency has only one governmental fund.

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. 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

The Agency reports the following major governmental funds:

General Fund - This is the Agency's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Agency reports the following major proprietary funds:

Enterprise Funds - The Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business, where the intent of the Board of Directors is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Agency reported the following enterprise funds:

Water and Sewer Fund - This fund accounts for the activities of the government in providing water and sewer services to retail users.

UAS Center Fund - This fund accounts for the activities of the government in providing unmanned aerial systems or drone flight training and systems integration consulting to individuals, corporations, and governments.

The Agency reports the following fiduciary fund type:

Private-Purpose Trust Fund - This fund is a fiduciary fund type used by the Agency to report trust arrangements under which principal and income are dedicated to providing benefits to recipients in accordance with the benefit term. This fund reports the assets, liabilities, and activities of the Successor Agency.

Certain eliminations have been made as prescribed by Governmental Accounting Standards Board (GASS) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, in regards to interfund activities, payables, and receivables.

Note 2 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances. In the statement of activities, transactions between governmental and business-type activities have not been eliminated.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally-dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include taxes, if any.

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. Operating expenses for enterprise funds include the cost of salaries and benefits, services and supplies, administrative expenses, utilities, maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Budgetary Practices

Each year, the Agency adopts a budget for all governmental funds, which provide for the general operations of the Agency. Budgets are prepared on the modified accrual basis of accounting.

E. Cash

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

F. Investments

Investments for the government are reported at fair value (generally based on quoted market prices) except for the position in the Local Agency Investment Fund (LAIF), which is part of the pooled money investment account that is regulated by the California Government Code under the oversight of the State Treasurer, Director of Finance, and State Controller. The Agency's investment in this pool is reported in the accompanying financial statements at cost, which approximates fair value. Fair value is calculated based on the Agency's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

Note 2 – Summary of Significant Accounting Policies (Continued)

G. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Accounts receivable are stated at the amount management expects to collect from outstanding balances. A receivable balance is charged off in the period in which the receivable is deemed uncollectible. All accounts receivable are shown net of an allowance for uncollectible amounts when applicable. Management evaluates uncollectible amounts based on its assessment of the current status of individual accounts. Accounts receivable are deemed to be fully collectible. There was no allowance for doubtful accounts at June 30, 2023.

H. Capital Assets

Capital assets, which include property and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$5,000 and have an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-35
Equipment and vehicles	5-7

Construction in progress includes all capitalized costs for expenditures directly incurred to bring a capital asset to a useable condition. These capitalized costs will be recorded to capital assets when the asset is operational. At that time, the costs will be depreciated or amortized over the respective capital asset's estimated useful life.

Note 2 – Summary of Significant Accounting Policies (Continued)

I. Investment Property

Investment property is reported in the statement of fiduciary net position at historical or acquisition cost.

J. Bond Issuance Costs and Premiums/Discounts

Bond premiums and discounts in the fiduciary funds are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an outflow of resources in the period incurred on the statement of changes in fiduciary net position.

K. Employee Compensated Absences

Accumulated vacation, holiday benefits, and compensatory time are recorded as an expense and liability as the benefits are earned. Compensated absence liabilities are recorded when incurred in the government-wide and proprietary fund financial statements.

L. Deferred Outflows/Inflows of Resources

A deferred outflow of resources is defined as a consumption of net position by the Agency that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the Agency that is applicable to a future reporting period. The Successor Agency has two items in the statement of net position, which qualify for reporting in these categories: deferred loss on refunding and deferred gain on refunding.

A deferred inflow of resources is defined as an acquisition of net position that applies to future reporting periods and so will not be recognized as an inflow of resources (revenue) until that time. The Agency and Successor Agency currently have items which qualify for reporting in this category, leases and deferred gain on refunding, respectively.

M. Net Position Classification

In the government-wide financial statements, net position is categorized as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Note 2 – Summary of Significant Accounting Policies (Continued)

M. Net Position Classification (Continued)

Restricted Net Position - This component of net position consists of constraints placed on net position through external constraints imposed by creditors (such as through debt covenants), granters, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This component of net position consists of net position that does not meet the definition of net investment in capital assets, or restricted net position.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

N. Fund Balances

In the fund financial statements, fund balances are categorized as follows:

Nonspendable - Items that cannot be spent because they are not in a spendable form (such as inventory) or items that are legally or contractually required to be maintained intact.

Restricted - Items with constraints placed on their use that are either: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law by constitutional provisions or by enabling legislation.

Committed - Items that encompass the portion of net fund resources, the use of which is constrained by the limitations that the government imposes upon itself at its highest level of decision-making authority (Board of Directors) through resolution and that remain binding unless removed in the same manner.

Assigned - Items that are constrained by the government's intent to be used for specific purposes. The intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The Board of Directors is authorized for this purpose.

Unassigned - This category is for any spendable balances that have not been restricted, committed, or assigned to a specific purpose.

For the classification of fund balances, the Agency considers restricted amounts to have been spent before unrestricted if the expenditure meets the criteria for use of restricted funds. Unrestricted funds are used in the following order: committed, assigned, and unassigned funds.

Note 2 – Summary of Significant Accounting Policies (Continued)

O. Property Taxes

The Successor Agency receives incremental property taxes on property within its project area over a base assessed valuation on the date the project area was established. The duties of assessing and collecting property taxes are performed by the San Bernardino County Assessor and Tax Collector, respectively. Tax levies cover the period from July 1 to June 30 of each year. All tax liens attach annually on the first day in March preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as it exists on that date.

Secured property taxes are levied against real property and are due and payable in two equal installments. The first installment is due on November 1 and becomes delinquent if not paid by December 10. The second installment is due on February 1 and becomes delinquent if not paid by April 10. Unsecured personal property taxes are due on July 1 each year. These taxes become delinquent if not paid by August 31.

The Successor Agency records incremental property tax revenues in the fiscal year to which they relate and are received, rather than at the related lien date, except that an accrual is made for revenues received within 60 days after the end of the fiscal year.

P. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 3 – Cash and Investments

Cash and investments at June 30, 2023 are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 11,378,353
Cash and investments with fiscal agents	1,572,525
Statement of Fiduciary Net Position	
Cash and investments	8,403,194
Cash and investments with fiscal agents	<u>16,650,898</u>
Total cash and investments	<u><u>\$ 38,004,970</u></u>

Cash and investments as of June 30, 2023 consisted of the following:

Cash deposits with financial institutions	\$ 19,583,025
Cash with fiscal agents	18,223,424
Investments in LAIF	<u>198,521</u>
Total cash and investments	<u><u>\$ 38,004,970</u></u>

Investments Authorized by the California Government Code and the Agency's Investment Policy

The investments authorized by the Agency's investment policy are in accordance with Section 53601 of the California Government Code. The table below identifies the investment types that are authorized:

AUTHORIZED INVESTMENT TYPE	MAXIMUM MATURITY	MAXIMUM PERCENTAGE OF PORTFOLIO
Securities of the United States Government or its agencies	5 years	None
Treasury notes, bonds, or legal obligations of the State of California	5 years	None
Municipal bonds rated A+ by Standard & Poor's or A-1 by Moody's Investment Service or A+ by Fitch Ratings	5 years	None
Certificates of deposit	1 year	30%
Bankers acceptances	180 days	30%
Repurchase agreements	90 days	10%
Commercial paper rated A-1 by Standard & Poor's or P-1 by Moody's Investment Service	270 days	15%
California Local Agency Investment Fund	None	None
Time deposits	5 years	20%
Money-market accounts	5 years	20%

Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreement rather than the general provisions of the California Government Code or the Agency's investment policy.

Note 3 – 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.

As of June 30, 2023, the Agency's investment in LAIF had an average maturity of 9 months.

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. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentrations of Credit Risk

With the exception of securities of the U.S. government or its agencies and LAIF, it is the investment policy of the Agency that no more than 50% of the Agency's total investment portfolio be invested in a single investment type or with a single issuer. Investments of bond debt proceeds are not subject to this limitation.

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 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. Of the bank balances, up to \$250,000 is federally insured and the remaining balances are collateralized in accordance with the California Government Code.

The Agency's investment policy requires that for investments in certificates of deposit and repurchase agreements, a collateral level of at least 102% of the market value of the deposit be maintained. The California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law. 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.

Inland Valley Development Agency

Notes to the Financial Statements **June 30, 2023**

Note 3 – Cash and Investments (continued)

Investment in State Investment Pool

The Agency is a voluntary participant in LAIF, which is part of the pooled money investment account that is regulated by the California Government Code under the oversight of the State Treasurer, Director of Finance, and State Controller. The Agency's investment in this pool is reported in the accompanying financial statements at cost, which approximates fair value at amounts based on the Agency's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest.

All investments with LAIF are secured by the full faith and credit of the State of California. Separate LAIF financial statements are available from the California State Treasurer's Office on the Internet at <http://www.treasurer.ca.gov>. Investment income from the pool is allocated back to the respective funds based on each fund's equity in the pool.

Note 4 – Receivables

Lease Receivable

On July 1, 2021, the Agency entered into several leases from 48-month to 115-month leases as Lessor. As of June 30, 2023, the value of the lease receivable is \$1,764,125. The lessee is required to make monthly fixed payments ranging from \$7,009 to \$46,677. The leases have an interest rate ranging from 0.2450% to 1.2900%. The value of the deferred inflow of resources as of June 30, 2023 is \$1,744,670, and the Agency recognized lease revenue of \$677,999 on these leases during the fiscal year. The lessees have one term extension option ranging from 36 to 60 months.

Participation Payment Receivable

The participation payment receivable arises from the Disposition and Development Agreement (Agreement) for the sale of the Agency's DFAS II real property (DFAS II). DFAS II consists of 211,701 square feet of land with a building of approximately 79,834 square feet. DFAS II was transferred via a quitclaim deed from the United State of America to the Agency pursuant to Public Law 100-526 in furtherance of the Agency's base reuse obligations for the former Norton Air Force Base and the further obligations if the Agency to support the development and operations of the San Bernardino International Airport. On March 31, 2022, the Agency transferred DFAS II to SBD Corporate Center II, LLC (Developer) for the nominal consideration of \$6,350,000. The consideration received for the DFAS II property is comprised of \$2,600,000 in cash and \$3,750,000, before discount at 4.00 percent, of participation payments. The participation payments are payable in quarterly amounts of \$37,500 for twenty-five years. The Agreement protects the Agency's rights to the participation payments through pre-approval rights to transfers of DFAS II underlying real property or transfers and/or changes in lessor/landlord rights and obligations.

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 4 – Receivables (continued)

Participation payments start upon occupation of DFAS II by the Developer's tenant, San Bernardino County Fire Protection District upon completion of remodeling and furnishing of DFAS II, which is anticipated to begin on or about July 1, 2023.

Future minimum participation payments to be received are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ 54,741	\$ 95,259	\$ 150,000
2025	58,580	91,420	150,000
2026	60,958	89,042	150,000
2027	63,434	86,566	150,000
2028	66,009	83,991	150,000
2029 - 2033	372,494	377,506	750,000
2034 - 2038	454,513	295,487	750,000
2039 - 2043	554,593	195,408	750,001
2044 - 2048	676,707	73,293	750,000
	<u>\$ 2,362,029</u>	<u>\$ 1,387,971</u>	<u>\$ 3,750,000</u>

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 5 – Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 6,234,960	\$ 49,792	\$ -	\$ 6,284,752
Total capital assets, not being depreciated	6,234,960	49,792	-	6,284,752
Capital assets, being depreciated				
Buildings and improvements	26,756,747	374,864	-	27,131,611
Equipment and vehicles	977,367	6,557	-	983,924
Total capital assets, being depreciated	27,734,114	381,421	-	28,115,535
Less: accumulated depreciation for				
Buildings and improvements	(14,611,314)	(965,389)	-	(15,576,703)
Equipment and vehicles	(1,054,658)	(12,998)	-	(1,067,656)
Total accumulated depreciation	(15,665,972)	(978,387)	-	(16,644,359)
Total capital assets, being depreciated, net	12,068,142	(596,966)	-	11,471,176
Governmental activities capital assets, net	\$18,303,102	\$ (547,174)	\$ -	\$17,755,928
Business-Type Activities				
Capital assets, being depreciated				
Property and equipment	\$ 480,058	\$ 11,467	\$ -	\$ 491,525
Less: Accumulated depreciation for				
Property and equipment	(173,106)	(24,181)	-	(197,287)
Business-type activities capital assets, net	\$ 306,952	\$ (12,714)	\$ -	\$ 294,238

Depreciation expense charged to the primary government in the governmental activities amounted to \$978,387 and for business-type activities in the amount of \$24,181.

For the year ended June 30, 2023, the Successor Agency held real property with a carrying value of \$229,749, which is included as part of the Private-Purpose Trust Fund in the fiduciary funds.

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 6 – Compensated Absences

The following is a summary of changes in compensated absences for the year ended June 30, 2023:

	<u>Balance July 1, 2022</u>	<u>Net Change</u>	<u>Balance June 30, 2023</u>	<u>Amount due within one year</u>	<u>Amount due beyond one year</u>
Compensated absences	\$ 82,324	\$ (19,326)	\$ 62,998	\$ 31,499	\$ 31,499

Note 7 – Long-Term Debt

The following is a summary of changes in long-term debt for the Successor Agency for the year ended June 30, 2023:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>	<u>Amount due within one year</u>
Tax Allocation Bonds, Issue of:					
2014A	\$ 146,220,000	\$ -	\$ -	\$ 146,220,000	\$ -
2014A Bond Premium	7,552,840	-	(340,386)	7,212,454	-
Tax Allocation Bonds, Issue of:					
2014B	74,250,000	-	(5,335,000)	68,915,000	5,825,000
2014B Bond Discount	(672,316)	-	66,038	(606,278)	-
Total long-term liabilities	<u>\$ 227,350,524</u>	<u>\$ -</u>	<u>\$ (5,609,348)</u>	<u>\$ 221,741,176</u>	<u>\$ 5,825,000</u>

Successor Agency to the Inland Valley Development Agency Tax Allocation Refunding Bonds, Series 2014A (\$146,220,000) and Series 2014B (\$93,650,000) (2014 Bonds)

The Successor Agency issued Tax Allocation Bonds, Series 2014A and Series 2014B on May 15, 2014 totaling \$239,870,000. The Bonds were issued to refund and defease the Tax Allocation Bonds, Series 2011A, Series 2011B, and Series 2011C, and the CMB Investment Groups B and 1-V promissory notes. In addition, bond proceeds were used to fund a debt service reserve account and to pay the costs of issuance of the 2014 Bonds. The 2014 Bonds are secured by and payable from the Successor Agency's tax revenues, which consist of all monies deposited from time to time in the Redevelopment Property Tax Trust Fund. The 2014 Bonds are subject to optional redemption and mandatory sinking account redemption prior to their stated maturity.

The net proceeds of the 2014 bonds were \$248,871,000 with a net premium of \$9,111,391. The net proceeds were placed in an escrow account to advance refund the Tax Allocation Bonds, Series 2011A, Series 2011B, and Series 2011C, and the CMB Investment Groups B and 1-V promissory notes, along with other sources of funds in the amount of \$33,370,960. The debt service payments for the new bonds will exceed the debt service payments for the old bonds by \$76,411,440, and will result in an economic loss of \$72,057,623, using effective rates ranging from 4.5% to 5.5%. The proceeds from the refunding issue were placed in escrow accounts to pay the future debt service on the bonds being refunded. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of fiduciary net position.

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 7 – Long-Term Debt (continued)

The net carrying amount of the Series 2011A bonds exceeded its reacquisition price by \$1,253,278. The reacquisition price of the rest of the refunded bonds and promissory notes exceeded the net carrying amount by \$3,264,376. The amounts are reported as a deferred inflow and a deferred outflow of resources in the statement of fiduciary net position and amortized over the life of the new debt issued. The balances at June 30, 2023, net of amortization, are \$887,039 and \$1,710,591, respectively.

2014 Series A Bonds

The 2014A Bonds were issued in the aggregate principal amount of \$146,220,000 and will mature and be payable through September 1, 2044. The 2014A Bonds consist of \$48,925,000 term bonds maturing on September 1, 2037 bearing interest at 5.25% and \$97,295,000 term bonds maturing on September 1, 2044 bearing interest at 5.00%. The 2014A term bonds are subject to mandatory sinking fund redemption prior to maturity beginning March 1, 2033 equal to the sum of the principal amount plus accrued interest to the redemption date. Interest on the 2014A Bonds was initially payable on September 1, 2014 and semi-annually thereafter on each March 1 and September 1. The 2014A Bonds were issued at a premium of \$10,320,691.

Debt service requirements on these bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ -	\$ 7,433,313	\$ 7,433,313
2025	-	7,433,313	7,433,313
2026	-	7,433,313	7,433,313
2027	-	7,433,313	7,433,313
2028	-	7,433,313	7,433,313
2029 - 2033	2,250,000	37,166,565	39,416,565
2034 - 2038	52,565,000	30,661,681	83,226,681
2039 - 2043	67,635,000	15,586,250	83,221,250
2044 - 2045	23,770,000	1,198,250	24,968,250
Total	<u>\$ 146,220,000</u>	<u>\$ 121,779,311</u>	<u>\$ 267,999,311</u>

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 7 – Long-Term Debt (continued)

2014 Series B Bonds

The 2014B Bonds were issued in the aggregate principal amount of \$93,650,000 and will mature and be payable through March 1, 2033. The 2014B Bonds consist of \$33,185,000 Serial Bonds maturing beginning on September 1, 2018 through September 1, 2024 bearing interest from 2.745% to 4.532% and \$60,465,000 Term Bonds maturing on March 1, 2033 bearing interest at 5.50%. The 2014B term bonds are subject to mandatory sinking fund redemption prior to maturity beginning March 1, 2025 at a redemption price equal to the sum of the principal amount plus accrued interest to the redemption date. Interest on the 2014B Bonds was initially payable on September 1, 2014 and semi-annually thereafter on each March 1 and September 1. The 2014B Bonds were issued at a discount of \$1,209,300.

Debt service requirements on these bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ 5,570,000	\$ 3,643,316	\$ 9,213,316
2025	5,825,000	3,390,836	9,215,836
2026	6,130,000	3,080,413	9,210,413
2027	6,475,000	2,738,587	9,213,587
2028	6,835,000	2,377,650	9,212,650
2029 - 2033	38,080,000	5,729,626	43,809,626
Total	<u>\$ 68,915,000</u>	<u>\$ 20,960,428</u>	<u>\$ 89,875,428</u>

Total interest expense incurred for the Successor Agency for the year ended June 30, 2023 was \$11,183,853.

Note 8 – Federal Agency Capital Grants

In 2018, the Agency and two other co-recipients were awarded a grant totaling \$2,964,360 from the United States Department of Commerce Economic Development Administration. The grant is for improvements to existing infrastructure along the 3rd/5th Street Corridor in the City of Highland. Funds may also be used for related administrative and legal expenses, architectural and engineering fees, inspection fees, and contingencies. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Grant revenue of \$761,414 was recognized for the year ended June 30, 2023 and is included with intergovernmental revenue in the financial statements.

Inland Valley Development Agency

Notes to the Financial Statements June 30, 2023

Note 8 – Federal Agency Capital Grants (continued)

The Agency was granted beneficial use of \$36,500,000 from the Inland Valley Goods Movement Bill (IVGMB) in August 2005 for funding various transportation related projects in proximity to the former Norton Air Force Base. Subsequently, the Agency entered into an agreement with the San Bernardino County Transportation Authority (SBCTA) to exchange and substitute the amount of funds that would be received by the Agency from the \$36,500,000 of the IVGMB for a like-dollar amount of existing Measure "I" funds. The total grant amount is subject to a percentage reduction by the federal government that will vary from federal fiscal year to federal fiscal year dependent upon factors that are outside the control or influence of either the Agency or SBCTA. Measure "I" grant revenue of \$476,753 was recognized for the year ended June 30, 2023 and is included with intergovernmental revenue in the financial statements.

Grants are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under the terms of the grant. The amount, if any, of expenditures which may be disallowed cannot be determined at this time, although based on prior experience, Agency management believes such disallowances, if any, will not be material.

Note 9 – Related-Party Transactions

Operating Expenses

The Agency shares certain common expenses with SBIAA, a related party, by virtue of common control. These expenses, which include salaries, benefits, services, and supplies, are appropriately allocated between the two government agencies. The expense allocated to SBIAA for the year ended June 30, 2023 was \$1,615,487. The Agency's allocable share of the expenses paid by SBIAA are reported as due to other governments and SBIAA's allocable share of the expenses paid by the Agency are reported as due from other governments and are essentially short-term advances of working capital. The advances are noninterest bearing and due on demand. The net amount due from SBIAA for operating expenses at June 30, 2023 was \$3,350,521.

Transfers

The Agency transferred \$530,509 to SBIAA as a contribution to fund road improvements.

Note 10 – Interfund Transactions

During the year ended June 30, 2023, the Successor Agency transferred \$101,053 to the General Fund to reimburse expenses paid by the General Fund on its behalf.

During the year ended June 30, 2023, the Water and Sewer Fund transferred operating allowances of \$25,000 to the General Fund.

During the year ended June 30, 2023, the General Fund transferred working capital of \$180,000 to the UAS Center Fund.

Inland Valley Development Agency

Notes to the Financial Statements **June 30, 2023**

Note 11 – Prior Period Adjustment

Beginning net position has been restated for correction of error and changes in estimate resulting in an understatement or overstatement of amounts previously reported for interest receivable, due from Successor Agency, due to related party, and interfund transfers. The cumulative effects of correction of errors and change in estimates in reporting of prior balances resulted in the following prior period adjustments:

	Governmental Activities	General Fund	Proprietary Funds		Fiduciary Activities
			Water and Sewer	UAS center	
Beginning net position/fund balance, as previously reported	\$ 40,129,392	\$ 19,546,585	\$ 245,442	\$ 105,734	\$ (204,128,253)
Correction of error: Overstated Receivable (Interest Receivable)	(10,454)	(10,454)	-	-	-
Change in estimate: Overstated Receivable (Due from Successor Agency)	(8,253)	(8,253)	-	-	-
Change in estimate: Overstated Liabilities (Due to related party)	-	-	-	-	8,253
Correction of error: Interfund Transfers	65,000	65,000	25,000	(90,000)	-
Beginning net position/fund balance, as restated	<u>\$ 40,175,685</u>	<u>\$ 19,592,878</u>	<u>\$ 270,442</u>	<u>\$ 15,734</u>	<u>\$ (204,120,000)</u>

Required Supplementary Information

Inland Valley Development Agency

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES				
Charges for services	\$ 226,053	\$ 226,053	\$ 101,053	\$ (125,000)
Lease income	2,373,125	2,373,125	2,055,930	(317,195)
Intergovernmental	8,993,176	8,993,176	1,238,167	(7,755,009)
Developer income	1,468,377	1,468,377	1,399,834	(68,543)
Other income	610,000	610,000	7,495	(602,505)
Interest income	6,500	6,500	23,106	16,606
Total revenues	<u>13,677,231</u>	<u>13,677,231</u>	<u>4,825,585</u>	<u>(8,851,646)</u>
EXPENDITURES				
General and administrative costs	2,368,400	2,368,400	1,657,209	711,191
Professional services	871,000	871,000	542,116	328,884
Planning, survey and design	340,000	340,000	168,260	171,740
Operation of acquired property	1,206,600	1,206,600	955,601	250,999
Project improvement costs	13,329,722	13,329,722	1,922,852	11,406,870
Public transportation support payments	3,500,000	3,500,000	3,469,191	30,809
Total expenditures	<u>21,615,722</u>	<u>21,615,722</u>	<u>8,715,229</u>	<u>12,900,493</u>
OTHER FINANCING SOURCES (USES)				
Contribution to related party	-	-	749,098	749,098
Transfers in	5,796,646	5,796,646	25,000	(5,771,646)
Transfers out	<u>(5,826,646)</u>	<u>(5,826,646)</u>	<u>(180,000)</u>	<u>5,646,646</u>
Total other financing sources (uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>594,098</u>	<u>624,098</u>
Net change in fund balance	<u>\$ (7,968,491)</u>	<u>\$ (7,968,491)</u>	<u>(3,295,546)</u>	<u>\$(21,128,041)</u>
Fund balance, beginning of year, as restated (Note 11)			<u>19,592,878</u>	
Fund balance, end of year			<u>\$ 16,297,332</u>	

Inland Valley Development Agency

Notes to Required Supplementary Information June 30, 2023

Note 1: General Budget Policies

The Board of Directors adopts an annual budget, submitted by the Director of Finance prior to June 30 each year. The appropriated budget is prepared by fund, function, and department. All annual appropriations lapse at the end of the fiscal year. The Board of Directors has the legal authority to amend the budget at any time during the fiscal year. The annual budget is prepared on a basis consistent with generally accepted accounting principles and is adopted for all governmental funds.

Note 2: Supplementary Budget Information

There were no expenditures in excess of appropriations in the General Fund.



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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San Bernardino, CA 92408
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March 7, 2024

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MEMBERS

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California Society of
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To the Board of Directors
Inland Valley Development Agency

We have audited the financial statements of Inland Valley Development Agency (the Agency) as of and for the year ended June 30, 2023, and have issued our report thereon dated March 7, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 18, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Agency solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding noncompliance with contract policy in a separate letter to you dated March 7, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the possibility of the following significant risks:

Management's override of internal controls over financial reporting: Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

Revenue recognition: Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the Agency's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Agency is included in Note 1 to the financial statements. There have been no initial selection of accounting principles and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Management's estimate of the depreciation expense and accumulated depreciation are based on the allocation of capital assets cost over the estimated useful life of the assets. We evaluated the key factors and assumptions used to develop the depreciation expense and accumulated depreciation and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Management's estimate of leases receivable, and deferred inflows of resources related to leases is based on present value calculations using certain terms and assumptions in the lease agreements in accordance with generally accepted accounting principles. We evaluated the key factors and assumptions used to develop the lease-related estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Agency's financial statements relate to:

The disclosure of fair value of investments in Note 3 to the financial statements represents amounts susceptible to market fluctuations.

The disclosure of depreciation expense and accumulated depreciation in Note 5 to the financial statements is based on the allocation of capital assets cost over the estimated useful life of the assets.

The disclosure of leases receivable and deferred inflows of resources related to leases in Note 4 to the financial statements is based on certain terms and assumptions in the lease agreements which could differ from actual amounts.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Management has corrected all identified misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Agency's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated March 7, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Agency, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Agency's auditors.

Finding and recommendation not required to be reported under *Government Auditing Standards*

During our audit procedures to test compliance with the Agency's purchasing policy over contracts, we noted no deviations from the purchasing policy. However, we noted 3 instances that required us to obtain further evidence to determine that 3 professional services contracts, with specified and historical knowledge related to the projects, were exempt from the competitive bidding or price quoting process. Although the purchasing policy itself doesn't address how such procurements should be documented, the purchasing procedures manual implies that written documentation should be maintained for the procurement documenting why the competitive bidding or price quoting process would not apply.

We recommended that the Agency undertake a review and revision of its purchasing policy and procedures, with an emphasis on professional and specialized services. The policy and procedures should be expanded and clarified as necessary to provide detailed guidelines, especially concerning the procurement of professional services, including documenting when and why competitive bidding or price quoting may be waived, particularly when professional services are involved and individuals or firms with specific project knowledge are engaged. This enhanced documentation should be established to ensure transparency and that the Agency is receiving overall value in the procurement process.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing West Basin's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Directors, and management of the Agency and is not intended to be and should not be used by anyone other than these specified parties.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California



Inland Valley Development Agency

March 7, 2024

Rogers, Anderson, Malody & Scott, LLP

This representation letter is provided in connection with your audit of the *financial statements* of Inland Valley Development Agency (the Authority) as of June 30, 2023 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the Agency in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 7, 2024:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 9, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to the preparation of the financial statements, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided


- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - A written acknowledgement of all the documents that we expect to issue that will be included in the annual report and the planned timing and method of issuance of that annual report;
 - A final version of the annual report (including all the documents that together comprise the annual report) in a timely manner prior to the date of the auditor's report.
- The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans and our ability to achieve those plans. We have no reason to believe that the Agency will not 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.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The Agency has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the Agency is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62


(GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The Agency has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- There have been no changes or updates to legal information disclosed to you by our attorney since the date of such legal response and now.

Required Supplementary Information

- With respect to the required supplementary information (RSI) accompanying the financial statements:
 - We acknowledge our responsibility for the presentation of the RSI in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).
 - We believe the RSI, including its form and content, is measured and fairly presented in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).
 - The methods of measurement or presentation have not changed from those used in the prior period.
- We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.


Mark Cousineau, Finance Director

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 7</p> <p>PRESENTER: Catherine Pritchett, Director of Administration</p>
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SUBJECT: ADOPT RESOLUTION NO. 2024-02 OF THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) UPDATING THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES FORM 130 - DESIGNATION OF APPLICANT'S AGENT RESOLUTION

SUMMARY

In the event of a declared emergency or disaster, the Inland Valley Development Agency (IVDA) is eligible to receive financial assistance by the California Disaster Assistance Act (CDAA) through the California Emergency Management Agency (Cal EMA) to repair disaster related damages and recover costs for emergency services. A requirement for funding is the identification of authorized agents through submittal of the Cal OES Form 130 - Designation of Applicant's Agent Resolution identifying specific individuals authorized to request funds and submit documentation on behalf of the IVDA.

RECOMMENDED ACTION(S)

Consider and adopt Resolution No. 2024-02 updating the Governor's Office of Emergency Services Form 130.

FISCAL IMPACT

There is no negative fiscal impact related to the submittal of Form 130. Adoption of the resolution will permit the IVDA to obtain financial assistance for all open and future disasters declared by the state or federal government, up to three years following the date of approval.

PREPARED BY:	Catherine Pritchett
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

The California Disaster Assistance Act (CDAA) authorizes the California Emergency Management Agency (Cal EMA) to administer disaster assistance programs that provide state and/or federal financial assistance to local agencies for costs incurred following declared disasters.

To be provided with Cal EMA funds via reimbursement or direct funding, the California Governor's Office of Emergency Services (Cal OES) requires a Designation of Applicant's Agent Resolution for Non-State Agencies (Form 130) to be on file for the purpose of obtaining financial assistance. The purpose of Form 130 is to identify specific individuals authorized to request funds and submit documentation to Cal OES on behalf of the IVDA. The IVDA has never submitted a Form 130 to Cal OES. As such, in the event IVDA structures are damaged in a disaster, the Agency would be ineligible to request or receive funds.

IVDA structures that may sustain damage in a declared disaster include the Norton Regional Event Center, Building 58, the Airport Maintenance Building, and the UAS training Center.

The proposed Cal OES 130 Form is attached. Staff recommends identifying authorized agent designations by title only. This allows the document to remain valid if an Authorized Agent leaves the position or is replaced by another individual.

The 2024 Form 130 will remain on file with Cal OES for three years following the effective date of the resolution.

Staff requests approval of the above recommended action.

Attachments:

1. IVDA Resolution 2024-02.
2. Cal OES Form 130 - Designation of Applicant's Agent Resolution.

RESOLUTION NO. 2024-02

**RESOLUTION OF THE INLAND VALLEY DEVELOPMENT AGENCY BOARD (IVDA)
AUTHORIZING THE SUBMISSION OF THE CALIFORNIA EMERGENCY
MANAGEMENT AGENCY FORM 130 DESIGNATION OF APPLICANT'S
RESOLUTION TO THE STATE OF CALIFORNIA'S EMERGENCY MANAGEMENT
AGENCY**

WHEREAS, the Inland Valley Development Agency (the "IVDA") is a joint powers authority created pursuant to Government Code Sections 6500, et seq., established in January 1990 pursuant to that certain Amended Joint Exercise of Powers Agreement (Inland Valley Development Agency), dated as of February 12, 1990, by and among the City of San Bernardino, the City of Colton, the City of Loma Linda and the County of San Bernardino, as amended (the "Agreement"); and

WHEREAS, the IVDA has from time-to-time experienced emergency situations resulting in the need to request financial disaster assistance from state and federal agencies; and

WHEREAS, the Public Contract Code Section 1102 provides that "emergency," means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services; and

WHEREAS, in the event of a declared emergency or disaster, federal and/or state financial assistance for costs incurred because of a disaster may be available through the California Emergency Management Agency (Cal EMA); and

WHEREAS, applications for federal and state financial assistance are processed through Cal EMA, which requires adoption of a Resolution by the local agency adopting Cal EMA Form 130 designating the IVDA's representatives authorized to submit applications for disaster assistance; and

WHEREAS, the Cal EMA Form 130 must be submitted to Cal EMA by Resolution every three years, and

WHEREAS, the Cal EMA Form 130 hereby submitted by adoption of this Resolution shall be retroactive for any weather event(s) in February of 2024, and for all future disasters up to three years following the date of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of IVDA that:

1. The Recitals set out above are true and correct;
2. The Board agrees to recognized emergency declarations and/or disasters proclaimed by the State of California and/or the County of San Bernardino.
3. The Board authorizes the 2024 submission of Form 130;
4. The Board designates the positions of Chief Executive Officer, Director of Aviation, Director of Administration, and the Director of Finance as the IVDA's authorized agents to execute disaster requests and submit required paperwork on behalf of the IVDA for all past, current, and future emergency situations and disasters up to three years following the date of this Resolution.

[SIGNATURE ON FOLLOWING PAGE]

The foregoing Resolution was PASSED, APPROVED AND ADOPTED this 13th day of March. 2024 by the following vote:

MOTION:

SECOND:

AYES:

NOES:

ABSENT:

ABSTAIN:

Phillip Dupper, Chairperson
Inland Valley Development Agency

(SEAL)

Attest:

Jennifer Farris, Clerk of the Board
Inland Valley Development Agency

I, Jennifer Farris, Clerk of the Board of the Inland Valley Development Agency do hereby certify that the foregoing Resolution No. 2024-02 was duly and regularly passed and adopted by the IVDA Board at a meeting thereof, held on the 13th day of March 2024, and that the foregoing is a full, true and correct copy of said Resolution and has not been amended or repealed.

(SEAL)

Attest:

Jennifer Farris, Clerk of the Board
Inland Valley Development Agency



Cal OES ID No: _____

DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

BE IT RESOLVED BY THE Board OF THE Inland Valley Development Agency
(Governing Body) (Name of Applicant)

THAT Chief Executive Officer, OR
(Title of Authorized Agent)

Director of Finance, OR
(Title of Authorized Agent)

Director of Administration
(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the Inland Valley Development Agency
(Name of Applicant)

a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining federal financial assistance for any existing or future grant program, including, but not limited to any of the following:

- **Federally declared Disaster (DR), Fire Mitigation Assistance Grant (FMAG), California State Only Disaster (CDAA), Immediate Services Program (ISP), Hazard Mitigation Grant Program (HMGP), Building Resilient Infrastructure and Communities (BRIC), Legislative Pre-Disaster Mitigation Program (LPDM),** under
- Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.
- **Flood Mitigation Assistance Program (FMA),** under Section 1366 of the National Flood Insurance Act of 1968.
- **National Earthquake Hazards Reduction Program (NEHRP)** 42 U.S. Code 7704 (b) ((2) (A) (ix) and 42 U.S. Code 7704 (b) (2) (B) National Earthquake Hazards Reduction Program, and also The Consolidated Appropriations Act, 2018, Div. F, Department of Homeland Security Appropriations Act, 2018, Pub. L. No. 115-141
- **California Early Earthquake Warning (CEEW)** under CA Gov Code – Gov, Title 2, Div. 1, Chapter 7, Article 5, Sections 8587.8, 8587.11, 8587.12

That the Inland Valley Development Agency, a public entity established under the
(Name of Applicant)

laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.



STATE OF CALIFORNIA
CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES
DESIGNATION OF APPLICANT'S AGENT RESOLUTION
NON-STATE AGENCIES
OES-FPD-130 (Rev. 10-2022)

RECOVERY DIRECTORATE
FINANCIAL PROCESSING DIVISION

Please check the appropriate box below

- ☒ This is a universal resolution and is effective for all open and future disasters/grants declared up to three (3) years following the date of approval.
- ☐ This is a disaster/grant specific resolution and is effective for only disaster/grant number(s): _____

Passed and approved this 13th day of March, 20 24

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

CERTIFICATION

I, Jennifer Farris, duly appointed and Clerk of the Board of
(Name) (Title)

Inland Valley Development Agency, do hereby certify that the above is a true and
(Name of Applicant)

correct copy of a resolution passed and approved by the Board
(Governing Body)

of the Inland Valley Development Agency on the 13th day of March, 20 24,
(Name of Applicant)

(Signature)

Clerk of the Board

(Title)



Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted resolution is older than three (3) years from the last date of approval, is invalid, or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on pages 1 and 2. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California.

Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the California Governor's Office of Emergency Services regarding grants for which they have applied. There are two ways of completing this section:

1. **Titles Only:** The titles of the Authorized Agents should be entered here, not their names. This allows the document to remain valid if an Authorized Agent leaves the position and is replaced by another individual. If "Titles Only" is the chosen method, this document must be accompanied by either a cover letter naming the Authorized Agents by name and title, or the Cal OES AA Names document. The supporting document can be completed by any authorized person within the Agency (e.g., administrative assistant, the Authorized Agent, secretary to the Director). It does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document, or their title changes.



Checking Universal or Disaster-Specific Box: A Universal resolution is effective for all past disasters and for those declared up to three (3) years following the date of approval. Upon expiration it is no longer effective for new disasters, but it remains in effect for disasters declared prior to expiration. It remains effective until the disaster goes through closeout unless it is superseded by a newer resolution.


Governing Body Representative: These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents. A minimum of three (3) approving board members must be listed. If less than three are present, meeting minutes must be attached in order to verify a quorum was met.

Certification Section:

Name and Title: This is the individual in attendance who recorded the creation and approval of this resolution.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member. If a person holds two positions (such as City Manager and Secretary to the Board) and the City Manager is to be listed as an Authorized Agent, then that person could sign the document as Secretary to the Board (not City Manager) to eliminate "Self-Certification."

	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 8</p> <p>PRESENTER: Myriam Beltran, Manager of Planning & Programs</p>
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SUBJECT: APPROVE AWARD OF CONTRACT TO TOM DODSON & ASSOCIATES IN AN AMOUNT NOT TO EXCEED \$132,811.25 FOR THE PREPARATION OF ENVIRONMENTAL DOCUMENTS AS REQUIRED FOR THE INLAND VALLEY INFRASTRUCTURE CORRIDOR

SUMMARY

The approval of this action will allow Tom Dodson & Associates to compile the environmental documentation required by the CEQA (California Environmental Quality Act) process to allow the Inland Valley Infrastructure Corridor to be processed, approved, and certified by the Inland Valley Development Agency.

RECOMMENDED ACTION(S)

Approve an award of contract to Tom Dodson & Associates in an amount not to exceed \$132,811.25 for the preparation of environmental documents and technical studies as required for the certification of the Inland Valley Infrastructure Corridor; and authorize the Chief Executive Officer to execute all related documents.

FISCAL IMPACT

None. Funding for these services is included in the adjusted Fiscal Year 2023-24 Budget in the General Fund, Account 50915 - Professional Service-Specific Plan in the amount of \$185,000 of which \$133,000 will be allocated to this agreement.

PREPARED BY:	Myriam Beltran
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

In order to facilitate the environmental documents for the Inland Valley Infrastructure Corridor, certain activities are necessary to comply with the California Environmental Quality Act (CEQA) procedural review process. The project's stakeholders, City of San Bernardino, City of Highland, East Valley Water District and the San Manuel Band of Mission Indians are in support that the Inland Valley Development Agency (IVDA) will be the lead agency responsible for coordinating the CEQA review process.

Based on coordination meetings with project stakeholders, it was agreed that IVDA Staff should request a proposal from Tom Dodson & Associates (TDA). This firm has extensive working knowledge of the former Norton Air Force Base facilities and has developed significant work product during the various capital project entitlements that IVDA and the City of Highland have completed throughout this corridor. The firm is extremely knowledgeable and familiar with the project area, IVDA requirements, and CEQA's guidelines. Under the scope of work for the project, TDA will identify potential significant impacts and will provide mitigation measures and alternatives when considering the following option:

- Environmental Impact Report (EIR): the agency has determined that more detailed environmental review is necessary either because there is a potential for significant adverse environmental impacts or that the project is of such a size of larger community interest that it is prudent to do a more detailed analysis.

TDA has retained the necessary technical sub-consultants to assist in this effort. These specialties include: Air Quality, Noise, Biological Resources, Cultural Resources, Hydrology, Transportation and Health Risk Assessment. TDA will integrate the proposed technical studies into the Environmental Impact Report to determine the appropriate CEQA environmental determination. The final form of the environmental document will be a result of the assessment of cumulative impacts associated with the final specific plan parameters, goals, and objectives.

TDA's comprehensive scope of services, which is included herein, delivers these efforts in an amount not to exceed \$132,811.25. Upon completion of the Draft Environmental Impact Report for compliance with CEQA, the draft report will be provided to the IVDA Board for further review and consideration. TDA anticipates a draft of the Inland Valley Infrastructure Corridor EIR to be available for circulation by the end of April 2024.

Staff recommends that the Board approve the above recommended action.

Attachments:

1. Tom Dodson & Associates Cost Proposal
2. Site Map

TOM DODSON & ASSOCIATES

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MAILING ADDRESS: PO BOX 2307, SAN BERNARDINO, CA 92406

TEL (909) 882-3612 • FAX (909) 882-7015

E-MAIL TDA@TDAENV.COM • WEB: TDAENVIRONMENTAL.COM



March 4, 2024

Mr. Michael Burrows
Inland Valley Development Agency
1601 East 3rd Street
San Bernardino, CA 92408

Dear Mike:

On behalf of Tom Dodson & Associates (TDA), I appreciate the opportunity to submit this proposal to assist the Inland Valley Development Agency (IVDA) to compile the environmental documentation required to allow the Inland Valley Infrastructure Corridor (IVIC) Project. This proposal is designed to provide the IVDA with a procedural review process that will consider the preparation of an Environmental Impact Report (EIR) that covers each of topics required to be analyzed by CEQA.

The IVDA is seeking the appropriate environmental documentation/determination for the implementation of a new Specific Plan for the planning area. Based on our understanding of the planning effort to date, TDA proposes to implement the following work effort to meet the IVDA's CEQA compliance objectives

SCOPE OF WORK

TDA will implement the following tasks to support the IVDA to meet CEQA requirements for the IVIC.

Task 1: Attend Meetings

TDA will attend meetings with program team and consultant engineering representatives to develop a comprehensive definition of the project that will be used to forecast impacts in the Program EIR (PEIR). Based on our discussions, we believe that IVDA and the Program Team have provided much of the data that will support the preparation of the PEIR. In all cases TDA will be acting as an environmental consultant on behalf of the IVDA to perform the independent review of the project required by CEQA.

Given our recent experience in preparing an EIR with IVDA, we believe that collectively, TDA will need about 20 hours (with both Tom and Kaitlyn present) allocated to meetings in order to ensure adequate communication between IVDA and TDA as we work together to prepare a comprehensive EIR.

- **\$5,800** (20 hours per two staff members at each meeting at TDA's standard rate)

Task 2: Prepare the Technical Studies to Support Environmental Documentation

Because we have recent technical studies from the Airport Gateway Specific Plan, we believe the technical studies can be initiated prior to or immediately after this proposal is accepted. Based on the project description that has being compiled and was utilized to begin the Notice of Preparation (NOP) comment period, the preparation of the technical studies is the first stage of review that must be completed to evaluate the environmental consequences of implementing the various programs and facilities to be installed under the program over the its life. TDA will rely upon the most current environmental data compiled in various published environmental and planning documents and specific technical studies that will address impacts of the required program improvements. In TDA's opinion technical studies will be required to address the following issues:

• Cultural: CRM TECH	\$7,800
• Transportation: Urban Crossroads	\$19,800
• Air Quality/GHG: Urban Crossroads	\$10,900
• Health Risk Assessment: Urban Crossroads	\$9,360
• Noise: Urban Crossroads	\$8,800
• Biology: HDR	\$10,000
• Hydrology/Water Quality/Drainage	\$7,500

Subconsultant Total: **\$74,160**

Task 3: Prepare Draft PEIR

Once authorized to proceed, TDA will finalize a draft full-scope PEIR. We believe that, due to the short time frame in which we have to complete the draft EIR and get it out for public review, we do not have time to prepare an Initial Study that would narrow the topics in an EIR to only those that might cause a significant impact. TDA believes that we can utilize much of the background data gathered on behalf of preparation of the AGSP EIR to substantiate and analyze the impacts that would result from the IVIC, but of course a great deal of analytical effort and research will be required to gather the data needed to prepare a comprehensive EIR. The EIR will utilize the CEQA Initial Study Checklist to determine the environmental impacts that would result from implementation of the IVIC. Below is a list of each of the topics to be addressed, with a summary of the costs and hours anticipated to be expended on these topics as a whole.

- I. Aesthetics
- II. Agriculture and Forestry Resources
- III. Air Quality
- IV. Biological Resources
- V. Cultural Resources
- VI. Energy
- VII. Geology and Soils
- VIII. Greenhouse Gas
- IX. Hazards and Hazardous Materials
- X. Hydrology and Water Quality
- XI. Land Use and Planning
- XII. Mineral Resources
- XIII. Noise
- XIV. Population and Housing
- XV. Public Services
- XVI. Recreation

- XVII. Transportation
- XVIII. Tribal Cultural Resources
- XIX. Utilities and Service Systems
- XX. Wildfire

Total: \$29,200 (~210 hours at TDA's standard rate)

In addition to the above topics, an EIR typically begins with an Executive Summary and an Introduction. The Executive Summary typically summarizes the impacts of implementing the project, and summarizes mitigation measures that support the environmental impact determination. The Executive Summary also summarizes the alternatives to the proposed project. The Introduction discusses the purpose and use of the EIR, and also incorporates comments received during the NOP comment period and directs the reader to where their comments are answered in the document and briefly responds to each comment. In addition to the above, the EIR must discuss alternatives and topical issues such as growth inducement. (TDA hours: 40)

Given the above the estimated fee for carrying out this task is:

- PEIR: **\$35,000** (~250 hours at TDA's standard rate)

Task 4: Complete the CEQA Process with the PEIR

The following steps will be implemented to complete the CEQA review process:

- a. Distribute the proposed document for public review (45 days)
- b. Respond to comments on the EIR/EA
- c. Prepare a Mitigation Monitoring and Reporting Program
- d. Compile a final PEIR package for the IVDA Board's consideration (CEQA certification)
- e. Prepare a Notice of Determination (NOD) with the County and State on behalf of the IVDA.

TDA estimates that the above effort under Task 4 will require up to 60 hours plus the NOD filing fee with San Bernardino County. Additionally, this includes \$5,000 for expense related to circulating the PEIR and finalizing the PEIR.

- Final PEIR/NOD: \$8,700 (~60 hours at TDA's standard rate) + NOD filing fee \$4,151.25 + direct costs \$5,000 = **\$17,851.25**

The end result of the Task 4 work efforts is a completed CEQA process for IVDA. This document will be prepared at a level of detail consistent with our understanding of the project at hand, as demonstrated in our draft Project Description that IVDA is currently reviewing and revising. The Final IVIC PEIR will cover each element and facility under the umbrella of this program environmental document.

Total Fee

Total fee, including the technical studies, is **\$132,811.25**. Based on our discussions, this proposal assumes no inordinate delays during review periods and no major issues, not identified above, arising during the review process.

Task	Fee
Task 1 – Attend Meetings	\$5,800
Task 2 – Prepare Technical Studies	\$74,160
• Cultural: CRM TECH	\$7,800
• Transportation: Urban Crossroads	\$19,800
• Air Quality/GHG: Urban Crossroads	\$10,900
• Health Risk Assessment: Urban Crossroads	\$9,360
• Noise: Urban Crossroads	\$8,800
• Biology: HDR	\$10,000
• Hydrology/Water Quality/Drainage	\$7,500
Task 3 – Prepare Draft PEIR	\$35,000
Task 4 – Complete the CEQA Process with PEIR	\$17,851.25
TOTAL Estimated Fee	<u>\$132,811.25</u>

Conclusion

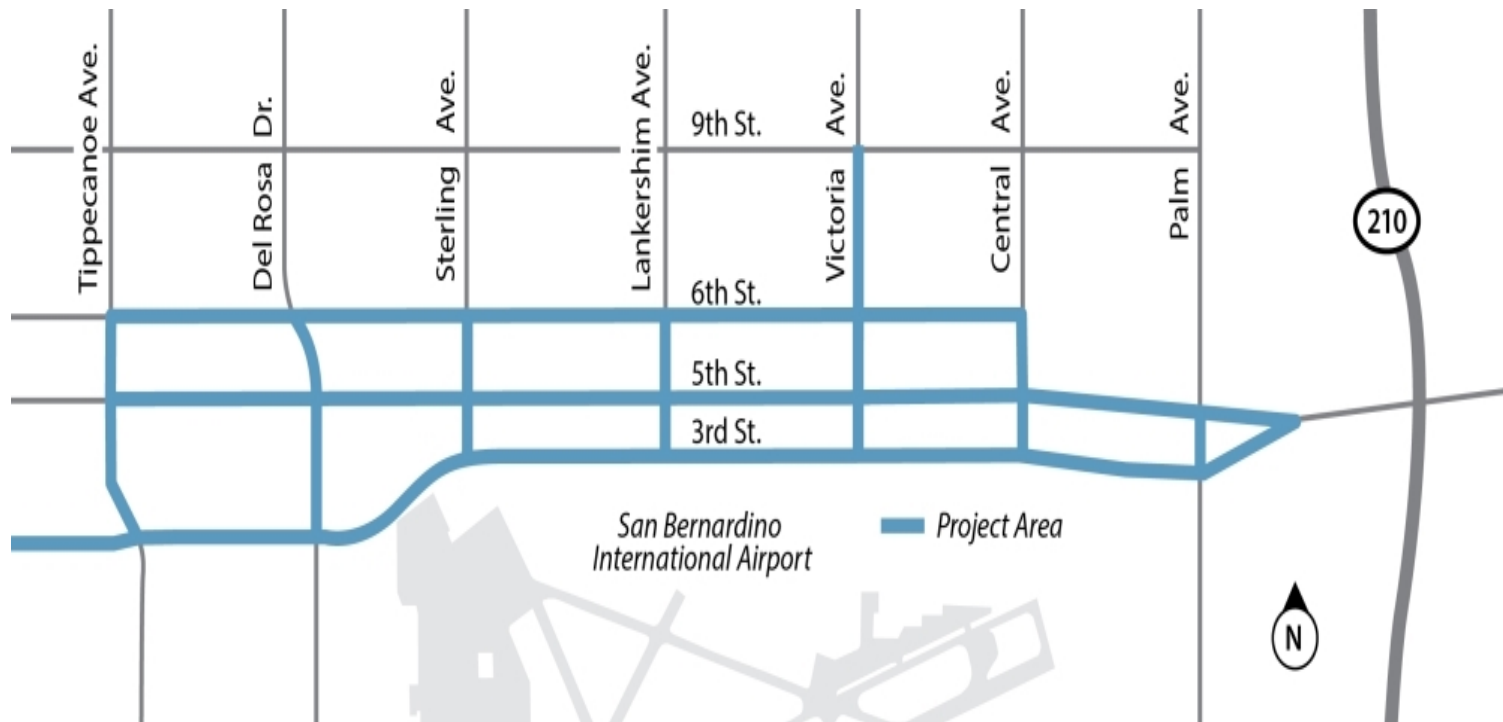
TDA appreciates the opportunity to submit this proposal to IVDA, as the representative of the project team. Tom Dodson, in conjunction with Kaitlyn Dodson-Hamilton will oversee preparation and carry out all final editing of the document(s) prepared to support the IVIC. The scope of work outlined above will lead to a fully substantiated CEQA environmental determination for the proposed project over a period beginning in March 2024 and ending in May 2024 with the Draft EIR aiming for a hearing date over the summer, under the assumptions outlined above. I believe the schedule above is very tight, but is possible to comply with CEQA requirements for this project and meet the project team's objectives for the proposed program. Should you have any questions regarding the above proposal, please feel free to give me a call.


Sincerely,



Tom Dodson

Inland Valley Infrastructure Corridor



	<p>TO: Inland Valley Development Agency Board</p> <p>DATE: March 13, 2024</p> <p>ITEM NO: 9</p> <p>PRESENTER: Michael Burrows, Chief Executive Officer</p>
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SUBJECT: REVIEW STATUS OF THE ACTION PLAN FOR THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA) THROUGH JUNE 30, 2024

SUMMARY

On December 9, 2015, the IVDA Board adopted a Strategic Plan. In 2020, the IVDA updated its Business plan, which identify key dates and deliverables in an effort to focus Inland Valley Development Agency (IVDA) Staff and resources to increase organizational and operational efficiencies and results.

RECOMMENDED ACTION(S)

Review the Action Plan for the Inland Valley Development Agency through June 30, 2024.

FISCAL IMPACT

None. The proposed plan identifies staff resources for which funding is included in the General Fund of the adopted Inland Valley Development Agency (IVDA) Budget for Fiscal Year 2023/24.

PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Michael Lewin
FINAL APPROVAL:	Michael Burrows

BACKGROUND INFORMATION

The Action Plan identifies key dates and deliverables in an effort to focus Inland Valley Development Agency Staff and Resources to increase organizational and operational efficiencies.

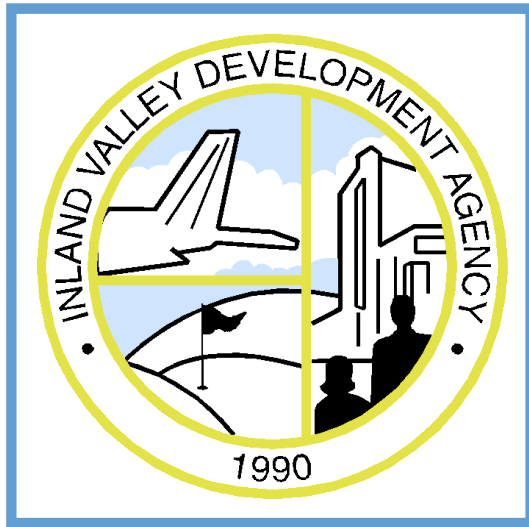
This status is offered for consideration and review. Updates and adjustments should be made, as appropriate, at each monthly interval.

For review and discussion.

Attachments:

1. IVDA Action Plan

June, 2024– IVDA Focal Areas



JPA Obligations

UAS Center at SBD

Annual ROPS

Alliance-California
Obligations

Northgate Development

Economic Development
Programs

Inland Valley Infrastructure
Corridor

Sterling Avenue

Grant Programs & Initiatives



Inland Valley Development Agency

Action Plan for IVDA (06/30/24)

Month	Key Initiative	Key Resources	Completion Date
January, 2024	Sterling Avenue Grant, 3 rd & 5 th Street, Quarterly Financials	IVDA Board & Committee, CEO, General Counsel, Director of Finance, Staff	January 31, 2024
February, 2024	Annual Audit File Annual ROPS	IVDA Board & Committee, CEO, Director of Finance, Staff	February 28, 2024
March, 2024	Northgate Development Update Sterling Avenue Grant	IVDA Board & Committee, CEO, Director of Finance, Staff	March 31, 2024
April, 2024	Economic Development Initiatives	IVDA Board & Committee, Project Manager; Director of Finance, Clerk of Board, Staff	April 30, 2024
May, 2024	Draft Annual Budget Preparation; Grant Initiatives	IVDA Board & Committee, CEO, Director of Finance, Staff	May 31, 2024
June, 2024	Adopt Annual Budget	IVDA Board & Committee, CEO, Director of Finance, Staff	June 30, 2024

IVDA Action Plan – Implementation



March, 2024

Sub-Initiative Status:



Incomplete In Process Completed

	Annual ROPS (County Oversight Board)	
	Grant Program Report & Initiatives	
	JPA and Interagency Revenues and Resources	
	Alliance-California Obligations Northgate Development	
	Economic & Community Development Initiatives	
	Inland Valley Infrastructure Corridor Sterling Avenue	
	Annual Business Plan Review	

